Samsung Initiates Construction for FAB Expansion to Introduce New Capacity for Next Generation Nano-Scale Memory Technol

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Samsung Electronics Co., Ltd., the world leader in advanced semiconductor memory technology, today broke ground on the second stage of the expansion of its Austin memory chip fabrication plant. The 34,000 square foot expansion of its manufacturing area is part of a succession of investments that will equip its Austin plant for next-generation advanced semiconductor fabrication technology.

Samsung's three-year investment plan of $500 million announced May 2003, will upgrade, expand, and increase capacity to produce nano-scale semiconductor memory technology at the Austin plant. The nano-tech upgrade investments will enable Samsung Austin Semiconductor to deliver 0.1-micron geometry designs down to 0.08-microns at a capacity of 50,000 wafers per month for manufacturing giga-density DRAM devices.

Currently, the Austin plant manufactures several types of memory chips including 16, 64 and 256-megabit chips in the .123 micron feature size. The northeastern Austin plant has about 970 employees. Phase-two involves the construction of a linked fabrication line, a means to increase the total capacity. The outer shell and the clean room of the new extension, initiated this year, will be followed by equipment set-ups by July 2005.
Samsung plans to increase employment of approximately 300 to join Samsung over the three-year term. The additional 300 jobs, with an average wage of almost $53,000 per year will put more than $15 million per year into the Austin economy, according to a recent economic impact study conducted by the Greater Austin Chamber of Commerce. That spending plus the associated spending on equipment and materials will mean as much as $753.3 million to the Austin economy in direct and spin-off effects when the fab is totally operational, according to the study. The Chamber report said that during the construction phase, the expansion could generate about $135.2 million and create over 1,100 jobs on the project, most of them temporary.

Samsung Austin Semiconductor, established in 1996 is Samsung's single semiconductor fabrication plant outside of Korea. The Austin plant has been a successful link between the Korea-based electronics company and its long-term business relations with customers in the US.

The relationship Samsung has established with Austin community is a benchmark investment to Samsung. The past eight years has enabled Samsung to experience true globalization through successful localization of management and integration of its advanced memory technology.

In addition, Samsung Austin Semiconductor shares the "contribute to the community" spirit that lives throughout Samsung. Samsung charitable contributions have totaled about $3.5 million, including $300,000 for the Long Center for the Performing Arts; $270,000 for the Capitol's Korean War Memorial and $100,000 for the holographic display at the airport.

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