



[For Immediate Release]

ASM REPORTS ANOTHER QUARTER OF RECORD PERFORMANCE AMID UNCERTAIN GLOBAL ECONOMY

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**2008 INTERIM TURNOVER UP 23.3% TO HK\$2,927 MILLION
PROFIT ROSE 23.5% TO HK\$675 MILLION**

Highlights

- Group turnover of US\$376 million for the first six months of 2008, an increase of 23.3% over the same period last year
- Profit of HK\$675 million for the first half of 2008, an increase of 23.5% over the same period last year and earnings per share of HK\$1.73
- Record Group turnover of US\$206 million in second quarter 2008, and an increase of 14.0% over the same period last year
- Record quarterly Equipment turnover of US\$164 million in second quarter 2008, achieving 25.2% growth over the preceding quarter and 11.5% growth over same period last year
- Record quarterly Leadframe turnover of US\$42 million in second quarter 2008, achieving 11.3% growth over the preceding quarter and 24.8% growth over same period last year
- Group new order bookings of US\$207 million in second quarter 2008, an increase of 17.5% sequentially over the preceding quarter
- Retained the world's No. 1 position in semiconductor assembly and packaging equipment industry held since 2002
- Cash on hand of HK\$703 million at the end of June 2008

(Hong Kong, July 31, 2008) — The world's No.1 semiconductor assembly and packaging equipment supplier **ASM Pacific Technology Limited** ("ASM" / the "Group") (Stock code: 522) today announced its interim results for the six months ended June 30, 2008, achieving significantly better turnover than in the corresponding period last year, showing the Group has further enlarged its market share in the industry.

During the period under review, ASM reported a turnover of HK\$2,927 million, representing an increase of 23.3% as compared with HK\$2,374 million for the same period last year. Performance in the second quarter was particularly strong, represents strong double-digit growth over the first quarter of this year. The consolidated profit after taxation for the six months is HK\$675 million which is 23.5% higher than the corresponding period in 2007. Basic earnings per share (EPS) for the half-year period amounted to HK\$1.73 (first half of 2007: HK\$1.41, second half of 2007: HK\$1.85).

The Group saw improved performance across all its major product lines. Equipment revenue achieved a new record of US\$164 million in the second quarter of 2008, representing an increase of 25.2% over the preceding quarter and 11.5% over same period last year. For Leadframe business, it also achieved a new record turnover of US\$42 million in the second quarter of 2008, representing an increase of 11.3% over the preceding quarter and 24.8% over same period last year.

The Board of Directors has resolved to pay an interim dividend of HK\$0.90 (2007: HK\$0.70) and a special dividend of HK\$0.50 (2007: HK\$0.60) per share.

During the period under review, ASM maintained a healthy financial position. Exercising good control on working capital and enjoying on-going positive cash flow from organic growth operation, the Group's cash on hand as at June 30, 2008 was HK\$703 million.

Mr. Lee Wai Kwong, Chief Executive Officer of ASM, said, "We are glad to announce that our record performance in the second quarter is very encouraging. The strong new order backlog as of the end of the second quarter gives us additional dynamic impetus for continued solid performance for the remainder of 2008. This shows that our multiple-application and multiple-product strategies continue to serve us well, allowing us to grow from strength to strength through both the good and bad times, whereas our major competitors are seeing declining or flat growth."

The Group achieved record shipments in the second quarter, but its ending order backlog as of 30 June 2008 was in excess of US\$156 million. The book-to-bill ratio, representing net bookings over billings, was 1.0 for the second quarter of 2008.

During the first half of 2008, the Group also started to see the positive results of the major investments which it has made in its Back End Products (BEP) business group. In time to come, the Group hopes to see its BEP business group emulating the recent success of the Leadframe business and becoming one of the main revenue contributors and a leading pillar for supporting the Company's future business growth. Besides, the launch of its technologically-advanced Eagle XtremeTM gold wire bonder has also been well-accepted by customers. ASM aims to make production deliveries to customers in the second half of 2008.

Going forward, following the announcement of its intention to set up a third research and development (R&D) centre to supplement the existing R&D centres in Hong Kong and Singapore, the Group has decided to locate the R&D centre in Chengdu, which is situated in Sichuan province, China. The new R&D centre is expected to be operational within the second half of 2008. The Group anticipates that it will offer further options for optimizing its valuable R&D resources and enhance the R&D capacity and capabilities in the coming years.

“The challenges faced by the world economy do not appear to have severely affected the semiconductor industry at this time. Major analysts have forecasted that the key end markets that drive demand for semiconductor will continue to be healthy for the rest of 2008. However, amid the potential uncertainty in market condition, the Group will prepare itself to make it as dynamic as possible and well-equipped itself with necessary financial resources to last the potential winter. We believe that ASM will continue to outperform our industry peers and maintain our leading position in the foreseeable future,” Mr. Lee concluded.

About ASM Pacific Technology Limited

ASM has been continuously enlarging its market share, and ranks No. 1 in the world’s semiconductor assembly and packaging equipment industry since 2002. ASM was listed on the Hong Kong Stock Exchange in 1989. The Group is principally engaged in the design, manufacture and marketing of machines, tools and materials used in the assembly and packaging of semiconductors, with operations being carried out in Hong Kong, China, Singapore and Malaysia.

Currently, ASM is one of the constituent stocks on the Hang Seng HK MidCap Index under the Hang Seng Composite Index, and the Hang Seng Information Technology Industry Index.

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(N.B.: Enclosed please find the Condensed Consolidated Income Statement and Condensed Consolidated Balance Sheet of ASM Pacific Technology Limited.)

ASM PACIFIC TECHNOLOGY LIMITED

CONDENSED CONSOLIDATED INCOME STATEMENT

	Six months ended 30 June	
	2008	2007
	(Unaudited) HK\$'000	(Unaudited) HK\$'000
Turnover	2,927,222	2,373,634
Cost of sales	(1,663,697)	(1,358,309)
Gross profit	1,263,525	1,015,325
Other income	13,342	16,648
Selling expenses	(238,418)	(192,453)
General and administrative expenses	(94,200)	(85,535)
Research and development expenses	(173,979)	(149,039)
Finance costs	(1)	(71)
Profit before taxation	770,269	604,875
Income tax expense	(95,677)	(58,475)
Profit for the period	674,592	546,400
Dividend paid	585,942	466,607
Dividend declared	546,879	505,491
Earnings per share		
- Basic	HK\$1.73	HK\$1.41
- Diluted	HK\$1.72	HK\$1.40

ASM PACIFIC TECHNOLOGY LIMITED

CONDENSED CONSOLIDATED BALANCE SHEET

	At 30 June 2008 (Unaudited) HK\$'000	At 31 December 2007 (Audited) HK\$'000
Non-current assets		
Property, plant and equipment	997,915	995,963
Prepaid lease payments	9,107	9,255
Deposit paid for acquisition of property, plant and equipment	38,636	31,401
Deferred tax assets	3,852	4,140
	<u>1,049,510</u>	<u>1,040,759</u>
Current assets		
Inventories	1,080,021	912,347
Trade and other receivables	1,470,316	1,328,748
Prepaid lease payments	520	514
Bank balances and cash	702,688	778,183
	<u>3,253,545</u>	<u>3,019,792</u>
Current liabilities		
Trade and other payables	980,744	921,580
Taxation	242,582	187,324
	<u>1,223,326</u>	<u>1,108,904</u>
Net current assets	<u>2,030,219</u>	<u>1,910,888</u>
	<u>3,079,729</u>	<u>2,951,647</u>
Capital and reserves		
Share capital	39,063	39,063
Dividend reserve	546,879	585,942
Other reserves	2,493,065	2,325,114
Equity attributable to equity holders of the Company	<u>3,079,007</u>	<u>2,950,119</u>
Non-current liabilities		
Deferred tax liabilities	722	1,528
	<u>3,079,729</u>	<u>2,951,647</u>