

[For Immediate Release]

ASMPT Announces 2017 First Quarter Results

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ASMPT Set Many New Records In Q1 2017**Highlights**

- Group revenue of US\$484.7 million increased by 31.4% and 6.8% over the same period of last year and the preceding three months, respectively
- Net profit of HK\$729.2 million, representing surges of 470.0% and 92.9% over the same period of last year and the preceding three months, respectively
- Excluding the non-cash gain related to the adjustment of liability component of convertible bonds amounted to HK\$202.1 million, the Group's net profit amounted to HK\$527.1 million, improved by 312.0% year-on-year
- Earnings per share was HK\$1.80, representing increases of HK\$1.47 and HK\$0.85 over the same period of last year and the preceding three months, respectively
- Excluding the non-cash gain related to the adjustment of liability component of convertible bonds, earnings per share was HK\$1.31, representing increases of HK\$0.98 and HK\$0.36 over the same period of last year and the preceding three months, respectively
- Back-end Equipment revenue was US\$257.6 million, representing increases of 56.1% and 15.5% over the same period of last year and the preceding three months, respectively
- Materials revenue was US\$64.1 million, representing increases of 16.2% and 5.8% over the same period of last year and the preceding three months, respectively
- SMT Solutions revenue was US\$163.0 million, representing an improvement of 9.6% over the same period of last year but a contraction of 4.2% against the preceding three months
- Group bookings of US\$608.4 million, increased by 48.6% and 29.2% over the same period of last year and the preceding three months, respectively
- Cash and bank deposits was HK\$3.04 billion at the end of March 2017, as compared to HK\$3.21 billion at the end of 2016
- Book to bill ratio was 1.26

(Hong Kong, 21 April 2017) — The world's No.1 semiconductor assembly and packaging equipment supplier **ASM Pacific Technology Limited** ("ASMPT" / the "Group") (Stock code: 0522) today announced its quarterly results for the three months ended 31 March 2017. During the period, ASMPT achieve strong results with new highs of Group bookings and billings at US\$608.4 million and US\$484.7 million, respectively, as well as a 470.0% year-on-year surge in net profit. With strong Q1 bookings, the Group expects strong year-on-year growth in Q2 billings and continuous gross margin improvement.

ASMPT reported revenue of HK\$3.76 billion for the three months ended 31 March 2017, representing growth of 31.4% and 6.8% over the same period last year and the preceding quarter, respectively. Group net profit surged 470.0% year-on-year and 92.9% quarter-on-quarter due to higher revenue, improved gross margin and a non-cash gain related to an adjustment of the liability component of convertible bonds (“CB”) issued by the Group in March 2014. Excluding the non-cash gain related to the adjustment of the liability component of the CB, the Group profit before taxation improved by 269.7% year-on-year. Basic earnings per share for the quarter under review amounted to HK\$1.80 (2016 Q1: HK\$0.33).

In the first quarter of 2017, Group bookings surged 48.6% year-on-year and 29.2% quarter-to-quarter, respectively, to US\$608.4 million. The Group’s book to bill ratio, representing net bookings over billings, was 1.26. The backlog as of the end of the first quarter increased to US\$551.5 million, representing an increase of 30.2% from the end of last year.

Mr. Lee Wai Kwong, Chief Executive Officer of ASMPT, said, “We are very pleased to announce such strong financial results for the first quarter of 2017 with many new records set. Our strong performance was driven by the robust demand for Lead frames, CIS, LED, IC/Discrete, and SMT equipment. Also, we closed the quarter on a high note with good results attained by all three business segments. All three business segments recorded the highest ever Q1 billings, strong year-on-year bookings growth ranging from 34.6% to 63.3%. Both Back-end Equipment and SMT Solutions business segments achieved year-on-year improvement in segment results while it was flat for the Materials segment.”

The Group’s Back-end Equipment Segment attained a new high in both bookings and billings in the first quarter of a year, underpinned by the continuous strong demand for CIS, IC/Discrete and LED equipment. Bookings in Q1 surged 63.3% year-on-year and 37.1% quarter-on-quarter, respectively. With the achievement of US\$257.6 million for Q1 billings, Back-end Equipment Segment grew by 56.1% year-on-year and 15.5% quarter-on-quarter, respectively. During the first quarter, gross margin of the Back-end Equipment Segment improved 673bps year-on-year and 385bps quarter-on-quarter to 46.6%. Segment profit surged 213.7% year-on-year and 46.4% quarter-on-quarter.

The Group experienced very strong bookings for the Materials Segment during the first quarter of this year. Bookings set a new quarterly record and billings achieved a new high for the first quarter of a year. Bookings for Materials Segment improved 35.4% year-on-year and 19.0% quarter-on-quarter. Revenue for the Materials Segment amounted to US\$64.1 million, representing improvement of 16.2% year-on-year and 5.8% quarter-on-quarter, respectively. Segment profit was flat year-on-year and declined 4.9% quarter-on-quarter. Gross margin was flat compared to the preceding quarter but contracted 210bps year-on-year.

Billings for the SMT Solutions Segment during the first quarter of 2017 also attained a new record for the first quarter of a year. Bookings improved 34.6% year-on-year and 22.4% quarter-on-quarter, respectively. The SMT Equipment revenue amounted to US\$163.0 million, representing growth of 9.6% year-on-year and contraction of 4.2% quarter-on-quarter, respectively. The gross margin of SMT Solutions Segment improved by 775bps year-on-year and 33bps quarter-on-quarter to 39.4% while the segment profit improved by 217.0% year-on-year and 11.3% quarter-on-quarter.

“With the strong bookings received in Q1 of this year, we expect Group billings in Q2 to achieve strong double digit percentage growth year-on-year. We expect bookings in Q2 to remain at a similar level as Q1 this year. As we anticipate a higher billing from all three business segments, we expect the gross margin of the Group to continue to improve.” **Mr. Lee** concluded.

About ASM Pacific Technology Limited

ASM Pacific Technology Limited (“ASMPT”) (stock code: 0522), as a global technology and market leader, develops and provides leading edge solutions and materials for semiconductor assembly and packaging industries, as well as surface mount technology solutions in a wide range of end-user markets including electronics, mobile communications, automotive, industrial, LED and solar energy. ASMPT consistently invests in R&D to provide customers with innovative and cost-efficient solutions and systems that help them to achieve higher productivity, greater reliability and enhanced quality.

Listed on the Hong Kong Stock Exchange in 1989, ASMPT is currently one of the constituent stocks on the Hang Seng HK Mid-cap Index under the Hang Seng Composite Index, the Hang Seng Information Technology Industry Index, the Hang Seng Hong Kong 35 Index and the Hang Seng Global Composite Index. To learn more about ASMPT, please visit www.asmpacific.com.

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(N.B.: Enclosed please find the Financial Highlights and Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income of ASM Pacific Technology Limited.)

ASM PACIFIC TECHNOLOGY LIMITED

FINANCIAL HIGHLIGHTS

	Three months ended		
	31 March 2017 (unaudited) HK\$'000	31 December 2016 (unaudited) HK\$'000	31 March 2016 (unaudited) HK\$'000
Revenue	3,761,237	3,520,889	2,862,074
Cost of sales	(2,259,969)	(2,197,740)	(1,915,970)
Gross profit	1,501,268	1,323,149	946,104
Other income	16,031	47,658	5,271
Selling and distribution expenses	(333,062)	(321,920)	(285,860)
General and administrative expenses	(180,869)	(207,805)	(172,000)
Research and development expenses	(317,707)	(334,163)	(266,286)
Adjustment of liability component of convertible bonds	202,104	-	-
Other gains and losses	(11,985)	1,438	(4,923)
Restructuring costs	-	(17,494)	(1,394)
Finance costs	(39,932)	(44,090)	(49,489)
Profit before taxation	835,848	446,773	171,423
Income tax expense	(106,669)	(68,722)	(43,492)
Profit for the period	729,179	378,051	127,931
Profit for the period attributable to:			
Owners of the Company	736,024	386,641	133,792
Non-controlling interests	(6,845)	(8,590)	(5,861)
	729,179	378,051	127,931
Earnings per share			
- Basic	HK\$1.80	HK\$0.95	HK\$0.33
- Diluted	HK\$1.32	HK\$0.95	HK\$0.33

ASM PACIFIC TECHNOLOGY LIMITED

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Three months ended		
	31 March 2017 (unaudited) HK\$'000	31 December 2016 (unaudited) HK\$'000	31 March 2016 (unaudited) HK\$'000
Profit for the period	<u>729,179</u>	378,051	127,931
Other comprehensive income (expense)			
- exchange differences on translation of foreign operations, which may be reclassified subsequently to profit or loss	70,754	(234,110)	137,869
- remeasurement of defined benefit retirement plans, net of tax, which will not be reclassified to profit or loss	-	(23,634)	-
Other comprehensive income (expense) for the period	<u>70,754</u>	(257,744)	137,869
Total comprehensive income for the period	<u><u>799,933</u></u>	120,307	265,800
Total comprehensive income (expense) for the period attributable to:			
Owners of the Company	806,781	128,896	271,596
Non-controlling interests	<u>(6,848)</u>	(8,589)	(5,796)
	<u><u>799,933</u></u>	120,307	265,800