



NASDAQ OMX Copenhagen
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Topsil to expand: New facility in upcoming clean tech park becomes a reality

Late Wednesday evening, Topsil Semiconductor Materials A/S signed a purchase agreement with Frederikssund Municipality, concerning purchase of land to build a new state of the art facility in an upcoming clean tech park, Frederikssund. The new facility is to replace the current factory by late 2012, and the agreement constitutes an important milestone in implementing Topsil's growth strategy, focusing on modernisation and expansion of production capacity.

"The new facility makes it possible to meet expected market growth of the coming years. We expand production capacity while improving our competitive situation by rethinking flow and investing in new, advanced technology" says Topsil Semiconductor Materials A/S CEO, Mr Keld Lindegaard Andersen.

"Strengthening our cost position through efficiency gains and improving silicon poly yield is a vital part of our strategy. The new facility will not only ensure stronger customer loyalty among existing customers, but it is also the key to attracting new customers. Our new factory will be a state of the art, scalable clean room facility, allowing for shorter lead times and supporting the development of new products within high growth areas."

Construction costs are expected to total approximately DKK 205m from 2010 through 2012, of an aggregated investment budget of approximately DKK 290m, with the highest drawing on liquidity in 2011. Investments will be covered by expected cash flows from operations, committed loan facilities as well as a successfully completed share issue that generated proceeds of DKK 85m in May 2010.

Completion of the new facility is expected by end H1 2012, after which a step by step transfer of machinery and other equipment will continue for the rest of the year.

Following the municipal approval of the agreement late Wednesday evening, Frederikssund Mayor, Mr Ole Find Jensen, is pleased to welcome Topsil in the upcoming clean tech park.

“Topsil’s decision is of great importance to the clean tech park project. Once the new facility is up and running, I am certain that Topsil will further continue the strong performance of recent years. Yet, at the same time Topsil will contribute to inspiring and attracting additional companies to the park, and so Topsil will become one of the cornerstones of an attractive and innovative business environment to materialise in the coming years” Mr Ole Find Jensen says.

Further information

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