



[For Immediate Release]

ASM ANNOUNCES 2012 INTERIM RESULTS

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Q2 REVENUE AND EARNINGS ACHIEVE A STRONG REBOUND

Highlights

Second Quarter of 2012

- * Group turnover of US\$377.1 million, a strong increase of 31.9% over the preceding quarter but a contraction of 26.3% against same period last year
- * Net profit of HK\$310.0 million and earnings per share of HK\$0.78, representing an increase of 78.6% over the preceding quarter and a decline of 60.1% against same period last year
- * Lead frame business returns to profitability
- * Assembly and packaging equipment turnover of US\$207.3 million, representing a surge of 51.1% over the preceding three months and a contraction of 27.4% against same period last year
- * Record Lead frame turnover of US\$60.9 million, achieving a surge of 40.1% against the preceding three months and a growth of 4.7% over same period last year
- * SMT equipment turnover of US\$108.9 million, representing an increase of 3.5% against the preceding three months and a decline of 35.2% over same period last year
- * New order bookings of US\$441 million, a sequential increase of 18.6% over the preceding quarter
- * Cash on hand of HK\$1.23 billion at the end of June 2012

First Half of 2012

- * Group turnover of US\$663.1 million, a decrease of 30.0% and 7.6% over the first and second six-month periods of last year
- * Net profit of HK\$483.6 million and earnings per share of HK\$1.22, representing a contraction of 80.2% and 0.8% as compared to the first and second six-month periods of 2011
- * Lead frame business returns to profitability
- * Assembly and packaging equipment turnover of US\$344.7 million, representing a decrease of 35.4% and an increase of 11.8% over the first and second six-month periods of last year
- * Lead frame turnover of US\$104.3 million, achieving increases of 0.7% and 14.1% over the first and second six-month periods of last year
- * SMT equipment turnover of US\$214.1 million, representing decreases of 31.0% and 32.6% against the first and second six-month periods of 2011
- * New order bookings of US\$812.8 million, an increase of 43.6% over the preceding six-month period
- * Order backlog stood at US\$436.7 million as of 30 June 2012

(Hong Kong, July 26, 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 interim results for the six months ended June 30, 2012. Continuing its pick-up activities in the first quarter, ASM is pleased to see the semiconductor industry seemed well-positioned on its recovery in the second quarter of 2012. This can be inferred from the Group's record Lead frames billings achieved during the period. Overall, the billings of ASM achieved strong double digit growth quarter-on-quarter reflecting a strengthening industry, even though it was still lower than the phenomenal performance during the corresponding period last year.

During the period under review, the Group achieved turnover amounting to HK\$5.1 billion in the six months ended 30 June 2012, representing a decrease of 30% as compared with HK\$7.3 billion for the first six months of 2011. The Group's consolidated profit after taxation was HK\$483.6 million as compared to a profit of HK\$2,444.3 million in the corresponding period in 2011 which included a non-recurring one-time gain of HK\$1,084.4 million realized from the purchase of its SMT equipment business. Basic earnings per share (EPS) amounted to HK\$1.22 (2011 1H: HK\$6.17). In view of the uncertain global economic outlook, the Company's expanded operations and future growth opportunities ahead, the Board of Directors has resolved to pay an interim dividend of HK\$0.61 (2011: HK\$1.60) per share.

New order bookings for the first half of 2012 was US\$812.8 million, representing an increase of 43.6% compared to the second six months of last year. The Group's book to bill ratio, representing net bookings over billings, was 1.23. As of 30 June 2012, strong order backlog amounted to US\$436.7 million, compared to US\$379.2 million as of 31 March 2012.

Mr. Lee Wai Kwong, Chief Executive Officer of ASM, said, "During the second quarter, all our business segments, including Assembly and Packaging Equipment, Lead frames and Surface Mount Technology ("SMT") Equipment experienced growth in revenue and bookings as compared to the previous quarter. Overall, the market demand continues to be driven by portable electronic products such as smart phones and tablet computers. Benefited by this global trend, Assembly and Packaging Equipment revenues during the first six months of 2012 amounted to US\$344.7 million, representing double-digit growth as compared to the second half of 2011. Also significant was the fact that quarterly revenue for Assembly and Packaging Equipment achieved a strong surge over the first quarter this year. At the same time, quarterly Lead frame revenue was at a new record high with a double-digit increase of 40.1% from the preceding quarter."

Lead frame business returned to profitability during the second quarter of this year and more importantly, the profit is sufficient to offset the small loss incurred during the preceding quarter. Therefore, Lead frame business managed to turn in a positive profit (segment result) of HK\$33.0 million during the first half of this year. This comprises 4.1% of its revenue. The easing of raw material prices, the Group's efforts to convince customers to accept floating prices, the improved market demand and successful implementation of operational enhancements all paved ways to a further improvement in its segment profitability.

The integration of the Surface Mount Technology ("SMT") Equipment business into our core activities continues to progress very well. The improved performance of the SMT Equipment business during the past three months validates the Group's expansion into the complementary SMT equipment market. Contributing to 32.3% of the Group's turnover, the SMT equipment revenue was US\$214.1 million during the first six months of 2012. The business unit achieved a net profit of HK\$94.1 million with gross margin of 31.2% and EBIT (Earnings before Interest and Tax) margin of 9.3%.

The LED applications market improved slightly, especially in China in respect of general lighting applications. However, there is still a general lack of strong growth momentum in the demand for LED

equipment at present. Nevertheless, the Group noticed that the capacity utilization rate of its customers was on an upward trend throughout the second quarter of this year.

During the last quarter, ASM delivered to one of its customers a complete assembly and packaging solution for 100 x 300 mm lead frames, which are currently the widest lead frames in the world. 100 x 300 mm lead frames pose many technical challenges for both production and packaging, but ASM has successfully provided to the customer both the lead frames and the assembly and packaging equipment for processing them. The use of such wide lead frames has significantly improved the customers' cost proposition. Furthermore, a new chip assembly machine is making strong inroads into both semiconductor and LED applications during the period. This new machine enables the combination of flip-chip and SMT operations in a single pass, thereby integrating the operations and enabling the machine to support larger panel areas, as well as to achieve higher production speed and throughput.

Mr. Lee said, "Despite a continuing volatile macroeconomic environment is expected, some analysts believe after a bottoming-out of the market in the first half of 2012, growth should return in the second half of 2012, boosted by upcoming rollouts of new mobile handsets, tablet computers and ultrabooks. Although the industry may be facing cyclical headwinds, with our strong backlog, we expect billings to remain at a satisfactory level in the third quarter. However, due to the uncertainties brought about by the macro economic situation, current market visibility is almost zero. The second phase of expansion of the new factory in Huizhou, China is approaching its final stage. We expect that the new casting centre and fabrication centre which have been set up there will be ready to commence production during the third quarter of 2012."

"Amongst other things, ASM is benefiting from the acquisition of the SMT Equipment business, and will continue to further reap the rewards of stronger synergies between the Assembly and Packaging Equipment and SMT Equipment markets. There are also long-term trends in the LED and SMT Equipment markets that ASM is well-placed to benefit from once the market returns to its former strength. ASM's multiple-application and multiple-product strategies continue to serve it well. These have established a strong foundation which will help the Group to grow from strength to strength by presenting total solutions to its customers and pushing the technical envelope with innovative and advanced products." **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 Financial Highlights and Condensed Consolidated Statement of Financial Position of ASM Pacific Technology Limited.)

ASM PACIFIC TECHNOLOGY LIMITED

FINANCIAL HIGHLIGHTS

	Three months ended 30 June		Six months ended 30 June	
	2012 (Unaudited) HK\$'000	2011 (Unaudited and restated) HK\$'000	2012 (Unaudited) HK\$'000	2011 (Unaudited and restated) HK\$'000
Turnover	2,926,532	3,971,146	5,145,291	7,348,618
Cost of sales	(1,900,209)	(2,469,863)	(3,445,045)	(4,671,949)
Gross profit	1,026,323	1,501,283	1,700,246	2,676,669
Other income	1,981	10,488	5,872	14,948
Selling and distribution expenses	(261,337)	(243,036)	(448,223)	(427,494)
General and administrative expenses	(126,303)	(105,979)	(212,534)	(195,555)
Research and development expenses	(232,863)	(219,291)	(434,319)	(413,283)
Other gains and losses	(4,318)	(7,451)	1,394	(31,596)
Gain from a bargain purchase	-	-	-	1,084,427
Finance costs	(710)	(1,062)	(3,014)	(1,901)
Profit before taxation	402,773	934,952	609,422	2,706,215
Income tax expense	(92,759)	(158,369)	(125,816)	(261,928)
Profit for the period, attributable to owners of the Company	310,014	776,583	483,606	2,444,287
Exchange differences on translation of foreign operations, representing other comprehensive (expense) income for the period	(113,445)	43,547	(51,879)	139,657
Total comprehensive income for the period, attributable to owners of the Company	196,569	820,130	431,727	2,583,944
Earnings per share				
- Basic	HK\$0.78	HK\$1.96	HK\$1.22	HK\$6.17
- Diluted	HK\$0.78	HK\$1.95	HK\$1.22	HK\$6.16

ASM PACIFIC TECHNOLOGY LIMITED
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	At	At
	30 June	31 December
	2012	2011
	(Unaudited)	(Audited)
	HK\$'000	HK\$'000
Non-current assets		
Property, plant and equipment	2,067,978	2,073,679
Investment properties	67,225	-
Intangible assets	10,436	11,380
Prepaid lease payments	27,914	28,531
Pledged bank deposit	195,316	201,020
Deposits paid for acquisition of property, plant and equipment	45,216	49,972
Rental deposits paid	7,215	5,480
Deferred tax assets	127,274	98,223
Other non-current assets	4,208	2,367
	2,552,782	2,470,652
Current assets		
Inventories	3,200,301	2,545,601
Trade and other receivables	3,532,997	2,956,191
Prepaid lease payments	976	979
Derivative financial instruments	205	-
Income tax recoverable	10,950	8,611
Pledged bank deposit	-	2,010
Bank balances and cash	1,231,737	1,627,662
	7,977,166	7,141,054
Current liabilities		
Trade and other payables	2,759,680	2,031,739
Derivative financial instruments	3,571	17,733
Provisions	275,980	307,051
Income tax payable	284,399	470,622
Bank borrowings	676,434	331,144
	4,000,064	3,158,289
Net current assets	3,977,102	3,982,765
	6,529,884	6,453,417

ASM PACIFIC TECHNOLOGY LIMITED
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
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	At 30 June 2012 (Unaudited) HK\$'000	At 31 December 2011 (Audited) HK\$'000
Capital and reserves		
Share capital	39,764	39,764
Dividend reserve	242,359	318,110
Other reserves	6,135,267	5,907,921
Equity attributable to owners of the Company	6,417,390	6,265,795
Non-current liabilities		
Retirement benefit obligations	20,218	26,845
Provisions	58,822	68,625
Deferred tax liabilities	10,945	38,468
Other liabilities and accruals	22,509	53,684
	112,494	187,622
	6,529,884	6,453,417