

[For Immediate Release]

## ASM ANNOUNCES 2011 ANNUAL RESULTS

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### ASMPT BREAKS ANOTHER NEW RECORD IN GROUP TURNOVER

#### Highlights

- Record Group turnover of US\$1.66 billion, an increase of 35.7% over 2010
- Record net profit of HK\$2.93 billion and earnings per share of HK\$7.40, an increase of 3.2% over 2010
- Excluding the one-time gain realized from the purchase of the SMT Equipment business, recurring Group net profit of HK\$1.85 billion and earnings per share of HK\$4.66
- Assembly equipment turnover of US\$838.6 million, representing a 17.5% decline against the previous year
- Lead frame turnover of US\$194.5 million, representing a 5.6% decline against the previous year
- SMT equipment revenue of US\$626.3 million
- Group new orders booking of US\$1.38 billion, a decline of 5.8% from 2010
- Retained the world's No. 1 position in the assembly and packaging equipment industry consecutively for the past 10 years
- Cash on hand of HK\$1,627.7 million at the end of 2011

(Hong Kong, March 7, 2012) — 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, 2011.

During the year, ASM achieved another new height in Group turnover of HK\$12,915 million, representing an improvement of 35.7% as compared with HK\$9,515 million for the previous year. The Group's consolidated profit after taxation for the year is HK\$2,932 million which is 3.2% higher than the previous year's consolidated profit after taxation of HK\$2,842 million. Basic earnings per share (EPS) for the year amounted to HK\$7.40 (2010: HK\$7.20). The Group's consolidated profit after taxation for the year includes the one-time gain of HK\$1,084 million realized from the purchase of the SMT Equipment business.

In view of the Company's continuing strong liquidity and equity base, the Board of Directors has recommended a final dividend of HK\$0.80 (2010: final dividend of HK\$2.10 and special dividend of HK\$1.10) per share. Together with the interim dividend of HK\$1.60 (2010: HK\$1.60) per share paid in August 2011, the total dividend payment for year 2011 will be HK\$2.40 (2010: HK\$4.80) per share. Excluding the earnings from the SMT equipment business and the one-time gain realized from the purchase of the SMT equipment business, the dividend payout ratio for 2011 is 62.9%.

**Mr. Lee Wai Kwong, Chief Executive Officer of ASM**, said, "Despite the world economy encountered many challenges in 2011, we successfully integrated the newly-acquired Surface Mount Technology ("SMT") equipment business into the Group which brings synergy to our assembly and packaging equipment business. The acquired business lifted the Group's revenue by 60.6% to achieve another new record of US\$1.66 billion. Despite the deteriorating market conditions experienced particularly from the second half of last year, comparable revenue in 2011 from our pre-existing businesses stayed above the US\$1 billion level, which was attained for the first time in 2010. We believe that we have laid a solid foundation that will enable ASM to continue to ascend to greater heights in future, amid the current gloomy market."

Affected by the significantly worsening market conditions during the second half of 2011, the assembly and packaging equipment revenue in 2011 declined by 17.5% to US\$838.6 million, equivalent to 50.5% of the Group's turnover, mainly due to lower demand for capacity-related equipment such as die bonders and wire bonders. Lead frame revenue in 2011 was US\$194.5 million, a contraction of 5.6% compared to 2010, contributing 11.7% of the Group revenue. However, the market started stabilizing in the fourth quarter of 2011. The quarter-on-quarter decline of new order bookings for these products narrowed substantially and was relatively small. Ride on new packaging trends and increasing demand for smart phones and tablet computers, the Group's Back-End Products ("BEP") business (which is more package-related) and CMOS Image Sensor ("CIS") business continued to achieve moderate growth last year.

New order bookings for 2011 amounted to US\$1.38 billion. As of 31 December 2011, order backlog amounted as US\$291.8 million due to the lower order intake.

The SMT equipment business made very good progress in 2011 with a revenue of US\$626.3 million, representing a growth of 18.2% over 2010, before its acquisition by the Group, contributing 37.8% of the Group revenue. More and more components and modules in SMT equipment are being designed and manufactured by the ASM team in Asia. This helps both to bring down the cost and also to further enhance the performance capabilities of SMT equipment. During the year, ASM have made solid market share gains. Based on the very successful SX series placement machines, ASM launched the DX series SMT placement machine which is designed primarily for the mainstream Asian market. The Group has also started cross-utilization of technologies between assembly and packaging equipment and SMT equipment groups. In fact, a new generation bonder which will be sent to customer in early 2012 is inspired by technologies and solutions adopted by the SMT equipment business.

Looking ahead, **Mr. Lee** said, "Despite the possible turbulence in the coming months arising from potentially volatile global economic conditions, we notice many positive signs for ASM's growth in coming year. We expect the SMT business to become an additional growth engine for ASM which will contribute increasingly to ASM's profitability in the future. Substantial efforts are being expended to improve the profitability of the SMT equipment business to seek to further boost its profitability to a comparable level to ASM's norms.

The demand for consumer electronics products, in particular smart phones, tablet computers and automotive electronics, will continue to drive the semiconductor market in the near future. The healthy demand will fuel the highly cyclical market to resuming its growth in future. In assembly and packaging equipment and lead frame sector, we have observed some pick-up in the market after the recent Chinese New Year. There are also encouraging signs indicating that the LED market is now stabilizing. We believe that we are not far from a recovery of the LED market, which will likely continue to grow again especially in the areas of LED general lighting. In fact, we recognize LED lighting to be an important future driver of growth.

Our new R&D centre in Chengdu, China was completed in the fourth quarter of 2011. Together with our fourth R&D center in Munich, Germany, ASM's R&D resources are now significantly strengthened. The Group's new manufacturing plant in Huizhou, China has been successfully in operation for more than a year. The second phase of expansion is in progress and is expected to be completed by the first half of 2012. Further, we are in the process of setting up etched lead frame facilities in our manufacturing plant in Fuyong, China to capture the growing China market for lead frames. It is expected to be operational by the second quarter this year. With the additional resources and capacity, we believe we are in a premier position to capture market opportunities rising in near future. With our solid foundation, we can once again turn challenges into opportunities and emerge stronger from the economic turmoil. " **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 and surface mount technology, with operations being carried out in Hong Kong, China, Singapore, Malaysia and Germany.

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 Consolidated Statement of Comprehensive Income and Consolidated Statement of Financial Position of ASM Pacific Technology Limited.)*

## ASM PACIFIC TECHNOLOGY LIMITED

### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	<b>Year ended 31 December</b>	
	<b>2011</b>	<b>2010</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Turnover	<b>12,915,194</b>	9,515,089
Cost of sales	<b>(8,488,717)</b>	(5,006,965)
Gross profit	<b>4,426,477</b>	4,508,124
Other income	<b>33,140</b>	22,769
Selling and distribution expenses	<b>(867,422)</b>	(603,095)
General and administrative expenses	<b>(412,596)</b>	(275,559)
Research and development expenses	<b>(885,370)</b>	(433,987)
Other gains and losses	<b>(85,328)</b>	1,398
Gain from a bargain purchase	<b>1,084,427</b>	-
Finance costs	<b>(3,884)</b>	(3)
Profit before taxation	<b>3,289,444</b>	3,219,647
Income tax expense	<b>(357,464)</b>	(377,613)
Profit for the year, attributable to owners of the Company	<b>2,931,980</b>	2,842,034
Other comprehensive (expense) income		
- exchange differences on translation of foreign operations	<b>(43,760)</b>	34,305
- actuarial gains on retirement benefit plans, net of tax	<b>9,302</b>	-
Other comprehensive (expense) income for the year	<b>(34,458)</b>	34,305
Total comprehensive income for the year, attributable to owners of the Company	<b>2,897,522</b>	2,876,339
Earnings per share		
- Basic	<b>HK\$7.40</b>	HK\$7.20
- Diluted	<b>HK\$7.37</b>	HK\$7.18

## ASM PACIFIC TECHNOLOGY LIMITED

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	At 31 December	
	2011	2010
	HK\$'000	HK\$'000
<b>Non-current assets</b>		
Property, plant and equipment	2,073,679	1,528,498
Intangible assets	11,380	-
Prepaid lease payments	28,531	28,782
Pledged bank deposit	201,020	-
Deposits paid for acquisition of property, plant and equipment	49,972	65,511
Rental deposits paid	5,480	10,261
Deferred tax assets	98,223	23,495
Other non-current assets	2,367	-
	2,470,652	1,656,547
<b>Current assets</b>		
Inventories	2,545,601	1,624,182
Trade and other receivables	2,956,191	2,280,470
Prepaid lease payments	979	977
Income tax recoverable	8,611	-
Pledged bank deposit	2,010	-
Bank deposits with original maturity of more than three months	-	76,798
Bank balances and cash	1,627,662	1,978,182
	7,141,054	5,960,609
<b>Current liabilities</b>		
Trade and other payables	2,031,739	1,993,404
Derivative financial instruments	17,733	-
Provisions	307,051	-
Income tax payable	470,622	482,992
Bank borrowings	331,144	-
	3,158,289	2,476,396
<b>Net current assets</b>	3,982,765	3,484,213
	6,453,417	5,140,760

**ASM PACIFIC TECHNOLOGY LIMITED**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

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	At 31 December	
	2011	2010
	HK\$'000	HK\$'000
<b>Capital and reserves</b>		
Share capital	39,764	39,612
Dividend reserve	-	1,267,581
Other reserves	6,226,031	3,832,957
<b>Equity attributable to owners of the Company</b>	<b>6,265,795</b>	<b>5,140,150</b>
<b>Non-current liabilities</b>		
Retirement benefit obligations	26,845	-
Provisions	68,625	-
Deferred tax liabilities	38,468	610
Other liabilities and accruals	53,684	-
	<b>187,622</b>	<b>610</b>
	<b>6,453,417</b>	<b>5,140,760</b>