



Københavns Fondsbørs
Nikolaj Plads 6
1067 København K

17.07.2000

No. 13/00

Notification to the Stock Exchange

Production co-operation with Taiwanese company

Topsil Semiconductor Materials A/S has made an agreement on a production co-operation with Sino-American Silicon Products Inc. (SAS), who is producing CZ silicon wafers and ceramics for the electronic industry. The company is located in Taiwan.

According to the agreement Topsil will be outsourcing a major part of its mechanical processing of silicon wafers to SAS. The processing comprises cutting, lapping, etching and polishing of the ingots produced at Topsil's plant in Frederikssund.

The agreement implies that Topsil is selling equipment for approx. DKK 21 mill., and overheads will be reduced by DKK 4 mill. This transaction may result in a major staff reduction.

Topsil's silicon wafers will still be marketed from the office in Frederikssund. The core business of the company, which is production of FZ silicon ingots for high power products, will not be comprised by the outsourcing agreement. This production will continue in Frederikssund.

The full benefit of the agreement on outsourcing of parts of the production cannot be finally made up, until the result of the negotiations with a potential new investor on the financial situation of the company is available.

The final date for the closing of these negotiations was extended 2 weeks ago from 1st July till 1st September 2000 according to notification No. 11/00 to the Stock Exchange of 3rd July 2000.

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