

## Advanced Semiconductor Engineering, Inc. (ASE) Dividend Distribution

Advanced Semiconductor Engineering, Inc. (ASE) announced the Company has approved the 2013 distribution of common share dividends, as following:

Cash dividend of TWD 1294.11842 for every 1,000 shares held

The US record date for ASE American Depositary Shares (ADSs) is set at August 15, 2014 and the ADSs ex-dividend date is set at August 13, 2014.

Under current Taiwan regulations, all common shares are "registered capital". No Taiwanese company can issue new shares for stock dividends until a specific date is set for "holder of record" first, and then the application for issuing new shares can follow. The process involves the Company to submit the application and the approval from the Taiwan Securities Futures Commissions which normally takes approximately 1 month.

The US Payment date is established 5 business days after the local Taiwan payment date. ASE has announced the cash dividend to be paid on September 19, 2014 and therefore the ADR cash dividend date will be September 26, 2014.

All questions regarding the upcoming ADSs dividend may be directed to Citibank Shareholder Services at 1-877-CITI-ADR (248-4237).

Following is a section for the 2013 dividend FAQs:-

(1) What do you need to do in order to participate in ASE's cash dividend?

You need to own shares through the day before the ex-dividend date, i.e. be on the shareholders' register as of the record date, to be entitled to the cash to be distributed this year.

(2) What is the tax treatment on ASE's ADS cash dividend?

Dividends declared out of retained earnings are subject to a 20% withholding tax for non-residence shareholders payable to Taiwan tax authorities. Dividends declared out of capital reserves are not subject to this withholding tax.

Therefore: Cash dividend of TWD 1294.11842 for every 1,000 shares held  
is subject to 20% withholding tax

(4) Is the ADR cash dividend taxable in US?

The cash dividend is 100% taxable in the local market (Taiwan), and At Source Withholding will apply to the cash distribution. The payment is not subject to US taxation. However, U.S. holders may be able to claim a tax credit for the At Source Withholding paid in Taiwan.

Please consult your tax advisor regarding taxation pursuant to applicable provisions of the US Internal Revenue Code.

(5) How is the 20% withholding tax calculated on 2013 ADR cash dividend?

Since 2013 ADS cash dividend is expected to be declared from retained earnings, it will be subject to 20% non-residence withholding tax based on par value (NT\$10) of the stock dividend issued.

### FORMULA TO CALCULATE 20% WITHHOLDING TAX:

ADR held x 5 (5 ords: 1 ADR ratio) x 1.29411842 (cash dividend ratio) x 100% (share amount taxable in local market) x 20% (withholding tax at source) divided by conversion fx rate