



# Q & A

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## Significance

### What is the reasoning behind converting the 8-inch fab to a 12-inch facility?

The scale of economy shifts to larger size wafers when considering higher production efficiencies. Samsung's advanced DRAM technology and competitive product mix has extended the use of its older technology fabs. The new upgrade is designed to enhance operations at Austin by better serving customers with advanced technologies.

## Employees

### How will the employees be affected?

The dedicated workforce at Fab 1 of about 500 employees will be affected. They will be given a severance package and supported with a transition program.

## Fabrication

### When will 8-inch operations stop at Fab 1?

This is scheduled to take place in October 2009.

### What is the new upgrade plan for Fab 1?

Fab1 will be redesigned to handle the back-end process for the 12-inch Fab 2. It will be integrated into Fab 2.

### When will the 12-inch production commence at the upgraded Fab 1 site?

Remodeling will take place in 2010. Fab 1 will be equipped as a part of the 12-inch Fab 2 and readied for production in 2010.

## Investment

### How much is Samsung investing in this upgrade project?

As capital expenditure figures are not approved by the board at this time, we are not announcing any solid investment figures today. But we do anticipate investments of approximately 500 million US\$ for the Austin site in 2010.