ASM PACIFIC TECHNOLOGY LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0522)

ANNOUNCEMENT OF 2009 UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2009

ASMPT Reports Strong Rebound During Q2 2009

First Half of 2009

- ***Group turnover of US$182 million for the first six months of 2009, decreasing 51.9% and 39.6% over the first and second half of last year, respectively***
- ***Profit of HK$75 million and earnings per share of HK$0.19 for the first six months of 2009, decreasing 88.9% and 75.0% over the first and second half of last year, respectively***

Q2 2009

- ***Group turnover of US$126 million, a decline of 39.5% over same period last year and a strong rebound of 123.2% over the previous quarter***
- ***Profit of HK$160 million and earnings per share of HK$0.41, a decline of 57.6% over same period last year and reversing the loss of HK$85 million in the preceding quarter***
- ***Equipment turnover of US$91 million, representing a 45.3% decline over Q2 2008 and a strong rebound 136.4% over the preceding three months***
- ***Lead frame turnover of US$35 million, a decline of 16.8% over Q2 2008 and a strong rebound of 95.2% over the preceding three months***
- ***New orders booking of US$188 million, a strong rebound of 200.5% from the preceding three months***
- ***With zero debt and cash on hand of HK$753 million at the end of June 2009***

The Directors of ASM Pacific Technology Limited are pleased to make the following announcement of unaudited results for the six months ended 30 June 2009:

RESULTS

We are pleased to report that ASM Pacific Technology Limited and its subsidiaries (the "Group" or "ASM") reported a turnover of HK$1,409 million for the six months ended 30 June 2009, representing a decrease of 51.9% as compared with HK$2,927 million for the same period last year and a 39.6% decrease when compared with the turnover of HK$2,331 million for the preceding six-month period. The Group's consolidated profit after taxation for the six months is HK$75 million which is 88.9% lower than the corresponding period in 2008 and 75.0% lower than the preceding six-month period. Basic earnings per share (EPS) for the half-year period amounted to HK$0.19 (first half of 2008: HK$1.73, second half of 2008: HK$0.76).

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$0.20 (2008: HK$0.90) and a special dividend of HK$0.40 (2008: HK$0.50) per share. Despite giving out high dividends and continual expansion of our production capacity, marketing network and R&D capabilities in the past few years, the Company continues to generate strong positive cash flow. This allows ASM to continue to adopt the 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 for the Group.

The Register of Members will be closed from 17 August 2009 to 20 August 2009, 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, Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wan Chai, Hong Kong, not later than 4:00 p.m. on 14 August 2009. The interim and special dividend will be paid on or about 27 August 2009.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		Six months ended 30 June	
		2009	2008
		(Unaudited)	(Unaudited)
		HK$'000	HK$'000
	Notes		
Turnover	2	**1,409,140**	2,927,222
Cost of sales		**(953,567)**	(1,663,697)
Gross profit		**455,573**	1,263,525
Other income		**3,621**	13,342
Selling expenses		**(152,522)**	(238,418)
General and administrative expenses		**(79,405)**	(94,200)
Research and development expenses		**(134,239)**	(173,979)
Finance costs		**-**	(1)
Profit before taxation		**93,028**	770,269
Income tax expense	4	**(18,124)**	(95,677)
Profit for the period		**74,904**	674,592
Exchange differences on translation of foreign operations, representing other comprehensive (expense) income for the period		**(2,125)**	2,909
Total comprehensive income for the period		**72,779**	677,501
Dividend paid	5	**196,178**	585,942
Dividend declared	5	**235,414**	546,879
Earnings per share	6		
- Basic		**HK$0.19**	HK$1.73
- Diluted		**HK$0.19**	HK$1.72

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	**At 30 June 2009 (Unaudited) HK$'000**	At 31 December 2008 (Audited) HK$'000
Non-current assets			
Property, plant and equipment		**907,269**	1,004,105
Prepaid lease payments		**7,932**	8,321
Deposit paid for acquisition of property, plant and equipment		**3,989**	12,434
Deferred tax assets		**11,881**	9,993
		931,071	1,034,853
Current assets			
Inventories		**864,201**	900,958
Trade and other receivables	7	**1,044,305**	1,003,243
Prepaid lease payments		**481**	489
Bank balances and cash		**752,815**	845,521
		2,661,802	2,750,211
Current liabilities			
Trade and other payables	8	**657,328**	647,940
Taxation		**176,761**	271,112
		834,089	919,052
Net current assets		**1,827,713**	1,831,159
		2,758,784	2,866,012
Capital and reserves			
Share capital		**39,236**	39,236
Dividend reserve		**235,414**	196,178
Other reserves		**2,482,943**	2,628,686
Equity attributable to owners of the Company		**2,757,593**	2,864,100
Non-current liabilities			
Deferred tax liabilities		**1,191**	1,912
		2,758,784	2,866,012

Notes:

1. Principal Accounting Policies

The condensed consolidated financial statements have been prepared under the historical cost basis.

A number of new and revised standards, amendments and interpretations are effective for the financial year beginning on 1 January 2009. Except as described below, the accounting policies used in the interim financial information are consistent with those followed in the preparation of the consolidated financial statements of the Group for the year ended 31 December 2008, included in the annual report of the Group for the year ended 31 December 2008. The adoption of these new standards has resulted in the following changes. The adoption of the other new and revised standards, amendments and interpretations had no material effect on how the results and financial position for the current and prior accounting periods have been prepared and presented.

Presentation of financial statements

In the current period, the Group has adopted Hong Kong Accounting Standards ("HKAS") 1 (Revised) "Presentation of financial statements" which has introduced a number of terminology changes (including revised titles for the condensed consolidated financial statements) and has resulted in a number of changes in presentation and disclosure. The adoption of HKAS 1 (Revised), however, has no impact on the reported results or financial position of the Group.

Segment information

In the current period, the Group has adopted Hong Kong Financial Reporting Standard ("HKFRS") 8 "Operating segments". HKFRS 8 requires the presentation of operating segments in a manner consistent with the internal reports that are regularly reviewed by the Group's chief operating decision maker (see note 2 for details). HKFRS 8 replaces HKAS 14 "Segment reporting" which required an entity to identify two sets of segments (business and geographical). Following the adoption of HKFRS 8, the presentation of the segment results and segment assets has changed (see note 2 for details). However, the adoption of HKFRS 8 has not resulted in redesignation of the Group's reportable segments.

2. Segment Information

The Group has adopted HKFRS 8 "Operating segments" with effect from 1 January 2009. HKFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Group's chief operating decision maker in order to allocate resources to the segment and to assess its performance. The chief operating decision maker of the Group has been identified as the Chief Executive Officer.

The Group determines its operating segments based on the internal reports reviewed by the Chief Executive Officer that are used to make strategic decisions.

The Group has two reportable segments: equipment and lead frame. They represent two major types of products manufactured by the Group. The segments are managed separately.

Information regarding these segments is presented below. The segment results reported for the prior period have been restated to conform with the requirements of HKFRS 8.

2. Segment Information (continued)

Segments results represent the profit before taxation earned by each segment, excluding interest income, finance costs, unallocated other income and unallocated corporate expenses. This is the measure reported to the Group's Chief Executive Officer for the purpose of resource allocation and assessment of segment performance.

An analysis of the Group's turnover and results by operating segment is as follows:

Operating segments

	Six months ended 30 June	
	2009	2008
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
		(Restated)
Turnover		
Equipment	**997,625**	2,306,041
Lead frame	**411,515**	621,181
	1,409,140	2,927,222
Result		
Equipment	**72,013**	724,652
Lead frame	**40,280**	53,206
	112,293	777,858
Interest income	**2,259**	7,365
Finance costs	**-**	(1)
Unallocated other income	**734**	5,922
Unallocated corporate expenses	**(22,258)**	(20,875)
Profit before taxation	**93,028**	770,269
Income tax expense	**(18,124)**	(95,677)
Profit for the period	**74,904**	674,592

All of the segment turnover reported above is from external customers.

2. Segment Information (continued)

Geographical information by location of market

	Turnover Six months ended 30 June	
	2009	2008
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Mainland China	**534,644**	1,053,617
Taiwan	**230,095**	570,455
Korea	**205,187**	162,908
Malaysia	**159,089**	379,382
Hong Kong	**57,843**	190,137
Philippines	**56,603**	120,959
Thailand	**54,728**	132,346
United States of America and Latin America	**48,557**	92,592
Japan	**20,736**	85,202
Singapore	**17,775**	67,599
Europe	**17,775**	50,001
Indonesia	**4,783**	13,615
Others	**1,325**	8,409
	1,409,140	2,927,222

3. Depreciation

During the period, depreciation of HK$115.4 million (HK$108.0 million for the six months ended 30 June 2008) was charged to profit or loss in respect of the Group's property, plant and equipment.

4. Income Tax Expense

	Six months ended 30 June	
	2009	2008
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
The charge (credit) comprises:		
Hong Kong Profits Tax	**19,637**	86,001
Taxation in other jurisdictions	**1,116**	10,364
	20,753	96,365
Deferred taxation		
- current period	**(2,629)**	(740)
- attributable to a change in tax rate	**-**	52
	(2,629)	(688)
	18,124	95,677

4. Income Tax Expense (continued)

Hong Kong Profits Tax has been calculated at 16.5% 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.

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 continued to receive letters from the Hong Kong Inland Revenue Department during the period ended 30 June 2009 seeking information relating to Profits Tax and other tax affairs of certain subsidiaries of the Company. The enquiry might lead to additional tax being charged on profits from some overseas subsidiaries that have not previously been included in the scope of charge for Hong Kong Profits Tax. As at 30 June 2009, the Group purchased tax reserve certificates amounting to HK$101.0 million.

Based on legal and other professional advice that the Company has sought in early year 2009, the directors are of the opinion that the Company and its subsidiaries would have a case to pursue. Subsequent to balance sheet date, the Court of Appeal has handed down its judgment on a case involving an offshore claim. As at the date of the interim report, the directors are seeking legal and professional advice in order to assess the implication of this judgment on the tax provision for the Group. In the circumstances, the directors are unable at this stage to assess whether additional tax provision is required and no additional tax provision has been provided.

5. Dividends

	Six months ended 30 June	
	2009	2008
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Dividend paid during the period		
Final dividend for 2008 paid of HK$0.50 (2008: final dividend for 2007 paid of HK$1.10) per share on 392,356,700 (2008: 390,628,000) shares	**196,178**	429,691
Second special dividend for 2008 of nil (2008: second special dividend for 2007 paid of HK$0.40) per share on 392,356,700 (2008: 390,628,000) shares	**-**	156,251
	196,178	585,942
Dividend declared after the period end		
Interim dividend of HK$0.20 (2008: HK$0.90) per share on 392,356,700 (2008: 390,628,000) shares	**78,471**	351,565
First special dividend of HK$0.40 (2008: HK$0.50) per share on 392,356,700 (2008: 390,628,000) shares	**156,943**	195,314
	235,414	546,879

The dividends will be paid to the shareholders of the Company whose names appear on the Register of Members on 20 August 2009.

6. Earnings per share

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

	Six months ended 30 June	
	2009	2008
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Earnings for the purposes of basic and diluted earnings per share (Profit for the period)	**74,904**	674,592
	Number of shares (in thousand)	
Weighted average number of ordinary shares for the purpose of basic earnings per share	**392,357**	390,628
Effect of dilutive potential shares from the Employee Share Incentive Scheme	**933**	588
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**393,290**	391,216

7. Trade and other receivables

	At 30 June 2009	At 31 December 2008
	(Unaudited)	(Audited)
	HK$'000	HK$'000
Trade receivables	**862,910**	855,053
Other receivables, deposits and prepayments	**80,356**	75,190
Tax reserve certificate recoverable	**101,000**	73,000
Amounts due from ASM International N.V. group companies - trade (Note)	**39**	-
	1,044,305	1,003,243

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

Not yet due	**602,989**	546,857
Overdue within 30 days	**126,208**	121,404
Overdue within 31 to 60 days	**57,691**	76,278
Overdue within 61 to 90 days	**21,075**	57,678
Overdue over 90 days	**54,947**	52,836
	862,910	855,053

7. Trade and other receivables (continued)

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.

Note: Amounts due from ASM International N.V. ("ASM International") group companies are unsecured, non-interest bearing and repayable according to normal trade terms.

8. Trade and other payables

	At 30 June 2009 (Unaudited) HK$'000	At 31 December 2008 (Audited) HK$'000
Trade payables	**361,355**	324,631
Other payables and accrued charges	**295,616**	323,124
Amounts due to ASM International group companies - trade (Note)	**357**	185
	657,328	647,940

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

	At 30 June 2009 (Unaudited) HK$'000	At 31 December 2008 (Audited) HK$'000
Not yet due	**273,034**	74,635
Overdue within 30 days	**57,261**	107,776
Overdue within 31 to 60 days	**19,968**	84,774
Overdue within 61 to 90 days	**5,366**	36,480
Overdue over 90 days	**5,726**	20,966
	361,355	324,631

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

REVIEW

There have recently been encouraging signs of a bottoming out of the global recession. After the stabilization of the semiconductor industry and the strengthening in demand in the latter part of the first quarter, the semiconductor assembly and packaging equipment industry has staged a strong rebound for the second quarter. There are a number of positive signs in the market, brought about mainly by the stimulus packages implemented by the Chinese government, robust demand for handsets in China, and demand for LED backlite modules for displays.

The significant improvement in economic activity is exciting, although it is too early to say that an economic recovery is in sight. Our billings more than doubled over the first quarter and our bookings are more than 3 times of that obtained in the first quarter. Compared to the second quarter of 2008, which saw record turnover for the Group, as well as for our Equipment and Lead frame product segments, our bookings are only lower by a single digit percentage. As a result, the second quarter is not only profitable, but the profits have more than offset ASM's first-ever quarterly losses experienced in the first quarter of 2009.

We saw improved performance across all our major product lines. We achieved a Group turnover of US$182 million and a profit of HK$75 million during the past six months, reflecting further gains in market share and demonstrating our capability to adapt and to respond quickly to changes in market conditions. Return on capital employed and on sales was 3.4% and 6.4% respectively for the six-month period.

During the past six months, our book to bill ratio, representing net bookings over billings, was 1.38. Due to a dramatic increase in bookings in the second quarter, our ending order backlog as of 30 June 2009 was in excess of US$121 million (US$53 million as of 31 December 2008 and US$59 million as of 31 March 2009). Our book to bill ratio for the second quarter was 1.50, mainly as a result of our strong order inflows during the second quarter. New order bookings in the second quarter of 2009 amounted to US$188 million, a sequential increase of 200.5% over Q1 2009. This level of order inflows is only 9.6% below the record which we attained in the last quarter of 2007.

ASM's diversification of its product and application markets, which is reinforced by its efficient cost structure and ongoing successful introduction of technologically-advanced new products, underpins its success. During the first half of 2009, sales attributable to our five largest customers combined were 19.2% 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 remaining our largest market, increasing its share from 36.0% a year earlier to 37.9% now. Mainland China is followed by Taiwan (16.3%) and South Korea (14.6%). The diversified product and geographic portfolio continue 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. 80% of the Group's turnover in the six-month period came from 92 customers. During the second quarter, we noticed that there was a trend of increasing demand from sub-contractors for our products. Cumulatively, purchases from sub-contractors have surpassed purchases from the IDMs for the first six months of this year.

During the first six months of 2009, Equipment revenues were US$129 million, equivalent to 70.8% of the Group's turnover, decreasing 56.7% and 44.5% as compared to the first and second six-month periods in 2008 respectively. Equipment revenue was at US$91 million in the second quarter of 2009, representing an increase of 136.4% over the preceding quarter and a decrease of 45.3% over same period last year.

With improved market demand and gain in market share, our Lead frame business achieved revenues of US$53 million, representing 29.2% of the Group's turnover during the first half of 2009, which represent decreases of 33.8% and 22.8% over the first and second half of 2008 respectively. Our Lead frame business achieved a turnover of US$35 million in the second quarter of 2009, representing an increase of 95.2% over the preceding quarter and a decrease of 16.8% as compared to the same period last year. Whilst we had previously expected the Lead frame segment of our business to grow faster than our Equipment revenue in the second quarter, we are pleased that due to the robust acceleration of demand for our Equipment, the Lead frame constituent has remained stable at 28.0% of the Group's revenue.

Our gross margins have further improved to 37.4% in the second quarter resulting from our successful cost reduction efforts and improved sales level, even when costs have generally gone up in view of the increased production activities in the second quarter to meet demand. Besides our successful cost reduction efforts, our Lead frame gross margins have also benefited from much lower metal prices as compared to last year. When the level of economic activity and sales improve further, we are confident that we can return to the gross margins experienced before the onset of the global slowdown.

Even with more pipeline materials to address customer orders, our ending inventory as of 30 June 2009 decreased slightly to HK$864 million (HK$901 million as of 31 December 2008) due to our aggressive management of working capital, with an annualized inventory turn of 3.19 times (2008: 5.8 times).

Days sales-outstanding increased sharply to 110.8 days from 59.5 days in 2008. This is a reflection of our lower sales overall during the preceding nine months and a surge in billings in the second quarter. Our sound working capital management has resulted in a free cash flow of HK$184 million and a return on invested capital of 3.2% during the past six months.

After paying last year's final dividend totaling HK$196 million in April and funding capital investments of HK$22 million in the first half of 2009, cash on hand as of 30 June 2009 was HK$753 million, which was HK$93 million lower than six months ago. Our current ratio stands at 3.19, with zero long-term debt or bank borrowing, and a debt-equity ratio of only 30.3%. With no short-term needs and an on-going positive cash flow from organic growth operations, these figures permit ASM's management to recommend returning the excessive cash holdings to our shareholders in the form of dividends.

PROSPECTS

It is generally acknowledged by economists that although green shoots of growth have started to appear and it is likely that the recession has already bottomed out, the recovery will likely be a slow and bumpy process. The economic decline has become less pronounced and semiconductor companies have largely been reporting sequential quarterly growth near the end of the first half of the year. According to some analysts, the second half of 2009 will be better than the first for the semiconductor industry. On the other hand, the improvement will not sufficiently make up for the drastic fall which occurred during the first quarter of 2009, which was hit hard by seasonal weakness for electronic devices, a major inventory adjustment and the global recession at its worst. The worldwide consumer electronics equipment revenue is forecasted by analysts to decline by about 8.2% for the whole of 2009, but improvements beginning by the fourth quarter of 2009 will provide a basis for overall growth of about 13.1% in 2010.

The current sizable backlog will place ASM in a strong position to continue the recent solid performance for the remainder of 2009. Since we have already more than erased the losses encountered in the first quarter, and in the light of our strong backlog, it is likely that we will be profitable for the year in the absence of any major shocks to the global economy. Unfortunately, due to the prevailing economic uncertainties, the market visibility is generally still not more than 2-3 months.

We believe that the effects of the various stimulus packages which have been implemented worldwide will generally become more pronounced in the second half of the year. Thus, it is likely that demand for assembly and packaging equipment will see further increase in the second half of this year. The extent of increase will be dependent to some extent on a sustained rebound in the United States and Europe to further encourage the consumption of consumer electronic goods such as personal computers, flat-panel televisions and cell phones, which are the main drivers of growth for the semiconductor industry.

Despite the current uncertainties, our multiple-application and multiple-product strategies continue to serve us well, allowing us to grow from strength to strength even through the turbulence of the downturn. In our opinion, the worst is over for ASM in the current recession, although we are by no means certain that the crisis is over. In view of the rebound in the demand for our products, we are now focusing our attention to emerging stronger from the downturn by driving our cost reduction efforts to achieve long-term structural cost reduction. We will continue to execute the strategies which we had announced earlier, such as streamlining our business and manufacturing processes, reducing the costs of our products and our time to market, increasing automation in our manufacturing and introducing a new generation of cost-effective equipment. We are positioning the Company to be as dynamic as possible, and aim to react fastest to changing marketing dynamics by utilizing our ample financial resources.

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 2009 except 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 Independent 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 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 2009 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, 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 July 2009