

Maximum with Minimum

# ASE Inc. 2005 Q3 Earnings Release

Presented by  
Advanced  
Semiconductor  
Engineering, Inc.  
10/26/2005



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# Consolidated Income Statement



## 2005 Q3 Sequential Comparison

(NT\$ Million except EPS)			Sequential		Change
	2005 Q3	%	2005 Q2	%	
<b>Net Revenues:</b>					
IC Packaging	15,266	68.3%	12,693	67.4%	20%
Testing	4,410	19.7%	3,752	19.9%	18%
Module Assembly	2,413	10.8%	2,283	12.1%	6%
Others	251	1.1%	91	0.5%	176%
<b>Total Net Revenues</b>	<b>22,340</b>	<b>100.0%</b>	<b>18,819</b>	<b>100.0%</b>	<b>19%</b>
<b>Gross Profit</b>	<b>4,149</b>	<b>18.6%</b>	<b>2,140</b>	<b>11.4%</b>	<b>94%</b>
<b>Operating Profit</b>	<b>2,005</b>	<b>9.0%</b>	<b>(105)</b>	<b>-0.6%</b>	
<b>Pretax Income</b>	<b>1,734</b>	<b>7.8%</b>	<b>(10,073)</b>	<b>-53.5%</b>	
<b>Net Income after MI</b>	<b>1,588</b>	<b>7.1%</b>	<b>(9,094)</b>	<b>-48.3%</b>	
<b>EPS<sup>1</sup></b>	<b>0.35</b>		<b>(2.08)</b>		
<b>EBITDA<sup>2</sup></b>	<b>5,872</b>		<b>2,736</b>		

<sup>1</sup> All EPS figures are based on fully diluted number of shares

<sup>2</sup> EBITDA number has been adjusted for fire loss



# Consolidated Income Statement



## 2005 Q3 YoY Comparison

(NT\$ Million except EPS)			YoY		Change
	2005 Q3	%	2004 Q3	%	
<b>Net Revenues:</b>					
IC Packaging	15,266	68.3%	14,318	65.0%	7%
Testing	4,410	19.7%	4,597	20.9%	-4%
Module Assembly	2,413	10.8%	2,932	13.3%	-18%
Others	251	1.1%	176	0.8%	43%
<b>Total Net Revenues</b>	<b>22,340</b>	<b>100.0%</b>	<b>22,023</b>	<b>100.0%</b>	<b>1%</b>
Gross Profit	4,149	18.6%	4,436	20.1%	-6%
Operating Profit	2,005	9.0%	2,122	9.6%	-6%
Pretax Income	1,734	7.8%	1,917	8.7%	-10%
Net Income after MI	1,588	7.1%	1,960	8.9%	-19%
EPS <sup>1</sup>	0.35		0.44	0.0%	
EBITDA <sup>2</sup>	5,872		6,247		

<sup>1</sup> All EPS figures are based on fully diluted number of shares

<sup>2</sup> EBITDA number has been adjusted for fire loss

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# Selective Balance Sheet Information



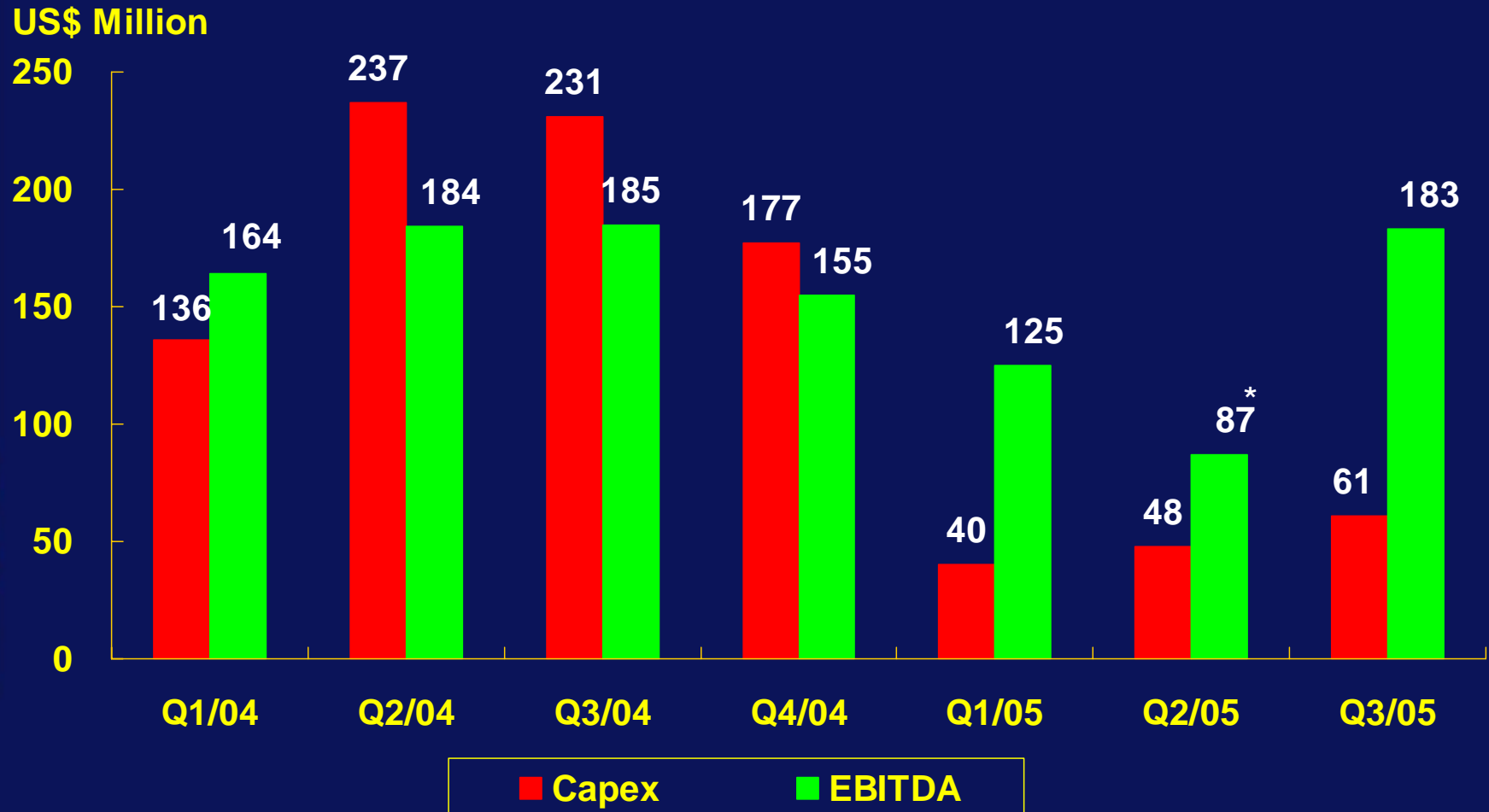
(NT\$ Million)	Sep. 30, 2005	Jun. 30, 2005	Change
Cash and Cash Equivalent	9,988	9,086	9.9%
Short-term Investments	3,514	3,456	1.7%
Long-term Investments	4,802	4,816	-0.3%
<b>Total Assets</b>	<b>130,377</b>	<b>125,282</b>	<b>4.1%</b>
ST Bank Debt - Revolving Credit	6,400	6,204	3.2%
- Current Portion of LT Debt	6,523	4,461	46.2%
Bonds Payable within 1 year	0	0	
LT Bank Debt	35,338	38,311	-7.8%
LT Bonds Payable	9,358	8,999	4.0%
<b>Total Net Worth (Including minority interest)</b>	<b>51,581</b>	<b>48,804</b>	<b>5.7%</b>
<b>Quarterly EBITDA*</b>	<b>5,872</b>	<b>2,736</b>	<b>114.6%</b>
<b>Current Ratio</b>	<b>1.45</b>	<b>1.55</b>	
<b>Leverage Ratio</b>	<b>0.86</b>	<b>0.93</b>	

\*: EBITDA number has been adjusted for fire loss

# Capital Expenditure v.s. EBITDA



2004 Full Year Capex: US\$781 millions

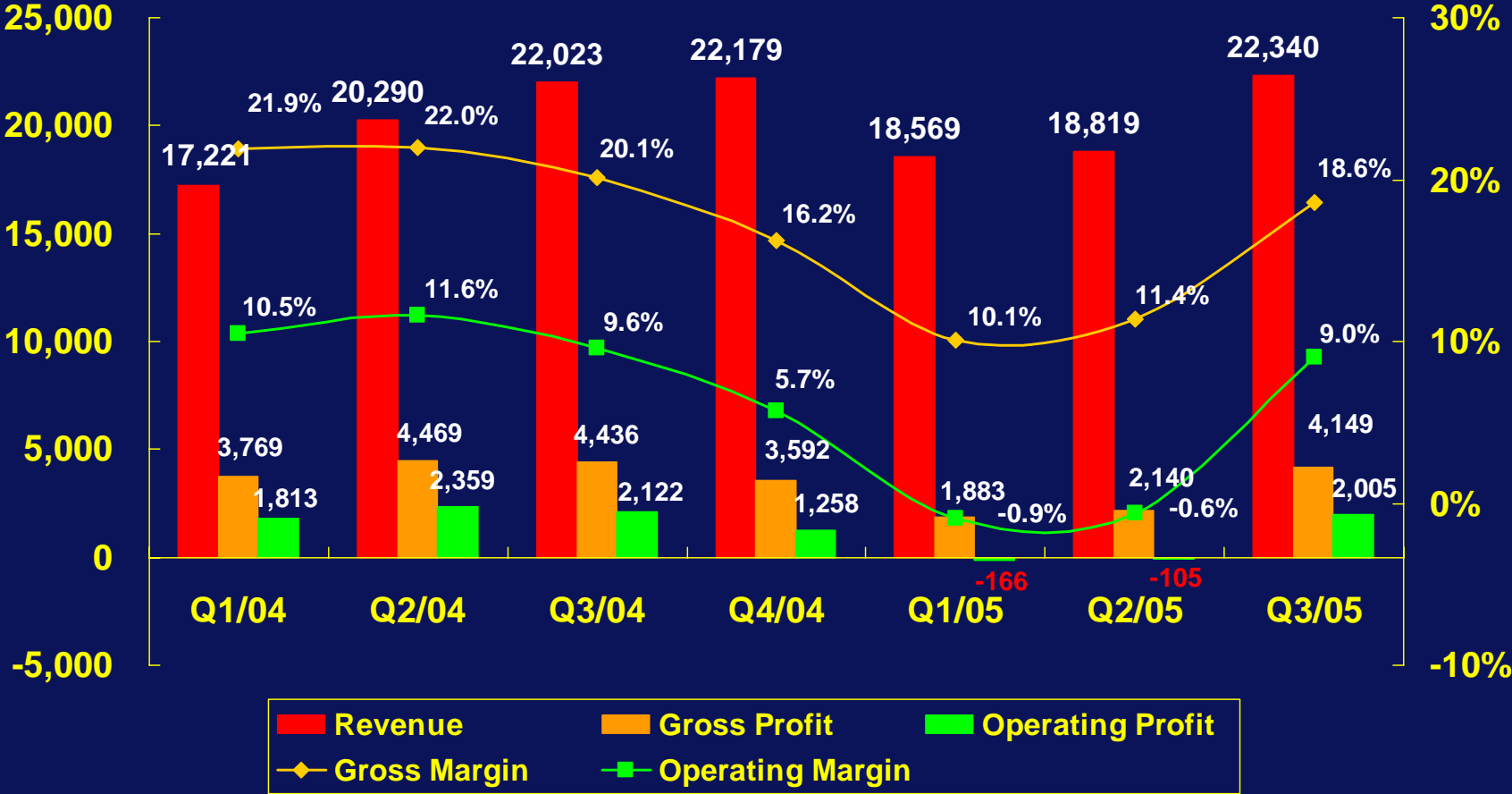


\*: EBITDA number has been adjusted for fire loss

# Consolidated Revenue & Margin Trend



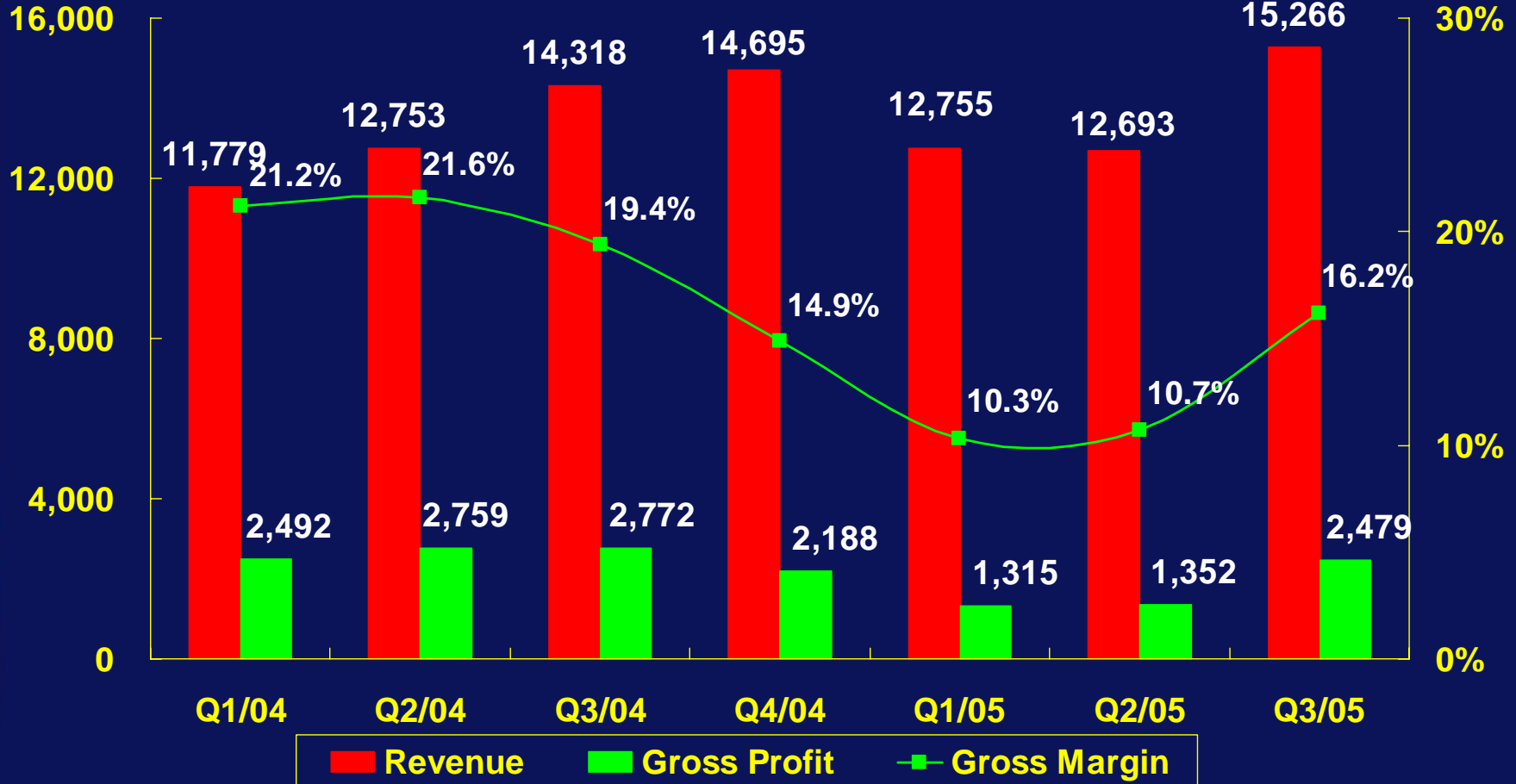
NT\$ Million



# IC Packaging Operations



NT\$ Million



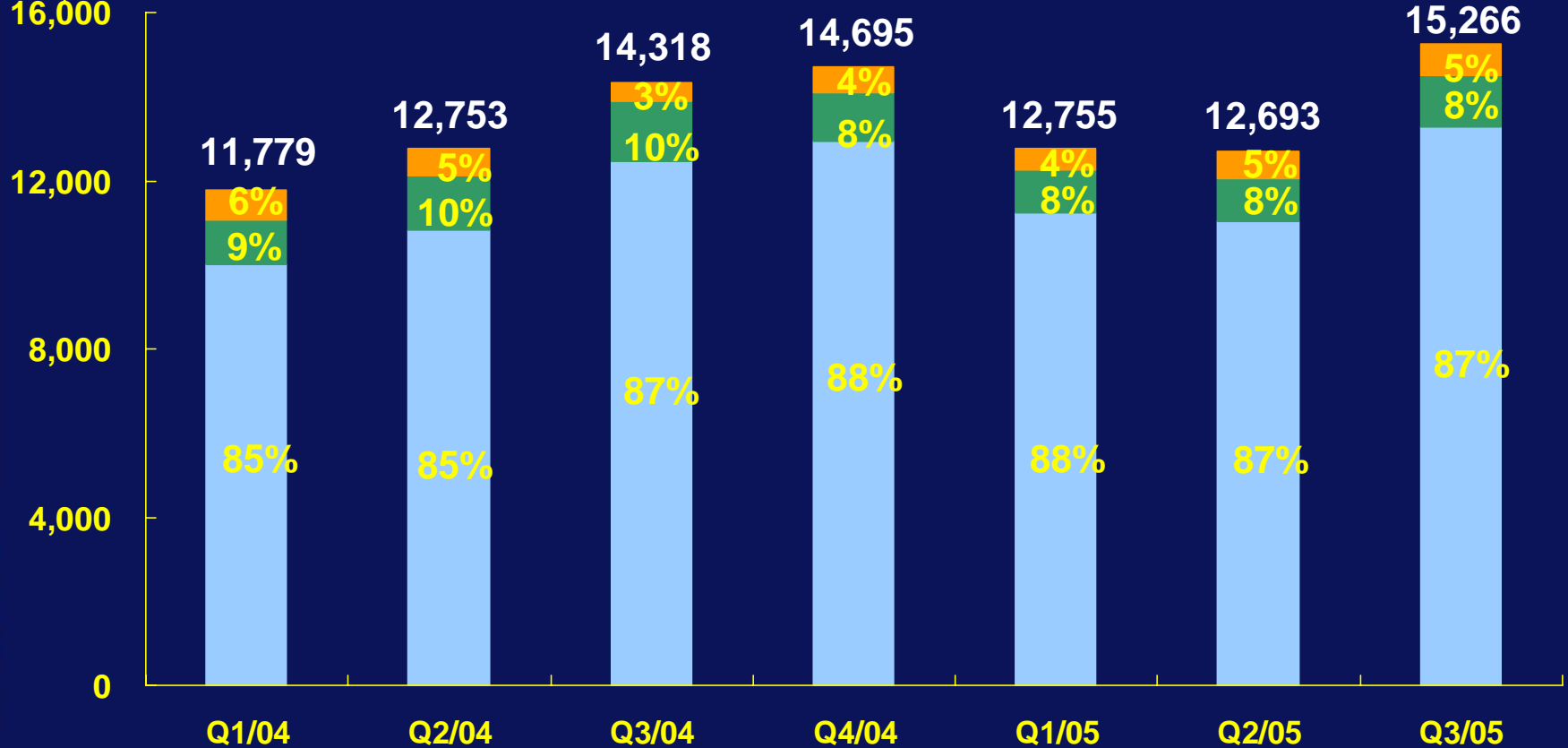




# IC Packaging Operations

## Package Revenue Breakdown

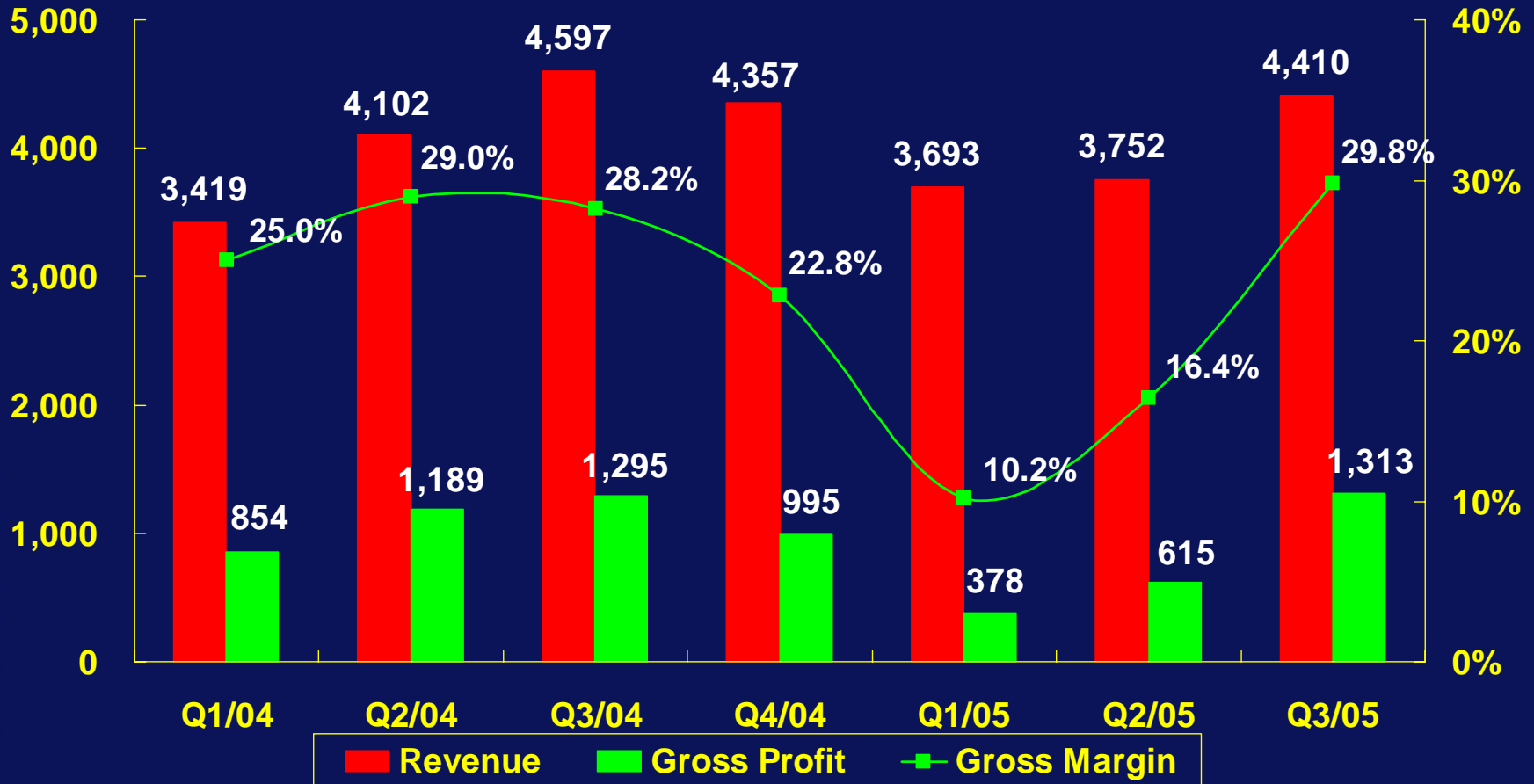
NT\$ Million



# Testing Operations



NT\$ Million



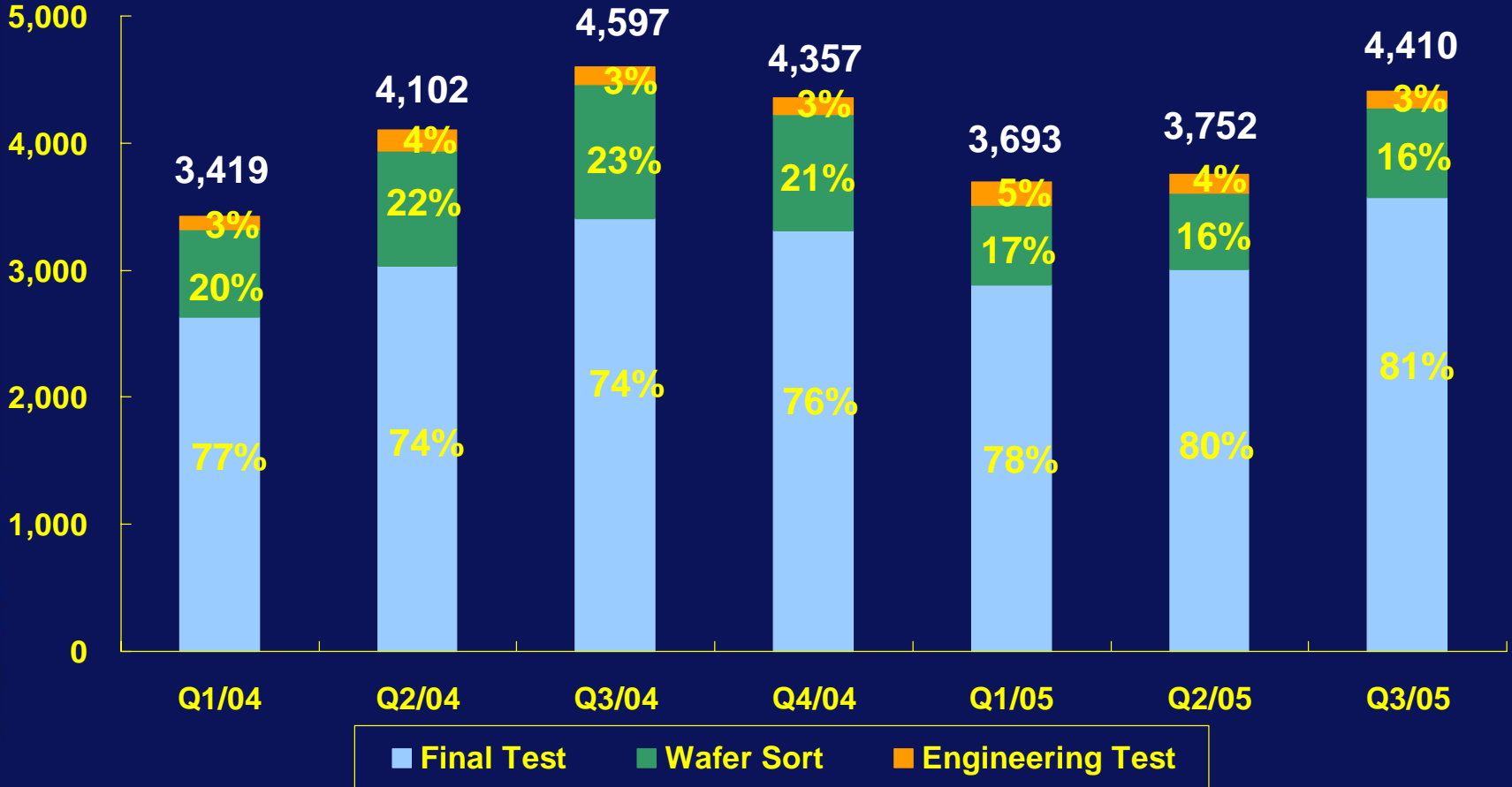


# Testing Operations

## Test Revenue Breakdown



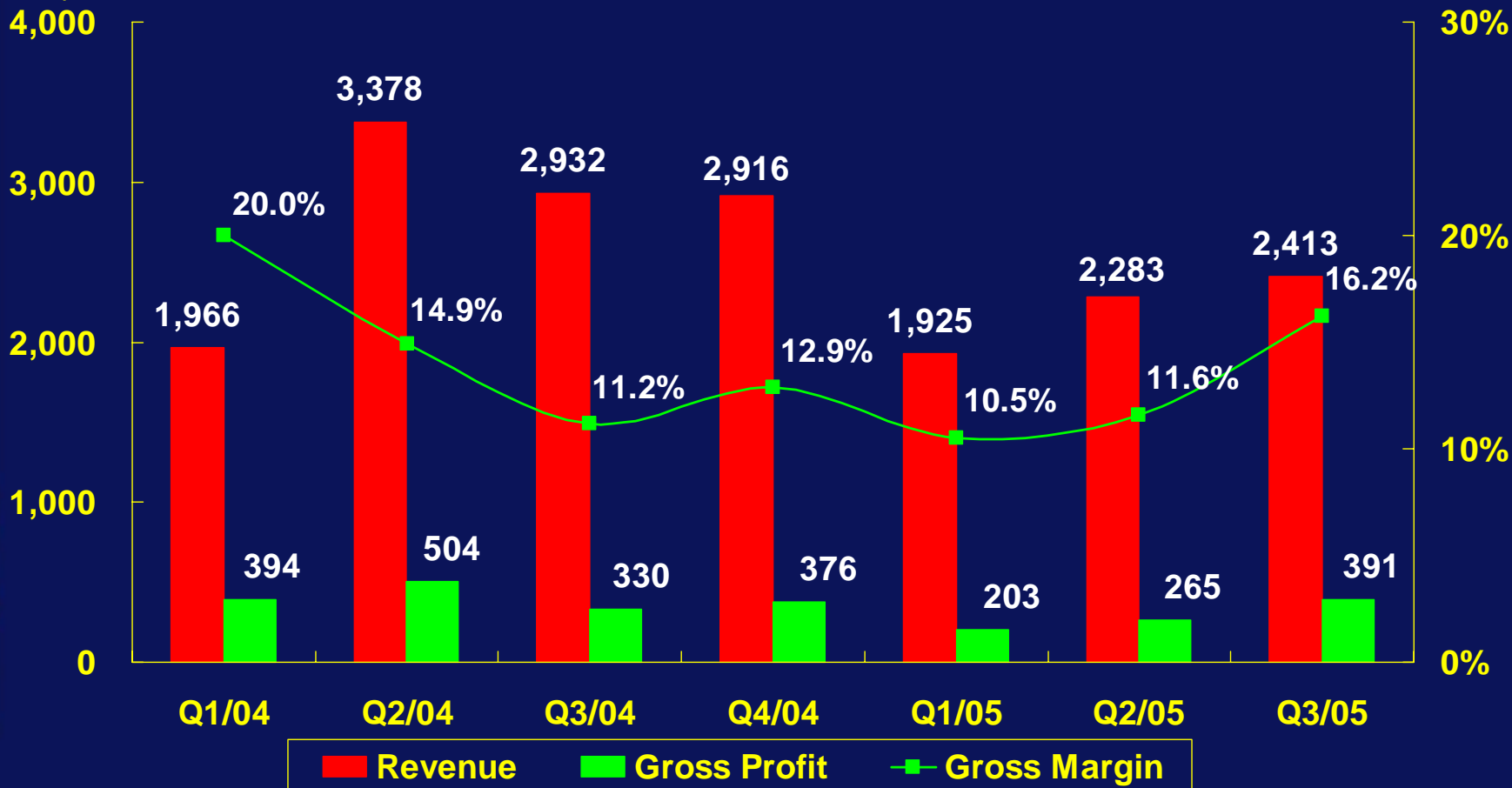
NT\$ Million



# Module Assembly Operations



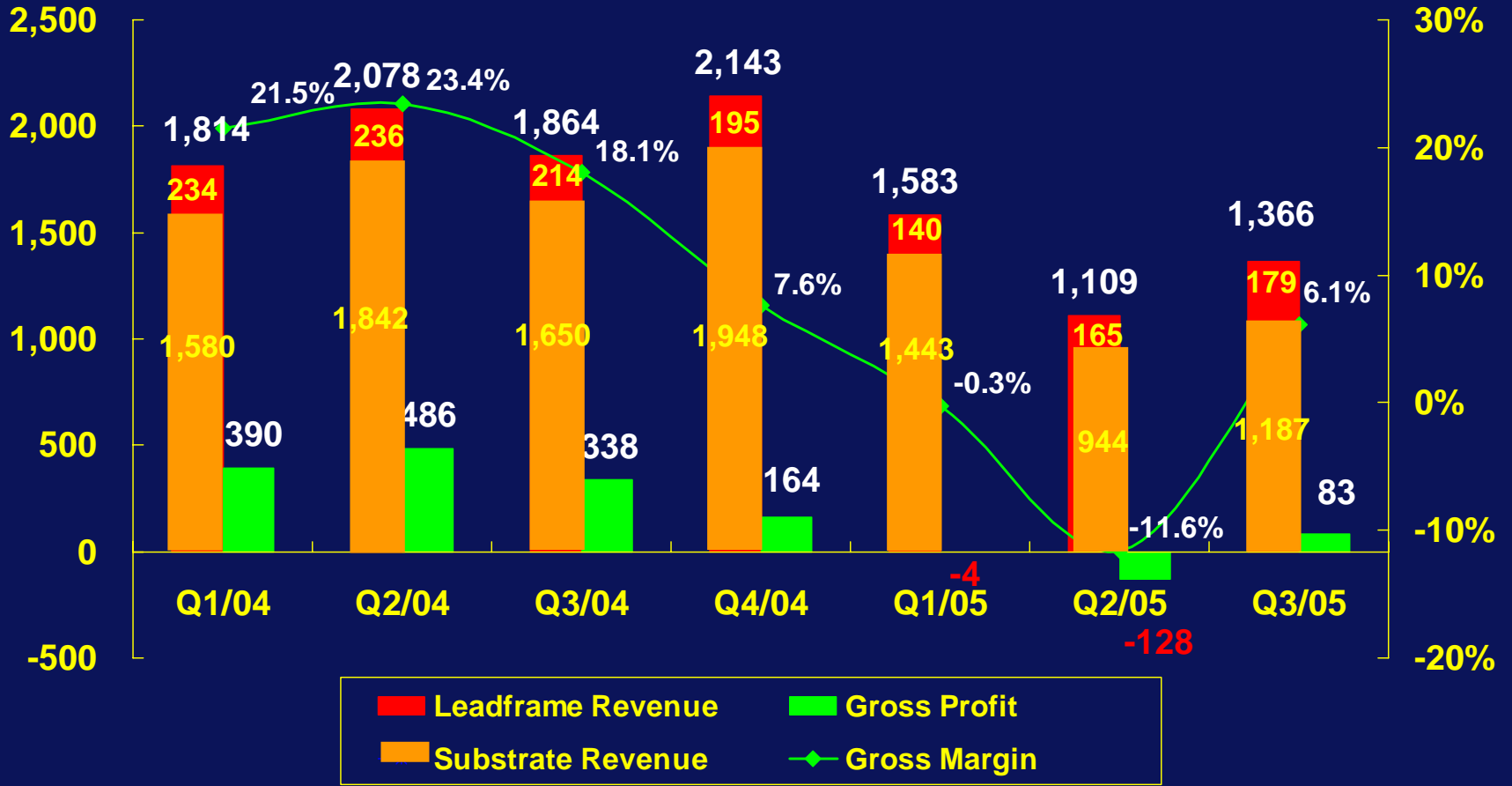
NT\$ Million



# Material Operations



NT\$ Million





# Top Ten Customers

2005 Q3

**ASE Group**

**ATI**

**CAMBRIDGE**

**FLEXTRONICS**

**FREESCALE**

**IEE**

**NEC**

**QUALCOMM**

**RFMD**

**STM**

**VIA**

**Top 5**

**Top 10**

**31% of Total Sales**

**48% of Total Sales**

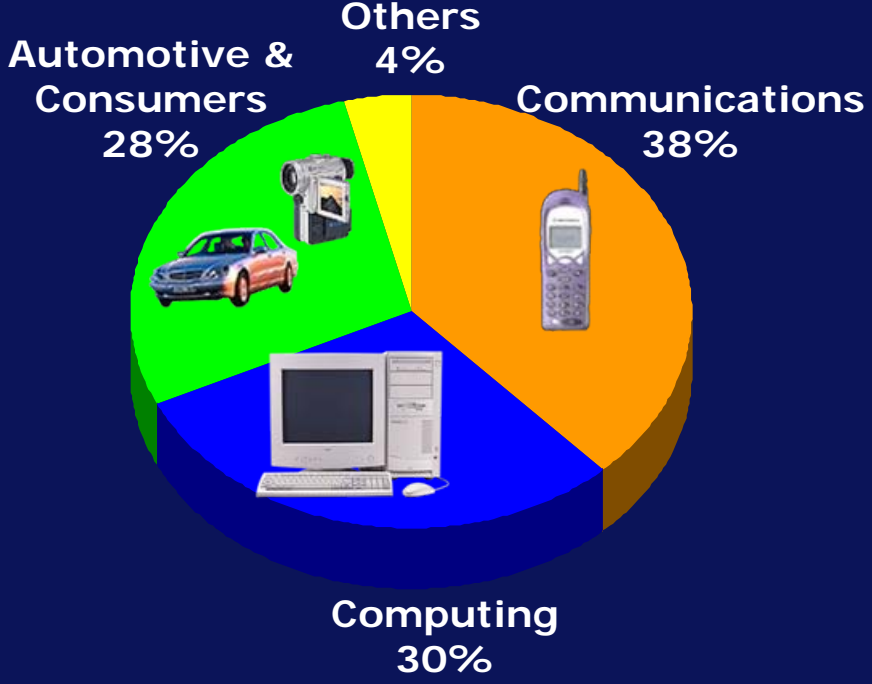
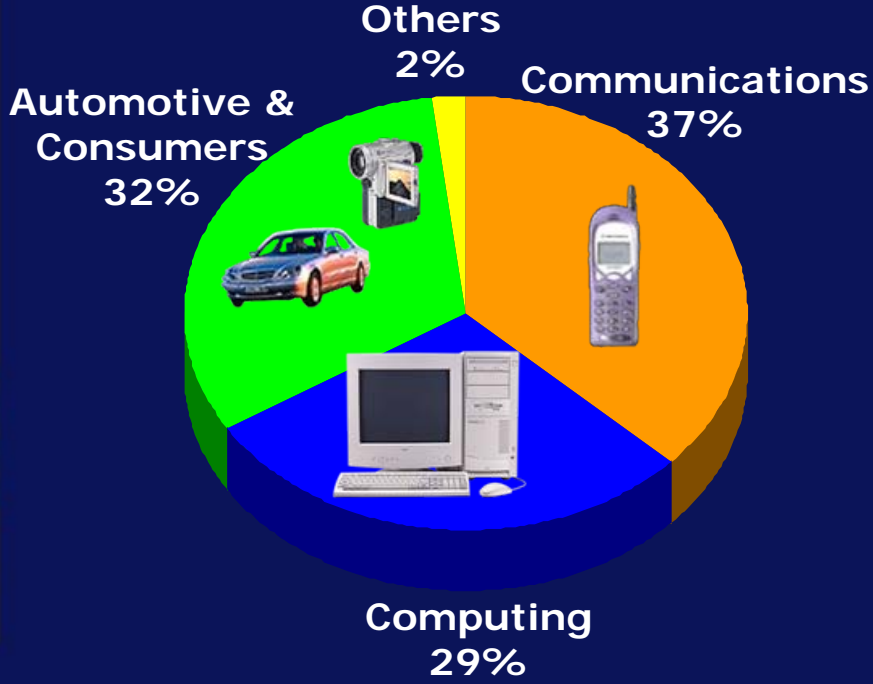


# Market Segment Exposure



2005 Q3

2005 Q2



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# Guidance for 2005 Q4



- > **Sequential revenue growth: high single digit %**
- > **Gross margin: above 20%**
- > **2005 full year Capex: US\$300 Millions**





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