



## **Media Release**

# **UTAC Starts Turnkey Production For Korean MP3 Chip Maker Telechips**

**SINGAPORE, 10 October 2005** – Singapore Exchange-listed United Test and Assembly Center Ltd (“UTAC” – SGX: UTAC), a leading independent global provider of semiconductor assembly and test services, announced it has begun full turnkey mass production for South Korea’s KOSDAQ-listed Telechips Inc’s (“Telechips”) MP3 chips last month.

Telechips is a leading fabless semiconductor company that designs, develops and markets Multimedia Integrated Circuits (“ICs”) with System Solutions, and has led the market in implementing fast media technology in its solutions. It specialises in developing digital multimedia processors for use in applications such as portable MP3 players, MP3 phones, host MP3 players and in car or home audio systems for major global consumer electronics device manufacturers. Market research firm Gartner estimates that worldwide MP3 player market will grow to more than 160 million units produced in 2010 from 40 million in 2004, resulting in a 35% compounded annual growth rate (CAGR) from 2004 through 2010.

UTAC will perform full turnkey test and assembly services for Telechips’ digital media processor. This is a high-performance, low-power, digital multimedia and audio large-scale integrated chip that can encode or decode MP3 and other types of audio/voice compression/decompression standards via a software-based architecture.

“Telechips is our first fabless Korean consumer customer and we are pleased that it has selected UTAC as its manufacturing partner for its MP3 chip,” said Ms June Chia,



Group Executive Vice President of UTAC. “We believe that our partnership with Telechips demonstrates our expertise in providing complete test solutions for MP3 chip makers, and will help pave the way for us to further penetrate the Korean market for semiconductor test and assembly services.”

“As a fabless developer of digital media processors, we are highly selective in our choice of manufacturing partner so as to ensure that our multimedia chips perform to our stringent specifications,” said Mr Leonardo Kim, General Manager of Telechips. “We believe that UTAC’s track record as a leading global provider of semiconductor test and assembly services will raise the confidence of our customers in selecting our integrated digital multimedia processing chip solutions for use in their products.”

Added Mr Kim, “Our aim was to partner a leading provider of test and assembly services to support production in our home market of Korea and eventually China. In Korea, most of the semiconductor back-end service providers only provide assembly services. In addition, we also needed a service provider who could offer a complete solution with strong test capabilities and is able to quickly ramp up production when needed to help us secure demand for our chips. We believe UTAC is able to meet all of our requirements.”

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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, 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 established a global network of sales offices in the United States, Europe, Japan, Korea and China. It also has wholly-owned subsidiaries in China and Taiwan to provide wafer probing and testing services. For more information, visit [www.utacgroup.com](http://www.utacgroup.com)

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