

ASE Inc.
Q2 2008
Earnings Release

Presented by

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This presentation contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Although these forward-looking statements, which may include statements regarding our future results of operations, financial condition or business prospects, are based on our own information and information from other sources we believe to be reliable, you should not place undue reliance on these forward-looking statements, which apply only as of the date of this press release. The words "anticipate", "believe", "estimate", "expect", "intend", "plan" and similar expressions, as they relate to us, are intended to identify these forward-looking statements in this press release. Our actual results of operations, financial condition or business prospects may differ materially from those expressed or implied in these forward-looking statements for a variety of reasons, including risks associated with cyclicity and market conditions in the semiconductor industry; demand for the outsourced semiconductor packaging and testing services we offer and for such outsourced services generally; the highly competitive semiconductor industry; our ability to introduce new packaging, interconnect materials and testing technologies in order to remain competitive; our ability to successfully integrate pending and future mergers and acquisitions; international business activities; our business strategy; general economic and political conditions; possible disruptions in commercial activities caused by natural or human-induced disasters; our future expansion plans and capital expenditures; the strained relationship between the Republic of China and the People's Republic of China; fluctuations in foreign currency exchange rates; and other factors. For a discussion of these risks and other factors, please see the documents we file from time to time with the Securities and Exchange Commission, including our 2007 Annual Report on Form 20-F filed on June 30, 2008.



Consolidated Income Statement



Sequential Comparison

(NT\$ Million except EPS)	Q2 / 2008	%	Q1 / 2008	%	Change
Net Revenues:					
IC Packaging	20,033	78.2%	19,227	77.9%	4%
Testing	5,102	19.9%	4,895	19.8%	4%
Others	475	1.9%	573	2.2%	-17%
Total Net Revenues	25,610	100.0%	24,695	100.0%	4%
Gross Profit	6,512	25.4%	6,188	25.1%	5%
Operating Profit	3,584	14.0%	3,352	13.6%	7%
Pretax Income(Loss)	3,562	13.9%	3,283	13.3%	8%
Income Tax	(779)	-3.0%	(411)	-1.7%	
Minority Interest	(371)	-1.4%	(535)	-2.2%	
Net Income(Loss)	2,412	9.4%	2,337	9.5%	3%
EPS ¹	0.44		0.43		2%
EBITDA	8,052	31.4%	7,694	31.2%	5%

¹ All EPS figures are based on fully diluted number of shares



Consolidated Income Statement



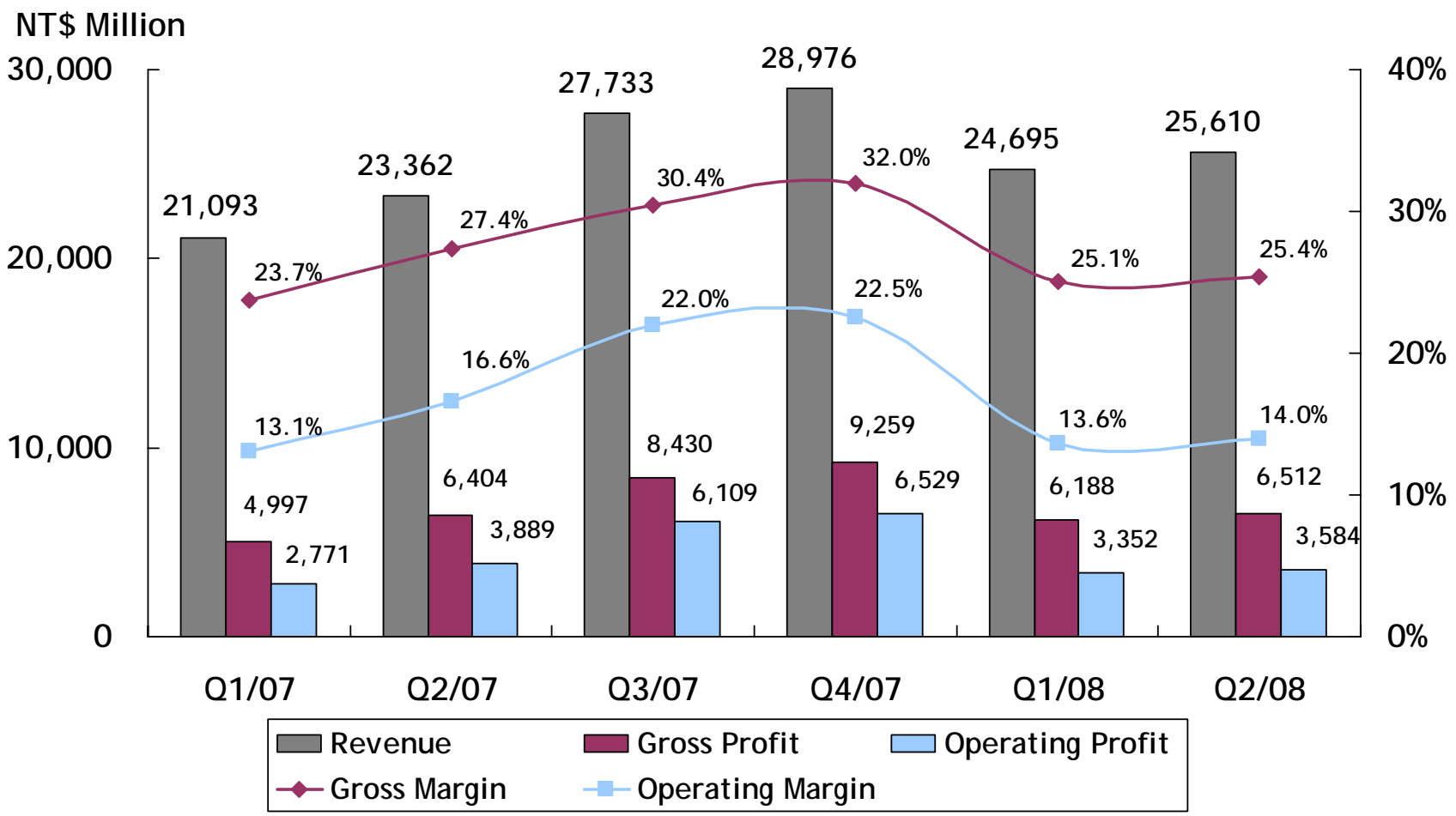
YoY Comparison

(NT\$ Million except EPS)	Q2 / 2008	%	Q2 / 2007	%	Change
Net Revenues:					
IC Packaging	20,033	78.2%	18,029	77.2%	11%
Testing	5,102	19.9%	4,724	20.2%	8%
Others	475	1.9%	609	2.6%	-22%
Total Net Revenues	25,610	100.0%	23,362	100.0%	10%
Gross Profit	6,512	25.4%	6,404	27.4%	2%
Operating Profit	3,584	14.0%	3,889	16.6%	-8%
Pretax Income(Loss)	3,562	13.9%	3,597	15.4%	-1%
Income Tax	(779)	-3.0%	(866)	-3.7%	
Minority Interest	(371)	-1.4%	(156)	-0.7%	
Net Income(Loss)	2,412	9.4%	2,575	11.0%	-6%
EPS ¹	0.44		0.48		-8%
EBITDA	8,052	31.4%	8,090	34.6%	0%

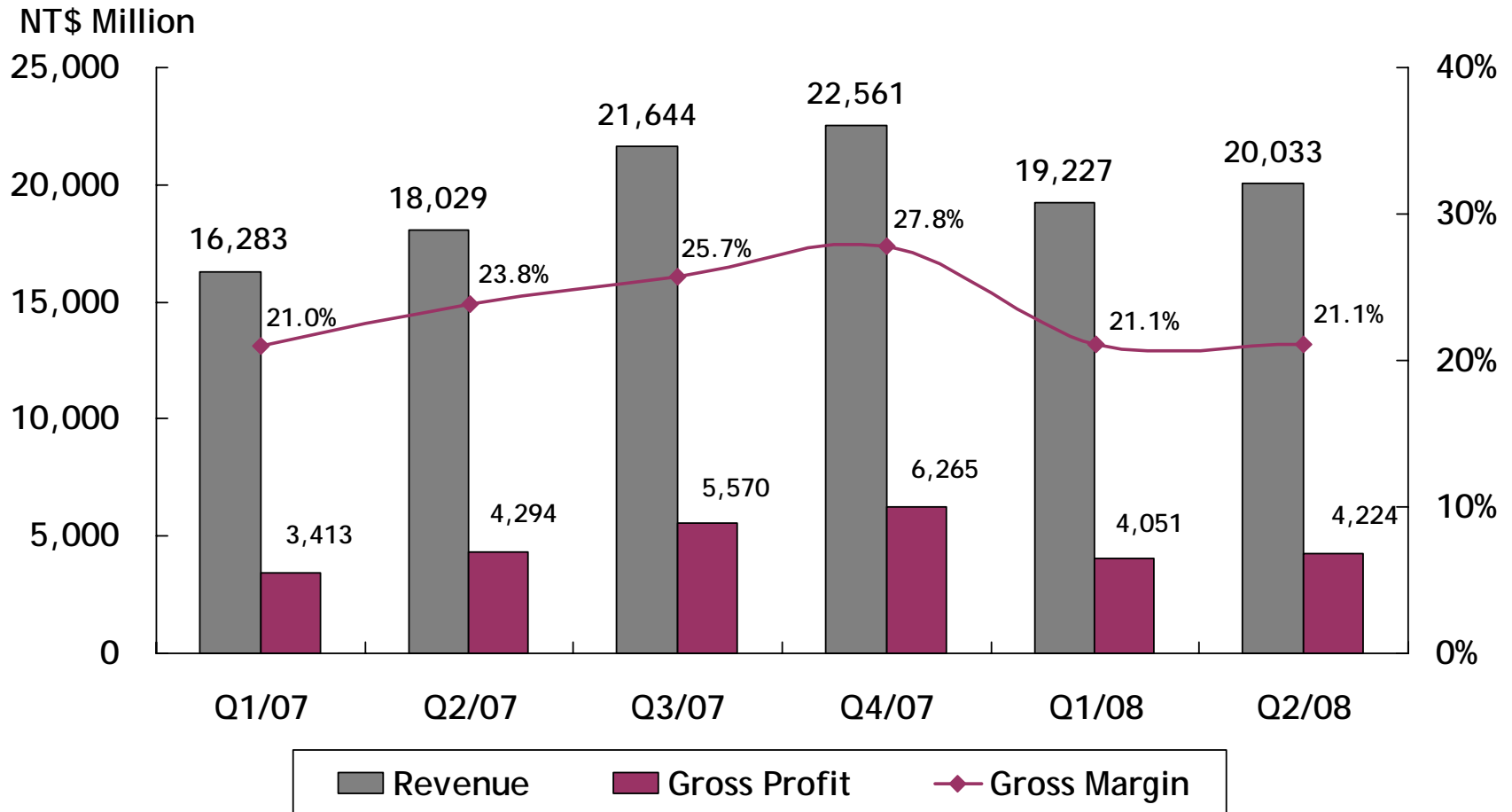
¹ All EPS figures are based on fully diluted number of shares



Consolidated Revenue & Margin Trend

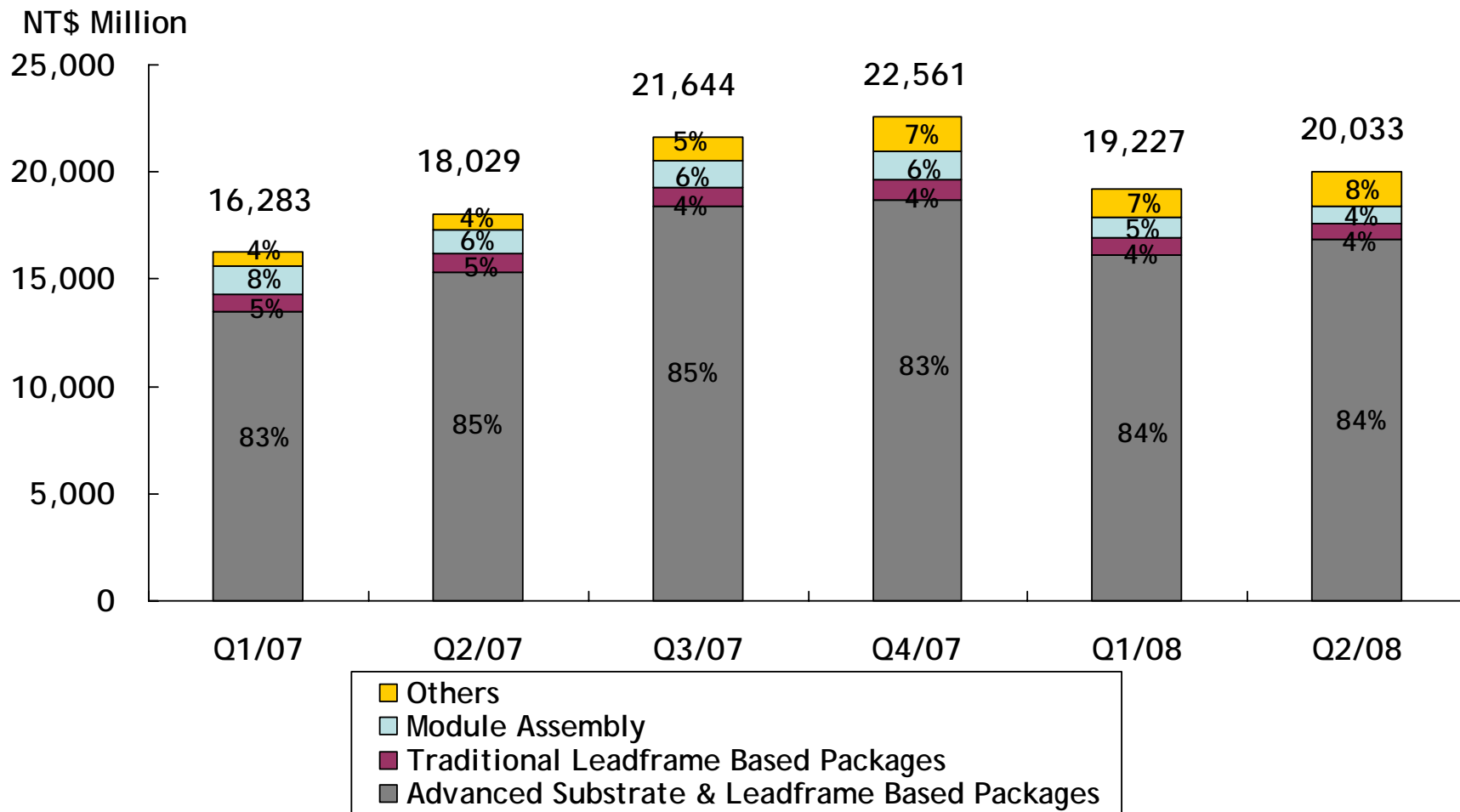


IC Packaging Operations



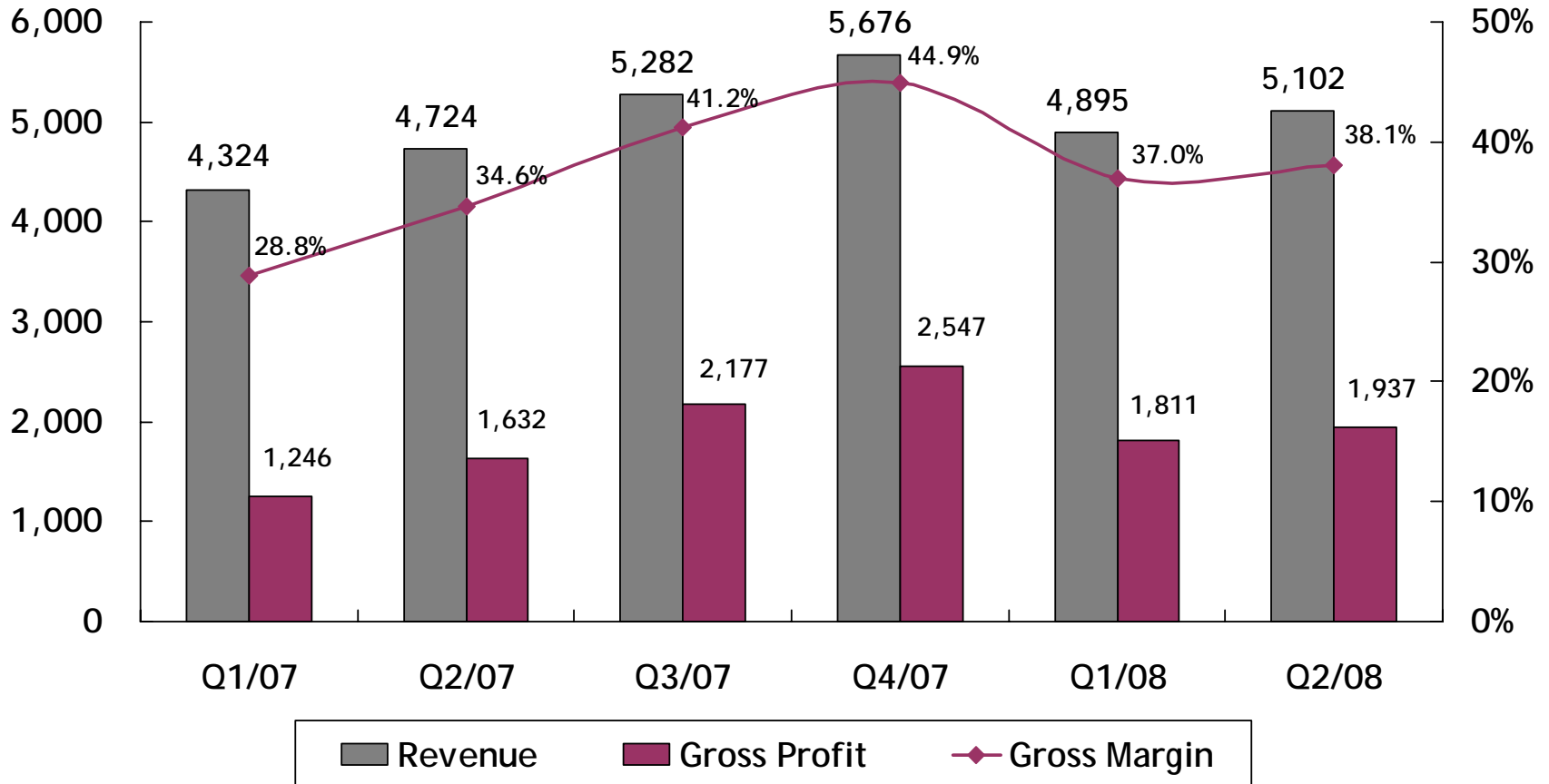
IC Packaging Operations

Package Revenue Breakdown



IC Testing Operations

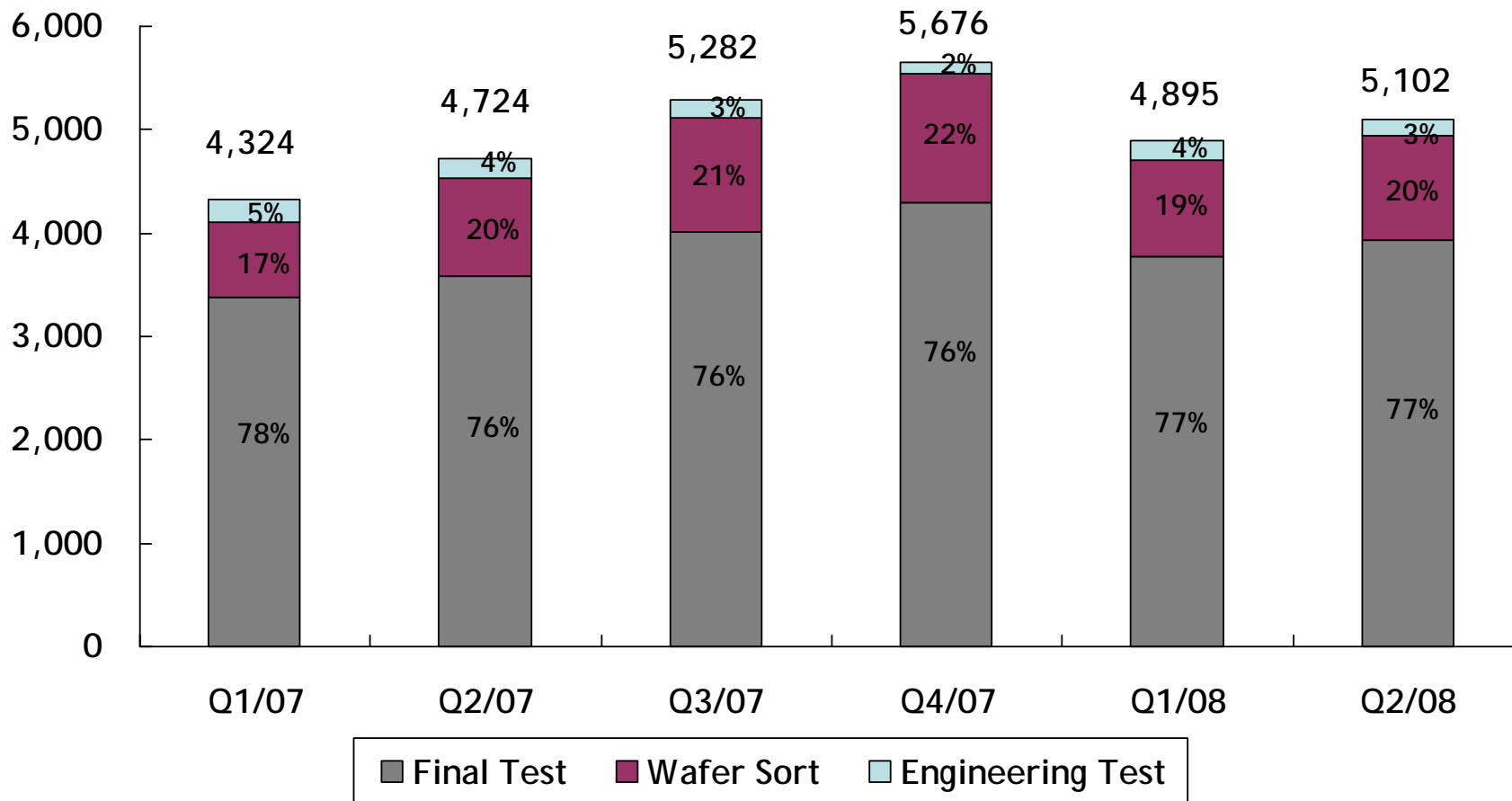
NT\$ Million



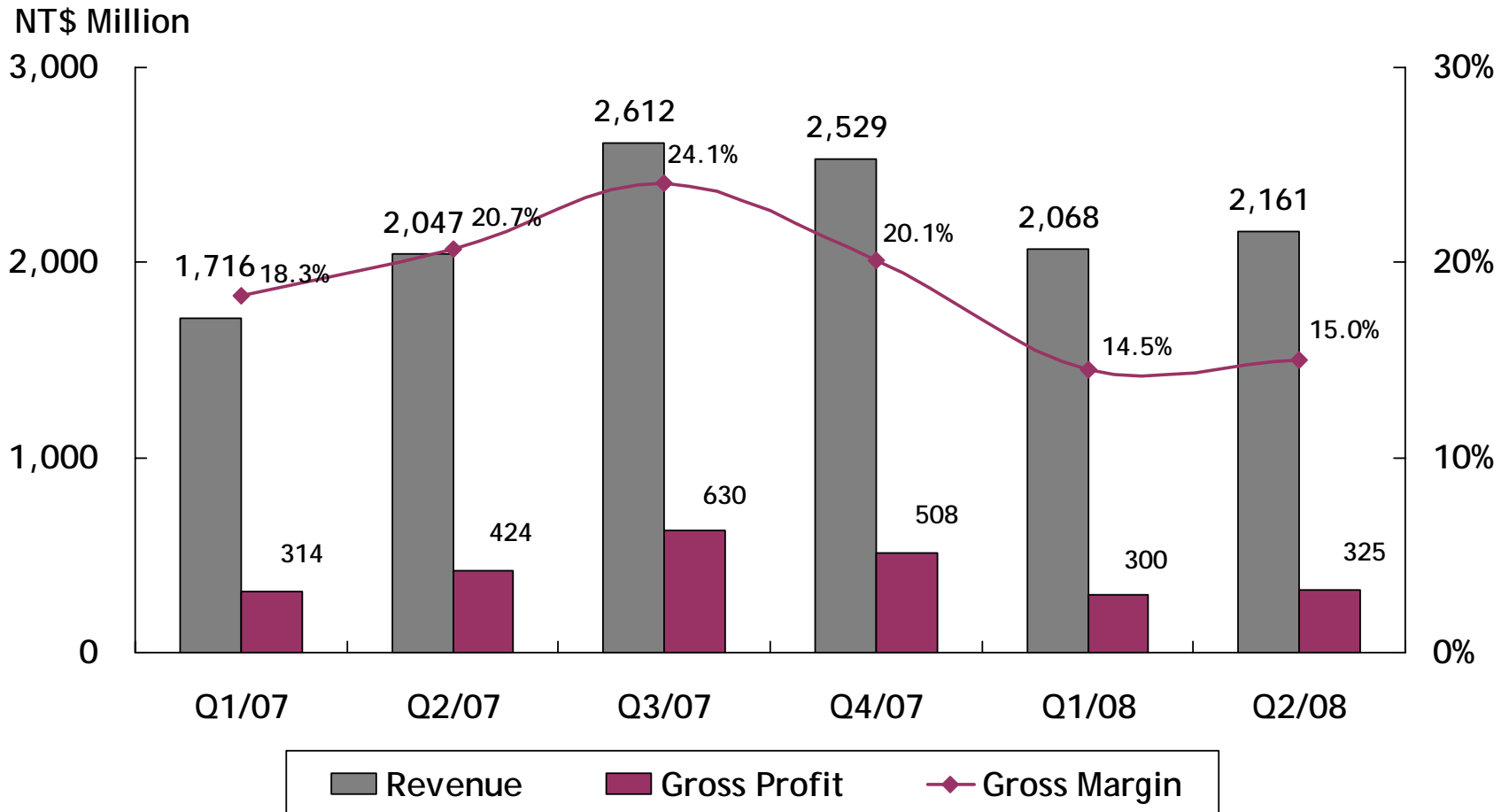
IC Testing Operations

Test Revenue Breakdown

NT\$ Million



Material Operations



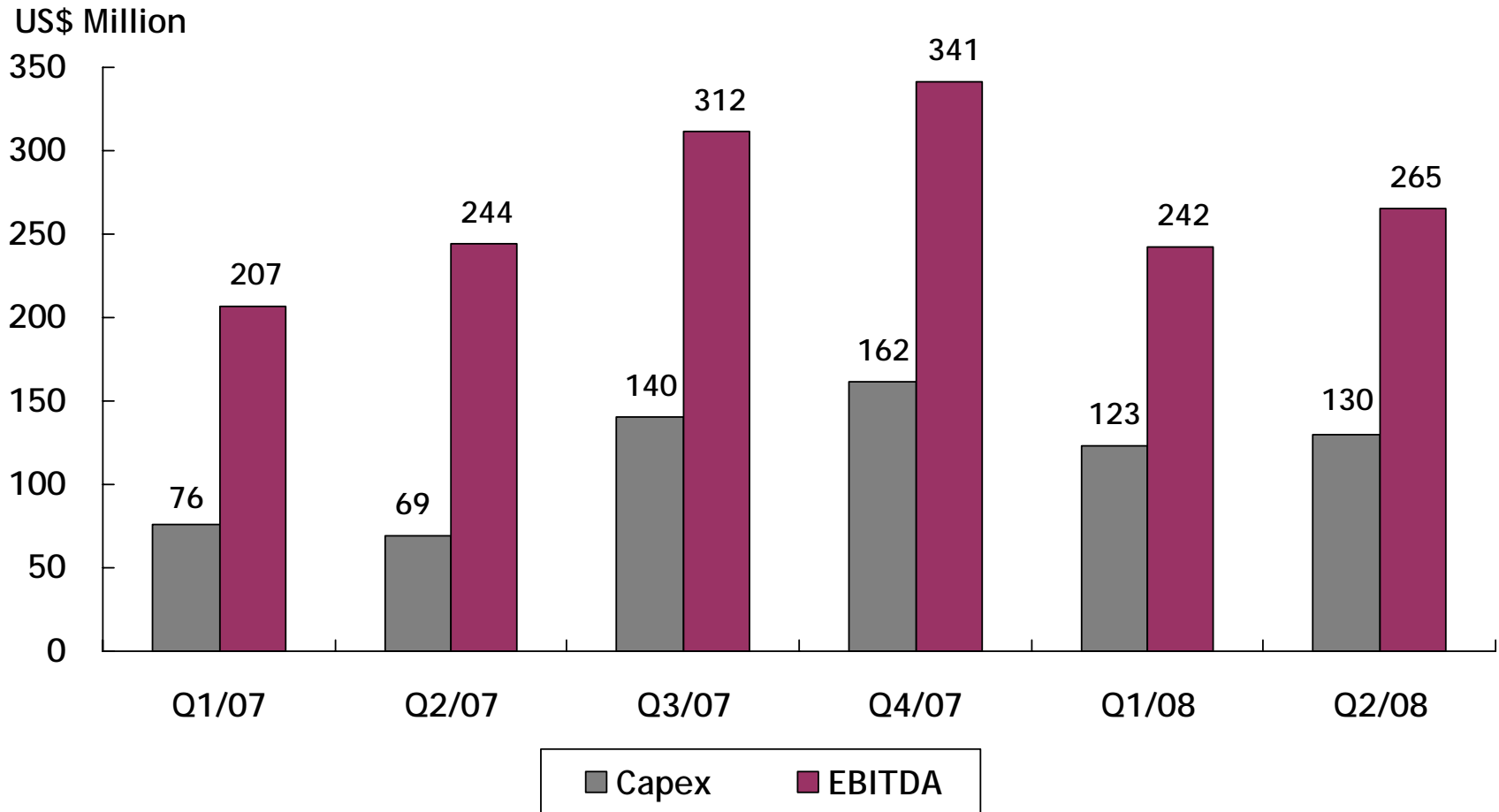
Selective Balance Sheet Information



(NT\$ Million)	Jun. 30, 2008	Mar. 31, 2008	Change
Cash and Cash Equivalent	23,305	16,589	40.5%
Financial Assets - current	9,343	12,538	-25.5%
Financial Assets - non current	4,568	4,818	-5.2%
Total Assets	164,320	151,105	8.7%
ST Bank Debt - Revolving Credit	12,456	10,573	17.8%
- Current Portion of LT Debt	6,162	6,060	1.7%
Bonds Payable within 1 year	1,375	1,375	0.0%
LT Bank Debt	40,663	16,602	144.9%
LT Bonds Payable	4,031	4,184	-3.7%
Total Net Worth (Including minority interest)	68,994	91,815	-24.9%
Quarterly EBITDA	8,052	7,694	4.7%
Current Ratio	1.24	1.57	
Leverage Ratio	0.57	0.11	



Capital Expenditure v.s. EBITDA



Top 10 Customers

Q2 / 2008

ASE Group

BROADCOM

CAMBRIDGE

FREESCALE

MEDIATEK

NEC

NVIDIA

POWERCHIP

QUALCOMM

STM

ZORAN

Top 5

Top 10

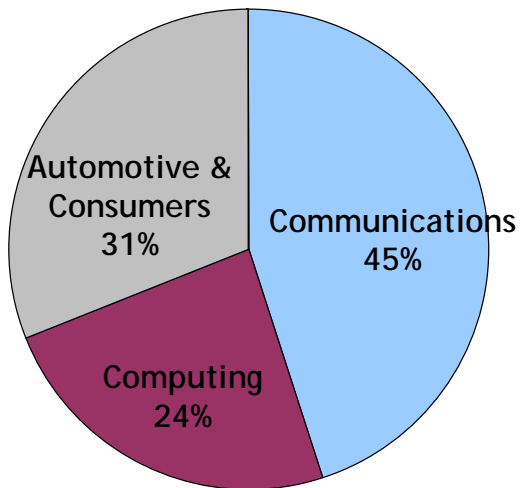
28% of Total Sales

46% of Total Sales

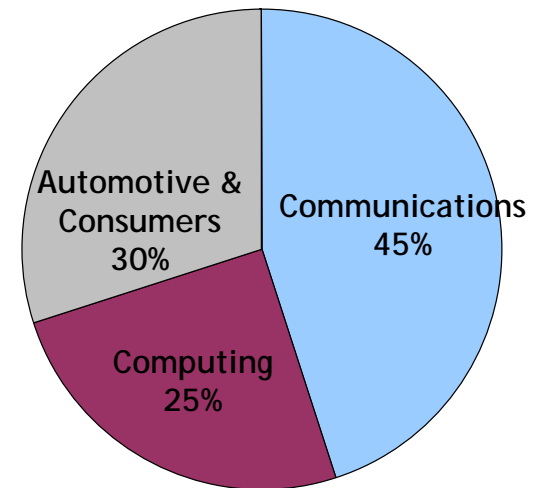


Market Segment Exposure

Q2 / 2008



Q1 / 2008



Guidance for Q3 / 2008

- Revenue: up low single digit % sequentially
- Gross Margin: flat from Q2
- Full year 2008 Capex: US\$350 million



For more information regarding ASE Group

www.aseglobal.com

For all inquiries, suggestions and comments

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