

ASMPT 2015 INTERIM PROFIT SURGES 26.0% YEAR-ON-YEAR

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STRONG GROWTH IN REVENUE AND PROFITABILITY

Highlights

Second Quarter of 2015

- Group revenue of US\$485.3 million, significant increases of 23.1% and 9.4% over the preceding quarter and the same period last year, respectively
- Net profit of HK\$438.3 million, representing surge of 54.0% and improvement of 5.1% over the preceding quarter and the same period last year, respectively
- Earnings per share of HK\$1.09 for the second quarter 2015
- Back-end equipment revenue of US\$240.1 million, representing increases of 36.2% and 0.6% over the preceding three months and the same period last year, respectively
- Materials revenue of US\$57.8 million, representing an increase of 1.4% over the preceding three months and a decline of 11.5% against the same period last year
- SMT Solutions revenue of US\$187.4 million, representing strong increases of 34.4% and 16.4% over the same period last year and the preceding three months, respectively
- New order bookings of US\$494.0 million, an increase of 6.3% over the preceding quarter
- Cash and bank deposits of HK\$1.83 billion as of 30 June 2015

First Half of 2015

- Group revenue of US\$879.3 million, representing an increase of 15.0% over the first six-month period of last year and a decline of 17.8% against the second six-month period of last year
- Net profit of HK\$722.9 million, representing an increase of 26.0% and a decline of 29.6% as compared to the first and second six-month period of 2014, respectively
- Earnings per share of HK\$1.80 for the first half of 2015
- Back-end equipment revenue of US\$416.3 million, representing an increase of 3.5% and a decline of 12.4% over the first and second six-month period of last year, respectively
- Materials revenue of US\$114.7 million, representing contractions of 6.2% and 6.7% over the first and second six-month periods of last year, respectively
- SMT Solutions revenue of US\$348.3 million, representing an increase of 45.0% over the first six-month period of 2014 and a decline of 26.2% against the second six-month period of 2014
- New order bookings of US\$958.5 million, an increase of 9.5% over the preceding six-month period
- Order backlog stood at US\$441.2 million as of 30 June 2015

(Hong Kong, 30 July, 2015) — The world's No.1 semiconductor assembly and packaging equipment supplier **ASM Pacific Technology Limited** ("ASMPT" / the "Group") (Stock code: 522) today announced its interim results for the six months ended 30 June, 2015. Following the strong quarterly rebound of Group bookings during the first quarter of this year, Group billings in the second quarter further achieved double-digit growth over the first quarter, led by both Back-end Equipment and SMT Solutions businesses. In particular, the increased market demand for the Group's back-end equipment products and successful integration of the ALSI laser dicing business into the Group's Back-end Equipment Segment, the acquisition of the DEK printing business and enlarged market share in the SMT equipment market were the key contributors of the satisfactory results. Thanks to the significant contribution made by the SMT Solutions Segment, with segment gross margins above 40% for three consecutive quarters, the profitability of the Group continued to improve during the first half of this year.

During the period under review, ASMPT achieved revenue of HK\$6.8 billion in the six months ended 30 June 2015, representing an increase of 15.0% as compared with HK\$5.9 billion for the first six months of 2014. The Group's consolidated profit after taxation for the first six months of 2015 was HK\$722.9 million as compared to a profit of HK\$573.8 million in the corresponding period in 2014. Basic earnings per share (EPS) for the first six months of 2015 amounted to HK\$1.80 (2014 1H: HK\$1.43).

New order bookings for the first six months of this year rebounded by 9.5% from the preceding six months to US\$958.5 million. Book-to-bill ratio was 1.09 for the first six months. As of 30 June 2015, the order backlog as of the end of the second quarter increased slightly to US\$441.2 million, which was an increase of 2.2% from the end of the first quarter of 2015.

Mr. Lee Wai Kwong, Chief Executive Officer of ASMPT, said, "We are pleased to see the Group's strong growth in revenue and profitability, this proves that our successful implementation of an aggressive diversified market strategy in the Back-end Equipment business. . As for SMT Solutions Segment, strong yearly improvement was achieved which was contributed to in part by the acquisition of the DEK printing business. The Group continued to gain market share in this segment, and with the available market information, we estimate that our market share is now approaching the mid-twenty percent level."

Back-end Equipment billings for the first six months of this year was US\$416.3 million, representing a rise of 3.5% against the same period a year ago. Bookings increased by 15.1% from the preceding six months. The segment achieved gross margins of 40.3% during the first half of this year.

During the first half of this year, while the market demand in general was not as strong relative to last year, demand for the Group's CMOS Imaging Sensor ("CIS") equipment has been particularly strong. The other product which did well during this period was its test handler for small packages. At the same time, demand for bonders has come down, reflecting its customers' limited desire to further increase their capacity during this period.

The successful integration of the ALSI laser dicing business into the Group's Back-end Equipment Segment has attracted positive feedback from customers to the combination of the advanced laser dicing technology possessed by ALSI and the extensive infrastructural network and financial backing by ASMPT. As wafers get thinner, the benefits of ASMPT's multi-beam laser grooving and dicing capability become increasingly more attractive to customers, particularly customers in the memory market.

ASMPT has continued to expand its product portfolio in the advanced packaging market and the success in the low I/O flip chip market in China during the first half of this year is a boost to our efforts. The Group continues to address the high-end flip chip market with its thermocompression bonding (“TCB”) solutions. The fact that ASMPT now has the highest number of TCB bonders installed and in high volume production has drawn the attention and interest of many other customers. Multiple customer evaluations are currently on-going. During the first half of this year and slightly ahead of our planned schedule, the Group shipped its first test and pack machine, the Sunbird, for wafer level packaging. The Sunbird will address both the wafer level fan-in and fan-out markets.

It is observed that the demand for wafer level fan-out packaging is gaining momentum. The Group is thus addressing this market with a wide product portfolio comprising laser grooving and dicing equipment for wafer preparation, high accuracy and high speed pick and place systems from its SMT Solutions segment for wafer re-construction, molding systems for wafer encapsulation and the Sunbird for test and pack operations. The Group believes that wafer level packaging will move from wafer to large-panel format for higher productivity and lower cost. Possessing both the enabling technologies and know-how in semiconductor back-end equipment and SMT equipment, ASMPT is in a unique position to work with customers to develop the solutions they need.

Lead frame billings for the first six-month period of this year amounted to US\$114.7 million, representing contractions of 6.2% against the same period a year ago. On a six-month basis, Lead frame bookings contracted by 14.1% against the same period last year.

For the six-month period, the SMT Solutions Segment achieved billings amounting to US\$348.3 million, representing a strong year-on-year improvement of 45.0% compared to the first half of last year. New order bookings for the six-month period increased by 4.1% as compared to the same period of last year. The Group has achieved noticeable improvement in the profitability of its SMT Solutions Segment, with a gross margin of 40.5% for the first half of this year, representing an improvement of 9.4% (938 bps) over the corresponding period of last year.

“We expect that the main contribution to our billings during the third quarter will come from the Back-end Equipment and SMT Solutions segments. We continue to believe that demand for semiconductor devices and electronic modules will continue to grow. Connectivity will emerge as the next major growth driver after mobility. With the addition of the ALSI laser dicing business and the DEK printer business into the Group, as well as the foundations that we have laid over the years and the possession of necessary attributes to be the preferred partner of its customers, we believe that this will increasingly set the Group apart from its peers and to be well-positioned for future growth.” **Mr. Lee** concluded.

About ASM Pacific Technology Limited

ASMPT is listed on the Hong Kong Stock Exchange since 1989. The Group is principally engaged in the design, manufacturing, and marketing of machines, tools and materials used in the assembly and packaging of semiconductor devices and surface mount technology, with operations being carried out in China (including Hong Kong), Germany, the Netherlands, United Kingdom, Malaysia, and Singapore.

Currently, ASMPT is one of the constituent stocks on the Hang Seng HK MidCap 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.

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For media enquiries:

Strategic Financial Relations Limited

Mandy Go / Kate Chan / Jacky Chiu

Tel: 2864 4812 / 2864 4806 / 2114 4320

Fax: 2527 1196

Email: mandy.go@sprg.com.hk / kate.chan@sprg.com.hk / jacky.chiu@sprg.com.hk

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

ASM PACIFIC TECHNOLOGY LIMITED

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Three months ended 30 June		Six months ended 30 June	
	2015	2014	2015	2014
	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000
Revenue	3,761,952	3,437,640	6,817,818	5,931,073
Cost of sales	(2,341,584)	(2,241,207)	(4,284,315)	(3,926,888)
Gross profit	1,420,368	1,196,433	2,533,503	2,004,185
Other income	5,276	5,961	12,950	7,756
Selling and distribution expenses	(333,088)	(266,617)	(631,199)	(500,266)
General and administrative expenses	(190,508)	(145,053)	(361,311)	(272,309)
Research and development expenses	(300,404)	(271,589)	(581,636)	(507,025)
Other gains and losses	(18,401)	26,194	52,037	17,271
Finance costs	(39,158)	(36,995)	(76,954)	(43,211)
Profit before taxation	544,085	508,334	947,390	706,401
Income tax expense	(105,825)	(91,193)	(224,534)	(132,569)
Profit for the period, attributable to owners of the Company	438,260	417,141	722,856	573,832
Earnings per share				
- Basic	HK\$1.09	HK\$1.04	HK\$1.80	HK\$1.43
- Diluted	HK\$1.09	HK\$1.04	HK\$1.79	HK\$1.43

ASM PACIFIC TECHNOLOGY LIMITED

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Three months ended 30 June		Six months ended 30 June	
	2015 (Unaudited) HK\$'000	2014 (Unaudited) HK\$'000	2015 (Unaudited) HK\$'000	2014 (Unaudited) HK\$'000
Profit for the period, attributable to owners of the Company	438,260	417,141	722,856	573,832
Other comprehensive income (expense)				
Exchange differences on translation of foreign operations, which may be reclassified subsequently to profit or loss	76,089	(17,531)	(192,358)	(25,994)
Total comprehensive income for the period, attributable to owners of the Company	514,349	399,610	530,498	547,838

ASM PACIFIC TECHNOLOGY LIMITED

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	At 30 June 2015 (Unaudited) HK\$'000	At 31 December 2014 (Audited) HK\$'000
Non-current assets		
Property, plant and equipment	2,032,924	2,073,489
Investment property	67,739	68,467
Goodwill	405,432	405,652
Intangible assets	608,427	627,338
Prepaid lease payments	24,756	25,587
Pledged bank deposits	1,957	506
Deposits paid for acquisition of property, plant and equipment	24,311	22,336
Rental deposits paid	7,757	7,332
Deferred tax assets	342,196	317,448
Other non-current assets	106,192	108,124
	3,621,691	3,656,279
Current assets		
Inventories	4,028,858	3,886,140
Trade and other receivables	4,760,311	4,119,540
Prepaid lease payments	906	941
Derivative financial instruments	2,339	-
Income tax recoverable	44,841	48,296
Pledged bank deposits	8,688	191,306
Structured deposits	94,648	-
Bank deposits with original maturity of more than three months	155,770	-
Bank balances and cash	1,669,387	2,593,756
	10,765,748	10,839,979

ASM PACIFIC TECHNOLOGY LIMITED

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
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	At 30 June 2015 (Unaudited) HK\$'000	At 31 December 2014 (Audited) HK\$'000
Current liabilities		
Trade and other payables	2,710,838	2,918,458
Derivative financial instruments	2,910	9,297
Provisions	328,361	354,170
Income tax payable	417,433	325,315
Bank borrowings	80,752	151,379
	<u>3,540,294</u>	<u>3,758,619</u>
Net current assets	<u>7,225,454</u>	<u>7,081,360</u>
	<u>10,847,145</u>	<u>10,737,639</u>
Capital and reserves		
Share capital	40,252	40,252
Dividend reserve	402,519	523,274
Other reserves	7,812,158	7,641,668
Equity attributable to owners of the Company	<u>8,254,929</u>	<u>8,205,194</u>
Non-current liabilities		
Convertible bonds	2,214,074	2,164,204
Retirement benefit obligations	153,420	150,147
Provisions	70,626	61,360
Bank borrowings	38,761	16,159
Deferred tax liabilities	76,350	95,870
Other liabilities and accruals	38,985	44,705
	<u>2,592,216</u>	<u>2,532,445</u>
	<u>10,847,145</u>	<u>10,737,639</u>