ASM PACIFIC TECHNOLOGY LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0522)

Announcement of 2007 Unaudited Interim Results
Six months Ended 30 June 2007

ASM's Record Performance in the second quarter and first half of 2007

- ***Record Group turnover of US$304 million, an increase of 4.4% over the same period last year***
- ***Profit of HK$546 million and earnings per share of HK$1.41***
- ***Record quarterly equipment turnover of US$147 million in second quarter 2007, achieving 49.9% over the preceding quarter and 16.3% growth over same period last year***
- ***Record quarterly leadframe turnover of US$34 million in second quarter 2007, achieving 34.9% over the preceding quarter and 8.8% growth over same period last year***
- ***Record group new order bookings of US$197 million in second quarter 2007, an increase of 31.5% sequentially over the preceding quarter***
- ***Retained the world's No.1 position in semiconductor assembly and packaging equipment industry held since 2002***
- ***Cash on hand of HK$706 million at the end of June 2007***

The Directors of ASM Pacific Technology Limited are pleased to make the following announcement of unaudited results for the six months ended 30 June 2007:

RESULTS

We are pleased to report that ASM Pacific Technology Limited and its subsidiaries (the ''Group'' or ''ASM'') achieved a record turnover amounting to HK$2,373,634,000 for the six months ended 30 June 2007, representing an increase of 4.4% as compared with HK$2,273,105,000 for the same period of the previous year and 4.0% gain when compared with the turnover of HK$2,282,848,000 for the preceding six-month period. The Group's consolidated profit after taxation for the six months is HK$546,400,000 which is 12.6% lower than the corresponding period in 2006 and 4.2% higher than the preceding six-month period. Basic earnings per share (EPS) for the half-year period amounted to HK$1.41 (first half of 2006: HK$1.61, second half of 2006: HK$1.36).

DIVIDEND

In view of the Company's continuing strong liquidity and rising equity base, the Board of Directors has resolved to pay an interim dividend of HK$0.70 (2006: HK$0.70) per share and a special dividend of HK$0.60 (2006: HK$0.75) per share. This is in line with our prudent policy, as stated in the past several financial result announcements, of returning current excessive cash holdings to our shareholders while continuing to operate the Group with the optimal shareholders' fund. Having established its leadership position in the microelectronics market over the years, ASM intends to further its organic growth path in the near term not only by enlarging market share with its high-performance, diversified products but also by moving into untapped market space that provides the opportunity for highly profitable growth. There is no short term need for major cash outlay and the Group has consistently managed to generate significant positive cash flow from operations in the past ten years.

The Register of Members will be closed from 16 August 2007 to 23 August 2007, both days inclusive. In order to qualify for the interim and special dividend, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's Share Registrars, Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wan Chai, Hong Kong, not later than 4:00 p.m. on 15 August 2007. The interim and special dividend will be paid on or about 29 August 2007.

CONDENSED CONSOLIDATED INCOME STATEMENT

		Six months ended 30 June	
		2007	2006
		(Unaudited)	(Unaudited)
		HK$'000	*HK$'000*
	Notes		
Turnover	1	**2,373,634**	2,273,105
Cost of sales		**(1,358,309)**	(1,207,854)
Gross profit		**1,015,325**	1,065,251
Other income		**16,648**	17,328
Selling expenses		**(192,453)**	(182,008)
General and administrative expenses		**(85,535)**	(86,786)
Research and development expenses		**(149,039)**	(138,097)
Finance costs		**(71)**	(27)
Profit before taxation		**604,875**	675,661
Income tax expense	3	**(58,475)**	(50,617)
Profit for the period		**546,400**	625,044
Dividend paid	4	**466,607**	503,177
Dividend proposed	4	**505,491**	561,236
Earnings per share	5		
- Basic		**HK$1.41**	HK$1.61
- Diluted		**HK$1.40**	HK$1.61

CONDENSED CONSOLIDATED BALANCE SHEET

	Notes	At 30 June 2007 (Unaudited) *HK$'000*	At 31 December 2006 (Audited) *HK$'000*
Non-current assets			
Property, plant and equipment		**949,346**	858,989
Prepaid lease payments		**9,133**	9,128
Deposit paid for acquisition of property, plant and equipment		**18,951**	-
Deferred tax assets		**3,035**	878
		980,465	868,995
Current assets			
Inventories		**819,377**	740,161
Trade and other receivables	6	**1,253,489**	962,414
Prepaid lease payments		**494**	480
Bank balances and cash		**705,988**	914,681
		2,779,348	2,617,736
Current liabilities			
Trade and other payables	7	**878,281**	765,817
Taxation		**191,302**	149,529
Notes payable to a bank		**2,049**	7,244
		1,071,632	922,590
Net current assets		**1,707,716**	1,695,146
		2,688,181	2,564,141
Capital and reserves			
Share capital		**38,884**	38,884
Dividend reserve		**505,491**	466,607
Other reserves		**2,141,596**	2,056,583
Equity attributable to equity holders of the Company		**2,685,971**	2,562,074
Non-current liabilities			
Deferred tax liabilities		**2,210**	2,067
		2,688,181	2,564,141

Notes:

1. Segment Information

Business segments

	Six months ended 30 June	
	2007	2006
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Turnover		
Equipment	**1,917,021**	1,805,701
Leadframe	**456,613**	467,404
	2,373,634	2,273,105
Result		
Equipment	**562,514**	570,307
Leadframe	**26,475**	90,002
	588,989	660,309
Interest income	**15,957**	15,379
Finance costs	**(71)**	(27)
Profit before taxation	**604,875**	675,661
Income tax expense	**(58,475)**	(50,617)
Profit for the period	**546,400**	625,044

1. Segment Information (continued)

Geographical segments

	Six months ended 30 June	
	2007	2006
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Turnover		
Mainland China	**803,096**	587,231
Taiwan	**502,709**	412,464
Malaysia	**297,193**	381,592
Korea	**188,739**	138,318
Hong Kong	**160,436**	166,053
Thailand	**131,565**	202,050
Philippines	**86,716**	102,773
United States of America and Latin America	**68,690**	78,994
Singapore	**46,589**	68,794
Europe	**41,917**	61,243
Japan	**33,014**	47,630
Indonesia	**10,260**	22,363
Others	**2,710**	3,600
	2,373,634	2,273,105

2. Depreciation

During the period, depreciation of HK$93.0 million (HK$82.4 million for the six months ended 30 June 2006) was charged to profit or loss in respect of the Group's property, plant and equipment.

3. Income Tax Expense

	Six months ended 30 June	
	2007	2006
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
The charge comprises:		
Hong Kong Profits Tax	**55,352**	45,136
Taxation in other jurisdictions	**5,007**	5,952
	60,359	51,088
Deferred taxation credit	**(1,884)**	(471)
	58,475	50,617

3. Income Tax Expense (continued)

Hong Kong Profits Tax has been calculated at 17.5% (17.5% for the six months ended 30 June 2006) of the estimated assessable profit for the period.

Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

The Group's profit arising from the manufacture of semiconductor equipment and materials in Singapore is non-taxable under a tax incentive covering certain new products under the Manufacturing Headquarters status granted by the Singapore tax authority. The tax exemption applies to profits arising for a period of 10 years from 1 January 2001, subject to the fulfillment of certain criteria during the period.

Certain subsidiaries of the Group were exempted from the People's Republic of China Income Taxes for two years starting from their first profit-making year, followed by a 50% reduction for the next three years.

The deferred taxation credit mainly related to the tax effect of temporary differences attributable to the difference of depreciation allowances for tax purposes and depreciation charged in the condensed consolidated financial statements.

The Company received a letter dated 28 December 2006 from the Hong Kong Inland Revenue Department ("HKIRD") seeking information relating to Profits Tax and other tax affairs of the Group. The enquiry might lead to additional tax being charged on profits from some overseas subsidiaries that have not previously been considered as within the scope of charge for Hong Kong Profits Tax.

During the period, protective profits tax assessments totaling approximately HK$76,050,000 and relating to year of assessment 2000/01 (the "Tax Assessment") have been raised by the HKIRD against certain subsidiaries of the Group on their offshore tax claim.

The Group lodged objections with the HKIRD against the Tax Assessment. The HKIRD agreed to hold over the entire tax demanded subject to Tax Reserve Certificates ("TRC") in the amount of HK$47,000,000 being purchased by the subsidiaries. The TRC in this regard have been purchased by the subsidiaries and are shown as "tax reserve certificate recoverable" in "trade and other receivables" in Note 6 to the condensed consolidated balance sheet.

Based on legal and other professional advice that the Company has sought, the directors are of the opinion that the Group would have a meritorious defence to any additional tax assessment

3. Income Tax Expense (continued)

and that no material tax liability would be incurred. Accordingly, the directors consider that sufficient provision has been made in the condensed consolidated financial statements.

4. Dividends

	Six months ended 30 June	
	2007	2006
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Dividend paid		
Final dividend paid for 2006 of HK$1.00 (2005: HK$1.00) per share on 388,839,000 (2005: 387,059,500) shares	**388,839**	387,059
Second special dividend paid for 2006 of HK$0.20 (2005: HK$0.30) per share on 388,839,000 (2005: 387,059,500) shares	**77,768**	116,118
	466,607	503,177
Dividend proposed		
Proposed interim dividend of HK$0.70 (2006: HK$0.70) per share on 388,839,000 (2006: 387,059,500) shares	**272,188**	270,942
Proposed first special dividend of HK$0.60 (2006: HK$0.75) per share on 388,839,000 (2006: 387,059,500) shares	**233,303**	290,294
	505,491	561,236

The dividends will be paid to the shareholders of the Company whose names appear on the Register of Members on 23 August 2007.

5. Earnings per share

The calculation of the basic and diluted earnings per share is based on the following data:

	Six months ended 30 June	
	2007	2006
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Earnings for the purposes of basic and diluted earnings per share	**546,400**	625,044

	Number of shares (in thousand)	
Weighted average number of ordinary shares for the purposes of basic earnings per share	**388,839**	387,060
Effect of dilutive potential ordinary shares from the Employee Share Incentive Scheme	**539**	608
Weighted average number of ordinary shares for the purposes of diluted earnings per share	**389,378**	387,668

6. Trade and other receivables

	At 30 June 2007	At 31 December 2006
	(Unaudited)	(Audited)
	HK$'000	*HK$'000*
Trade receivables	**1,117,594**	887,002
Other receivables, deposits and prepayments	**88,818**	75,411
Tax reserve certificate recoverable	**47,000**	-
Amounts due from ASM International N.V. ("ASM International") group companies -trade (Note)	**77**	1
	1,253,489	962,414

An aging analysis of trade receivables at the reporting date is as follows:

Not yet due	**761,685**	571,481
Overdue within 30 days	**203,753**	154,736
Overdue within 31 to 60 days	**67,773**	74,330
Overdue within 61 to 90 days	**24,503**	36,227
Overdue over 90 days	**59,880**	50,228
	1,117,594	887,002

6. **Trade and other receivables (continued)**

Note: Amounts due from ASM International group companies are unsecured, non-interest bearing and repayable according to normal trade terms. ASM International is the ultimate holding company of the Company.

Payment terms with customers are mainly on credit together with deposits. Invoices are normally payable within 30 to 60 days of issuance, except for certain well established customers, where the terms are commonly extended to 3 to 4 months. Each customer has a pre-set maximum credit limit.

7. **Trade and other payables**

	At 30 June 2007 (Unaudited) ***HK$'000***	At 31 December 2006 (Audited) *HK$'000*
Trade payables	**589,553**	475,366
Other payables and accrued charges	**288,328**	289,612
Amounts due to ASM International group companies - trade (Note)	**400**	839
	878,281	765,817

An aging analysis of trade payables at the reporting date is as follows:		
Not yet due	**426,360**	290,238
Overdue within 30 days	**129,400**	119,702
Overdue within 31 to 60 days	**31,151**	53,421
Overdue within 61 to 90 days	**1,512**	4,815
Overdue over 90 days	**1,130**	7,190
	589,553	475,366

Note: Amounts due to ASM International group companies are unsecured, non-interest bearing and repayable according to normal trade terms.

REVIEW

The first six months of 2007 have again been strong for the company, bolstered primarily by a robust second quarter. Our order inflows and billings showed a solid increase into the second quarter, helping the company on its way to set new records. We are naturally thrilled by this latest performance, which exceeds the previous record Group turnover during the corresponding first half of last year.

Our billings for both Equipment and Leadframe have been especially strong for the second quarter. We saw improved performance across almost all of our product range, which further contributed to the Group's growth momentum. As a result, even with our lower billings in the first quarter, we have been able again to scale new heights as compared to the record-breaking first half of 2006.

We achieved a record Group turnover of US$304 million and a profit of HK$546 million during the past six months, reflecting further gains in market share and our capability to respond quickly to changes in market conditions. Return on capital employed and on sales was 22.5% and 24.8% respectively for the six-month period. We made record shipments in the past six months, due to strong order inflows. During the same period, our book to bill ratio, representing net bookings over billings was 1.14. Despite achieving record shipment in the second quarter, our ending order backlog as of 30 June 2007 was in excess of US$146 million (US$103.9 million as of 31 December 2006 and US$130 million as of 31 March 2007). Book to bill ratio for the second quarter was 1.09.

This was another excellent result by ASM, due not only to the solid foundation laid over the years by the diversification of our products and application markets, but reinforced by our efficient cost structure and ongoing successful introduction of technologically-advanced new products. During the first half of 2007, sales attributable to our five largest customers combined were 19.5% of the total, with no customer exceeding 10%, demonstrating the continuing success of our aggressively diversified market strategy. We also enjoyed a good geographical spread mirroring the investment trends in the industry, with Mainland China sustaining its top (33.8%) position, followed by Taiwan (21.2%) and Malaysia (12.5%). Such a diversified product and geographic portfolio continues to be one of ASM's strengths.

The Group's stellar financial performance in recent years provides clear evidence of the growing acceptance of our products by a larger pool of customers. During the first six months of 2007, Equipment revenues were US$245 million, equivalent to 80.8% of the Group's turnover, an increase of 6.2% and 7.9% over the first and second six months period in 2006, respectively. Equipment revenue achieved a new record of US$147 million in the second quarter of 2007, representing an increase of 49.9% over the preceding quarter and 16.3% over same period last year. With improved market demand, gain in market share and the expanded production capacity in our China and Malaysian plants, our Leadframe business achieved revenues of US$59 million, representing 19.2% of the Group's turnover during the first half of 2007, a decrease of 2.3% and 9.9% over the first and second half of 2006 respectively, mainly as a result of lower output in the first quarter of 2007. However, it is important to note that our Leadframe business actually achieved a new record of

US$34 million in the second quarter of 2007, representing an increase of 34.9% over the preceding quarter and 8.8% over same period last year. Clearly the strategic realignment of our Leadframe operations has yielded dividends.

Our continued strong progress as evidenced by the above results demonstrates that our internal growth strategy remains acutely relevant to the company and continues to work in our favour.

Satisfying the diverse demands of today’s package types and applications comes at a price, and that price is the requirement for multiple platforms in almost any assembly process, such as our gold wire bonder, die bonder, aluminum wire bonder, flip chip bonder, LED die sorter, encapsulation system, package singulation system and test handler products. While it is essential that we provide short delivery times to our customers for standard products, the combined effect of a wider range of products, higher production run-rates, multiple platforms and new product introductions led to higher work-in-process and raw materials inventories as compared with six months ago. With more pipeline materials to address customer orders, our ending inventory as of 30 June 2007 slightly increased to HK$819 million (HK$740 million as of 31 December 2006), with an annualized inventory turn of 6.09 times (2006 : 6.75 times) that was positively impacted by higher revenues. Moreover, with our diligent collection efforts, days sales-outstanding was 85.2 days (2006: 71.1 days). The increase is in line with much higher billings in the last quarter. Our sound working capital management has resulted in a free cash flow of HK$165 million and a return on invested capital of 29.5% during the past six months.

After paying last year’s final and second special dividend of total HK$467 million in April and funding capital investment of HK$177 million in the first half of 2007, cash on hand as of 30 June 2007 was HK$706 million, which was HK$209 million lower than six months ago mainly due to increase in working capital to cope with the strong order inflows. Our current ratio stands at 2.59, with zero long-term debt or bank borrowing, and a debt-equity ratio of only 40%. With no short-term needs and an on-going positive cash flow from organic growth operations, these figures permit ASM’s management to recommend a sustained high level of dividend to return the excessive cash holdings to our shareholders.

PROSPECTS

The market slowdown that started in the second half of last year turned out to be a short and mild one, at least for ASM. Our order intake began to rebound in the first quarter and continued strongly into the second quarter. The recovery is across almost all products and from a broad spread of geographical territories and customers. However, we notice that some industry analysts have started to trim down their forecasts for the semiconductor industry for 2007 while maintaining a forecast of strong growth for 2008. There are also analysts expressing the opinion that the semiconductor equipment industry, probably more with regard to the front-end equipment industry, is heading for a steep downturn.

Fortunately, from our perspective, we have yet to see any sign of such a downturn, going by our robust performance during the past quarter. The improvements in the second quarter have certainly been healthy and encouraging. The strong new order backlog as of end of second quarter gives us additional dynamic impetus for vigorous growth in 2007. It is difficult to predict whether the present positive trend will continue. However, ASM's management will as always be mindful to react to any sudden changes in market conditions. Responsiveness to market changes is traditionally one of ASM's strengths.

We are on track in introducing a new generation of products. Our new state-of-the-art Multi-Chip Module (MCM) die bonder and the new generation gold wire bonders were showcased at the SEMICON Singapore Show in May this year. The reception and feedback were encouraging. Shipment of our new Chip-On-Glass (COG) flip chip bonder has already been started.

Our current success brings with it a requirement to plan for future expansion. We are glad to announce that the transfer of our Back End Products (BEP) operations to our new FuYong, Shenzhen, China plant has been completed. We will be further increasing our capacity in the FuYong plant in the next few months with the purchase and installation of new production equipment. The transfer of our Leadframe plating operations to our Malaysian plant has already been completed in the first quarter of 2007, enabling us to further improve our cost-competitiveness and expand the output of our QFN etched frames. Although we expect to face early difficulties in our Malaysian Leadframe operations due to the inevitable learning curve, the strong performance achieved in the second quarter this year is a clear sign that we are benefiting from the increased capacity available to us, which bodes well for the future. Expansion of the etching lines at our Singapore plant to increase etching capacity is also progressing well. Furthermore, we have added more factory space in our Hong Kong office for our die bonder and aluminum wire bonder operations, as well allocating additional areas for research and development work.

Over the years we have accumulated a wealth of technologies and gathered a vast pool of talent at ASM. Our track record of successfully executing ASM's customer-centric business strategy needs no elaboration. The broad customer base coming from various application markets, the diversified product offerings and the industry's most efficient cost structure are ASM's sustainable competitive advantages, and we intend that they will remain so into the future. Furthermore, ignoring short-term sales fluctuation in favour of long-term growth, ASM has consistently committed 10% of our Equipment sales to R&D — US$263 million in the past ten years and made substantial capital investments — US$241 million in the last decade — to position the Group advantageously in the global market. The battle for market share is an arduous struggle with no quarter given, and in general the outcome will favour companies with richer resources, both human and material. Given our strengths in these areas, it is management's belief that ASM will continue to outperform our industry peers and maintain our leading position in the foreseeable future.

CORPORATE GOVERNANCE

The Group has complied with all the code provisions set out in the Code on Corporate Governance Practices ("CG Code") contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited during the six months ended 30 June 2007 except for the following deviation:

The Company has not yet adopted Code Provision A.4.1 which provides that Non-executive Directors should be appointed for a specific term, subject to re-election. All the Non-executive Directors are not appointed for specific term, but they are subject to retirement by rotation and re-election at the annual general meetings of the Company at least once every three years pursuant to the Articles of Association of the Company. As such, the Company considers that such provisions in the Articles of Association are sufficient to meet the underlying objective of the relevant provision of the CG Code.

The Company reviews its corporate governance practices regularly to ensure compliance with the CG Code.

AUDIT COMMITTEE

The audit committee is comprised of three independent non-executive directors and one non-executive director, who together have substantial experience in fields of auditing, legal matters, business, accounting, corporate internal control and regulatory affairs.

REVIEW OF ACCOUNTS

The Audit Committee has reviewed the Group's unaudited condensed consolidated financial statements for the six months ended 30 June 2007 in conjunction with the Company's external auditors.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

The Company has not redeemed any of its listed securities during the period. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's listed securities during the period.

BOARD OF DIRECTORS

As at the date of this announcement, the Board comprises Mr. Arthur H. del Prado (Chairman), Mr. Peter Lo Tsan Yin (Vice Chairman), Mr. Lee Wai Kwong, Mr. James Chow Chuen and Mr. Eric Tang Koon Hung as Executive Directors, Mr. Arnold J.M. van der Ven as Non-executive Director and Miss Orasa Livasiri, Mr. Robert Lee Shiu Hung and Mr. John Lok Kam Chong as Independent Non-executive Directors.

On behalf of the Board
Lee Wai Kwong
Director

Hong Kong, 30 July 2007