

[For Immediate Release]

## ASM ANNOUNCES ANOTHER RECORD-BREAKING YEAR IN 2007

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**TURNOVER UP 18.4% TO HK\$5,393 MILLION**  
**PROFIT ROSE 10.4% TO HK\$1,269 MILLION**

### Highlights

- Record high group turnover of US\$691 million, a growth of 18.4% over the previous year
- Record high profit of HK\$1,269 million and earnings per share of HK\$3.26
- Record high equipment turnover, achieving 20.3% revenue growth and US\$552 million sales
- Record high lead frame turnover, achieving 11.3% revenue growth and US\$139 million sales
- Retained world's No. 1 assembly and packaging equipment supplier position held since 2002
- Record high half-year turnover of US\$387 million for second half 2007, a growth of 32.3 % over same period in 2006 and a sequential growth of 27.2% over the preceding six months
- Record high half-year profit of HK\$723 million for second half 2007, a growth of 37.9 % over same period in 2006 and a sequential growth of 32.3% over the preceding six months
- Record high new order bookings of US\$208 million in fourth quarter 2007

(Hong Kong, February 27, 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 annual results for the year ended December 31, 2007, reporting record high earnings and a leading market share with the closest rival trailing 50.9% behind.

During the year under review, ASM achieved record high turnover amounting to **HK\$5,393 million**, representing an increase of 18.4% as compared to HK\$4,556 million for the previous year. The Group's consolidated profit for the year was **HK\$1,269 million**, 10.4% higher than the HK\$1,149 million consolidated profit for last year. Basic earnings per share were **HK\$3.26** (2006: HK\$2.97).

The Board of Directors recommended payment of a final dividend of **HK\$1.10** (2006: HK\$1.00) and a second special dividend of **HK\$0.40** (2006: HK\$0.20) per share. Together with the interim dividend of HK\$0.70 per share and the first special dividend of HK\$0.60 per share already paid in August 2007, the total dividend payment for the year ended December 31, 2007 amounted to **HK\$2.80** (2006: HK\$2.65) per share. This translated into a dividend payout ratio of 86.0% of the Group's profit for the year.

**Mr. Lee Wai Kwong, Chief Executive Officer of ASM,** said, “We are glad that ASM reported another fruitful year. We continued to be the No. 1 assembly and packaging equipment supplier in the world, a position we have held since 2002, and managed to widen our lead to the closest rival by 50.9% or US\$187 million. We were able to respond faster than our peers when the soft market in the beginning of the year started to pick up subsequently in the first quarter. That plus the absence of the usual slack season in the fourth quarter of the year had enabled us to achieve record high revenue and profit in 2007.”

During the period under review, equipment revenue climbed to a high of US\$552 million, equivalent to 79.9% of the Group’s turnover and representing a growth of 20.3% against the previous year. Lead frames revenue in 2007 also broke previous records to reach US\$139 million, growing faster than the market at 11.3%, reflecting a gain in market share. Both equipment business and lead frame business had grown at a robust CAGR of around 23% between 2001 and 2007.

Consumer electronics, such as personal computers, mobile phones, flat-panel displays, MP3 players and digital cameras, continued to be the growth driver of the semiconductor industry. Delivering 20.3% growth in revenue, the Group’s assembly and packaging equipment business outperformed its peers which, according to industry analysts, only grew on average by about 10% in the report period. Return on capital employed and on sales were 49.2% and 26.4% respectively. Overall book-to-bill ratio was 1.07 for the year 2007. Ending order backlog as at December 31, 2007 was US\$150 million. The new order bookings received in the fourth quarter of 2007 was at a record amount of US\$208 million.

The Group maintained a healthy financial position during the review period. Exercising prudent control on working capital and enjoying strong positive cash flow from operation, the Group’s cash on hand as at December 31, 2007 was HK\$778 million. Current ratio and debt-equity ratio were 2.72 and 37.6% respectively.

With its relentless effort to lower cost and improve efficiency of products through employing the most advanced technology, the Group managed to secure markedly greater market acceptance and shares for its new products, including the AD830 die bonder, Chip-on-Board (COB) aluminium wire bonder, Chip-on-Glass (COG) bonder, new generation of gold wire bonder and open-tool high density matrix lead frames. On the customer service front, ASM’s encapsulation solutions group was honored by a key customer for providing a solution to the customer enabling it to re-use an existing molding machine. Such efforts over and above the call of duty are what made ASM a trusted partner to its customers.

Demand of Asian markets, less and less reliant on the U.S. continues to be strong and the semiconductor industry is forecast to grow by 6% to 12% in 2008. After the market consolidation in 2007, some industry analysts predicted single-digit growth at about 6% for the global assembly and packaging equipment industry in 2008 and an about 8% drop in 2009.

To fortify ASM’s leadership and capture the greatest market opportunities, the management team works by the long-term strategy of investing in new and cutting-edge technology and gradually expanding production capacity. It will continue to make sure that the Group offers products to serve diverse application markets and innovative, total packaging solutions to meet new product requirements of customers. Armed with a vertically integrated operation boasting low cost and high efficiency, ASM is poised to deliver the best

products and services to customers most cost effectively.

“These proven strategies will see us achieve organic growth and make inroads in untapped markets. We are confident that with strong financial backup, mastery of advanced technologies, an extensive marketing network and a dedicated workforce, ASM will continue to take its business to new heights,” 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 Consolidated Income Statement and Consolidated Balance Sheet of ASM Pacific Technology Limited.)*

## ASM PACIFIC TECHNOLOGY LIMITED

### CONSOLIDATED INCOME STATEMENT

	Year ended 31 December	
	2007	2006
	HK\$'000	HK\$'000
Turnover	5,392,661	4,555,953
Cost of sales	(3,039,251)	(2,476,568)
Gross profit	2,353,410	2,079,385
Other income	36,316	34,327
Selling expenses	(440,043)	(375,802)
General and administrative expenses	(180,961)	(172,002)
Research and development expenses	(318,525)	(286,935)
Finance costs	(72)	(199)
Profit before taxation	1,450,125	1,278,774
Income tax expense	(180,628)	(129,297)
Profit for the year	1,269,497	1,149,477
Dividend paid	972,098	1,064,413
Dividend proposed	585,942	466,607
Earnings per share		
- Basic	HK\$3.26	HK\$2.97
- Diluted	HK\$3.25	HK\$2.96

## ASM PACIFIC TECHNOLOGY LIMITED

### CONSOLIDATED BALANCE SHEET

	At 31 December	
	2007	2006
	HK\$'000	HK\$'000
<b>Non-current assets</b>		
Property, plant and equipment	995,963	858,989
Prepaid lease payments	9,255	9,128
Deposit paid for acquisition of property, plant and equipment	31,401	-
Deferred tax assets	4,140	878
	<b>1,040,759</b>	<b>868,995</b>
<b>Current assets</b>		
Inventories	912,347	740,161
Trade and other receivables	1,328,748	962,414
Prepaid lease payments	514	480
Bank balances and cash	778,183	914,681
	<b>3,019,792</b>	<b>2,617,736</b>
<b>Current liabilities</b>		
Trade and other payables	921,580	765,817
Taxation	187,324	149,529
Notes payable to a bank	-	7,244
	<b>1,108,904</b>	<b>922,590</b>
<b>Net current assets</b>	<b>1,910,888</b>	<b>1,695,146</b>
	<b>2,951,647</b>	<b>2,564,141</b>
<b>Capital and reserves</b>		
Share capital	39,063	38,884
Dividend reserve	585,942	466,607
Other reserves	2,325,114	2,056,583
<b>Equity attributable to equity holders of the Company</b>	<b>2,950,119</b>	<b>2,562,074</b>
<b>Non-current liabilities</b>		
Deferred tax liabilities	1,528	2,067
	<b>2,951,647</b>	<b>2,564,141</b>
	<b>2,951,647</b>	<b>2,564,141</b>