



## PRESS RELEASE

**Paris, Swindon - March 3, 2008 - Acquisition by MHS of the ZARLINK Analog Foundry activity assets, located in Swindon (UK)**

Zarlink Semiconductor Ltd and MHS Industries SA companies announce an agreement for the sales of the assets of Zarlink's Analog Foundry, located in Swindon (United Kingdom) to MHS Electronics UK Ltd.

MHS Electronics UK is a subsidiary of MHS Industries Group, which also owns MHS Electronics in Nantes (France).

The agreement includes the acquisition of the Semiconductor Foundry manufacturing assets, the Intellectual Properties (IP) portfolio, a wafer supply agreement between the two companies as well as the external customer business.

Approximately 120 Zarlink employees will be transferred to MHS Electronics as part of the sale.

The final agreement was signed on the 29<sup>th</sup> of February 2008.

This acquisition is part of the MHS Industries strategy to develop its Silicon Foundry Products and Services product line, today offered by its subsidiary, MHS Electronics.

“Thanks to this acquisition and the cooperation of our teams in Europe, we are very proud to create a leading group with the appropriate experience, dynamism and innovation that will enable us to meet our customers' long-term expectations,” said Bruno GRANGIER, MHS Industries President, who expressed his confidence that this group will continue to grow in the future.

“This transaction will benefit Zarlink and its shareholders, while the Analog Foundry employees will prosper as part of a pure-play semiconductor foundry,” commented Kirk MANDY, President and CEO, Zarlink Semiconductor.

Therefore, by increasing its manufacturing capacities and by enlarging its technology portfolio, MHS Industries becomes, with its MHS Electronics subsidiaries, an European Silicon Foundry key provider of specialized Analog and Mixed-Signal technologies, that will serve the Automotive, Space, Defence, Telecommunications, Medical and Industrial markets.



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### About Zarlink Semiconductor

For over 30 years, Zarlink Semiconductor has delivered semiconductor solutions that drive the capabilities of voice, enterprise, broadband and wireless communications. The Company's success is built on its technology strengths including voice and data networks, optoelectronics and ultra low-power communications.

For more information, visit: [www.zarlink.com](http://www.zarlink.com)

### About MHS Industries and MHS Electronics

With this acquisition, MHS Electronics, as a subsidiary of the French MHS Industries Holding company, offers Silicon Foundry services based on high performance Analog Bipolar, BiCMOS & LDMOS technologies and specialized mixed-signal CMOS & BiCMOS processes.

With several decades of experience in microelectronics, MHS provides dedicated solutions to zero-failure tolerance markets such as Automotive, Space, Defence, Telecommunications, Medical and Industrial markets.

MHS Electronics services include turnkey ASIC project management, wafer manufacturing, low-cost prototyping services and assembly/test.

For more information visit: [www.mhs-industries.com](http://www.mhs-industries.com) / [www.mhs-electronics.com](http://www.mhs-electronics.com)

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