

[For Immediate Release]

ASM ANNOUNCES 2011 THIRD QUARTERLY RESULTS

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2011 FIRST NINE MONTHS REVENUE SURPASSES 2010 FULL YEAR RECORD**Highlights****First Nine Months of 2011**

- Record group revenue of US\$1.34 billion, a surge of 51.2% over same period last year and has surpassed the full year revenue of 2010 by 9.3%
- Profit of HK\$2.75 billion and earnings per share of HK\$6.93, a surge of 37.5% over same period last year, including the one-time gain of HK\$1.05 billion realized from the purchase of the SMT Equipment business
- Excluding the one-time gain realized from the purchase of the SMT Equipment business, recurring Group net profit of HK\$1.7 billion and earnings per share of HK\$4.27

3rd Quarter 2011

- Group revenue of US\$391.4 million, an increase of 12.6% over same period last year and a decline of 23.2% over the preceding quarter
- Profit of HK\$361.2 million and earnings per share of HK\$0.91, a decrease of 57.4% over same period last year and a decrease of 53.5% over the preceding quarter
- Assembly and packaging equipment revenue of US\$165.9 million, representing declines of 42.6% and 41.6% over Q3 2010 and the preceding three months, respectively
- Lead frame revenue of US\$51.0 million, representing declines of 13.0% and 12.0% over Q3 2010 and the preceding three months, respectively
- SMT Equipment revenue of US\$174.5 million, representing a 4.2% increase over the preceding three months
- New order bookings of US\$325.4 million, a decline of 11.7% from the preceding three months
- Cash on hand of HK\$1.39 billion at the end of September 2011

(Hong Kong, October 28, 2011) — 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 30 September 2011. Despite the challenging economic conditions, ASM has nevertheless managed to surpass its annual revenue for 2010 by 9.3% to US\$1.34 billion in just the first nine months of 2011. The strong performance was contributed to mainly by the Group's substantial order backlog in the first half of this year, as well as contribution from the Surface Mount Technology ("SMT") Equipment business which the Group had acquired at the beginning of this year.

For the three months ended 30 September 2011, the Group reported a turnover of HK\$3,049 million, representing an increase of 12.6% as compared with HK\$2,708 million for the same period last year. The Group's consolidated profit after taxation for the quarter under review was HK\$361.2 million which is 57.4% lower than the corresponding period in 2010. Basic earnings per share (EPS) for the three-month period amounted to HK\$0.91 (2010 Q3: HK\$2.15; 2011 Q2: HK\$1.96). Bookings for the third quarter were US\$325.4 million. As of 30 September 2011, order backlog amounted to US\$378.5 million. Cash-on-hand as of end-September 2011 was at HK\$1.39 billion.

Mr. Lee Wai Kwong, Chief Executive Officer of ASM, said, “We are very pleased that our first nine months revenue already surpassed the annual revenue for 2010. Although our third quarter results for Assembly and Packaging Equipment business was affected by the uncertainty of global economy, however it is worth noting that it is still at a similar level to the revenue achieved in the peak quarter before the global financial crisis in 2008. Our vertically-integrated manufacturing model had a negative impact on our gross margins when demand receded. Product mix had a further effect on our overall gross margin. The substantially lower revenue from Assembly and Packaging Equipment had further brought down our gross margin in the third quarter this year. Fortunately, the SMT Equipment business has continued to perform well in the third quarter with stable demand remained. Meanwhile, integration activities are still ongoing and are progressing well.”

During the reviewing period, the SMT Equipment business has significantly increased its contributions to the Group’s total turnover and net profits. Its revenue reached US\$174.5 million, representing an increase of 4.2% over the preceding quarter. During the first nine months of 2011, the SMT Equipment business contributed net profits of HK\$372.1 million to the Group which excluded the fair value adjustment of HK\$120.9 million to inventory acquired, EBIT margin was 14% and gross margin was 29.3%. Gross margin of this segment hit a high of 33.0% during the quarter, partly due to favourable product mix.

Affected by the soft market sentiment during the third quarter of 2011, Assembly and Packaging Equipment revenue decreased by 42.6% to US\$165.9 million from the same period last year which contributed to 42.4% of the Group’s turnover. Lead frame revenue was US\$51.0 million, representing declines of 13.0% compared to the same period last year and contributed to 13.0% of the Group’s turnover. The decrease is probably linked to the aggressive inventory build-up by customers in the second quarter in anticipation of the impact of supply chain disruption caused by the Japan earthquake and tsunami in March this year.

During the third quarter, ASM launched GoCuTM copper wire bonding solutions which provides much higher overall productivity and machine uptime when converting from gold to copper wire bonding. Since its launch, it has received very encouraging feedback and acceptance from customers. The Group has also shipped its first solar wafer inspection system to a customer for field testing and evaluation. The system was developed in-house by ASM, which marks ASM’s entrance into the equipment market for solar energy products.

Looking ahead, Mr. Lee said, “Facing uncertain economic outlook, we will prudently control our costs and expenses to maintain our productivity and competitiveness. However, we are confident that the semiconductor industry will continue its general trend of growth once the dark clouds of the global economic uncertainties have cleared. Advanced new gadgets like smart phones, tablet computers and other electronic products equipped with Wi-Fi Direct capability will continue to drive the demand for semiconductors. The appetite of consumers from the emerging economies is still huge and has yet to be fully satisfied. With ASM’s solid foundations, we believe that we can once again turn the challenges into opportunities and emerge stronger from the current economic turmoil.”

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 of ASM Pacific Technology Limited.)

ASM PACIFIC TECHNOLOGY LIMITED

FINANCIAL HIGHLIGHTS FOR THE THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2011

	Three months ended 30 Sep		Nine months ended 30 Sep	
	2011 (Unaudited) HK\$'000	2010 (Unaudited) HK\$'000	2011 (Unaudited) HK\$'000	2010 (Unaudited) HK\$'000
Turnover	3,049,077	2,707,574	10,397,695	6,874,729
Cost of sales	(2,042,570)	(1,392,964)	(6,714,519)	(3,644,805)
Gross profit	1,006,507	1,314,610	3,683,176	3,229,924
Other income	3,570	2,456	18,518	16,846
Selling and distribution expenses	(230,420)	(166,246)	(657,914)	(450,215)
General and administrative expenses	(107,466)	(80,759)	(303,021)	(209,550)
Research and development expenses	(250,318)	(113,802)	(663,601)	(317,388)
Other gains and losses	15,805	(2,252)	(15,791)	13,411
Finance costs	(1,002)	(1)	(2,903)	(2)
Gain from bargain purchase	-	-	1,053,565	-
Profit before taxation	436,676	954,006	3,112,029	2,283,026
Income tax expense	(75,450)	(105,268)	(366,495)	(285,923)
Profit for the period	361,226	848,738	2,745,534	1,997,103
Other comprehensive (expense) income for the period				
- Exchange differences on translation of foreign operations	(113,510)	6,415	26,147	22,338
- Actuarial gains on pension plans and other commitments	17,787	-	17,787	-
Total comprehensive income for the period	265,503	855,153	2,789,468	2,019,441
Earnings per share				
- Basic	HK\$0.91	HK\$2.15	HK\$6.93	HK\$5.06
- Diluted	HK\$0.90	HK\$2.14	HK\$6.91	HK\$5.05