



UNAUDITED FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2005

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF FULL YEAR RESULTS

1(a)(i) Income statements for the year ended 31 December 2005

	Notes	Group		Change %
		1 Jan 2005 to 31 Dec 2005 US\$'000	1 Jan 2004 to 31 Dec 2004 US\$'000	
Sales		325,497	169,613	91.9%
Cost of sales		(246,297)	(137,127)	-79.6%
Gross profit		79,200	32,486	143.8%
Other gains		6,155	1,922	220.2%
Operating expenses				
Selling, general and administrative expenses		(23,277)	(9,564)	-143.4%
Research and development costs		(13,929)	(10,045)	-38.7%
Other operating expenses		(4,007)	(766)	-423.1%
Finance costs		(3,299)	(1,881)	-75.4%
Share of loss of associates		(50)	-	NM
Profit before income tax		40,793	12,152	235.7%
Income tax credit/(expense)		963	(48)	2106.3%
Profit for the year	A	41,756	12,104	245.0%
		1 Jan 2005 to 31 Dec 2005 US\$'000	1 Jan 2004 to 31 Dec 2004 US\$'000	Change %
A. Profit for the year is arrived at after crediting/(charging)				
- Government grant income		188	664	-71.7%
- Investment income		240	43	458.1%
- Interest income		518	543	-4.6%
- Interest expense		(3,299)	(1,699)	-94.2%
- Depreciation on property, plant and equipment		(95,567)	(52,800)	-81.0%
- Property, plant and equipment written off		(1,709)	-	NM
- Impairment loss of property, plant and equipment		(433)	-	NM
- Amortisation of interest rate option premium		-	(182)	100.0%
- Amortisation of intangible assets		(890)	-	NM
- Impairment loss of available-for-sale financial assets		(606)	-	NM
- Fair value gain on derivative financial instruments		516	-	NM
- Gain on disposal of financial assets at fair value through profit or loss		103	-	NM
- Fair value gain on financial assets at fair value through profit or loss		245	-	NM
- Allowance for doubtful non-trade receivable written back		279	100	179.0%
- Allowance for doubtful trade receivables		(28)	(110)	74.5%
- Allowance for inventory obsolescence		-	(153)	100.0%
- Allowance for inventory obsolescence written back		447	-	NM
- Inventory written off		(261)	-	NM
- Net foreign exchange loss		(516)	(194)	-166.0%
- Gain on disposal of property, plant and equipment		1,845	49	3665.3%
- Adjustments for over provision of tax in respect of prior years		-	89	-100.0%
- Sales of scrap		729	-	NM
- Rental income		1,022	-	NM
- Miscellaneous income		749	623	20.2%

NM - Not meaningful



1(a)(ii) Income statements for three months ended 31 December 2005

	Notes	Group		Change %
		1 Oct 2005 to 31 Dec 2005 US\$'000	1 Oct 2004 to 31 Dec 2004 US\$'000	
Sales		100,504	49,841	101.6%
Cost of sales		(69,598)	(40,253)	-72.9%
Gross profit		<u>30,906</u>	<u>9,588</u>	222.3%
Other gains		2,211	177	1149.2%
Operating expenses				
Selling, general and administrative expenses		(6,732)	(2,597)	-159.2%
Research and development costs		(3,825)	(2,832)	-35.1%
Other operating expenses		(1,919)	(126)	-1423.0%
Finance costs		(965)	(407)	-137.1%
Share of loss of associates		(50)	-	NM
Profit before income tax		<u>19,626</u>	<u>3,803</u>	416.1%
Income tax credit/(expense)		438	(28)	1664.3%
Profit for the period	A	<u>20,064</u>	<u>3,775</u>	431.5%
		1 Oct 2005 to 31 Dec 2005 US\$'000	1 Oct 2004 to 31 Dec 2004 US\$'000	Change %
A. Profit for the period is arrived at after crediting/(charging)				
- Government grant income		40	53	-24.5%
- Investment income		64	17	276.5%
- Interest income		232	58	300.0%
- Interest expense		(965)	(386)	-150.0%
- Depreciation on property, plant and equipment		(25,926)	(15,025)	-72.6%
- Property, plant and equipment written off		(1,062)	-	NM
- Amortisation of interest rate option premium		-	(21)	100.0%
- Amortisation of intangible assets		(280)	-	NM
- Impairment loss of available-for-sale financial assets		(606)	-	NM
- Fair value gain on derivative financial instruments		128	-	NM
- Gain on disposal of financial assets at fair value through profit or loss		121	-	NM
- Fair value gain on financial assets at fair value through profit or loss		120	-	NM
- Allowance for doubtful non-trade receivable written back		-	100	-100.0%
- Allowance for doubtful trade receivables		(5)	(101)	95.0%
- Allowance for inventory obsolescence written back		293	-	NM
- Net foreign exchange gain/(loss)		77	(50)	254.0%
- Gain on disposal of property, plant and equipment		561	49	1044.9%
- Sales of scrap		145	-	NM
- Rental income		351	-	NM
- Miscellaneous income		372	-	NM

NM - Not meaningful



1(a)(iii) Income statements for three months ended 31 December 2005

	Notes	Group		Change %
		1 Oct 2005 to 31 Dec 2005 US\$'000	1 Jul 2005 to 30 Sep 2005 US\$'000	
Sales		100,504	84,440	19.0%
Cost of sales		(69,598)	(62,168)	-12.0%
Gross profit		<u>30,906</u>	<u>22,272</u>	38.8%
Other gains		2,211	1,184	86.7%
Operating expenses				
Selling, general and administrative expenses		(6,732)	(6,595)	-2.1%
Research and development costs		(3,825)	(3,726)	-2.7%
Other operating expenses		(1,919)	(1,977)	2.9%
Finance costs		(965)	(1,024)	5.8%
Share of loss of associates		(50)	-	NM
Profit before income tax		<u>19,626</u>	<u>10,134</u>	93.7%
Income tax credit		438	393	11.5%
Profit for the period	A	<u>20,064</u>	<u>10,527</u>	90.6%

	1 Oct 2005 to 31 Dec 2005 US\$'000	1 Jul 2005 to 30 Sep 2005 US\$'000	Change %
A. Profit for the period is arrived at after crediting/(charging)			
- Government grant income	40	45	-11.1%
- Investment income	64	73	-12.3%
- Interest income	232	131	77.1%
- Interest expense	(965)	(1,024)	5.8%
- Depreciation on property, plant and equipment	(25,926)	(25,247)	-2.7%
- Property, plant and equipment written off	(1,062)	(647)	-64.1%
- Impairment loss of property, plant and equipment	-	(433)	100.0%
- Amortisation of intangible assets	(280)	(262)	-6.9%
- Impairment loss of available-for-sale financial assets	(606)	-	NM
- Fair value gain on derivative financial instruments	128	336	-61.9%
- Gain on disposal of financial assets at fair value through profit or loss	121	46	163.0%
- Fair value gain on financial assets at fair value through profit or loss	120	3	3900.0%
- Allowance for doubtful trade receivables	(5)	-	NM
- Allowance for doubtful trade receivables written back	-	60	-100.0%
- Allowance for inventory obsolescence written back	293	6	4783.3%
- Net foreign exchange gain/(loss)	77	(666)	111.6%
- Gain/(loss) on disposal of property, plant and equipment	561	(39)	1538.5%
- Sales of scrap	145	201	-27.9%
- Rental income	351	288	21.9%
- Miscellaneous income	372	61	509.8%

NM - Not meaningful



1(b)(i) Balance Sheet

	Group		Company	
	As at 31 Dec 2005 US\$'000	As at 31 Dec 2004 US\$'000	As at 31 Dec 2005 US\$'000	As at 31 Dec 2004 US\$'000
ASSETS				
Current Assets				
Inventories	9,390	5,432	8,105	5,508
Trade and other receivables	87,287	45,090	69,061	53,305
Other current assets	3,783	3,795	2,054	3,547
Derivative financial instruments	1,120	-	1,120	-
Financial assets at fair value through profit or loss	33,388	-	-	-
Cash and cash equivalents	49,695	28,494	25,882	25,894
	<u>184,663</u>	<u>82,811</u>	<u>106,222</u>	<u>88,254</u>
Non-Current Assets				
Property, plant and equipment	448,684	252,149	309,104	234,338
Intangible assets	63,079	-	-	-
Investment in associates	34,972	-	35,021	-
Investment in subsidiaries	-	-	246,346	15,001
Deferred income tax assets	5,892	-	-	-
Available-for-sale financial assets	5,142	-	-	-
	<u>557,769</u>	<u>252,149</u>	<u>590,471</u>	<u>249,339</u>
Total Assets	<u>742,432</u>	<u>334,960</u>	<u>696,693</u>	<u>337,593</u>
LIABILITIES				
Current Liabilities				
Trade and other payables	124,466	51,545	110,624	51,009
Current income tax liabilities	341	169	128	169
Borrowings	22,819	14,202	18,818	14,202
	<u>147,626</u>	<u>65,916</u>	<u>129,570</u>	<u>65,380</u>
Non-Current Liabilities				
Borrowings	63,249	12,070	40,953	12,070
Deferred income	476	663	476	663
Retirement benefit obligations	1,213	-	-	-
	<u>64,938</u>	<u>12,733</u>	<u>41,429</u>	<u>12,733</u>
Total Liabilities	<u>212,564</u>	<u>78,649</u>	<u>170,999</u>	<u>78,113</u>
NET ASSETS	<u>529,868</u>	<u>256,311</u>	<u>525,694</u>	<u>259,480</u>
EQUITY				
Capital and reserves attributable to the Company's equity holders				
Share capital	219,893	126,600	219,893	126,600
Share premium	309,480	175,387	309,480	175,387
Other reserves	5,597	1,548	5,844	1,549
Accumulated losses	(5,102)	(47,224)	(9,523)	(44,056)
	<u>529,868</u>	<u>256,311</u>	<u>525,694</u>	<u>259,480</u>



1(b)(ii) Group's borrowings

	Group	
	As at 31 Dec 2005 US\$'000	As at 31 Dec 2004 US\$'000
<u>Amount repayable in one year or less, or on demand</u>		
Unsecured	11,778	8,600
Secured	11,041	5,602
	22,819	14,202
<u>Amount repayable after one year</u>		
Unsecured	49,660	9,178
Secured	13,589	2,892
	63,249	12,070

Details of any collateral

The borrowings are secured on property, plant and equipment with a net book value of US\$36,850,000 (31 December 2004: US\$14,786,000).



1(c)(i) Cash flow statement for the year ended 31 December 2005

	Group		Group	
	1 Jan 2005 to 31 Dec 2005 US\$'000	1 Jan 2004 to 31 Dec 2004 US\$'000	1 Oct 2005 to 31 Dec 2005 US\$'000	1 Oct 2004 to 31 Dec 2004 US\$'000
Cash flows from operating activities				
Profit before income tax	40,793	12,152	19,626	3,803
Adjustments for:				
Depreciation of property, plant and equipment	95,567	52,800	25,926	15,025
Amortisation of intangible assets	890	-	280	-
Government grant income	-	(477)	-	-
Amortisation of deferred government grant income	(188)	(187)	(40)	(53)
Investment income	(240)	(43)	(64)	(17)
Impairment loss of property, plant and equipment	433	-	-	-
Property, plant and equipment written off	1,709	-	1,062	-
Interest income	(518)	(543)	(232)	(58)
Interest expense	3,299	1,699	965	386
Impairment loss of available-for-sale financial assets	606	-	606	-
Gain on disposal of financial assets at fair value through profit or loss	(103)	-	(121)	-
Gain on disposal of property, plant and equipment	(1,845)	(49)	(561)	(49)
Fair value gain on derivative financial instruments	(516)	-	(128)	-
Fair value gain on financial assets at fair value through profit or loss	(245)	-	(120)	-
Share option expense	4,728	1,451	963	362
Amortisation of interest rate option premium	-	182	-	21
Share of loss from associates	50	-	50	-
Foreign currency exchange loss	1,057	194	749	50
Operating cash flow before working capital change	<u>145,477</u>	<u>67,179</u>	<u>48,961</u>	<u>19,470</u>
Change in operating assets and liabilities, net of effects from acquisition of a subsidiary				
Trade and other receivables	(21,656)	(15,057)	(14,915)	(12,117)
Inventories	(2,004)	(2,436)	(1,068)	(2,052)
Other current assets	(581)	770	(235)	1,387
Trade and other payables	16,524	10,682	12,900	5,243
Retirement benefit obligations	46	-	(128)	-
Currency translation difference	(4)	(2)	(2)	(5)
Cash generated from operations	<u>137,802</u>	<u>61,136</u>	<u>45,513</u>	<u>11,926</u>
Government grant received	-	1,003	-	-
Income tax paid	(299)	(90)	(16)	(9)
Net cash from operating activities	<u>137,503</u>	<u>62,049</u>	<u>45,497</u>	<u>11,917</u>
Cash flows from investing activities				
Investment in associates	(35,021)	-	(5,000)	-
Acquisition of a subsidiary, net of cash acquired	9,869	-	-	-
Investment income received	240	43	64	17
Interest received	506	542	240	81
Payment for property, plant and equipment	(111,320)	(127,955)	(48,007)	(16,748)
Payment for intangible assets	(331)	-	(331)	-
Proceeds from disposal of property, plant and equipment	14,600	12	6,661	5
Proceeds from disposal of financial assets at fair value through profit or loss	8,661	-	5,030	-
Payment for financial assets at fair value through profit or loss	(17,273)	-	-	-
Proceeds from disposal of available-for-sale financial assets	3,352	-	-	-
Government grant received	-	551	-	-
Repayment of finance lease liabilities	(10,372)	(8,998)	(2,403)	(1,675)
Net cash used in investing activities	<u>(137,089)</u>	<u>(135,805)</u>	<u>(43,746)</u>	<u>(18,320)</u>
Cash flows from financing activities				
Interest paid	(3,306)	(1,784)	(993)	(386)
Proceeds from issues of shares	1,632	121,704	793	289
Proceeds from borrowings	52,136	-	10,880	-
Repayment of borrowings	(29,687)	(29,972)	(10,552)	(3,222)
Net cash from/(used in) financing activities	<u>20,775</u>	<u>89,948</u>	<u>128</u>	<u>(3,319)</u>
Net increase/(decrease) in cash and cash equivalents held	21,189	16,192	1,879	(9,722)
Effect of exchange rate changes on cash and cash equivalents	(285)	(183)	63	9
Cash and cash equivalents at the beginning of the financial period	<u>28,494</u>	<u>12,485</u>	<u>47,456</u>	<u>38,207</u>
Cash and cash equivalents at the end of the financial period	<u>49,398</u>	<u>28,494</u>	<u>49,398</u>	<u>28,494</u>
Cash and cash equivalents in consolidated balance sheet	49,695	28,494	49,695	28,494
Less: cash subject to restrictions	(297)	-	(297)	-
Cash and cash equivalents in consolidated cash flow statement	<u>49,398</u>	<u>28,494</u>	<u>49,398</u>	<u>28,494</u>



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1(d)(i) Statement of changes in equity

(a) Consolidated statement of changes in equity for the year ended 31 December 2005

	<u>Share capital</u> US\$'000	<u>Share premium</u> US\$'000	<u>Share option reserve</u> US\$'000	<u>Fair value reserve</u> US\$'000	<u>Foreign currency translation reserve</u> US\$'000	<u>Accumulated losses</u> US\$'000	<u>Total</u> US\$'000
Balance at 1 January 2005							
- As previously reported	126,600	175,387	-	-	(1)	(45,675)	256,311
- Effect of changes in accounting policies	-	-	1,549	-	-	(1,183)	366
- Restated	126,600	175,387	1,549	-	(1)	(46,858)	256,677
Net income recognised directly in equity							
- Fair value loss on available-for-sale financial assets	-	-	-	(270)	-	-	(270)
- Currency translation differences	-	-	-	-	(60)	-	(60)
Profit for the year	-	-	-	-	-	41,756	41,756
Total recognised (loss)/gain for the year	-	-	-	(270)	(60)	41,756	41,426
Employee share option scheme:							
- value of employee services	-	-	4,728	-	-	-	4,728
- proceeds from shares issued	1,038	943	(349)	-	-	-	1,632
Acquisition of a subsidiary	97,735	140,986	-	-	-	-	238,721
Cancellation of treasury shares pursuant to selective capital reduction	(5,480)	(7,836)	-	-	-	-	(13,316)
Balance at 31 December 2005	219,893	309,480	5,928	(270)	(61)	(5,102)	529,868

(a) Consolidated statement of changes in equity for the year ended 31 December 2004

	<u>Share capital</u> US\$'000	<u>Share premium</u> US\$'000	<u>Share option reserve</u> US\$'000	<u>Fair value reserve</u> US\$'000	<u>Foreign currency translation reserve</u> US\$'000	<u>Accumulated losses</u> US\$'000	<u>Total</u> US\$'000
Balance at 1 January 2004							
- As previously reported	87,100	93,183	-	-	1	(59,230)	121,054
- Effect of changes in accounting policies	-	-	98	-	-	(98)	-
- Restated	87,100	93,183	98	-	1	(59,328)	121,054
Net income recognised directly in equity							
- Currency translation difference	-	-	-	-	(2)	-	(2)
Profit for the year							
- As previously reported	-	-	-	-	-	13,555	13,555
- Effect of changes in accounting policies	-	-	-	-	-	(1,451)	(1,451)
- Restated	-	-	-	-	-	12,104	12,104
Total recognised (loss)/gain for the year	-	-	-	-	(2)	12,104	12,102
Employee share option scheme:							
- value of employee services	-	-	1,451	-	-	-	1,451
- proceeds from shares issued	39,500	86,463	-	-	-	-	125,963
Share issue expenses	-	(4,259)	-	-	-	-	(4,259)
Balance at 31 December 2004	126,600	175,387	1,549	-	(1)	(47,224)	256,311



1(d)(i) Statement of changes in equity

(b) Statement of changes in equity for the year ended 31 December 2005 - Company

	<u>Share capital</u> US\$'000	<u>Share premium</u> US\$'000	<u>Share option reserve</u> US\$'000	<u>Accumulated losses</u> US\$'000	<u>Total</u> US\$'000
Balance at 1 January 2005					
- As previously reported	126,600	175,387	-	(42,507)	259,480
- Effect of changes in accounting policies	-	-	1,549	(1,183)	366
- Restated	126,600	175,387	1,549	(43,690)	259,846
Total recognised gain for the year - Net profit	-	-	-	34,167	34,167
Employee share option scheme:					
- value of employee services	-	-	4,644	-	4,644
- proceeds from shares issued	1,038	943	(349)	-	1,632
Acquisition of a subsidiary	97,735	140,986	-	-	238,721
Cancellation of treasury shares pursuant to selective capital reduction	(5,480)	(7,836)	-	-	(13,316)
Balance at 31 December 2005	219,893	309,480	5,844	(9,523)	525,694

(b) Statement of changes in equity for the year ended 31 December 2004 - Company

	<u>Share capital</u> US\$'000	<u>Share premium</u> US\$'000	<u>Share option reserve</u> US\$'000	<u>Accumulated losses</u> US\$'000	<u>Total</u> US\$'000
Balance at 1 January 2004					
- As previously reported	87,100	93,183	-	(58,798)	121,485
- Effect of changes in accounting policies	-	-	98	(98)	-
- Restated	87,100	93,183	98	(58,896)	121,485
Total recognised gain for the year - Net profit					
- As previously reported	-	-	-	16,291	16,291
- Effect of changes in accounting policies	-	-	-	(1,451)	(1,451)
- Restated	-	-	-	14,840	14,840
Employee share option scheme:					
- value of employee services	-	-	1,451	-	1,451
- proceeds from shares issued	39,500	86,463	-	-	125,963
Share issue expenses written back	-	(4,259)	-	-	(4,259)
Balance at 31 December 2004	126,600	175,387	1,549	(44,056)	259,480



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1(d)(i) Statement of changes in equity

(c) Consolidated statement of changes in equity for the quarter ended 31 December 2005

	<u>Share capital</u> US\$'000	<u>Share premium</u> US\$'000	<u>Treasury shares</u> US\$'000	<u>Share option reserve</u> US\$'000	<u>Fair value reserve</u> US\$'000	<u>Foreign currency translation reserve</u> US\$'000	<u>Accumulated losses</u> US\$'000	<u>Total</u> US\$'000
Balance at 1 October 2005	224,942	316,726	(13,316)	5,193	(280)	(64)	(25,166)	508,035
Net income recognised directly in equity								
- Fair value loss on available-for-sale financial assets	-	-	-	-	10	-	-	10
- Currency translation differences	-	-	-	-	-	3	-	3
Profit for the period	-	-	-	-	-	-	20,064	20,064
Total recognised gain for the period	-	-	-	-	10	3	20,064	20,077
Employee share option scheme:								
- value of employee services	-	-	-	963	-	-	-	963
- proceeds from shares issued	431	590	-	(228)	-	-	-	793
Cancellation of treasury shares pursuant to selective capital reduction	(5,480)	(7,836)	13,316	-	-	-	-	-
Balance at 31 December 2005	219,893	309,480	-	5,928	(270)	(61)	(5,102)	529,868

(c) Consolidated statement of changes in equity for the quarter ended 31 December 2004

	<u>Share capital</u> US\$'000	<u>Share premium</u> US\$'000	<u>Treasury shares</u> US\$'000	<u>Share option reserve</u> US\$'000	<u>Fair value reserve</u> US\$'000	<u>Foreign currency translation reserve</u> US\$'000	<u>Accumulated losses</u> US\$'000	<u>Total</u> US\$'000
Balance at 1 October 2004	126,369	175,329	-	1,187	-	4	(50,999)	251,890
Net income recognised directly in equity								
- Currency translation difference	-	-	-	-	-	(5)	-	(5)
Profit for the period								
- As previously reported	-	-	-	-	-	-	4,137	4,137
- Effect of changes in accounting policies	-	-	-	-	-	-	(362)	(362)
- Restated	-	-	-	-	-	-	3,775	3,775
Total recognised (loss)/gain for the period	-	-	-	-	-	(5)	3,775	3,770
Employee share option scheme:								
- value of employee services	-	-	-	362	-	-	-	362
- proceeds from shares issued	231	58	-	-	-	-	-	289
Balance at 31 December 2004	126,600	175,387	-	1,549	-	(1)	(47,224)	256,311



1(d)(i) Statement of changes in equity

(d) Statement of changes in equity for the quarter ended 31 December 2005 - Company

	<u>Share capital</u> US\$'000	<u>Share premium</u> US\$'000	<u>Share option reserve</u> US\$'000	<u>Accumulated losses</u> US\$'000	<u>Total</u> US\$'000
Balance at 1 October 2005	224,942	316,726	5,109	(26,473)	520,304
Total recognised gain for the period - Net profit	-	-	-	16,950	16,950
Employee share option scheme:					
- value of employee services	-	-	963	-	963
- proceeds from shares issued	431	590	(228)	-	793
Cancellation of treasury shares pursuant to selective capital reduction	(5,480)	(7,836)	-	-	(13,316)
Balance at 31 December 2005	<u>219,893</u>	<u>309,480</u>	<u>5,844</u>	<u>(9,523)</u>	<u>525,694</u>

(d) Statement of changes in equity for the quarter ended 31 December 2004 - Company

	<u>Share capital</u> US\$'000	<u>Share premium</u> US\$'000	<u>Share option reserve</u> US\$'000	<u>Accumulated losses</u> US\$'000	<u>Total</u> US\$'000
Balance at 1 October 2004	126,369	175,329	1,187	(49,197)	253,688
Total recognised gain for the period - Net profit					
- As previously reported	-	-	-	5,503	5,503
- Effect of changes in accounting policies	-	-	-	(362)	(362)
- Restated	-	-	-	5,141	5,141
Employee share option scheme:					
- value of employee services	-	-	362	-	362
- proceeds from shares issued	231	58	-	-	289
Balance at 31 December 2004	<u>126,600</u>	<u>175,387</u>	<u>1,549</u>	<u>(44,056)</u>	<u>259,480</u>



- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Share Capital

Details of movement in the Company's share capital for the financial period are as follows:

	Shares	US\$'000
(a) <u>Authorised</u>		
Ordinary shares of US\$0.15 each	4,000,000,000	600,000
(b) <u>Issued and fully paid</u>		
Balance as at 1 October 2005		
- ordinary shares of US\$0.15 each	1,499,607,680	224,942
Issued during the period		
- ordinary shares of US\$0.15 each at a premium of US\$0.0375 per share pursuant to the exercise of share option	1,306,799	196
- ordinary shares of US\$0.15 each at a premium of US\$0.20 per share pursuant to the exercise of share option	1,571,000	235
Cancellation of treasury shares pursuant to selective capital reduction	(36,533,333)	(5,480)
Balance as at 31 December 2005		
- ordinary shares of US\$0.15 each	1,465,952,146	219,893

Share options

(a) Options granted/exercised

During the financial period, 2,877,799 shares of the Company of par value of US\$0.15 were allotted and issued by virtue of the exercise of options under the 2000 Equity Incentive Plan.

(b) Options outstanding

As at 31 December 2005, there were unexercised options for 17,299,000, 27,754,440 and 23,412,790 of unissued ordinary shares of US\$0.15 each at exercise price of S\$0.59, US\$0.2484 and US\$0.1875 respectively. As at 31 December 2004, there were unexercised options for 1,991,194, 20,600,000 and 30,721,307 of unissued ordinary shares of US\$0.15 each at exercise price of US\$0.60, S\$0.59 and US\$0.1875 respectively.



- 2 Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the auditors.

- 3 Where the figures have been audited or reviewed, the auditors' report (including any qualification or emphasis of a matter).**

Not applicable.

- 4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The accounting policies and methods of computation applied by the Group are consistent with those used in its most recently audited financial statements except as highlighted in note 5 below.

- 5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of the change.**

Changes in accounting policies

In 2005, the Group and the Company adopted the Financial Reporting Standards (FRS) below. The 2004 comparatives have been amended where as required, in accordance with the relevant transitional provisions in the respective FRS.

FRS 1 (revised 2004) Presentation of Financial Statements
FRS 2 (revised 2004) Inventories
FRS 8 (revised 2004) Accounting Policies, Changes in Accounting Estimates and Errors
FRS 10 (revised 2004) Events after the Balance Sheet Date
FRS 16 (revised 2004) Property, Plant and Equipment
FRS 17 (revised 2004) Leases
FRS 21 (revised 2004) The Effects of Changes in Foreign Exchange Rates
FRS 24 (revised 2004) Related Party Disclosures
FRS 27 (revised 2004) Consolidated and Separate Financial Statements
FRS 32 (revised 2004) Financial Instruments: Disclosure and Presentation
FRS 33 (revised 2004) Earnings per Share
FRS 36 (revised 2004) Impairment of Assets
FRS 38 (revised 2004) Intangible Assets
FRS 39 (revised 2004) Financial Instruments: Recognition and Measurement
FRS 102 Share-based Payments
FRS 103 Business Combinations



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GROUP	Increase/(Decrease) \$'000		
	FRS 39 (revised 2004)	FRS 102	Total
<u>Description of change</u>			
<u>Consolidated balance sheet items at 31 December 2005</u>			
Share option reserve	-	6,277	6,277
Accumulated losses	(1,127)	6,277	5,150
Trade and other receivables	470	-	470
Other current assets	(674)	-	(674)
Derivative financial instruments (current assets)	1,086	-	1,086
Other financial assets at fair value through profit or loss	245	-	245
<u>Consolidated income statement items for period ended 31 December 2005</u>			
Cost of sales	-	2,481	2,481
Other gains	761	-	761
Selling, general and administrative expenses	-	1,789	1,789
Research and development costs	-	458	458
Profit for the period	761	(4,728)	(3,967)
Basic earning per share (cents)	0.06	(0.35)	(0.29)
Diluted earning per share (cents)	0.05	(0.34)	(0.29)
<u>Consolidated balance sheet items at 31 December 2004</u>			
Trade and other receivables	470	-	470
Other current assets	(104)	-	(104)
Share option reserve	-	1,549	1,549
Accumulated losses	(366)	1,549	1,183
<u>Equity items at 1 January 2004</u>			
Share option reserve	-	98	98
Accumulated losses	-	98	98
<u>Consolidated income statement items for period ended 31 December 2004</u>			
Cost of sales	-	515	515
Selling, general and administrative expenses	-	664	664
Research and development costs	-	272	272
Profit for the period	-	(1,451)	(1,451)
Basic earning per share (cents)	-	(0.18)	(0.18)
Diluted earning per share (cents)	-	(0.17)	(0.17)



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COMPANY	Increase/(Decrease) \$'000		
	FRS 39 (revised 2004)	FRS 102	Total
<u>Description of change</u>			
<u>Balance sheet items at 31 December 2005</u>			
Share option reserve	-	6,193	6,193
Accumulated losses	(916)	3,511	2,595
Trade and other receivables	470	-	470
Other current assets	(674)	-	(674)
Derivative financial instruments (current assets)	1,120	-	1,120
<u>Income statement items for period ended 31 December 2005</u>			
Cost of sales	-	721	721
Other gains	550	-	550
Selling, general and administrative expenses	-	866	866
Research and development costs	-	375	375
Profit for the period	550	(1,962)	(1,412)
<u>Balance sheet items at 31 December 2004</u>			
Trade and other receivables	470	-	470
Other current assets	(104)	-	(104)
Share option reserve	-	1,549	1,549
Accumulated losses	(366)	1,549	1,183
<u>Equity items at 1 January 2004</u>			
Share option reserve	-	98	98
Accumulated losses	-	98	98
<u>Income statement items for period ended 31 December 2004</u>			
Cost of sales	-	515	515
Selling, general and administrative expenses	-	664	664
Research and development costs	-	272	272
Profit for the period	-	(1,451)	(1,451)

Description of changes

(a) FRS 39 (revised 2004) and FRS 32 (revised 2004) have affected:

(i) Classification and consequential accounting of financial assets and financial liabilities

FRS 39 requires all financial assets and liabilities to be classified into appropriate categories at initial recognition and re-evaluates this designation at every reporting date. The classification depends on the purpose for which the financial asset or liabilities were acquired or incurred. The categories and the respective subsequent measurement rules are as follows:



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- Financial assets or financial liabilities at fair value through profit or loss.

The Group's investment in quoted equity investments and derivative contracts that are not hedges are classified in this category. The Group's investment in equity investment is classified in this category if they were acquired principally for the purpose of selling in the short term. They are initially recognised at fair value and subsequently re-measured to fair value at the balance sheet date with all gains and losses recognised in profit or loss in the period in which the change in fair value arise.

- Loans and receivables

These include the Group's trade and other receivables and cash and bank balances. They are initially recognised at its fair value plus transaction costs and subsequently accounted for at amortised cost using the effective interest method, less impairment (see note (ii) below).

Previously, the Group's trade and other receivables were stated at the gross proceeds receivable less an allowance for doubtful receivable. Cash and bank balances were recognised at cost.

- Available-for-sale financial assets

These include the Group's investments that are not classified in the 2 categories above, namely the investment in equity interest of other companies. They are initially recognised at its fair value subsequently measured at the fair values at the balance sheet date with all gains and losses other than impairment loss taken to equity. Impairment losses are taken to the income statement in the period it arises. On disposal, gains and losses previously taken to equity are included in the income statement.

- Other financial liabilities

These are financial liabilities that are not held for trading nor designated as fair value through profit or loss. These include the Group's trade and other payables and bank borrowings. They are initially recognised at its fair value less transaction costs and subsequently accounted for at amortised cost using the effective interest method.

Previously, trade and other payables were stated at cost. Bank borrowings were stated at the proceeds received and transaction costs on borrowings were classified as deferred charges and amortised on a straight-line basis over the period of the borrowings.

(ii) Impairment and uncollectibility of financial assets

FRS 39 (revised 2004) requires the Group to assess at each balance sheet date if there is any objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.



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Impairment of trade receivables is established when there is objective that the Group will not be able to collect all amounts due according to the original terms of receivables. The impairment charge is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The impairment charge is recognised in the income statement.

Previously, the Group maintains a general provision against its trade and other receivables for risks that are not specifically identified to any customer.

(iii) Fair values of financial assets and liabilities

At each balance sheet date, the fair values of quoted financial assets and liabilities are based on current bid prices. If the market for a financial asset or liabilities is not active (and for unquoted financial assets and liabilities), the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

Previously, the Group uses the last transacted prices of quoted financial assets or liabilities as the market values.

- (b) FRS 102 has resulted in a change in the accounting policy for share-based payments. The Group's UTAC 2000 Equity Incentive Plan, UTAC 2003 Employee Share Option Scheme, UltraTera 2003 Share Option Scheme and UTAC Replacement Options Scheme are equity-settled, share-based compensation plans. FRS 102 requires the Group and the Company to recognise an expense in the income statement with a corresponding increase in equity for share options granted under UTAC 2000 Equity Incentive Plan, UTAC 2003 Employee Share Option Scheme, UltraTera 2003 Share Option Scheme and UTAC Replacement Options Scheme granted after 22 November 2002 and not vested by 1 January 2005. The total amount to be recognised as an expense in the income statement is determined by reference to the fair value of the options at the date of the grant and the number of options to be vested by vesting date. At every balance sheet date, the Group revises its estimates of the number of options that are expected to vest by the vesting date. Any revision of this estimate is included in the income statement and a corresponding adjustment to equity over the remaining vesting period.

Previously, the provision of share options to employees did not result in any charge in the income statement. The Group and Company recognised an increase in share capital and share premium when the options were exercised.

- (c) The Group adopted FRS 103 in 2005. In accordance with FRS 103, goodwill arising from the acquisition of subsidiary will be tested annually for impairment as well as when there are indications of impairment. Goodwill represents the excess of cost of acquisition over the fair value of the Group's share of net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill is included in intangible assets.



6 Earning per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	1 Jan 2005 to 31 Dec 2005	1 Jan 2004 to 31 Dec 2004	1 Oct 2005 to 31 Dec 2005	1 Oct 2004 to 31 Dec 2004
Basic earning per share (cents)	<u>3.06</u>	<u>1.49</u>	<u>1.37</u>	<u>0.45</u>
Diluted earning per share (cents)	<u>3.01</u>	<u>1.45</u>	<u>1.35</u>	<u>0.44</u>

7 Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the current financial period reported on and immediately preceding financial year.

	As at 31 Dec 2005	As at 31 Dec 2004
Net asset value per ordinary share based on issued share capital as at the end of the reporting period (cents)		
- Group	<u>36.14</u>	<u>30.37</u>
- Company	<u>35.86</u>	<u>30.74</u>

8 Review of the performance of the group.

Revenue increased 91.9% to \$325.5 million in FY2005 from \$169.6 million in FY2004 due to higher sales from both assembly and test services as well as acquisition of UTAC (Taiwan) Corporation (formerly known as UltraTera Corporation) ("UTC") in March 2005. Revenue from test services amounted to \$197.0 million in FY05 or 60.5% of total revenue and revenue from assembly services amounted to \$126.3 million in FY05 or 38.8% of revenue. Other revenue amounted to \$2.2 million or 0.7% of revenue in FY05.

FY05 revenue from mixed signal segment amounted to \$125.8 million or 38.6% of total revenue compared to FY04 revenue of \$93.5 million or 55.1% of total revenue; while FY05 revenue from memory segment amounted to \$197.5 million or 60.7% of total revenue compared to \$76.1 million or 44.9% of total revenue in FY04. Other revenue amounted to \$2.2 million or 0.7% of revenue.

Gross profit increased by 143.8% to \$79.2 million in FY05 from \$32.5 million in FY04 as a result of new customers, loading increase from existing and new customers and increased revenue from DDRII.

Depreciation expenses within cost of sales increased to \$88.8 million in FY05 compared to \$47.8 million in FY04 due to acquisition of new machinery and equipment to cater for increasing orders from existing and new customers. Other components of cost of sales such as overheads, raw materials and labour costs increased accordingly with revenue increase in FY05.



Other gains in FY05 increased to US\$6.2 million compared to US\$1.9 million in FY04 primarily due to rental income of \$1.0 million, sales of scrap of \$0.7 million, fair value gain on derivative financial instruments of \$0.5 million and gain on disposal of property, plant and equipment of \$1.8 million in FY05.

Selling, General and Administration expenses in FY05 increased to \$23.3 million compared to \$9.6 million in FY04 in view of revenue increase and acquisition of UTAC (Taiwan) Corporation (formerly known as UltraTera Corporation) ("UTC") in March 2005. R&D expenses increased to \$13.9 million in FY05 compared to \$10.0 million in FY04. Other operating expenses in FY05 increased to \$4.0 million compared to \$0.8 million in FY04. Other operating expenses in FY05 relates to \$1.7 million write-off of obsolete property, plant and equipment, \$0.6 million impairment loss of available-for-sale financial assets and \$0.4 million impairment of property, plant and equipment.

Finance costs in FY05 amounted to \$3.3 million in FY05 compared to \$1.9 million in FY04 primarily due to higher bank loan taken in FY05.

Net profit in FY05 increased by 245.0% to \$41.8 million from \$12.1 million in FY04. Basic earnings per share was 3.06 cents in FY05 compared to 1.49 cents in FY04.

Sequentially for fourth quarter ended 31 December 2005, revenue rose 19.0% to \$100.5 million from 84.4 million in Q305. Revenue from test services accounted for \$63.6 million or 63.3% of total revenue while revenue from assembly services accounted for \$36.7 million or 36.5% of total revenue. Other revenue accounted for \$0.2 million or 0.2% of total revenue.

Capital expenditure for equipment committed in Q405 for FY05 budget was \$10.3 million principally for new capabilities and production equipment. Total capital expenditure for equipment committed in FY05 for FY05 budget was \$121.4 million. As at 31 December 2005, the group had 353 testers and 319 wirebonders.

9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Both MSLP and memory segments exhibited better strength in 4Q05 which resulted in the higher-than-guidance expansion of revenue by 19% in 4Q05. Particularly for MSLP where quarter-on-quarter grew 30% in revenue buoyant by two product categories, namely Bluetooth and MP3. Previous revenue guidance released in 3Q05 was between 10% to 15% for 4Q05.

10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

UTAC continues to gain new customers while adding new product wins for both memory and MSLP segments. Due to customer demand, UTAC will be expanding all manufacturing locations. In addition, Taiwan shall begin offering MSLP services with assembly, while Shanghai to begin assembly services.



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The management expects demands for both memory and certain segments of mixed-signal segments to remain healthy in 1Q06, particularly due to increasing demand for memory and digital consumer electronics.

With the DDRII chipset issue resolved in late FY05, demand for DDRII memory is expected to gain momentum from 1Q06. Recent introduction of multi-core processors PCs and gaming machines, new operating systems will increase demand for faster and higher capacity DRAM. The management expects DDRII memory contributions to account for more than 50% of UTAC's revenue from memory by end of FY06.

In the Flash category of memory, the NAND Flash market continues to be tight. Additional test capacity will be added in Taiwan to extend the 15% growth registered in 4Q05 over 3Q05. More NAND supply is expected to be available from 2H06 with the establishment of more wafer foundries dedicated to NAND production in FY06. New applications and expansion of capacity will sustain growth in NAND demand.

Broad-based expansion is also seen for MSLP where business grew 30% in 4Q05 over 3Q05. The management believes that faster 3G mobile adoptions with more 3G content made available globally with increase penetration among the traditional GSM users.

Bluetooth and MP3 are fast becoming mainstream features not only in the IT industry but also becoming necessary lifestyle accessories. For example, Bluetooth is now deployable in most devices within the Personal Area Network ("PAN") space. Automobiles with MP3 systems are also becoming more popular. Moving forward, digital entertainment is believed to expand swiftly to include digital video.

Capital expenditure for FY06 is expected to be between \$180 to \$200 million. Of which, \$98.3 million for FY06 capital expenditure has been committed in Q405. This will be funded by internal resources.

Barring unforeseen circumstances, based on the above expansion drivers and plan, the Board of Directors expects to post sequential revenue growth of 3% to 8% in 1Q06 over 4Q05 with net profit to be at least equal to that of 4Q05. The Board of Directors also expects to achieve organic revenue growth rate of 40% for FY06.

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, and governmental and public policy changes. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.

11 Dividend

Not applicable.

12 If no dividend has been declared/recommended, a statement to that effect.

No dividends have been paid, declared or recommended since the end of the Company's preceding financial year.



PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or half year results)

13 Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Primary reporting format-business segment

The Group's primary format for reporting segment information is business segment. The Group's revenue arise from two main business segments:

- Testing services for semiconductors which comprise mainly of wafer probing and final testing.
- Assembly services for semiconductors which include assembly of a broad range of leadframe and array packages as well as modules.

The Group's expenses, assets and resources are primarily monitored by management on an entity level basis and consequently the group results, capital expenditure and the depreciation of assets for the financial year cannot be allocated on a reasonable basis to a segment.

	1 Jan 2005 to 31 Dec 2005		1 Jan 2004 to 31 Dec 2004	
	US\$'000	%	US\$'000	%
Revenue by Business Activity				
Test	196,991	60.5%	95,918	56.6%
Assembly	126,275	38.8%	73,695	43.4%
Others	2,231	0.7%	-	-
Total	<u>325,497</u>	100.0%	<u>169,613</u>	100.0%

Secondary reporting format-geographical segment

The Group operates in three main countries:

Singapore – The Company is headquartered and has operations in Singapore. The operations in this area are principally provision of services for assembly and testing of semiconductors.

Taiwan – The operations in this area are principally provision of services for assembly and testing of semiconductors.

China – The operations in this area are principally provision of wafer probing and testing services.

The Group's geographical segmentation of sales is based on the country in which the customers are headquartered. Total assets and capital expenditure are shown by the geographical area where the assets are located. Capital expenditure comprises property, plant and equipment and intangible assets, including those acquired through business combinations.



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	1 Jan 2005 to 31 Dec 2005 US\$'000		1 Jan 2004 to 31 Dec 2004 US\$'000	
Revenue by geographical region				
Taiwan	106,194	32.6%	49,601	29.2%
United States	127,339	39.1%	73,843	43.5%
Japan	5,214	1.6%	5,766	3.4%
Europe	42,717	13.1%	27,419	16.2%
Korea	28,553	8.8%	-	-
Rest of Asia	15,480	4.8%	12,984	7.7%
Total	325,497	100.0%	169,613	100.0%

	1 Jan 2005 to 31 Dec 2005 US\$'000		1 Jan 2004 to 31 Dec 2004 US\$'000	
Total assets				
Singapore	415,653	56.0%	312,296	93.2%
Taiwan	277,018	37.3%	-	-
China	49,558	6.7%	22,545	6.7%
Others	203	0.0%	119	0.1%
Total	742,432	100.0%	334,960	100.0%

	1 Jan 2005 to 31 Dec 2005 US\$'000		1 Jan 2004 to 31 Dec 2004 US\$'000	
Capital expenditure				
Singapore	309,104	60.4%	234,338	92.9%
Taiwan	187,752	36.7%	-	0.0%
China	14,894	2.9%	17,792	7.1%
Others	13	0.0%	19	0.0%
Total	511,763	100.0%	252,149	100.0%

14 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Revenue by Business Activity

Our test revenue increased by 105.4% to \$197.0 million in FY05 from \$95.9 million in FY04 driven primarily by a 159.4% increase in memory test revenue and increased loading from both our existing and new customers and acquisition of UTAC (Taiwan) Corporation (formerly known as UltraTera Corporation) ("UTC") in March 2005.

Our assembly revenue increased by 71.3% to \$126.3 million in FY05 from \$73.7 million in FY04 as the group continued to capture more full turnkey services to customers that may have initially only used our test services.

Revenue by Geographical Region

We have been continuously successful in targeting the United States and Europe market which resulted in an increase in revenue contribution from United States by 72.4% to \$127.3 million in FY05 compared to \$73.8 million in FY04; and from Europe by 55.8 % to \$42.7 million in FY05 compared to \$27.4 million in FY04. In addition, the acquisition of UTAC (Taiwan) Corporation (formerly known as UltraTera Corporation) ("UTC") in March 2005 also resulted in an increase in revenue.

15 A breakdown of sales.

	Group		
	FY05 US\$'000	FY04 US\$'000	Change %
(a) Sales reported for first half year	<u>140,553</u>	<u>75,492</u>	86.2%
(b) Operating profit after tax before deducting minority interests reported for first half year	<u>11,165</u>	<u>4,782</u>	133.5%
(c) Sales reported for second half year	<u>184,944</u>	<u>94,121</u>	96.5%
(b) Operating profit after tax before deducting minority interests reported for second half year	<u>30,591</u>	<u>7,322</u>	317.8%

16 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Not applicable.

BY ORDER OF THE BOARD

Lareina Yap Chu Han
Company Secretary
25 January 2006