



X-FAB MEETS THE PRESS: Ngieng (centre) chairing the press conference. Also seen are Chin (right) and Sia.

# X-FAB S'wak looks to Unimas for engineers

By Churchill Edward

**KUCHING:** Silicon wafers manufacturer X-FAB Sarawak Sdn Bhd's (X-FAB) greatest challenge today is finding a steady supply of engineers to maintain an ideal technical team.

The analog and mixed-signal integrated circuits (ICs) foundry is facing stiff competition from countries like Taiwan, Singapore and Korea in this area of human resource, said X-FAB Sarawak chief operating officer Ngieng Sii Jing.

To match the need to have a technical workforce with the required skills, X-FAB is collaborating with Universiti Malaysia Sarawak (Unimas) to provide the foundry with a steady stream of skilled technicians and engineers, he added.

According to him, the digital technology is a science while the analog one is "some sort of an art".

It is more difficult to find talents in the analog sector, he said, adding, the greatest challenge for X-FAB Sarawak is still (scouting for) engineers.

"We have to compete with Taiwan, Singapore and Korea in this area. We are always on the look out for good engineers," Ngieng told a press conference yesterday.

The engineers they are looking for are those skillful in electronics, electrical and design, he said.

X-FAB Sarawak and Unimas are collaborating on a programme called Graduate Diploma in Microelectronics, but that in the future their educational joint

ventures may include bachelor and masters degree courses, Ngieng said.

On expenditure, Ngieng pointed out that X-FAB Sarawak may not be embarking on major capital expansion.

"There may be a small capital spending and in a nutshell, this expenditure is to further improve efficiency," he said adding that the foundry may be spending a sum under five per cent of its total sales revenue.

X-FAB's end-product is applied in sectors like communications, consumer, personal computer and its peripherals as well as automotive.

In the automotive sector, it is applied in fuel injection control, rain sensors, comfort systems, anti-theft devices and air-bag application.

Yesterday's press conference was held to highlight X-FAB Silicon Foundries Group's latest achievement or development.

Also present were chief financial officer Stephen Chin Yun Chieh, senior product marketing manager Sia Siaw Chuan and MarCom (public relations) manager Barbara Jubah Jabu.

Through press statement issued in Erfurt Germany, the group said it has successfully transferred four complex processes and has added a new 0.18 micrometer technology to its line-up.

"This rapid progress is in line with the company's substantial growth during the past years, and allows X-FAB to satisfy rising customer demand worldwide for analog/mixed-signal technologies," the statement said.

In 2007 the group recorded a large sales increase of approximately 66 per cent year-over-year.

Sales revenue for 2007 was US\$409.9 million compared to US\$246.7 million the previous year.

"X-FAB which manufactures analog-digital ICs on customer order, continued to experience strong demand for mix-signal technologies for applications in automobile, communications and consumer goods sectors," the statement said.

A major highlight of 2007 was the addition of the Dresden manufacturing facility into the group.

The operating result for 2007 was US\$46.7 million, an increase of approximately 44 per cent over the previous year's US\$32.3 million.

Earnings before tax jumped by 65 per cent to US\$38.7 million compared to earnings before tax the previous year which was US\$23.4 million.

Group CEO Hans-Jurgen Straub said: "X-FAB recorded strong growth, with quarterly sales of more than US\$110 million and annual sales of more than US\$400 million in 2007, topping our previous records.

"With the addition of two new sites in Kuching and Dresden during the past two years, our focus in 2008 is on internal optimisation. We do however expect X-FAB to show growth that is above the industry average this year."

The group has wafer production facilities in Erfurt and Dresden Germany, Plymouth (UK) and Lubbock, Texas (USA) apart from Kuching.