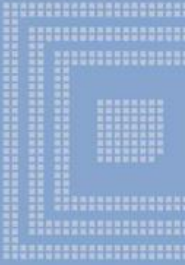




ASE GROUP



ASE Inc. 2015 Third Quarter Earnings Release

Joseph Tung
Chief Financial Officer
ASE Inc.
Oct. 29, 2015

Safe Harbor Notice



This presentation contains "forward-looking statements" within the meaning of Section 27A of the United States Securities Act of 1933, as amended, and Section 21E of the United States Securities Exchange Act of 1934, as amended, including statements regarding our future results of operations and business prospects. 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 or electronic industry; changes in our regulatory environment, including our ability to comply with new or stricter environmental regulations and to resolve environmental liabilities; demand for the outsourced semiconductor packaging, testing and electronic manufacturing services we offer and for such outsourced services generally; the highly competitive semiconductor or manufacturing industry we are involved in; our ability to introduce new technologies in order to remain competitive; international business activities; our business strategy; our future expansion plans and capital expenditures; the strained relationship between the Republic of China and the People's Republic of China; general economic and political conditions; the recent global economic crisis; possible disruptions in commercial activities caused by natural or human-induced disasters; 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 2014 Annual Report on Form 20-F filed on March 18, 2015.



Major Events of ASE's Tender Offer for SPIL's shares



- **Aug 21, 2015: ASE announced concurrent tender offers for SPIL's Shares**
 - Concurrent tender offers in Taiwan and in the U.S. to purchase up to 779 mm SPIL common shares (including those represented by ADSs), representing approximately 24.99% of SPIL's issued and outstanding capital
 - The tender offers launched on Aug 24, 2015, at a price of NT\$45 per common share and NT\$225 per ADS payable in the equivalent amount of U.S. dollars (1 ADS is equivalent to 5 common shares).
- **Sept 18, 2015: The 5% minimum condition of the tender offers was met**
 - The number of common shares tendered in the Taiwan Offer exceeded 5% of SPIL's issued and outstanding capital, which satisfied the minimum condition of the Taiwan offer and the US offer
- **Sept 22, 2015: The tender offers expired**
 - The aggregate number of shares validly tendered and not withdrawn in ASE's tender offers represented approximately 36.83% of SPIL's issued and outstanding share capital of SPIL, which exceeded the 24.99% offer cap
- **Oct 1, 2015: ASE became SPIL's 24.99% shareholder**
 - ASE's investment in SPIL was booked as an equity method investment in its Q3 2015 financial statements
 - ASE would recognize proportional SPIL's profits under non-operating income starting from 4Q15
 - ASE is entitled to receive dividends from its SPIL shares



Consolidated Statements of Comprehensive Income

Quarterly Sequential Comparison

(unaudited)



(NT\$ Million)	Q3 / 2015	%	Q2 / 2015	%	Change
Net Revenues:					
Packaging	29,575	40.6%	28,618	40.8%	3%
Testing	6,426	8.8%	6,231	8.9%	3%
Direct Material	762	1.0%	839	1.2%	-9%
EMS	36,107	49.5%	34,534	49.2%	5%
Others	0	0.0%	0	0.0%	
Total Net Revenues	72,870	100.0%	70,222	100.0%	4%
Gross Profit	12,987	17.8%	11,566	16.5%	12%
Operating Income (Loss)	6,382	8.8%	5,409	7.7%	18%
Pretax Income (Loss)	7,810	10.7%	5,400	7.7%	45%
Income Tax Benefit (Expense)	(1,127)	-1.5%	(1,596)	-2.3%	
Noncontrolling Interest	(315)	-0.4%	(152)	-0.2%	
Net Income Attributable to Shareholders of the Parent	6,368	8.7%	3,652	5.2%	74%
Basic EPS (NT Dollar)	0.83		0.48		
Diluted EPS (NT Dollar)	0.69		0.43		
EBITDA	15,903	21.8%	13,369	19.0%	19%



Consolidated Statements of Comprehensive Income

Quarterly Year-over-Year Comparison

(unaudited)



(NT\$ Million)	Q3 / 2015	%	Q3 / 2014	%	Change
Net Revenues:					
Packaging	29,575	40.6%	32,031	48.1%	-8%
Testing	6,426	8.8%	6,827	10.2%	-6%
Direct Material	762	1.0%	1,033	1.6%	-26%
EMS	36,107	49.5%	26,741	40.1%	35%
Others	0	0.0%	0	-0.1%	
Total Net Revenues	72,870	100.0%	66,632	100.0%	9%
Gross Profit	12,987	17.8%	14,208	21.3%	-9%
Operating Income (Loss)	6,382	8.8%	8,099	12.2%	-21%
Pretax Income (Loss)	7,810	10.7%	8,605	12.9%	-9%
Income Tax Benefit (Expense)	(1,127)	-1.5%	(1,240)	-1.9%	
Noncontrolling Interest	(315)	-0.4%	(148)	-0.2%	
Net Income Attributable to Shareholders of the Parent	6,368	8.7%	7,217	10.8%	-12%
Basic EPS (NT Dollar)	0.83		0.94		
Diluted EPS (NT Dollar)	0.69		0.82		
EBITDA	15,903	21.8%	15,881	23.8%	0%



IC ATM Statements of Comprehensive Income

Quarterly Sequential Comparison

(unaudited)



(NT\$ Million)	Q3 / 2015	%	Q2 / 2015	%	Change
Net Revenues:					
Packaging	32,489	81.5%	30,558	81.1%	6%
Testing	6,426	16.1%	6,230	16.5%	3%
Direct Material	928	2.3%	865	2.3%	7%
Others	19	0.0%	18	0.0%	6%
Total Net Revenues	39,862	100.0%	37,671	100.0%	6%
Gross Profit	10,651	26.7%	9,504	25.2%	12%
Operating Income (Loss)	5,644	14.2%	5,101	13.5%	11%
Pretax Income (Loss)	7,433	18.6%	5,229	13.9%	42%
Income Tax Benefit (Expense)	(1,016)	-2.5%	(1,537)	-4.1%	
Noncontrolling Interest	(49)	-0.1%	(40)	-0.1%	
Net Income Attributable to Shareholders of the Parent	6,368	16.0%	3,652	9.7%	74%
EBITDA	14,898	37.4%	11,620	30.8%	28%



IC ATM Statements of Comprehensive Income

Quarterly Year-over-Year Comparison

(unaudited)



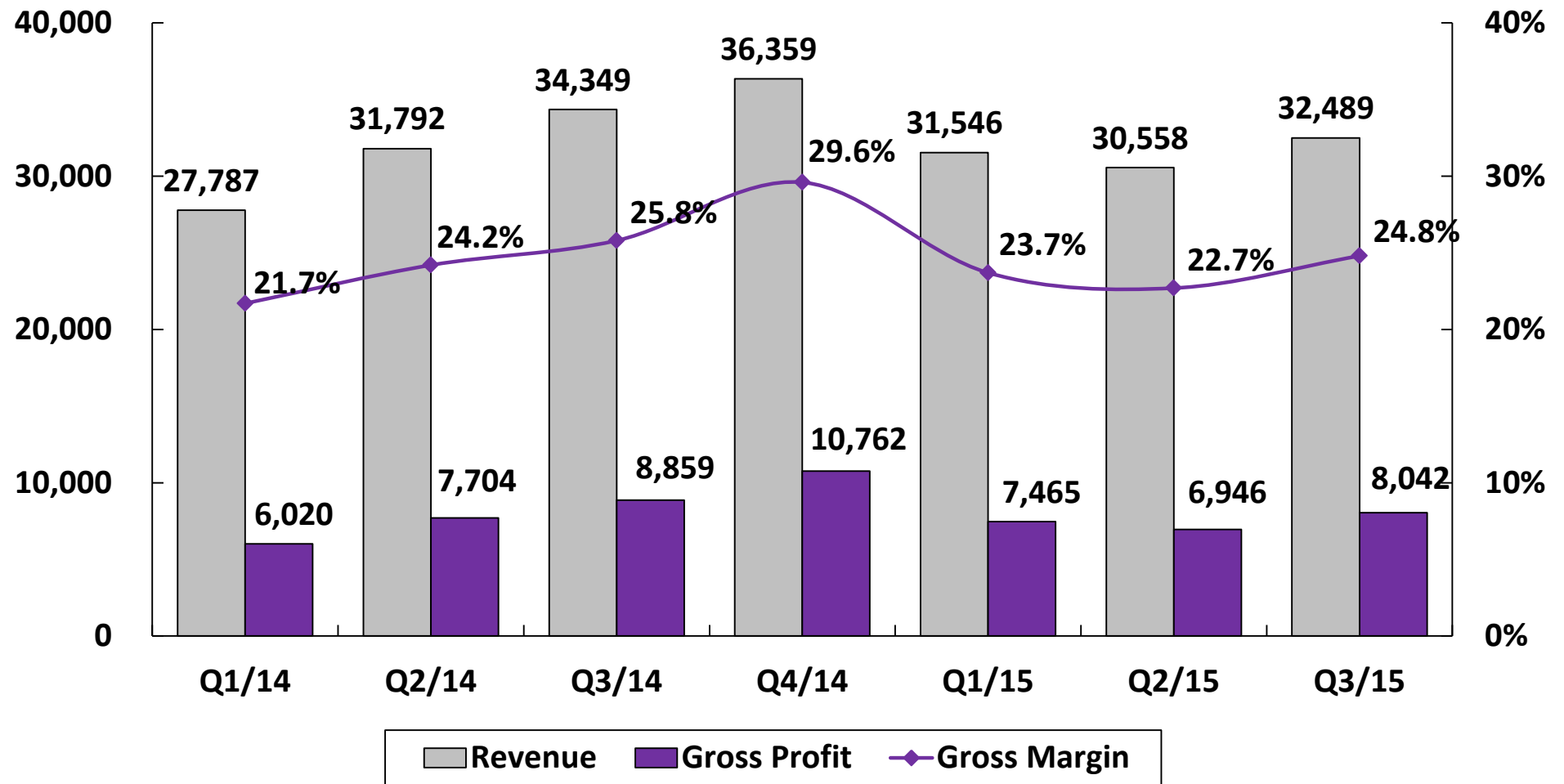
(NT\$ Million)	Q3 / 2015	%	Q3 / 2014	%	Change
Net Revenues:					
Packaging	32,489	81.5%	34,349	81.4%	-5%
Testing	6,426	16.1%	6,827	16.2%	-6%
Direct Material	928	2.3%	1,035	2.5%	-10%
Others	19	0.0%	0	0.0%	
Total Net Revenues	39,862	100.0%	42,211	100.0%	-6%
Gross Profit	10,651	26.7%	12,082	28.6%	-12%
Operating Income (Loss)	5,644	14.2%	7,361	17.4%	-23%
Pretax Income (Loss)	7,433	18.6%	8,381	19.9%	-11%
Income Tax Benefit (Expense)	(1,016)	-2.5%	(1,108)	-2.6%	
Noncontrolling Interest	(49)	-0.1%	(56)	-0.1%	
Net Income Attributable to Shareholders of the Parent	6,368	16.0%	7,217	17.1%	-12%
EBITDA	14,898	37.4%	14,761	35.0%	1%



Packaging Operations

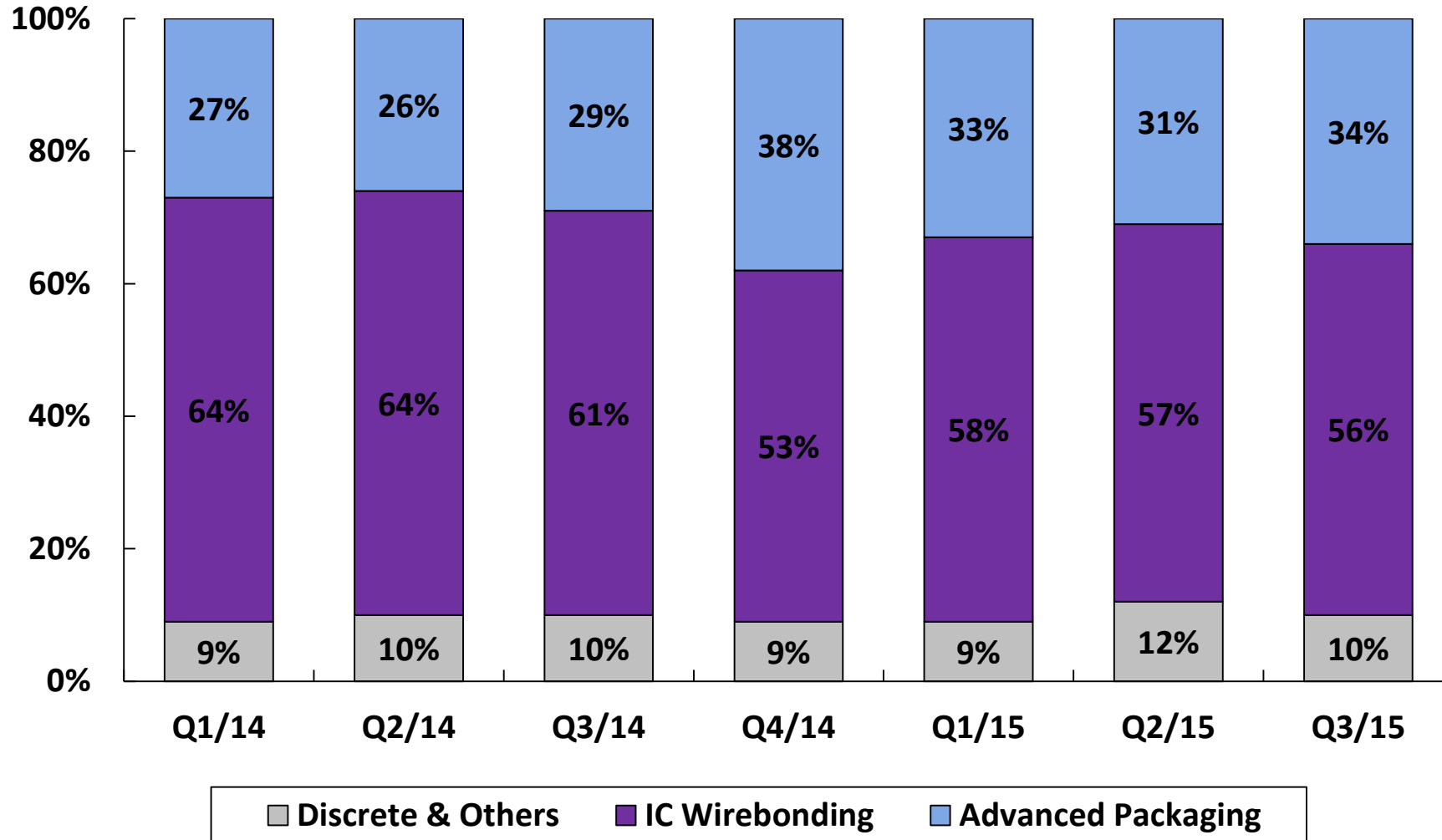


NT\$ Million



Packaging Operations

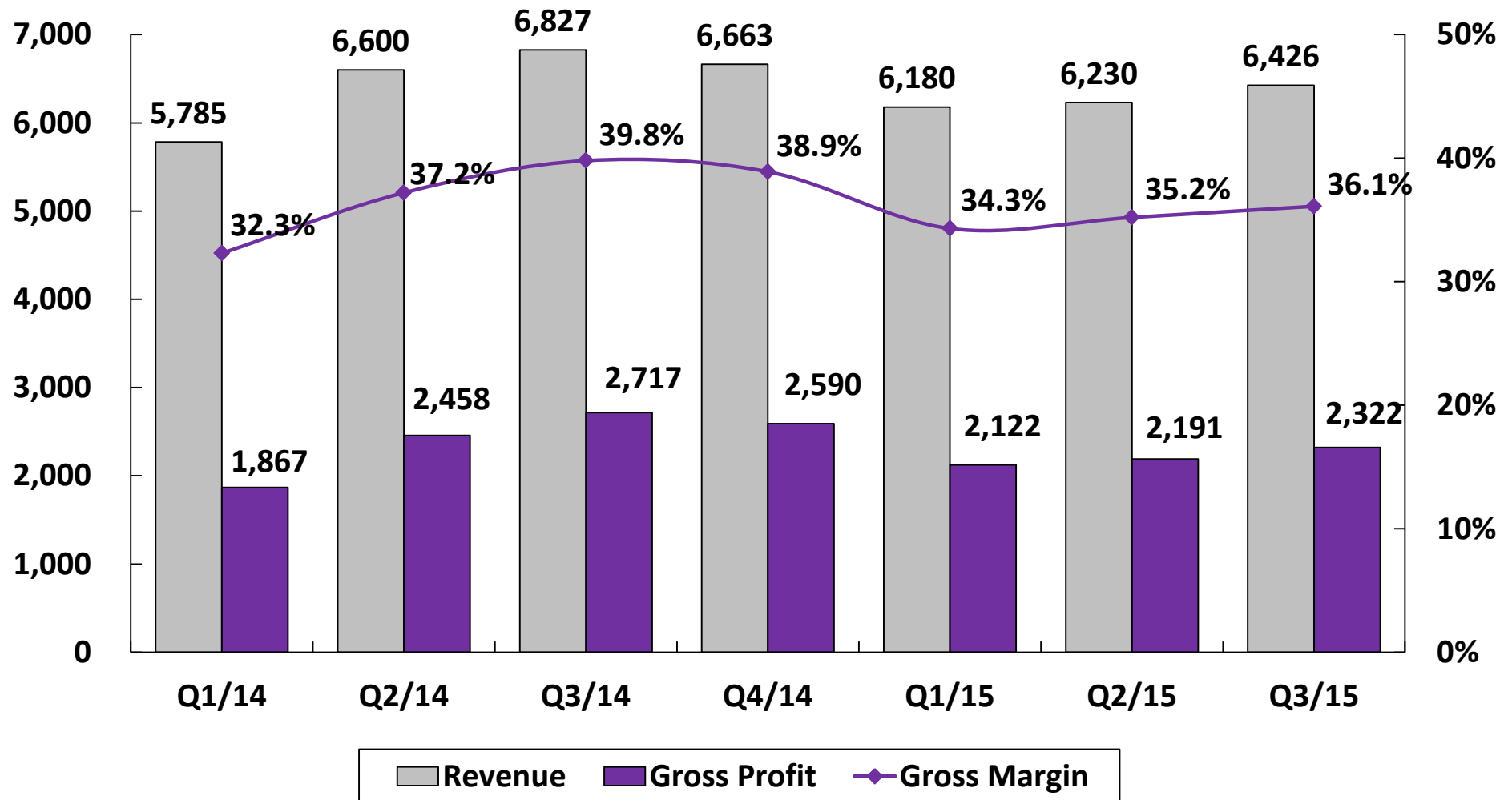
Package Revenue Breakdown



Testing Operations

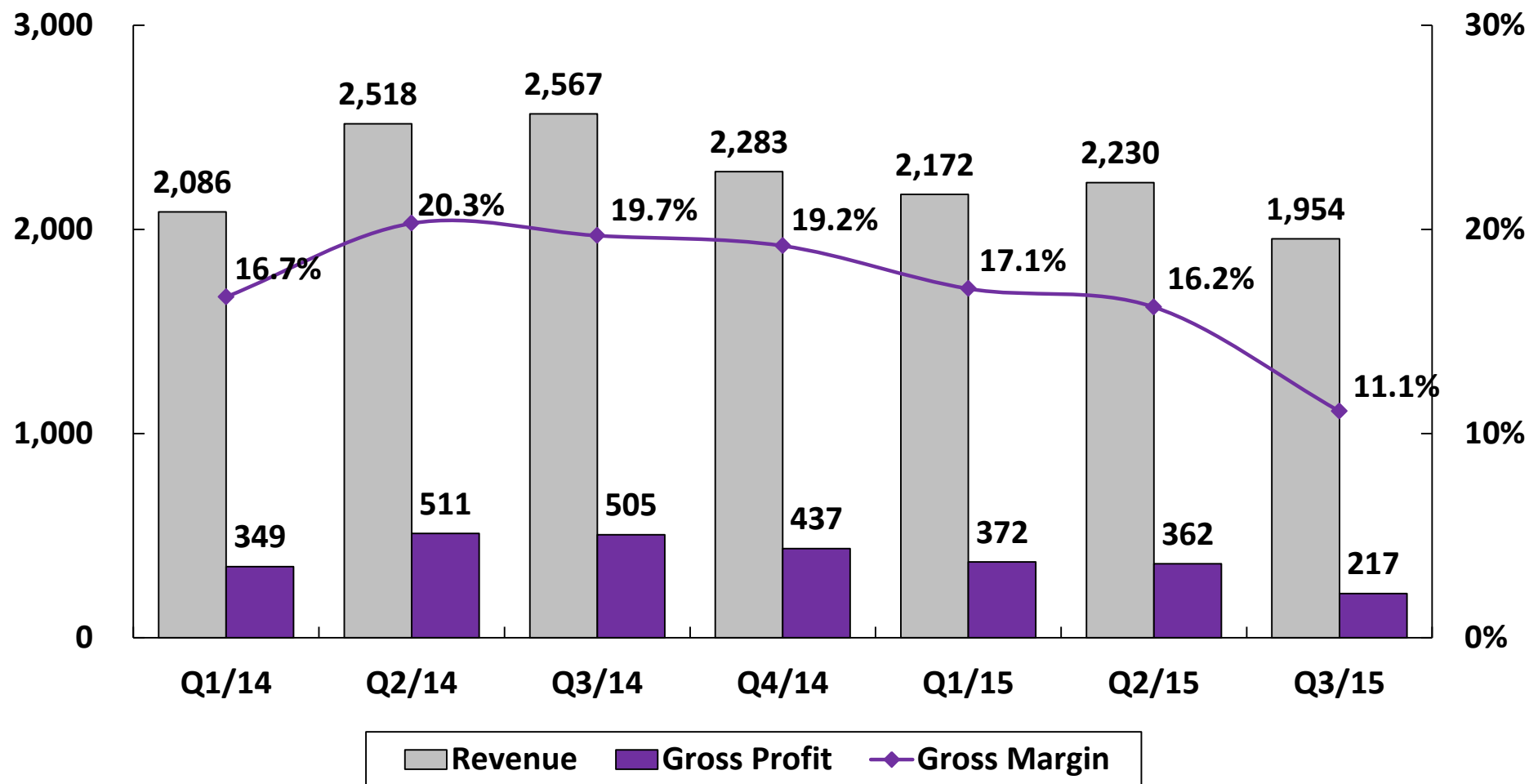


NT\$ Million

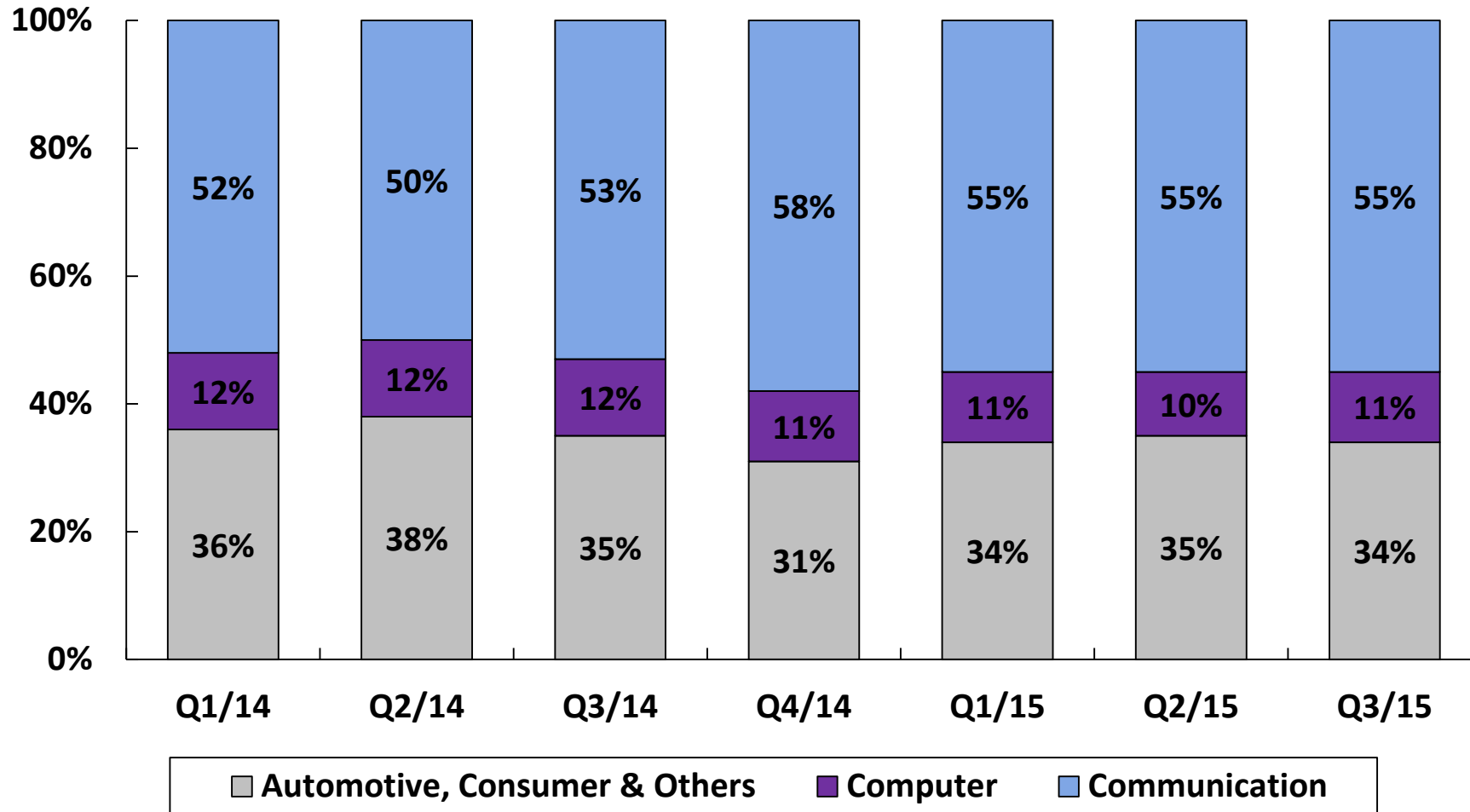


Material Operations

NT\$ Million



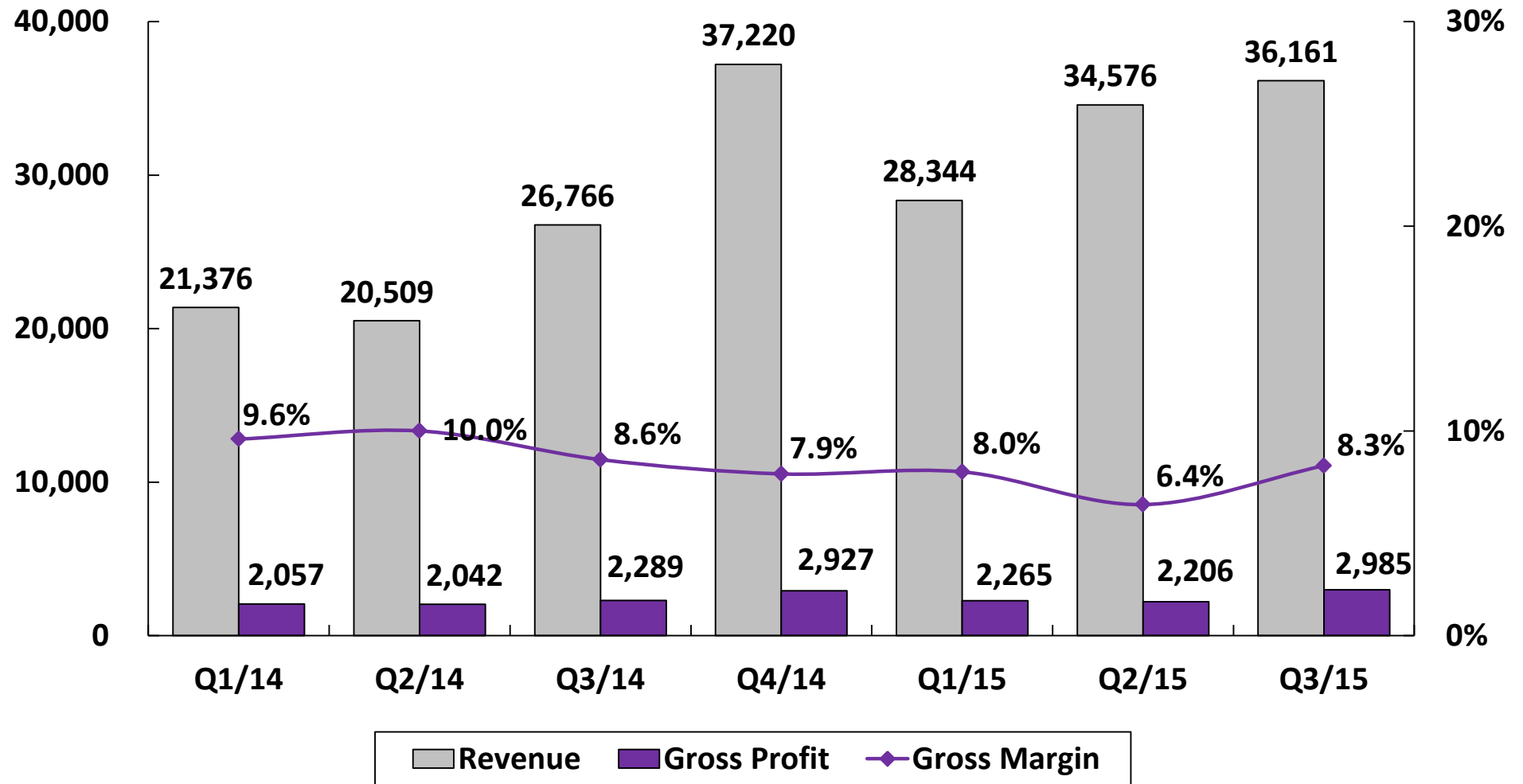
IC ATM Revenue by Application



EMS Operations

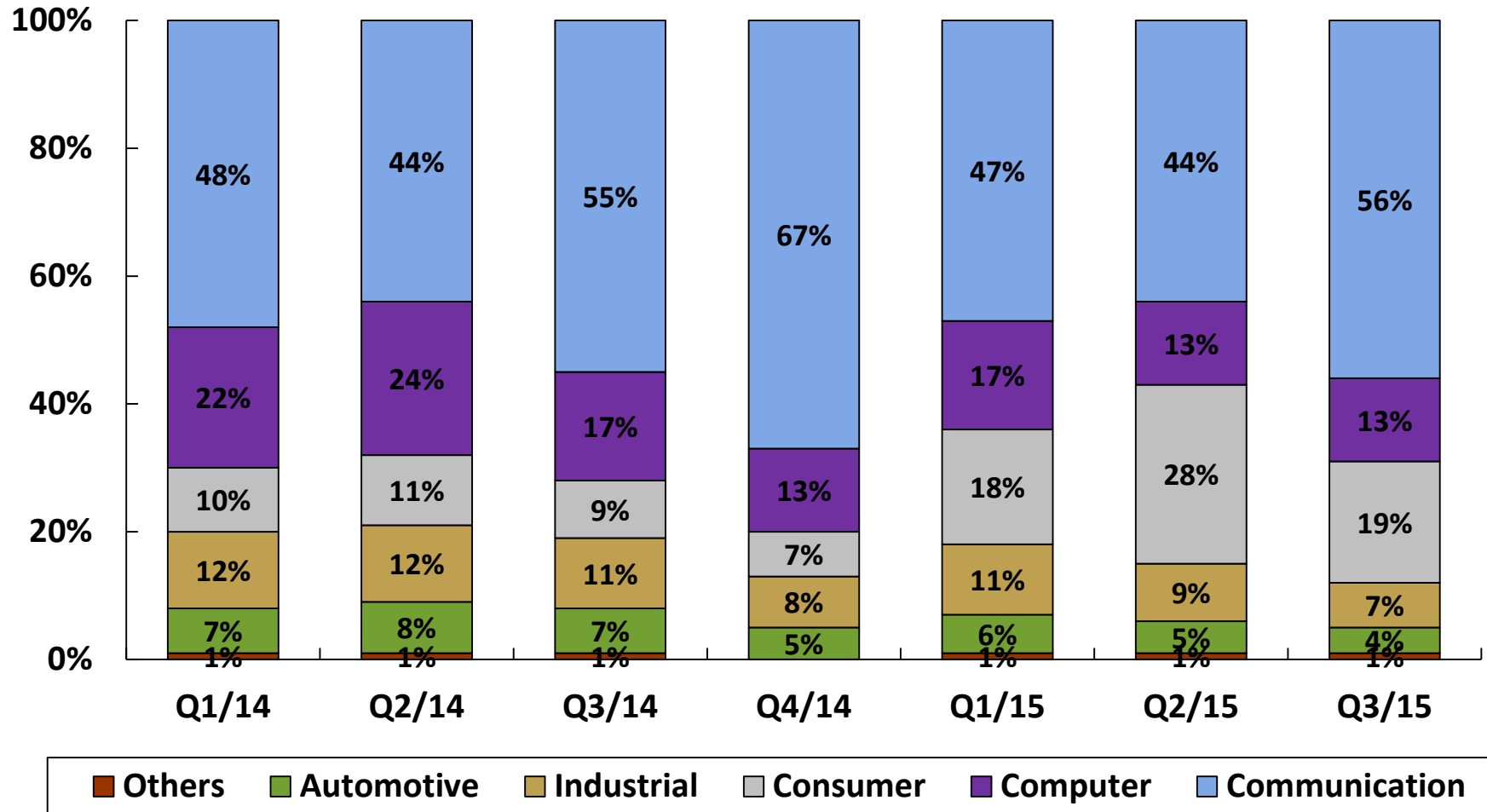


NT\$ Million



EMS Operations

EMS Revenue Breakdown



Key Balance Sheet Items & Indices

(unaudited)



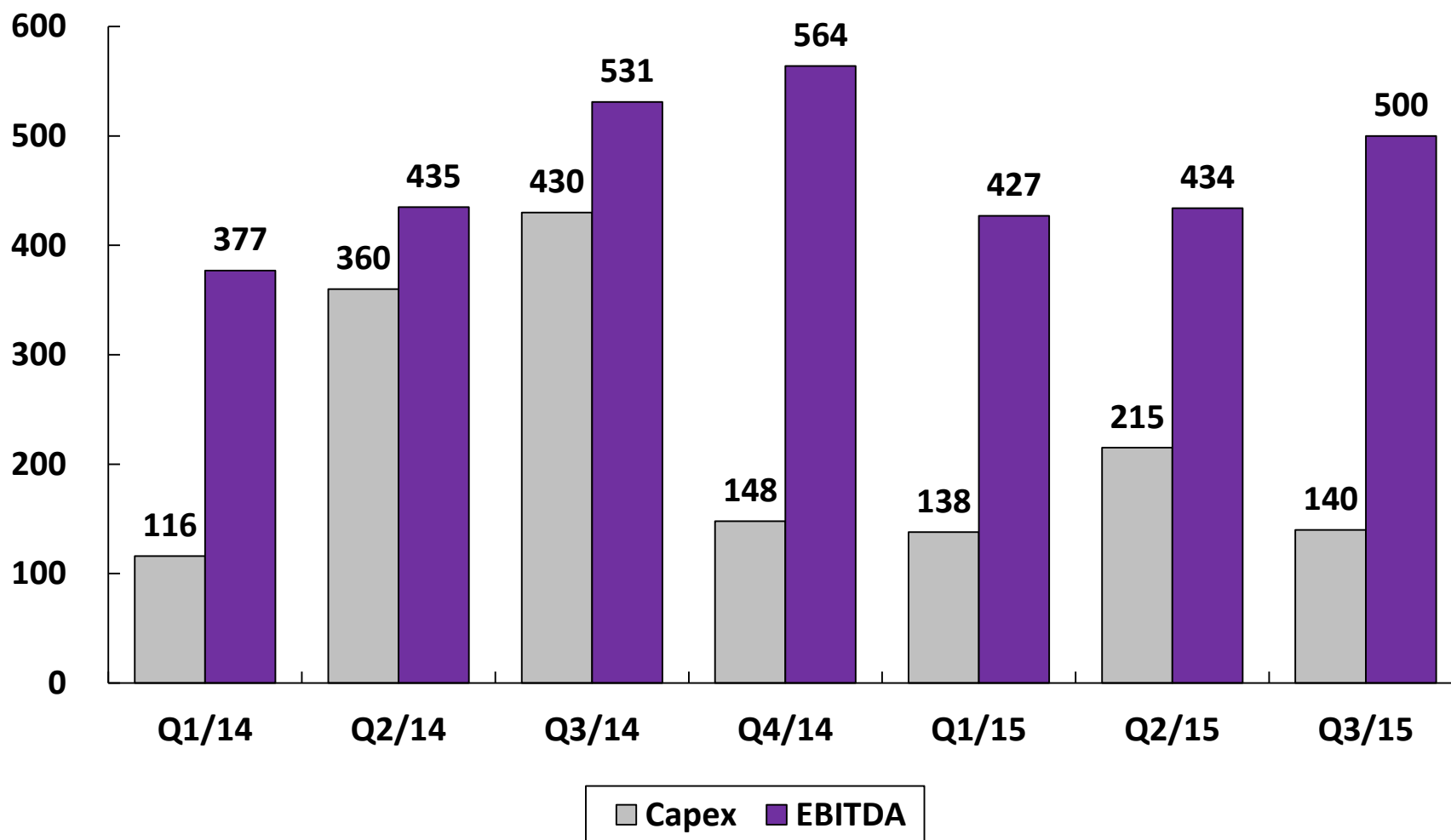
(NT\$ Million)	Sept. 30, 2015	Jun. 30, 2015	Change
Cash and cash equivalent	42,410	54,175	-21.7%
Financial assets - current	3,158	4,690	-32.7%
Financial assets - non current & investments - equity method	37,887	2,280	1561.7%
Property, plant & equipment	152,981	152,755	0.1%
Total assets	368,452	335,161	9.9%
Short-term borrowings	45,747	37,193	23.0%
Current portion of bonds payable	2,578	0	
Current portion of long-term borrowings & capital lease obligations	2,028	1,554	30.5%
Bonds payable	35,804	30,867	16.0%
Long-term borrowings & capital lease obligations	38,389	22,290	72.2%
Total equity (Including non-controlling interest)	164,283	152,688	7.6%
Quarterly EBITDA	15,903	13,369	19.0%
Current ratio	1.31	1.34	
Net debt to equity	0.48	0.22	



Machinery & Equipment Capital Expenditure vs. EBITDA



US\$ Million



Fourth Quarter 2015 Outlook



Based on our current business outlook and exchange rate assumptions, management projects overall performance for the fourth quarter of 2015 to be as follows:

- IC ATM capacity should stay flat and blended utilization should be down 4-6% sequentially;
- IC ATM gross margin should resemble 1Q15 level;
- EMS capacity should stay flat and blended loading should be up mid-teen percentage sequentially;
- EMS gross margin should approach 2Q15 level.



Thank You

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