

[For Immediate Release]

**ASMPT Announces 2016 Annual Results**

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***Net Profit Surged by 50.9%*****Highlights****2016**

- Record Group revenue of US\$1.84 billion, representing an increase of 9.8% over the preceding year
- Net profit of HK\$1.44 billion and earnings per share of HK\$3.61, representing an increase of 50.9% over the preceding year
- Back-end equipment revenue of US\$930.5 million, representing an increase of 23.0% over 2015
- Materials revenue of US\$241.2 million, representing an increase of 9.2% over 2015
- SMT solutions revenue of US\$664.5 million, representing a decrease of 4.4% against 2015
- New order bookings of US\$1.88 billion, representing an increase of 9.1% over 2015
- Cash and bank deposits of HK\$3.21 billion at the end of December 2016

**Second half of 2016**

- Half-year Group revenue of US\$995.1 million, representing increases of 18.2% and 25.3% over the first half of 2016 and the second half of 2015, respectively
- Net profit of HK\$956.1 million and earnings per share of HK\$2.39, representing increases of 98.2% and 315.6% over the first half of 2016 and the same period of 2015, respectively
- Half-year Back-end equipment revenue of US\$510.6 million, representing increases of 21.5% and 49.8% over the first half of 2016 and the second half of 2015, respectively
- Record Half-year Materials revenue of US\$124.3 million, representing increases of 6.3% and 16.8% over the first half of 2016 and the second half of 2015, respectively
- Half-year SMT solutions revenue of US\$360.2 million, representing increases of 18.2% and 3.8% over the first half of 2016 and the second half of 2015, respectively
- New order bookings of US\$906.6 million, representing a decrease of 6.6% and an increase of 19.1% as compared to the first half of 2016 and the second half of 2015, respectively

**Fourth Quarter of 2016**

- Group revenue of US\$454.5 million, representing an increase of 20.2% and a decrease of 16.1% against the fourth quarter of 2015 and the preceding quarter, respectively
- Net profit of HK\$378.1 million and earnings per share of HK\$0.95, representing a surge of 658.7% and a decrease of 34.6% against the fourth quarter of 2015 and the preceding quarter, respectively
- Group bookings increased by 23.7% and 8.0% as compared to the fourth quarter of 2015 and the preceding quarter, respectively
- Book to bill ratio was 1.04
- Backlog amounted to US\$423.4 million as of end 2016, an increase of 8.9% compared to a year ago

(Hong Kong, 3 March 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 annual results for the year ended 31 December 2016. During the year, despite the continued uncertainty and volatility in the global economies, driven by strong demand for CMOS Imaging Sensor (CIS) and LED equipment, the Group has performed well, achieving record-high revenue for the year.

ASMPT reported a revenue of HK\$14.25 billion (US\$1.84 billion) in the fiscal year ended 31 December 2016, which was 9.8% higher than the revenue of HK\$12.98 billion (US\$1.67 billion) in the previous year. The Group's consolidated profit after taxation for the year is HK\$1.44 billion which is an increase of 50.9% from the previous year's net profit of HK\$952.9 million. Basic earnings per share for the year amounted to HK\$3.61 (2015: HK\$2.38).

The Board of Directors recommends a final dividend of HK\$1.10 (2015: final dividend of HK\$0.40) per share. The total dividend payout for 2016 is HK\$1.90 per share (2015: HK\$1.40 per share), with a payout ratio of 52.9%.

By business segments, both Back-end Equipment and Materials Segments achieved year-on-year revenue growth while SMT Solutions Segment suffered a small year-on-year revenue contraction.

Last year's new order bookings amounted to US\$1.88 billion, representing a growth of 9.1% as compared to 2015. The book-to-bill ratio was at 1.02. Backlog of the Group amounted to US\$423.4 million at end of 2016, representing growth of 8.9% over the previous year.

**Mr. Lee Wai Kwong, Chief Executive Officer of ASMPT**, said, "The Group ended the year on a high note with an unusual quarter-on-quarter booking growth. This upward movement in booking was beyond the Group's expectation at the beginning of the quarter. In fact the Group's billing and booking for the fourth quarter in 2016 was the highest that the Group had ever achieved for the last quarter of a year. We are happy to see that the strong booking momentum has been extended to 2017 with customers in the CIS market also making investment for the current year."

The Group believes that its Back-end Equipment Segment has once again outperformed the market. Revenue for the Back-end Equipment segment grew 23.0% last year to US\$930.5 million, contributing 50.7% of the Group's total revenue. The Group's Back-end Equipment segment continued to retain its number one position in the global market – a position that it has first attained in 2002. In fact, over the past fifteen years, the Group has only lost the number one ranking once in 2012. Profitability of ASMPT's Back-end Equipment business continued to improve last year. Gross margin of this segment made an improvement to 43.4% last year, a five years' high since 2011. Profits of the Back-end Equipment Segment surged 111.8% as compared to the previous year.

Due to aggressive competition in the mobile phone industry, more and more smartphone suppliers are differentiating among themselves with more sophisticated cameras on mobile phones. As demand for high resolution and dual cameras increased, this has led to increasing demand for CIS equipment. ASMPT believes that demands for CIS equipment will go beyond the smartphone market, as more cameras have been deployed in automobiles not only to enhance user experience but also to support the Advanced Driver Assistance Systems (ADAS). Moreover, 3D Sensing will also drive demand for CIS equipment, as the Group anticipates that one of its applications, Augmented Reality (AR), will go beyond gaming and could penetrate into many other aspects of human life. The Group believes that CIS will remain as one of the key pillars for the Group's Back-end Equipment Business for a long period of time. The other key pillar of the business is the LED market. Driven by the growth in LED general lighting and display panels, the Group experienced strong demand for LED equipment in 2016.

Concurrently, the Group is making good progress in the Advanced Packaging Technology market. With its unparalleled product portfolio offered by both the Back-end Equipment and SMT Solutions Segments, the Group managed to engage many lead customers in the development of Wafer Level Fan-in (WLFI), Wafer Level Fan-Out (WLFO) and Panel Level Fan-Out (PLFO) packages. The Group expects contributions from this business to gradually grow, and to join IC & Discrete, LED and CIS to become the next pillar of its Back-end Equipment business.

Last year, revenue of the Group's Materials Segment amounted to US\$241.2 million, representing 9.2% growth from the year before. The Group's etched lead frame business not only experienced strong revenue growth over the previous year, but also achieved a new revenue record. With the Group's continuous cost reduction effort and strong focus on offering higher-added value services and higher margin products to the market, profitability of the Materials Segment continued to improve last year. Profits of Materials Segment grew 20.6% over the previous year. The Group has invested in the Molded Interconnect Substrate (MIS) business since the fourth quarter of 2015. By combining MIS and the Group's equipment portfolio in Advanced Packaging, the Group is in a unique position to offer customers a total solution in their pursuit of advanced packaging technologies. Furthermore, the Group believes that the MIS business will significantly lift the gross margin of the Materials Segment to a much higher level once this business starts to turnaround.

Last year, revenue of the Group's SMT Solutions Segment contracted slightly by 4.4% to US\$664.5 million. Revenue of the SMT Solutions segment amounted to US\$360.2 million and US\$170.5 million for the second half and the fourth quarter of 2016, respectively. New bookings for the SMT Solutions Segment last year contracted 4.3% as compared to 2015. Last year, the Group has successfully combined the Printing and Placement divisions into one unit. By tapping on each other's competence, it is able to introduce new solutions to the market at a faster pace. Also, with the synergies formed, the Group expects operation costs to be further reduced.

With the trend of integrating more advanced features into limited space, the Group notices that customers are adopting more tiny components such as 0402 (component size of 0.4 mm x 0.2 mm), PCBs with finer traces and more System in Packages (SiPs) in their design which it believes work in the Group's favor. Over the past two years, the SMT Solutions Segment made good progress in addressing the Advanced Packages market. With the comprehensive suite of innovative solutions, the Group is able to positively engage various lead customers in the development of wafer level and panel level fan-out packages.

"The market sentiments looked positive during the fourth quarter of last year and this was evidenced by the billings and bookings that set new records for the fourth quarter of a year. We believe this strong momentum will continue and 2017 is likely to be a year of growth for the Group. With the strong booking received in Q4 as the confidence booster, we expect a strong year-on-year double digit percentage improvement in the Group's billing during the first quarter of this year. In years to come, we expect automobiles, smart factories, smart cities, Industry 4.0, Internet of Things (IoT), healthcare, Artificial Intelligence (AI) and the desire for a greener environment will help to increase demand for semiconductor devices and electronics modules and the broad portfolio of new products that the Group has developed will put us in the forefront position to gain market shares." **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](http://www.asmpacific.com).

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

## ASM PACIFIC TECHNOLOGY LIMITED

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Three months ended 31 Dec		Year ended 31 Dec	
	2016	2015	2016	2015
	(unaudited) HK\$'000	(unaudited) HK\$'000	(audited) HK\$'000	(audited) HK\$'000
Revenue	3,520,889	2,928,394	14,249,093	12,977,289
Cost of sales	(2,197,740)	(1,841,886)	(8,891,618)	(8,261,905)
Gross profit	1,323,149	1,086,508	5,357,475	4,715,384
Other income	47,658	7,863	78,433	42,623
Selling and distribution expenses	(321,920)	(333,223)	(1,277,326)	(1,275,844)
General and administrative expenses	(207,805)	(209,554)	(785,079)	(757,602)
Research and development expenses	(334,163)	(306,076)	(1,242,775)	(1,185,118)
Other gains and losses	1,438	(8,418)	(51,348)	30,394
Restructuring costs	(17,494)	(28,496)	(97,899)	(49,758)
Finance costs	(44,090)	(39,956)	(188,532)	(156,703)
Profit before taxation	446,773	168,648	1,792,949	1,363,376
Income tax expense	(68,722)	(118,818)	(354,567)	(410,462)
Profit for the period	378,051	49,830	1,438,382	952,914
Profit for the period attributable to:				
Owners of the Company	386,641	53,107	1,463,864	956,191
Non-controlling interests	(8,590)	(3,277)	(25,482)	(3,277)
	378,051	49,830	1,438,382	952,914
Earnings per share				
- Basic	HK\$0.95	HK\$0.13	HK\$3.61	HK\$2.38
- Diluted	HK\$0.95	HK\$0.13	HK\$3.60	HK\$2.37

## ASM PACIFIC TECHNOLOGY LIMITED

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Three months ended 31 Dec		Year ended 31 Dec	
	2016	2015	2016	2015
	(unaudited)	(unaudited)	(audited)	(audited)
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Profit for the period	<u>378,051</u>	<u>49,830</u>	<u>1,438,382</u>	<u>952,914</u>
Other comprehensive (expense) income				
- exchange differences on translation of foreign operations, which may be reclassified subsequently to profit or loss	(234,110)	(86,771)	(213,983)	(396,034)
- remeasurement of defined benefit retirement plans, net of tax, which will not be reclassified to profit or loss	<u>(23,634)</u>	<u>11,689</u>	<u>(23,634)</u>	<u>11,689</u>
Other comprehensive expense for the period	<u>(257,744)</u>	<u>(75,082)</u>	<u>(237,617)</u>	<u>(384,345)</u>
Total comprehensive income (expense) for the period	<u><u>120,307</u></u>	<u><u>(25,252)</u></u>	<u><u>1,200,765</u></u>	<u><u>568,569</u></u>
Total comprehensive income (expense) for the period attributable to:				
Owners of the Company	128,896	(21,976)	1,226,175	571,845
Non-controlling interests	<u>(8,589)</u>	<u>(3,276)</u>	<u>(25,410)</u>	<u>(3,276)</u>
	<u><u>120,307</u></u>	<u><u>(25,252)</u></u>	<u><u>1,200,765</u></u>	<u><u>568,569</u></u>

## ASM PACIFIC TECHNOLOGY LIMITED

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	At 31 December	
	2016	2015
	HK\$'000	HK\$'000
<b>Non-current assets</b>		
Property, plant and equipment	2,157,965	2,218,161
Investment property	57,718	63,048
Goodwill	428,052	427,754
Intangible assets	571,528	604,888
Prepaid lease payments	20,461	22,573
Pledged bank deposits	-	2,562
Deposits paid for acquisition of property, plant and equipment	32,198	13,666
Rental deposits paid	44,506	24,755
Deferred tax assets	307,015	289,846
Other non-current assets	101,633	106,496
	<b>3,721,076</b>	<b>3,773,749</b>
<b>Current assets</b>		
Inventories	4,254,541	3,482,436
Trade and other receivables	4,421,318	4,304,398
Prepaid lease payments	780	822
Derivative financial instruments	1,113	2,108
Income tax recoverable	29,830	21,774
Pledged bank deposits	-	7,228
Bank deposits with original maturity of more than three months	1,071,408	254,983
Bank balances and cash	2,138,886	2,020,145
	<b>11,917,876</b>	<b>10,093,894</b>
<b>Current liabilities</b>		
Trade and other payables	3,265,973	2,389,798
Derivative financial instruments	24,664	9,057
Provisions	272,513	280,733
Income tax payable	332,734	415,728
Convertible bonds	2,224,895	-
Bank borrowings	116,334	37,459
	<b>6,237,113</b>	<b>3,132,775</b>
<b>Net current assets</b>	<b>5,680,763</b>	<b>6,961,119</b>
	<b>9,401,839</b>	<b>10,734,868</b>

## ASM PACIFIC TECHNOLOGY LIMITED

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION

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	At 31 December	
	2016	2015
	HK\$'000	HK\$'000
<b>Capital and reserves</b>		
Share capital	40,824	40,453
Dividend reserve	449,068	161,812
Other reserves	8,532,315	7,804,254
Equity attributable to owners of the Company	9,022,207	8,006,519
Non-controlling interests	4,056	29,466
<b>Total equity</b>	<b>9,026,263</b>	<b>8,035,985</b>
<b>Non-current liabilities</b>		
Convertible bonds	-	2,264,775
Retirement benefit obligations	161,249	127,833
Provisions	46,349	65,459
Bank borrowings	77,556	141,441
Deferred tax liabilities	55,725	61,622
Other liabilities and accruals	34,697	37,753
	375,576	2,698,883
	<b>9,401,839</b>	<b>10,734,868</b>