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**PRESS RELEASE**

**Cree and STMicroelectronics Announce Multi-Year  
Silicon Carbide Wafer Supply Agreement**

*Agreement to boost commercial expansion of SiC in automotive and industrial applications*

**DURHAM, N.C. and GENEVA, Jan. 7, 2019** — Cree, Inc. (Nasdaq: CREE) announces that it signed a multi-year agreement to produce and supply its Wolfspeed® silicon carbide (SiC) wafers to STMicroelectronics (NYSE: STM), a global semiconductor leader serving customers across the spectrum of electronics applications. The agreement governs the supply of a quarter billion dollars of Cree's advanced 150mm silicon carbide bare and epitaxial wafers to STMicroelectronics during this period of extraordinary growth and demand for silicon carbide power devices.

"ST is the only semiconductor company with automotive-grade silicon carbide in mass production today, and we want to press forward to grow our SiC business both in terms of volume and breadth of applications served, targeting leadership in a market estimated at more than \$3B in 2025," said Jean-Marc Chery, president and CEO of STMicroelectronics. "This agreement with Cree will improve our flexibility, sustain our ambition and plans, and contribute to boosting the pervasion of SiC in automotive and industrial applications."

"We remain focused on increasing the adoption of silicon carbide-based solutions, and this agreement is a testament to our mission," said Gregg Lowe, CEO of Cree. "This is the third multi-year agreement that we have signed this past year in support of the industry's transition from silicon to silicon carbide. As the world leader in silicon carbide, Cree continues to expand capacity to meet the growing market needs, particularly in industrial and automotive applications. We are extremely pleased to continue to support STMicroelectronics as we both invest to accelerate this market."

Wolfspeed, A Cree Company, is the global leader in the manufacture of silicon carbide wafers and epitaxial wafers. The supply agreement enables silicon carbide applications in the broad automotive and industrial markets.

**About STMicroelectronics**

ST is a global semiconductor leader delivering intelligent and energy-efficient products and solutions that power the electronics at the heart of everyday life. ST's products are found everywhere today, and together with our customers, we are enabling smarter driving and smarter factories, cities and homes, along with the next generation of mobile and Internet of Things devices. By getting more from technology to get more from life, ST stands for life.augmented.

In 2017, the Company's net revenues were \$8.35 billion, serving more than 100,000 customers worldwide. Further information can be found at [www.st.com](http://www.st.com).

**About Cree, Inc.**

Cree is an innovator of Wolfspeed® power and radio frequency (RF) semiconductors, lighting class LEDs and lighting products. Cree's Wolfspeed product families include silicon carbide materials, power-switching devices and RF devices targeted for applications such as electric vehicles, fast charging, inverters, power supplies, telecom and military and aerospace. Cree's LED product families include blue and green LED chips, high-brightness LEDs and lighting-class power LEDs targeted for indoor and outdoor lighting, video displays, transportation and specialty lighting applications. Cree's LED lighting systems and lamps serve indoor and outdoor applications.

For additional product and Company information, please refer to [www.cree.com](http://www.cree.com).

**Forward Looking Statements:**

This press release contains forward-looking statements involving risks and uncertainties, both known and unknown, that may cause actual results to differ materially from those indicated. Actual results may differ materially due to a number of factors, including the risk that we may be unable to manufacture these new products with sufficiently low cost to offer them at competitive prices or with acceptable margins; the risk we may encounter delays or other difficulties in ramping up production of our capacity to supply these products; customer acceptance of our products; the rapid development of new technology and competing products that may impair demand or render Cree's products obsolete; and other factors discussed in Cree's filings with the Securities and Exchange Commission, including its report on Form 10-K for the year ended June 24, 2018, and subsequent filings.

Cree® and Wolfspeed® are registered trademarks of Cree, Inc.

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