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## **Silicon Border Awarded Development Grant from Mexico to Re-establish Chip Manufacturing in North America**

*Federal and state investment and expanded exclusivity agreement signal progress  
for semiconductor-focused science park planned in Baja California capital*

**SAN DIEGO, Calif. (Dec. 6, 2004)** – Silicon Border Development announced it has finalized agreements with the Mexican federal and Baja California state governments for a development grant and an expanded exclusivity agreement for a specialized science park that will establish a strategic alternative for cost-effective and centralized semiconductor operations in North America.

"This dual support from our North American neighbor is important in establishing momentum and moving to the next step in our development roadmap," said DJ Hill, chairman of Silicon Border. "We are excited to tap the tremendous synergy that is possible between the U.S. semiconductor industry and the Mexican manufacturing community to increase the stability and success of the global high-tech supply chain."

The federal government of Mexico and the State of Baja California are jointly providing a grant to Silicon Border Development to develop the high-technology park in Mexicali, capital city of Baja California. The amount of the grant was not disclosed, but a portion comes from Mexico's federal Prosoft program, formed to support technology development throughout the country.

"The continuing collaboration among federal and state government and private enterprise is a reflection of Mexico's growing role in a technology-driven global economy," said Governor Eugenio Elorduy Walther of Baja California, Mexico. "The State of Baja California is a leading region for technology development efforts energized by President Fox, and we welcome the opportunity to host a world-class center for advanced semiconductor operations that will strengthen the foundation of high-tech industry."

The expanded agreement with the State of Baja California grants Silicon Border an additional 24 months of exclusivity for the development of a technology-focused park, including commercial land use and access to mission-critical water, electricity and gas in a 15-square mile area just two hours from San Diego.

"The traditional thought process has been immediately to outsource to Asia because the costs and efficiency models couldn't be beat," said Len Jelinek, director and principal analyst for iSuppli. "However, Silicon Border, with the full support of the Mexican government, has devised a win-win model that offers an interesting economic alternative and absolutely suggests the possibility of bringing some cost-effective manufacturing back to North America."

**About Silicon Border**

Silicon Border is a 10,000-acre high-technology science park catering to the specialized needs of the semiconductor and other capital-intensive technology sectors. Planned for development along the U.S.-Mexico border in Mexicali, Silicon Border enables a cost-effective and competitive manufacturing alternative in North America for emerging and global companies. Improving upon the world's leading technology parks, the park's 15 square miles of world-class infrastructure and education will support the stringent requirements of the semiconductor, flat panel display, telecom, optoelectronic and biotechnology industries. More information about Silicon Border is available online at <http://www.siliconborder.com>.

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