

[For Immediate Release]

## ASM ANNOUNCES 2010 THIRD QUARTERLY RESULTS

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CONTINUES SETTING NEW HEIGHTS WITH NET PROFIT MORE THAN DOUBLE

### Highlights

- Record group turnover of US\$348 million, a surge of 72.9% over same period last year and a sequential increase of 13.5% over the preceding quarter
- Record profit of HK\$849 million and earnings per share of HK\$2.15, a surge of 111.6% over same period last year and an increase of 24.4% over the preceding quarter
- Record equipment turnover of US\$289 million, representing a strong growth of 80.8% over Q3 2009 and a sequential increase of 13.2% over the preceding three months
- Record lead frame turnover of US\$59 million, a strong growth of 42.1% over Q3 2009 and a sequential increase of 15.2% over the preceding three months
- New order bookings of US\$377 million, a decline of 28.1% from the preceding three months; book-to-bill ratio was 1.08
- With zero debt and record cash on hand of HK\$1,599 million at the end of September 2010

(Hong Kong, October 29, 2010) — The world's No.1 semiconductor assembly and packaging equipment supplier **ASM Pacific Technology Limited** ("ASM" / the "Group") (Stock code: 522) today announced its quarterly results for the three months ended September 30, 2010. The first nine months of this year have set 2010 up to be a record year for ASM. Group bookings, billings and net profits accumulated so far in 2010 have already surpassed all previous records.

Performance in the third quarter is tremendous, the Group reported a turnover of HK\$2,708 million, representing an increase of 72.9% as compared with HK\$1,566 million for the third quarter of 2009. The Group's consolidated profit after taxation is HK\$849 million, which is 111.6% higher, as compared to a profit of HK\$401 million in the same period last year. Basic earnings per share (EPS) amounted to HK\$2.15 (2009 Q3: HK\$1.02, 2010 Q2: HK\$1.73).

During the third quarter, gross margin has further strengthened as a result of the higher production volume and the on-going cost reduction effort that was initiated last year during the global financial crisis.

During the quarter under review, new order bookings amounted to US\$377 million, which is 61.4% above same period last year. The Group's book-to-bill ratio, representing net bookings over billings, remains above one at 1.08 for the third quarter of 2010. As of 30 September 2010, the order backlog amounted to US\$611 million, an increase of 5.0% as compared to the preceding three months.

**Mr. Lee Wai Kwong, Chief Executive Officer of ASM,** said, "It has been a landmark year so far, with the first nine months of the year generating unprecedented growth as a result of vigorous expenditure on Equipment and Lead frame by our customers. The high level of activity elevated our backlog at the end of the third quarter to its highest level in the company's history. In fact, we have been setting new net profit records consecutively for the past five quarters and new billings records consecutively for the past four quarters."

During the third quarter of 2010, the Group is excited to see Equipment revenue increased by 80.8% to US\$289 million from the same period last year and contributed to 83.2% of the Group's turnover. Lead frame revenue achieved an increase of 42.1% over same period last year to US\$59 million and registered a further increase of 15.2% against the second quarter this year.

Going forward, for the Group as well as the entire semiconductor industry, there is little doubt that 2010 will be considered as a year of impressive growth and the semiconductor revenue this year should be able to exceed that of 2007, which was the last peak year. Although substantial moderation in growth is to be expected, the Group remains confident about the market and expects market momentum to pick up again after the year-end seasonal effect, especially when customers' new capex budgets for the coming year are available.

ASM's factory in Huizhou, China had its official opening at the start of August 2010. The factory is progressing as planned, and more than half of the machinery ordered has been installed since its official opening. It is expected to contribute more significantly to the Group's capacity and further improvement in the lead-times for its Equipment business once it is fully operational by the end of the fourth quarter.

In respect of the Group's acquisition of Siemens' Electronics Assembly Systems business ("SEAS"), all the necessary anti-trust clearances have been obtained. According to the timetable agreed with the seller, if the audited financial report for SEAS for the year ended 30 September 2010 is timely provided by the seller, ASM should be able to publish the Circular containing information about the acquisition by December 2010 for obtaining approval for the acquisition at

an Extraordinary General Meeting (“EGM”). The EGM itself is expected to take place in the early part of January 2011. Meanwhile, planning and preparation for the integration are currently in progress.

**Mr. Lee** concluded, “Our remarkable success so far has been attained solely through internal growth. After the acquisition of SEAS, and if we continue to successfully grow our core and emerging businesses, we are confident that we have built a solid foundation from which ASM can grow further into a multi-billion dollar company in the foreseeable future.”

**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 and the Hang Seng Hong Kong 35 index.

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*(N.B.: Enclosed please find the Financial Highlights of ASM Pacific Technology Limited.)*

**ASM PACIFIC TECHNOLOGY LIMITED**

**FINANCIAL HIGHLIGHTS**

**FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2010**

	Three months ended 30 Sep		Nine months ended 30 Sep	
	2010 (Unaudited) HK\$'000	2009 (Unaudited) HK\$'000	2010 (Unaudited) HK\$'000	2009 (Unaudited) HK\$'000
Turnover	2,707,574	1,566,087	6,874,729	2,975,227
Cost of sales	<b>(1,392,964)</b>	(863,899)	<b>(3,644,805)</b>	(1,817,466)
Gross profit	<b>1,314,610</b>	702,188	<b>3,229,924</b>	1,157,761
Other income	2,456	1,649	16,846	5,363
Selling and distribution expenses	<b>(166,246)</b>	(123,766)	<b>(450,215)</b>	(276,288)
General and administrative expenses	<b>(80,759)</b>	(42,107)	<b>(209,550)</b>	(114,025)
Research and development expenses	<b>(113,802)</b>	(84,820)	<b>(317,388)</b>	(219,059)
Other gains and losses	<b>(2,252)</b>	(229)	13,411	(7,809)
Finance costs	<b>(1)</b>	-	<b>(2)</b>	-
Profit before taxation	<b>954,006</b>	452,915	<b>2,283,026</b>	545,943
Income tax expense	<b>(105,268)</b>	(51,853)	<b>(285,923)</b>	(69,977)
Profit for the period	<b>848,738</b>	401,062	<b>1,997,103</b>	475,966
Exchange differences on translation of foreign operations, representing other comprehensive income (expense) for the period	<b>6,415</b>	2,053	<b>22,338</b>	(72)
Total comprehensive income for the period	<b>855,153</b>	403,115	<b>2,019,441</b>	475,894
Earnings per share				
- Basic	<b>HK\$2.15</b>	HK\$1.02	<b>HK\$5.06</b>	HK\$1.21
- Diluted	<b>HK\$2.14</b>	HK\$1.02	<b>HK\$5.05</b>	HK\$1.21