## Advanced Semiconductor Engineering, Inc.



## FOR IMMEDIATE RELEASE

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## ADVANCED SEMICONDUCTOR ENGINEERING, INC. PRESS RELEASE

TAIPEI, TAIWAN, R.O.C., MAY 1, 2005 – Advanced Semiconductor Engineering Inc. (TAIEX: 2311, NYSE: ASX) ("ASE", or the "Company") today reported a fire at its semiconductor packaging and testing facilities in Chungli, Taiwan. The fire broke out at one of ASE's production buildings in its Chungli facilities at approximately 2 p.m. following what the Company suspects was an explosion of a boiler on the ground floor of the building and was contained by firefighters within two hours. The facilities were not in operation at the time of the fire, which took place on a Sunday, although some employees working overtime were on the premises. Five ASE employees, one firefighter and two employees of outside contractors suffered minor injuries and have received medical attention.

The extent of actual damage caused by the fire is not yet known. The fire appears to have spread to the third floor of the eleven-floor building, although higher floors were also damaged by smoke. The lower floors of the building were used principally for the production of interconnect materials used in semiconductor packaging and the higher floors were used for semiconductor packaging and testing. Depending on the extent of actual damage caused by the fire, ASE may use its semiconductor packaging and testing capacity at its other facilities, such as Kaohsiung in Taiwan, Malaysia, Korea and Japan, to meet the requirements of its customers who currently source from the Company's Chungli facilities. The affected building in Chungli houses no more than one-tenth of ASE's consolidated semiconductor packaging and testing capacity. Similarly, ASE plans to meet any shortfall in its production of interconnect materials resulting from the fire by increasing the production of its interconnect materials operations in Kaohsiung and Shanghai, as well as through increased purchases from other strategic materials suppliers. Following the determination of the extent of actual damage, the Company plans to commence promptly the process of insurance claims for the property, equipment and inventory damaged by the fire.