

Press Release

Dielectric Materials Supplier Silecs Completes Expansion Funding Round

Company appoints industry veteran Dr. Steve Kirtley as chairman of the board

SAN JOSE, California, September, 2004 - Silecs, Inc., a provider of dielectric solutions for the semiconductor industry, announced today that it has raised a further funding round to expand its global sales and application engineering support personnel and strengthen product manufacturing capabilities. The additional funding of approximately \$6 million was led by a new investor, InnovationsKapital, and also includes investments from existing investors and government-backed funding.

The company also announced that it has appointed Dr. Steve Kirtley as chairman of the board. Dr. Kirtley has been involved with the dielectrics industry since 1981, when he developed and commercialized the first spin-on glass (SOG) dielectrics at Allied Signal (later merged with Honeywell). Under his leadership, Allied's business grew to the world's largest supplier of spin-on dielectric products, with sales to over 100 fabs around the world. In addition to his chairman role at Silecs, Dr. Kirtley continues to serve at Thomas West, Inc. as chief operating officer.

"We are very excited to have Dr. Kirtley bring his vast experience to Silecs, at a time when we are seeing strong customer interest for our products on a global basis," said Jaakko Kokko, CEO and co-founder of Silecs. "We will use the new funding to expand our application engineering support, product manufacturing and delivery capabilities to exploit the large market opportunity in Asia, US and Europe."

According to Jonas Risberg, Investment Director of InnovationsKapital, Silecs is positioned to be a leader in its market. "Silecs provides solutions to some of the semiconductor industry's key technical

problems and we believe that Silecs' dielectric technologies will have a significant impact on the semiconductor industry's development." Risberg reported that Silecs has developed a range of products that satisfy key performance and integration requirements of semiconductor manufacturers, addressing both aluminum and copper processes.

"This new round of expansion capital coincides with multiple new customer requests to evaluate Silecs' materials in their production facilities," noted Edward Colby, managing director of Viventures, a Silecs investor and board member. "The new capital will enable Silecs to accelerate the delivery of its products and services to these leading semiconductor manufacturers."

About Silecs, Inc.

Headquartered in San Jose, Calif., Silecs, Inc. provides specialty materials for the electronics industry with a focus on advanced dielectrics for semiconductor manufacturing. Silecs has developed a range of unique materials through molecular engineering to meet the performance and integration requirements of semiconductor customers, while helping to reduce their manufacturing costs. Silecs, Inc. is a privately held company backed by leading investors, including Kleiner Perkins Caufield & Byers, Viventures Partners and InnovationsKapital. Additional information on Silecs can be found at www.silecs.com.

Company contact: Tiina Raij, Marketing Communications, 408.549.9882, marketing@silecs.com

Agency contact: Bruce Kirkpatrick, Kirkpatrick Communications, 925.244.9100 or brucekirk@kirk-com.com.

About InnovationsKapital

InnovationsKapital was founded in 1994 and is a leading early stage venture capital firm for innovative growth companies in the Nordic region. The business, carried out from offices in Gothenburg and Stockholm, is focused on Nordic investments within ICT and Healthcare & Life Sciences - dynamic sectors that are rapidly expanding and where Nordic research plays an important role. The capital (EUR 200 million) is managed in three funds and is provided by highly reputable Swedish and international institutional investors.

Further information about InnovationsKapital can be found at www.innkap.se