



Media Release

(all figures in US\$ unless otherwise stated)

UTAC Completes Acquisition of UTC

- **Transaction transforms UTAC into a global top five test service and independent memory full-turnkey service provider**
- **Extends product offering, capacities and offers multiple manufacturing locations to existing and new customers**
- **UltraTera Corporation (“UTC”) to be renamed UTAC (Taiwan) Corporation**
- **First share swap transaction between a Taiwanese and Singapore-listed company**

SINGAPORE, 31 March 2005 – Singapore Exchange-listed, **United Test and Assembly Center Ltd (“UTAC” or “The Company”** – SGX: UTAC), announced today the completion of its acquisition of **UltraTera Corporation (“UTC”)** of Taiwan. The leading semiconductor test and assembly service provider, which first announced the proposed acquisition of UTC on 13 April 2004, said that, following final approvals from relevant Taiwanese authorities, the parties have agreed to complete the transaction effective today.

Upon completion, UTC will officially become a subsidiary of UTAC and will be renamed UTAC (Taiwan) Corporation (while retaining the UTC acronym). UTC will be delisted from the Emerging Stock Market of the GreTai Securities Market in Taiwan effective 10 March 2005. The transaction represents the first share swap acquisition between a Taiwanese and Singapore-listed company.

Under the terms of the transaction, UTAC acquired 100% of the issued shares of UTC based on an exchange ratio of 1.33 new ordinary shares of par value US\$0.15 each in the capital of UTAC (“UTAC Shares”) for every one share of UTC (“UTC Share”). In addition, new UTAC options (“UTAC Replacement Options”) will be issued to replace the existing UTC options granted pursuant to the UTC Option Plan at an exchange ratio of 1.33 UTAC Shares for every existing UTC Share.

The Company is issuing 651,570,458 new ordinary UTAC Shares of US\$0.15 each for the outstanding 489,902,600 UTC Shares. In addition, the Company will be issuing

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replacement options to subscribe for 31,425,240 UTAC Shares to the existing UTC option holders to replace the existing UTC Options granted on the basis of 1.33 UTAC Shares for every existing UTC share. The Company expects that the newly issued UTAC shares will be listed and commence trading in mid-April.

UTAC's acquisition of UTC will create the world's fourth-largest mixed signal and memory test services company and the fourth-largest independent memory full turnkey provider (based on 2003 data).

Mr Charles Chen, non-executive Chairman of UTAC, said: "I am very pleased that the transaction has received the final sanction from the relevant authorities in Taiwan, sealing this union which had earlier received support from shareholders of both companies. The path is now cleared for the combined entity to position itself as a leading test-centric player and one of the largest global independent full-turnkey players focused on memory."

Mr CC Tsai, Chief Executive Officer, UTC said: "We are very happy with the conclusion of the deal. This is a deal with compelling strategic rationale and perfect fit for both UTC and UTAC. We look forward to reaping the synergies and leveraging UTAC's experience to introduce mixed-signal test in Taiwan."

Mr Lee Joon Chung, President and CEO of UTAC, said: "We warmly welcome UTC to the UTAC family. We believe that, together, we will be able to realize the synergies and exploit the new strengths of the enlarged UTAC Group with a larger and diversified customer base."

"After the inclusion of UTC, we have now strengthened our presence to cover the three key global semiconductor manufacturing nodes, allowing us to support our customers' operations with greater convenience and flexibility."

"We will leverage upon both UTAC's and UTC's respective capabilities to enhance our technology and increase the product offerings and capacities to our enlarged client base. For example, we expect to leverage on UTC's capabilities in NAND Flash memory and memory packaging technologies to deploy these capabilities to our other sites," added Mr Lee.

The financial results of UTC will be consolidated into UTAC's financial reports with effect from 1 March 2005. UTAC expects UTC to make positive contribution to UTAC's 1Q05 results.

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About United Test and Assembly Center Ltd (UTAC)

Established in 1997 and listed on the Main Board of the Singapore Exchange on 9 February 2004, UTAC is a leading independent provider of semiconductor assembly and testing services to its customers, which comprise Integrated Device Manufacturers ("IDMs"), fabless companies and wafer foundries. UTAC provides wafer probing and final testing services on a diverse selection of test platforms for a range of semiconductors including memory, logic, mixed-signal and radio-frequency ICs. Besides testing services, UTAC also provides assembly services for a broad range of leadframe and array packages.

Headquartered in Singapore where it houses its manufacturing, test engineering and package design facilities, UTAC has also established a global network of sales offices in the United States, Italy and Japan and has appointed a sales agent in Israel. It has also incorporated a wholly-owned subsidiary in the PRC to provide wafer probing and testing services. For more information, visit www.utac.com.sg.

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