



ASM PACIFIC TECHNOLOGY LIMITED
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 0522)

**ANNOUNCEMENT OF UNAUDITED 2007 THIRD QUARTER RESULTS FOR
THE NINE MONTHS ENDED 30 SEPTEMBER 2007**

ASMPT Continued To Break New Records

- ***Record Group turnover of US\$199 million, a growth of 33.2% over same period last year and sequential growth of 9.9% over the previous quarter***
- ***Record profit of HK\$393 million and earnings per share of HK\$1.01, a growth of 36.6% over same period last year and sequential growth of 10.8% over the preceding quarter***
- ***Record equipment turnover of US\$160 million, achieving 36.1% revenue growth over Q3 2006 and 8.4% growth over the preceding three months***
- ***Record lead frame turnover of US\$39 million, achieving 22.2% revenue growth over Q3 2006 and 16.6% growth over the preceding three months***
- ***New orders booking of US\$183 million, the second highest record in the company's history and a growth of 47.3% over same period last year***

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

RESULTS

ASM Pacific Technology Limited and its subsidiaries (the "Group" or "ASM") reported a turnover of HK\$1,551,691,000 for the three months ended 30 September 2007, representing an increase of 33.2% as compared with HK\$1,165,356,000 for the third quarter of 2006 and 9.9% increase when compared with the turnover of HK\$1,412,002,000 for the preceding three months. The Group's consolidated profit after taxation for the third quarter of 2007 is HK\$392,827,000 which is 36.6% higher than the corresponding period in 2006 and 10.8% higher than the previous quarter. Basic earnings per share (EPS) for the third quarter of 2007 amounted to HK\$1.01 (third quarter of 2006: HK\$0.75, second quarter of 2007: HK\$0.92).

FINANCIAL HIGHLIGHTS

		Three months ended 30 Sep		Nine months ended 30 Sep	
		2007	2006	2007	2006
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
	<i>Notes</i>				
Turnover	1	1,551,691	1,165,356	3,925,325	3,438,461
Cost of sales		(864,106)	(648,120)	(2,222,415)	(1,855,974)
Gross profit		687,585	517,236	1,702,910	1,582,487
Other income		7,459	8,780	24,107	26,108
Selling expenses		(123,522)	(96,243)	(315,975)	(278,251)
General and administrative expenses		(50,092)	(42,050)	(135,627)	(128,836)
Research and development expenses		(84,414)	(74,412)	(233,453)	(212,509)
Finance costs		-	(122)	(71)	(149)
Profit before taxation		437,016	313,189	1,041,891	988,850
Income tax expense		(44,189)	(25,713)	(102,664)	(76,330)
Profit for the period		392,827	287,476	939,227	912,520
Earnings per share	2				
- Basic		HK\$1.01	HK\$0.75	HK\$2.42	HK\$2.36
- Diluted		HK\$1.01	HK\$0.74	HK\$2.41	HK\$2.35

Notes:

1. Turnover by business segments

	Three months ended 30 Sep		Nine months ended 30 Sep	
	2007	2006	2007	2006
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Turnover				
Equipment	1,246,003	915,298	3,163,024	2,720,999
Lead frame	305,688	250,058	762,301	717,462
	1,551,691	1,165,356	3,925,325	3,438,461

2. Earnings per share

The calculation of the basic and diluted earnings per share attributable to the ordinary equity holders of the Company is based on the following data:

	Three months ended 30 Sep		Nine months ended 30 Sep	
	2007 (Unaudited) <i>HK\$'000</i>	2006 (Unaudited) <i>HK\$'000</i>	2007 (Unaudited) <i>HK\$'000</i>	2006 (Unaudited) <i>HK\$'000</i>
Earnings for the purposes of basic and diluted earnings per share	392,827	287,476	939,227	912,520
	Number of shares (in thousand)		Number of shares (in thousand)	
Weighted average number of ordinary shares for the purposes of basic earnings per share	388,839	387,060	388,839	387,060
Effect of dilutive potential ordinary shares from the Employee Share Incentive Scheme	1,460	1,334	1,074	1,103
Weighted average number of ordinary shares for the purposes of diluted earnings per share	390,299	388,394	389,913	388,163

REVIEW

Although we faced a slow start to the year, our performance has improved markedly since then, culminating in another excellent set of results in the third quarter of 2007. We are pleased to announce that ASM has achieved another record quarter in terms of turnover, both for its Equipment and Lead frame operations. As in the previous quarters, the improvement was again broad-based, reflecting improved demand for our products across all major product categories and geographical markets. This is testament to our success in pursuing a diversification strategy for our products and applications.

During the third quarter of 2007, Equipment revenues increased by 36.1% to US\$160 million from the same period a year ago and increased by 8.4% from the preceding quarter. Our Lead frame revenues increased by 22.2% to US\$39 million from the same period a year ago and increased by 16.6% from the preceding quarter. Lead frame revenues contributed to 19.7% of the Group's turnover.

Our new order bookings for the third quarter of 2007 amounted to US\$183 million, which is an increase of 47.3% as compared to the corresponding third quarter of 2006, and a decrease of 7.1% as compared to the preceding three months.

As of 30 September 2007, the order backlog amounted to US\$131 million, an increase of 2.4% as compared to the third quarter of 2006 and a decrease of 10.8% as compared to the preceding three months. The book-to-bill ratio, representing net bookings over billings, was slightly less than 1 at 0.92 for the third quarter of 2007, which is an increase from 0.83 for the same period last year and a decrease from the ratio of 1.09 in the

preceding quarter. However, it is notable that the decrease was not due to weak order inflows, but owed instead to the increased billings, which brought the book-to-bill ratio to below parity.

ASM's success is not only attributable to the prevailing market conditions. Our diverse portfolio of products has again put us in a strong position in a very competitive environment. Our solid foundation laid over the years by the diversification of our products and application markets, efficient cost structure and successful introduction of technologically-advanced new products have consistently given ASM a strong competitive advantage over its peers.

Our dedicated team of executives has successfully led the management succession which took place at the turn of the year. Besides the announced retirements, the executive team remained largely intact. The stable, competent, cohesive and experienced executive team has not only assisted ASM in undergoing a smooth management transition, but has also allowed it to capture the opportunities which arose from the subsequent market recovery.

ASM's long-term business approach is another factor contributing to its success. Notwithstanding the weak market conditions at the start of the year, we continued to expand our production capacity for the strategic objective of enhancing our long-term manufacturing capabilities. With the benefit of hindsight, it turned out to be the right decision with the onset of the market recovery. This forward-looking strategy could be pursued because of ASM's solid financial resources brought about by past accomplishments and financial prudence.

Capital addition during the period amounted to HK\$87 million; a good portion was funded by this quarter's depreciation of HK\$51 million.

PROSPECTS

We are continuing to enjoy the benefits of strong order inflows since the commencement of the year and have gained further market share. Some analysts have predicted a slowdown in the Packaging and Assembly Equipment market in 2007, and that view is echoed to some extent by anecdotal instances of suppliers in the industry citing continuing weakness in market conditions as a reason for their unsatisfactory performance. We are pleased that the apparent market weakness has not affected our performance, judging by the excellent results that we have achieved to-date. On the contrary, our results demonstrate that we have outperformed the rest of the Packaging and Assembly Equipment market by some distance. Going into the fourth quarter, which is historically a low season for Packaging and Assembly Equipment orders in general, the high order backlog presently enjoyed by ASM should also compensate for any potential market weakness.

Some analysts are predicting a slowdown in the Semiconductor Capital Equipment market in 2008, but have predicted that the Packaging and Assembly Equipment market in particular should grow slightly in 2008. Thus, it appears that there are no obvious dark clouds over the horizon at this time. Nevertheless, it is not inconceivable that there might be room for some healthy moderation and consolidation in our results going forward after our recent record-breaking performances.

ASM continues to leverage on its strong management team, sound business strategies and solid financial strength to take advantage of market opportunities whenever they arise. The long-term visionary outlook adopted by the management team has allowed ASM to look beyond the immediate market conditions in order to leverage on its R&D strengths and to deliver the best value propositions to its customers. Our customer-

centricity and extensive marketing network have also helped us to be responsive to the needs of the market and to capture market opportunities that are presented by strong demand.

REVIEW OF ACCOUNTS

The Audit Committee has reviewed the Group's unaudited condensed consolidated financial statements for the nine months ended 30 September 2007.

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, 29 October 2007