

ASE Inc. Q4 2007 Earnings Release

Presented by
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Safe Harbor Notice

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 2006 Annual Report on Form 20-F filed on June 25, 2007.



Consolidated Income Statement



Sequential Comparison

(NT\$ Million except EPS)	Q4 / 2007	%	Q3 / 2007	%	Change
Net Revenues:					
IC Packaging	22,561	77.9%	21,644	78.0%	4%
Testing	5,676	19.6%	5,282	19.0%	7%
Others	739	2.6%	807	2.9%	-8%
Total Net Revenues	28,976	100.0%	27,733	100.0%	4%
Gross Profit	9,373	32.3%	8,430	30.4%	11%
Operating Profit	6,643	22.9%	6,109	22.0%	9%
Pretax Income(Loss)	5,656	19.5%	5,829	21.0%	-3%
Income Tax(Expense)	(1,165)	-4.0%	(1,008)	-3.6%	16%
Minority Interest	(787)	-2.7%	(596)	-2.1%	32%
Net Income(Loss)	3,704	12.8%	4,225	15.2%	-12%
EPS ¹	0.66		0.79		-16%
EBITDA	11,055	38.2%	10,262	37.0%	8%

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

Consolidated Income Statement



YoY Comparison

(NT\$ Million except EPS)	Q4 / 2007	%	Q4 / 2006	%	Change
Net Revenues:					
IC Packaging	22,561	77.9%	17,186	76.1%	31%
Testing	5,676	19.6%	4,797	21.3%	18%
Others	739	2.6%	591	2.6%	25%
Total Net Revenues	28,976	100.0%	22,574	100.0%	28%
Gross Profit	9,373	32.3%	6,398	28.3%	46%
Operating Profit	6,643	22.9%	4,223	18.7%	57%
Pretax Income(Loss)	5,656	19.5%	4,038	17.9%	40%
Income Tax(Expense)	(1,165)	-4.0%	(766)	-3.4%	52%
Minority Interest	(787)	-2.7%	(538)	-2.4%	46%
Net Income(Loss)	3,704	12.8%	2,734	12.1%	35%
EPS ¹	0.66		0.51		29%
EBITDA	11,055	38.2%	8,082	35.8%	37%

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

Consolidated Income Statement

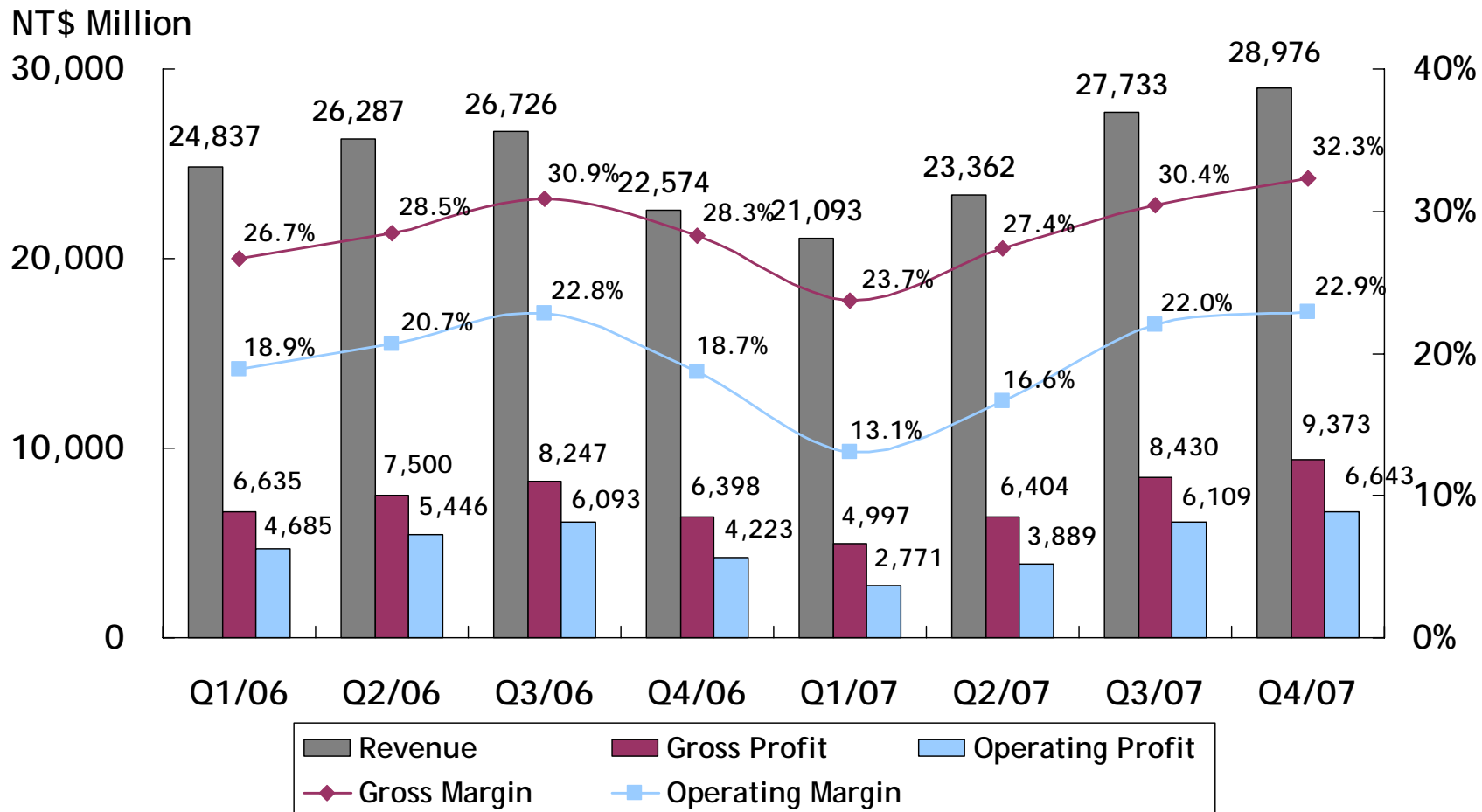


YoY Comparison

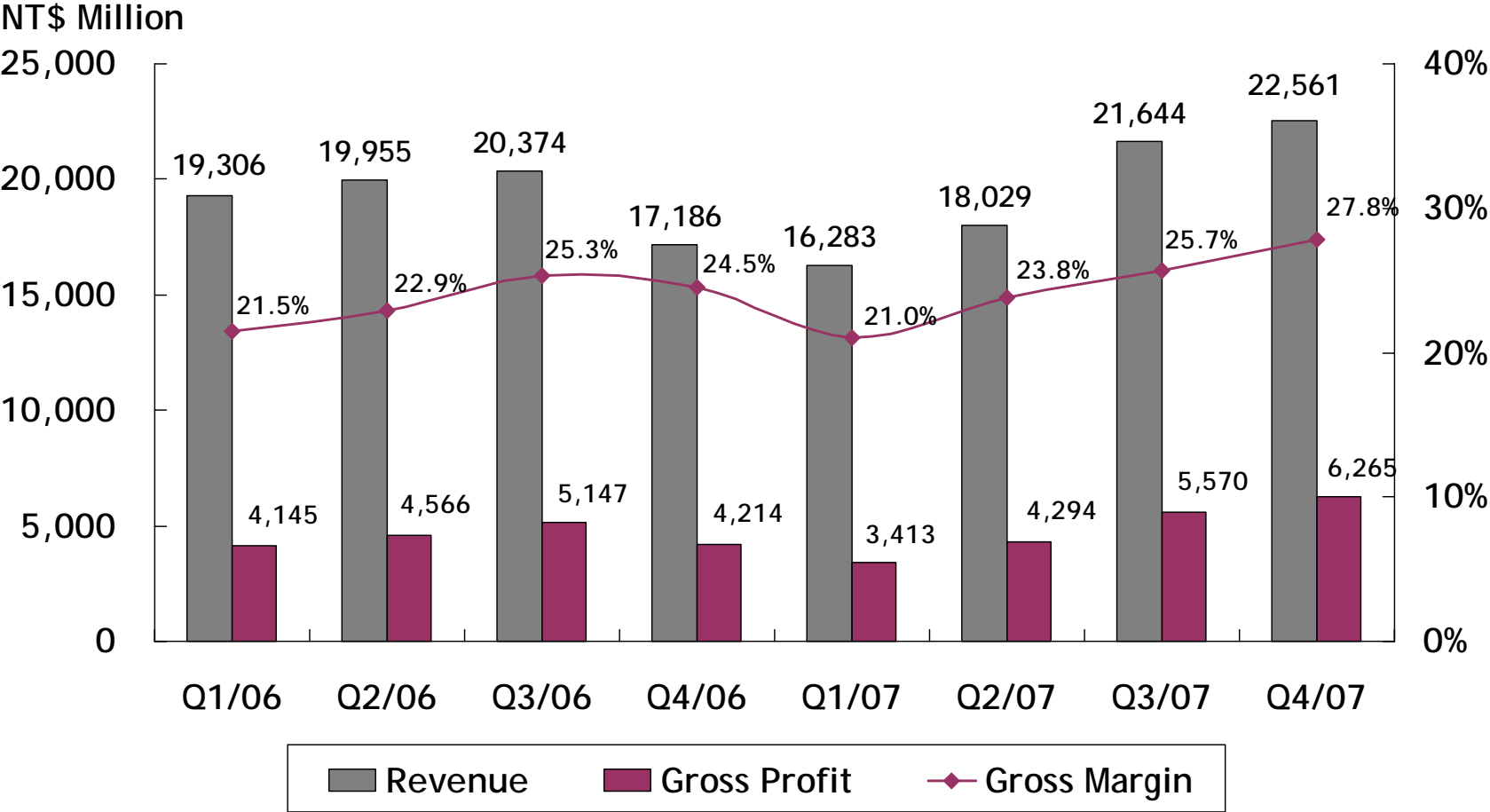
(NT\$ Million except EPS)	FY / 2007	%	FY / 2006	%	Change
Net Revenues:					
IC Packaging	78,517	77.6%	76,820	76.5%	2%
Testing	20,007	19.8%	21,430	21.3%	-7%
Others	2,639	2.6%	2,174	2.2%	21%
Total Net Revenues	101,163	100.0%	100,424	100.0%	1%
Gross Profit	29,202	28.9%	28,780	28.7%	1%
Operating Profit	19,411	19.2%	20,446	20.4%	-5%
Pretax Income(Loss)	17,352	17.2%	22,252	22.2%	-22%
Income Tax(Expense)	(3,358)	-3.3%	(2,085)	-2.1%	61%
Cumulative Effect of Change in Accounting	0	0.0%	(343)	-0.3%	
Minority Interest	(1,829)	-1.8%	(2,408)	-2.4%	-24%
Net Income(Loss)	12,165	12.0%	17,416	17.3%	-30%
EPS ¹	2.26		3.25		-30%
EBITDA	36,202	35.8%	33,846	33.7%	7%

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

Consolidated Revenue & Margin Trend

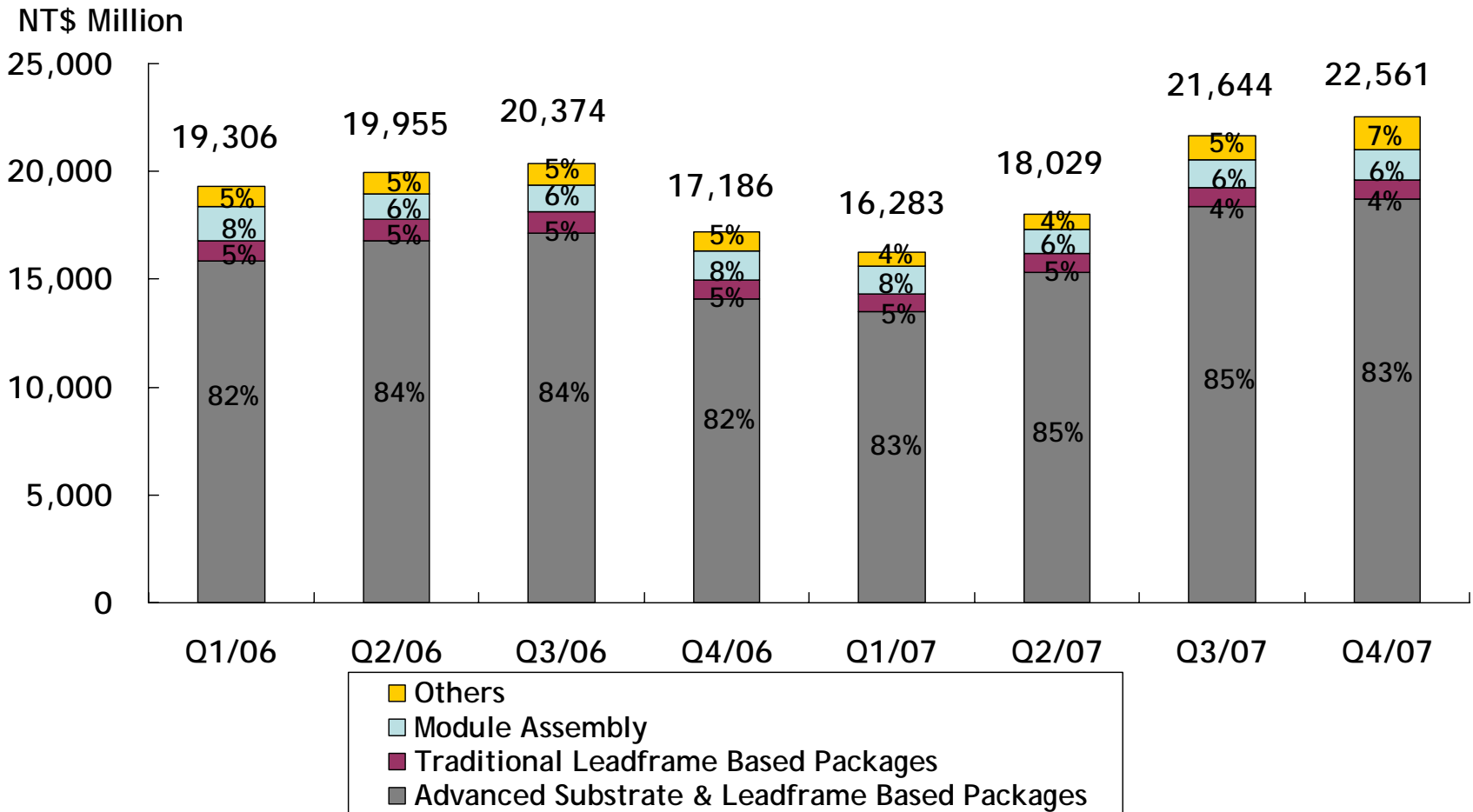


IC Packaging Operations



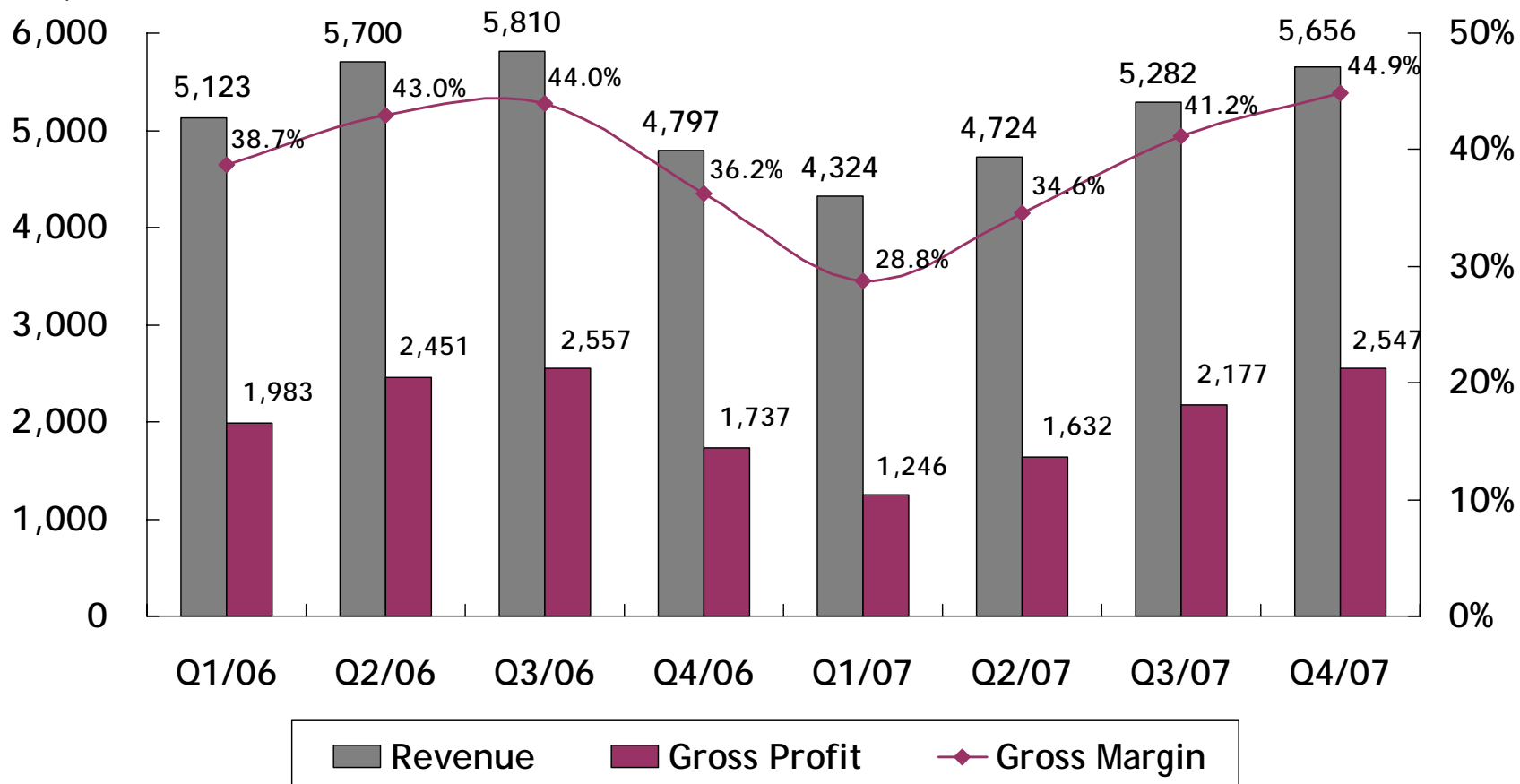
IC Packaging Operations

Package Revenue Breakdown



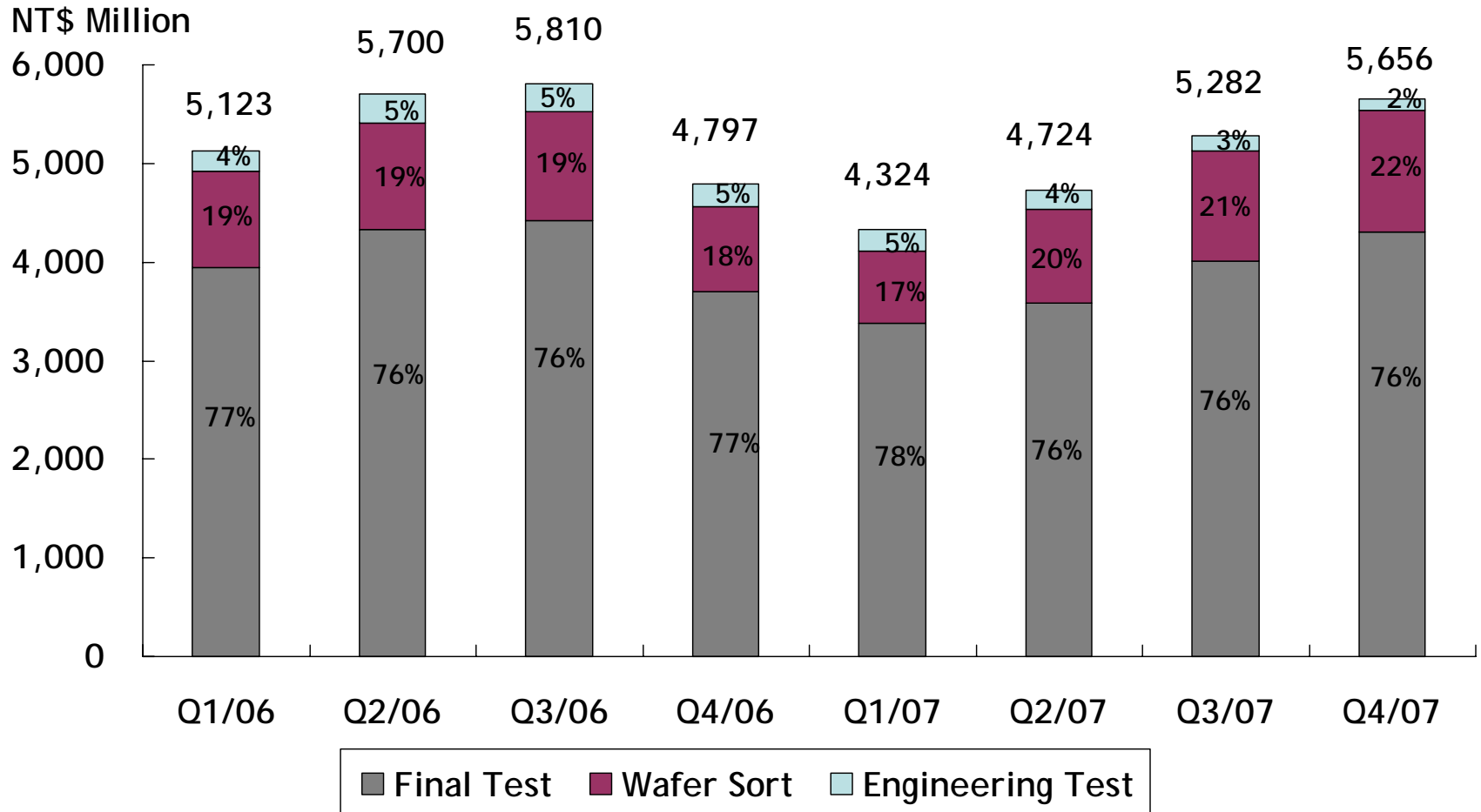
IC Testing Operations

NT\$ Million



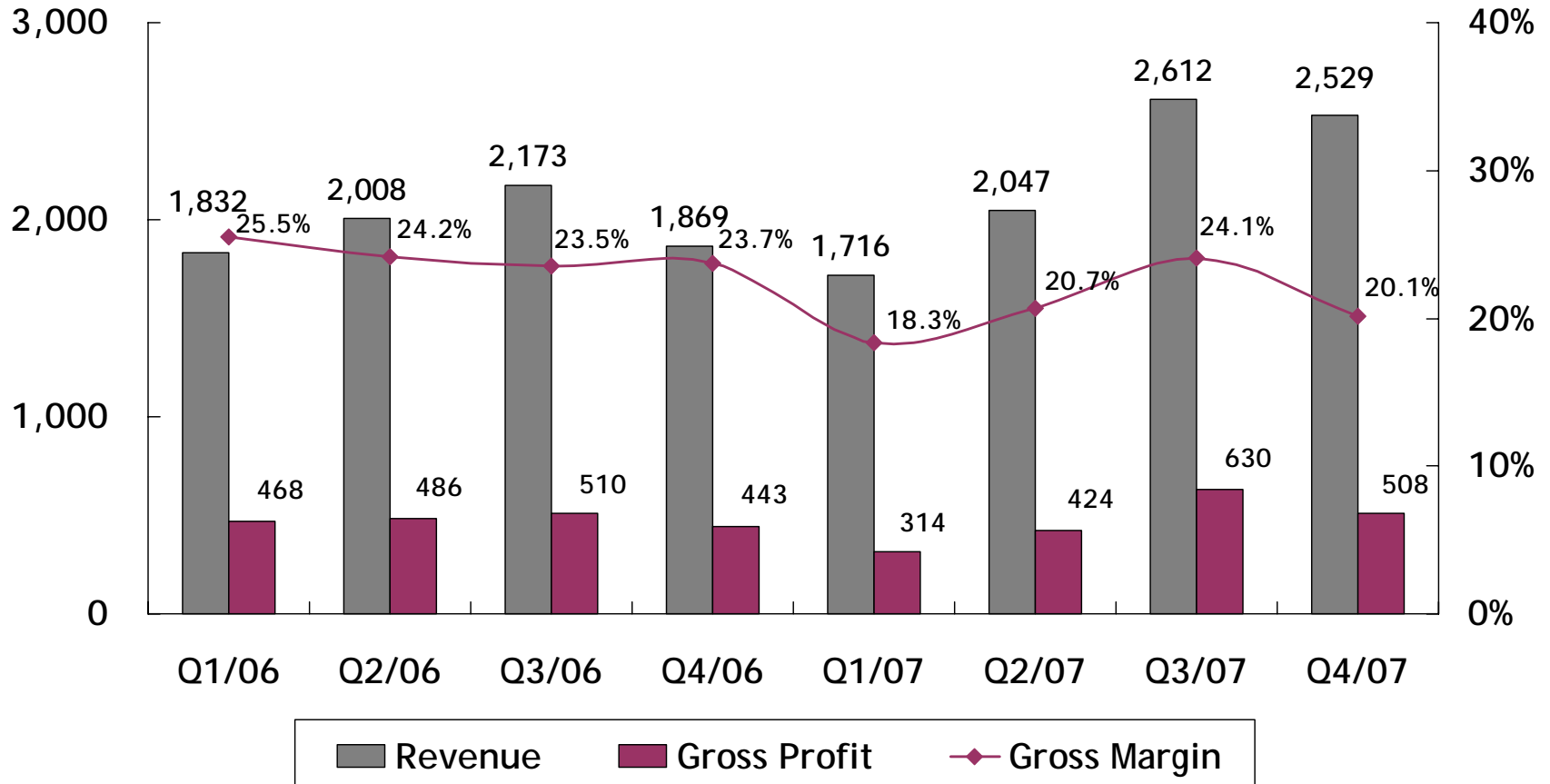
IC Testing Operations

Test Revenue Breakdown



Material Operations

NT\$ Million

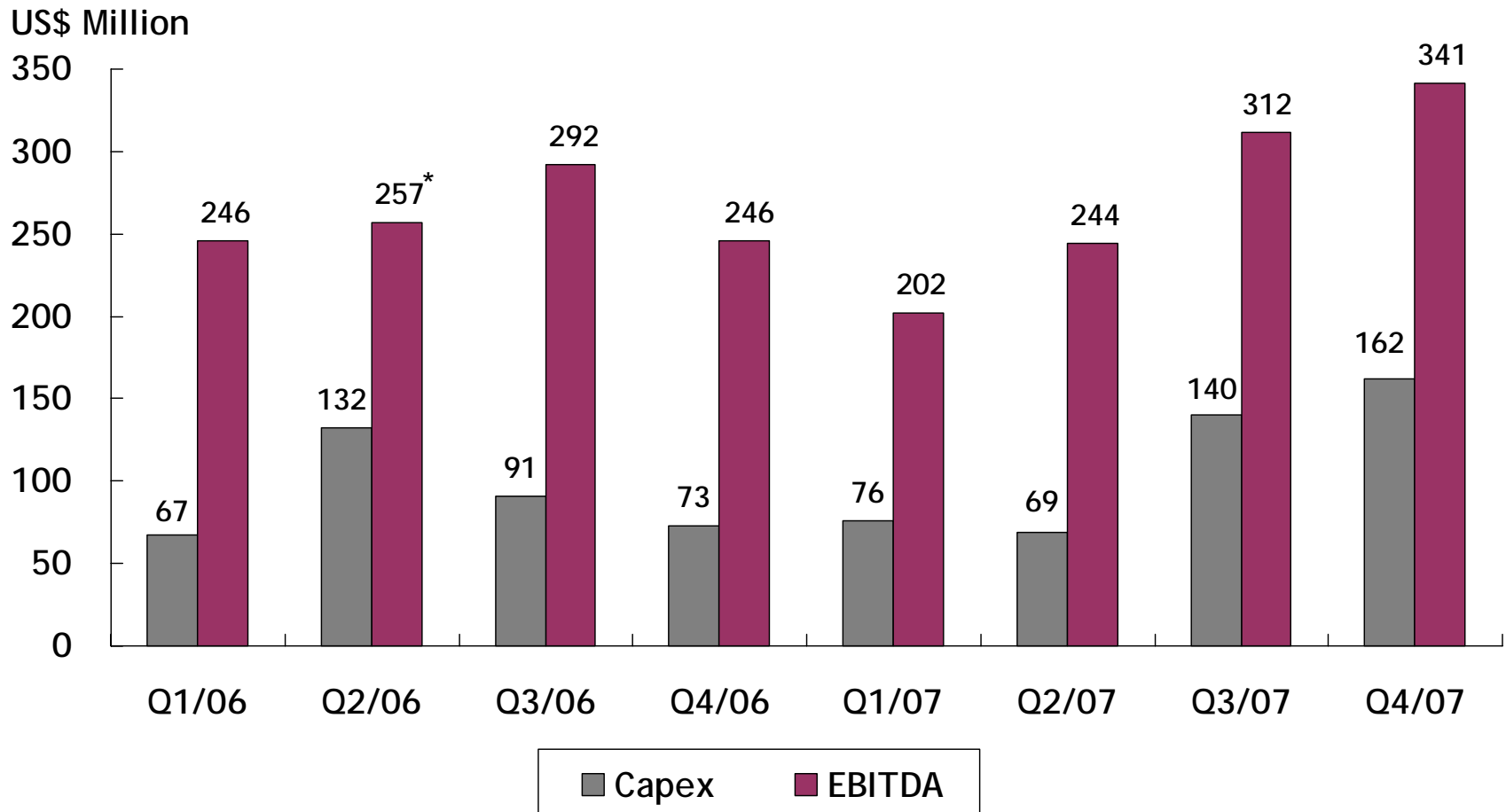


Selective Balance Sheet Information



(NT\$ Million)	Dec. 31, 2007	Sep. 30, 2007	Change
Cash and Cash Equivalent	17,158	16,990	1.0%
Financial Assets - current	11,058	7,641	44.7%
Financial Assets - non current	4,850	4,813	0.8%
Total Assets	152,416	146,864	3.8%
ST Bank Debt - Revolving Credit	9,072	7,279	24.6%
- Current Portion of LT Debt	5,327	2,382	123.6%
Bonds Payable within 1 year	1,375	0	
LT Bank Debt	18,046	20,817	-13.3%
LT Bonds Payable	5,890	7,667	-23.2%
Total Net Worth (Including minority interest)	89,740	84,289	6.5%
Quarterly EBITDA	11,055	10,262	7.7%
Current Ratio	1.59	1.69	
Leverage Ratio	0.13	0.16	

Capital Expenditure v.s. EBITDA



*: EBITDA number has been adjusted for fire loss and insurance income

Top 10 Customers

Q4 / 2007



ASE Group

BROADCOM

CAMBRIDGE

FREESCALE

IEE

MEDIATEK

NEC

NXP

POWERCHIP

QUALCOMM

STM

Top 5

Top 10

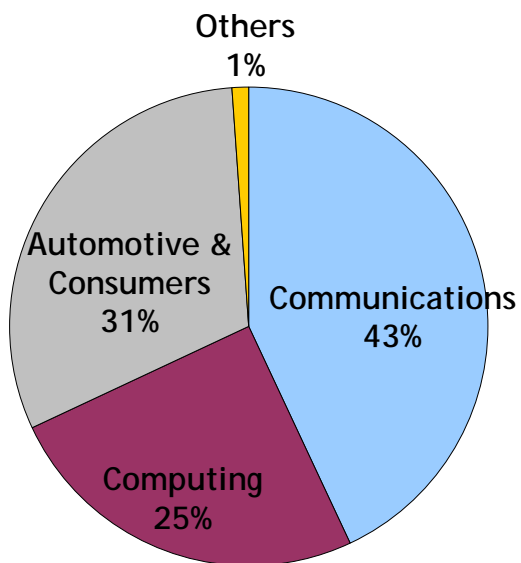
23% of Total Sales

43% of Total Sales

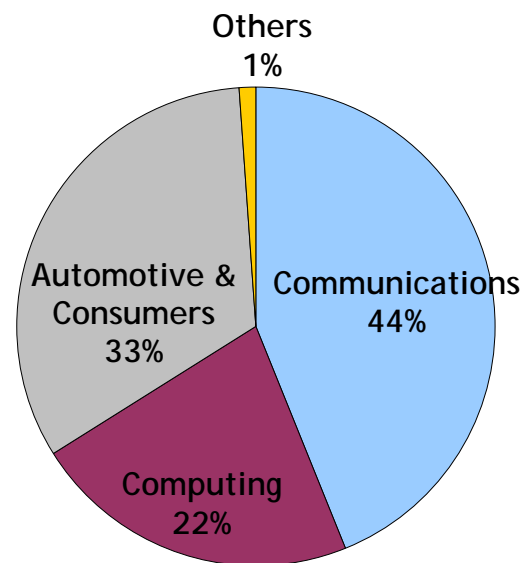


Market Segment Exposure

Q4 / 2007



Q3 / 2007



Guidance for Q1 / 2008

- Revenue: down 12%-14% sequentially
- Gross Margin: 25%-26%
- Full year 2008 Capex: US\$400-US\$450 million



For more information regarding ASE Group

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For all inquiries, suggestions and comments

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