



UNAUDITED FINANCIAL STATEMENTS FOR QUARTER ENDED 30 SEPTEMBER 2006

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY RESULTS

1(a)(i) Income statements for three months ended 30 September 2006

	Note	Group		Change %
		1 Jul 2006 to 30 Sep 2006 US\$'000	1 Jul 2005 to 30 Sep 2005 US\$'000	
Sales		162,002	84,440	91.9%
Cost of sales		(125,409)	(62,168)	-101.7%
Gross profit		<u>36,593</u>	<u>22,272</u>	64.3%
Other gains				
Gain on dilution of interest in an associated company		1,677	-	NM
Other		3,087	1,184	160.7%
Expenses				
Selling, general and administrative expenses		(9,392)	(6,595)	-42.4%
Research and development costs		(4,011)	(3,726)	-7.6%
Finance costs		(6,140)	(1,024)	-499.6%
Other operating expenses		(518)	(1,977)	73.8%
Share of loss of associated companies		(873)	-	NM
Profit before income tax		<u>20,423</u>	<u>10,134</u>	101.5%
Income tax (expense)/credit		(2,865)	393	-829.0%
<b>Net profit</b>	1	<u><b>17,558</b></u>	<u><b>10,527</b></u>	<b>66.8%</b>
<b>Attributable to:</b>				
Equity holders of the Company		17,149	10,527	62.9%
Minority interest		409	-	NM
		<u>17,558</u>	<u>10,527</u>	<b>66.8%</b>
		<b>1 Jul 2006 to 30 Sep 2006 US\$'000</b>	<b>1 Jul 2005 to 30 Sep 2005 US\$'000</b>	<b>Change %</b>

1. Net profit for the period is arrived at after crediting/(charging)

- Government grant income	371	45	724.4%
- Investment income	97	73	32.9%
- Interest income	634	131	384.0%
- Interest expense	(6,140)	(1,024)	-499.6%
- Depreciation on property, plant and equipment	(36,976)	(25,247)	-46.5%
- Property, plant and equipment written off	-	(647)	100.0%
- Impairment loss of property, plant and equipment	-	(433)	100.0%
- Amortisation of intangible assets	(928)	(262)	-254.2%
- Impairment loss of available-for-sale financial assets	(50)	-	NM
- Gain on dilution of interest in an associated company	1,677	-	NM
- Fair value (loss)/gain on derivative financial instruments	(126)	336	-137.5%
- Gain on disposal of financial assets at fair value through profit or loss	211	46	358.7%
- Fair value gain on financial assets at fair value through profit or loss	-	3	-100.0%
- Allowance for doubtful trade receivables	(281)	-	NM
- Allowance for doubtful trade receivable written back	-	60	-100.0%
- Allowance for inventory obsolescence	(156)	-	NM
- Allowance for inventory obsolescence written back	-	6	-100.0%
- Net foreign exchange loss	(165)	(666)	75.2%
- Gain/(loss) on disposal of property, plant and equipment	203	(39)	620.5%
- Sales of scrap	507	201	152.2%
- Rental income	232	288	-19.4%
- Miscellaneous income	832	61	1263.9%



UNITED TEST AND ASSEMBLY CENTER LTD

1(a)(ii) Income statements for three months ended 30 September 2006

	Note	Group		
		1 Jul 2006 to 30 Sep 2006 US\$'000	1 Apr 2006 to 30 Jun 2006 US\$'000	Change %
Sales		162,002	120,542	34.4%
Cost of sales		(125,409)	(90,728)	-38.2%
Gross profit		<u>36,593</u>	<u>29,814</u>	22.7%
Other gains				
Gain on dilution of interest in an associated company		1,677	-	NM
Other		3,087	2,519	22.5%
Expenses				
Selling, general and administrative expenses		(9,392)	(6,941)	-35.3%
Research and development costs		(4,011)	(3,259)	-23.1%
Finance costs		(6,140)	(3,085)	-99.0%
Other operating expenses		(518)	(1,455)	64.4%
Share of loss of associated companies		(873)	(733)	-19.1%
Profit before income tax		<u>20,423</u>	<u>16,860</u>	21.1%
Income tax expense		(2,865)	(1,198)	-139.1%
<b>Net profit</b>	1	<u><b>17,558</b></u>	<u><b>15,662</b></u>	<b>12.1%</b>
<b>Attributable to:</b>				
Equity holders of the Company		17,149	15,523	10.5%
Minority interest		409	139	-194.2%
		<u><b>17,558</b></u>	<u><b>15,662</b></u>	<b>12.1%</b>
		<b>1 Jul 2006 to 30 Sep 2006 US\$'000</b>	<b>1 Apr 2006 to 30 Jun 2006 US\$'000</b>	<b>Change %</b>

1. Net profit for the period is arrived at after crediting/(charging)

- Government grant income	371	99	274.7%
- Investment income	97	85	14.1%
- Interest income	634	646	-1.9%
- Interest expense	(6,140)	(3,085)	-99.0%
- Depreciation on property, plant and equipment	(36,976)	(31,125)	-18.8%
- Amortisation of intangible assets	(928)	(464)	-100.0%
- Impairment loss of available-for-sale financial assets	(50)	(451)	88.9%
- Gain on dilution of interest in an associated company	1,677	-	NM
- Fair value loss on derivative financial instruments	(126)	(316)	60.1%
- Gain on disposal of financial assets at fair value through profit or loss	211	137	54.0%
- Fair value loss on financial assets at fair value through profit or loss	-	(59)	100.0%
- Allowance for doubtful trade receivables	(281)	-	NM
- Allowance for inventory obsolescence	(156)	-	NM
- Allowance for inventory obsolescence written back	-	22	-100.0%
- Net foreign exchange loss	(165)	(544)	69.7%
- Gain on disposal of property, plant and equipment	203	360	-43.6%
- Sales of scrap	507	395	28.4%
- Rental income	232	255	-9.0%
- Miscellaneous income	832	542	53.5%

NM - Not meaningful



1(b)(i) Balance Sheet

	Group		Company	
	As at 30 Sep 2006 US\$'000	As at 31 Dec 2005 US\$'000	As at 30 Sep 2006 US\$'000	As at 31 Dec 2005 US\$'000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	75,993	49,695	16,590	25,882
Trade and other receivables	138,664	88,810	86,298	69,908
Inventories	31,961	9,390	13,596	8,105
Derivative financial instruments	828	1,120	687	1,120
Financial assets at fair value through profit or loss	17,792	33,388	-	-
Other current assets	4,913	2,119	2,107	1,207
	<u>270,151</u>	<u>184,522</u>	<u>119,278</u>	<u>106,222</u>
<b>Non-current assets</b>				
Available-for-sale financial assets	4,044	5,142	-	-
Investment in associated companies	34,715	34,972	35,021	35,022
Investment in subsidiaries	-	-	431,079	246,345
Property, plant and equipment	675,221	450,134	406,020	310,554
Intangible assets	147,084	63,220	738	-
Deferred income tax assets	5,275	5,892	-	-
	<u>866,339</u>	<u>559,360</u>	<u>872,858</u>	<u>591,921</u>
<b>Total assets</b>	<u>1,136,490</u>	<u>743,882</u>	<u>992,136</u>	<u>698,143</u>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables	129,768	125,916	76,359	112,074
Current income tax liabilities	3,004	341	185	128
Borrowings	36,367	22,819	16,126	18,819
Derivative financial instruments	618	-	536	-
	<u>169,757</u>	<u>149,076</u>	<u>93,206</u>	<u>131,021</u>
<b>Non-current liabilities</b>				
Borrowings	362,776	63,249	341,652	40,952
Deferred income	1,011	476	1,011	476
Retirement benefit obligations	7,101	1,213	-	-
Deferred income tax liabilities	722	-	-	-
	<u>371,610</u>	<u>64,938</u>	<u>342,663</u>	<u>41,428</u>
<b>Total liabilities</b>	<u>541,367</u>	<u>214,014</u>	<u>435,869</u>	<u>172,449</u>
<b>NET ASSETS</b>	<u>595,123</u>	<u>529,868</u>	<u>556,267</u>	<u>525,694</u>
<b>EQUITY</b>				
<b>Capital and reserves attributable to the Company's equity holders</b>				
Share capital and share premium	539,524	529,373	539,524	529,373
Other reserves	2,838	5,597	2,981	5,844
Retained earnings/(Accumulated losses)	48,227	(5,102)	13,762	(9,523)
	<u>590,589</u>	<u>529,868</u>	<u>556,267</u>	<u>525,694</u>
Minority interest	4,534	-	-	-
<b>Total equity</b>	<u>595,123</u>	<u>529,868</u>	<u>556,267</u>	<u>525,694</u>



UNITED TEST AND ASSEMBLY CENTER LTD

1(b)(ii) Group's borrowings

	Group	
	As at 30 Sep 2006 US\$'000	As at 31 Dec 2005 US\$'000
<u>Amount repayable in one year or less, or on demand</u>		
Unsecured	14,134	11,778
Secured	22,233	11,041
	<u>36,367</u>	<u>22,819</u>
<u>Amount repayable after one year</u>		
Unsecured	354,709	49,660
Secured	8,067	13,589
	<u>362,776</u>	<u>63,249</u>

**Details of any collateral**

The borrowings are secured on property, plant and equipment with a net book value of US\$44,857,000 (31 December 2005: US\$36,850,000).



1(c)(i) Cash flow statement for three months ended 30 September 2006

	Group	
	1 Jul 2006 to 30 Sep 2006 US\$'000	1 Jul 2005 to 30 Sep 2005 US\$'000
<b>Cash flows from operating activities</b>		
Net profit	17,558	10,527
Adjustments for:		
- Tax	2,865	(393)
- Depreciation of property, plant and equipment	36,976	25,247
- Amortisation of deferred government grant income	(79)	(45)
- Amortisation of intangible assets	928	262
- Net (gain)/loss on disposal of property, plant and equipment	(203)	39
- Write-off of property, plant and equipment	-	647
- Impairment loss of property, plant and equipment	-	433
- Interest income	(634)	(131)
- Investment income	(97)	(73)
- Government grant income	(292)	-
- Interest expense	6,140	1,024
- Gain on disposal of financial assets at fair value through profit or loss	(211)	(46)
- Fair value loss/(gain) on derivative financial instruments	126	(336)
- Fair value gain on financial assets at fair value through profit or loss	-	(3)
- Impairment loss of available-for-sale financial assets	50	-
- Share option expense	246	1,386
- Gain on dilution of interest in an associated company	(1,677)	-
- Share of loss of associated companies	873	-
- Unrealised foreign exchange (gain)/loss	(249)	473
Operating cash flow before working capital changes	<u>62,320</u>	<u>39,011</u>
Change in operating assets and liabilities, net of effects from purchase of a subsidiary:		
- Trade and other receivables	(13,665)	(11,792)
- Inventories	(2,919)	(935)
- Derivative financial instruments	(77)	-
- Other current assets	271	(354)
- Trade and other payables	2,894	8,071
- Retirement benefit obligations	91	81
- Currency translation difference	7	(1)
Cash generated from operations	<u>48,922</u>	<u>34,081</u>
Government grant received	274	-
Income tax paid	<u>(2,190)</u>	<u>(101)</u>
<b>Net cash provided by operating activities</b>	<u>47,006</u>	<u>33,980</u>
<b>Cash flows from investing activities</b>		
Acquisition of a subsidiary, net of cash disbursed	(375)	-
Investment in an associated company	-	(21)
Purchases of property, plant and equipment	(76,555)	(18,760)
Purchases of intangible assets	(60)	-
Proceeds from disposal of property, plant and equipment	2,453	4,523
Proceeds from/(Purchases of) financial assets at fair value through profit or loss	6,643	(9,735)
Government grant received	127	-
Investment income received	97	73
Interest received	611	120
<b>Net cash used in investing activities</b>	<u>(67,059)</u>	<u>(23,800)</u>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of ordinary shares	339	423
Proceeds from borrowings	44,978	-
Repayment of borrowings	(24,048)	(10,280)
Repayment of finance lease liabilities	(2,659)	(2,364)
Interest paid	(6,629)	(1,006)
<b>Net cash provided by/(used in) financing activities</b>	<u>11,981</u>	<u>(13,227)</u>
<b>Net decrease in cash and cash equivalents</b>	(8,072)	(3,047)
Cash and cash equivalents at the beginning of the financial period	83,843	50,813
Effects of exchange rate changes on cash and cash equivalents	-	(310)
<b>Cash and cash equivalents at the end of the financial period</b>	<u>75,771</u>	<u>47,456</u>
<b>Cash and cash equivalents in the Group's balance sheet</b>	75,993	47,750
Less: Cash subject to restrictions	(222)	(294)
<b>Cash and cash equivalents in consolidated cash flow statement</b>	<u>75,771</u>	<u>47,456</u>



UNITED TEST AND ASSEMBLY CENTER LTD

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

(a) Consolidated statement of changes in equity for the quarter ended 30 September 2006

	← Attributable to equity holders of the Company →				Minority interest	Total equity	
	Share capital and share premium	Share option reserve	Fair value reserve	Foreign currency translation reserve			Retained earnings
Balance at 1 July 2006	539,105	3,498	(1,031)	10	31,078	4,347	577,007
Fair value loss on available-for-sale financial assets	-	-	(24)	-	-	-	(24)
Cash flow hedge	-	-	212	-	-	-	212
Currency translation differences	-	-	-	7	-	-	7
Net gains recognised directly in equity	-	-	188	7	-	-	195
Net profit	-	-	-	-	17,149	409	17,558
<b>Total recognised gains</b>	-	-	188	7	17,149	409	17,753
Employee share option scheme:							
- Value of employee services	-	246	-	-	-	-	246
- Proceeds from shares issued	419	(80)	-	-	-	-	339
Acquisition of a subsidiary	-	-	-	-	-	(222)	(222)
<b>Balance at 30 September 2006</b>	<b>539,524</b>	<b>3,664</b>	<b>(843)</b>	<b>17</b>	<b>48,227</b>	<b>4,534</b>	<b>595,123</b>

(a) Consolidated statement of changes in equity for the quarter ended 30 September 2005

	← Attributable to equity holders of the Company →					Accumulated (losses)	Total equity
	Share capital and share premium	Treasury shares	Share option reserve	Fair value reserve	Foreign currency translation reserve		
Balance at 1 July 2005	541,146	(13,316)	3,905	-	(27)	(35,693)	496,015
Fair value loss on available-for-sale financial assets	-	-	-	(280)	-	-	(280)
Currency translation differences	-	-	-	-	(37)	-	(37)
Net loss recognised directly in equity	-	-	-	(280)	(37)	-	(317)
Net profit	-	-	-	-	-	10,527	10,527
<b>Total recognised (loss)/gains</b>	-	-	-	(280)	(37)	10,527	10,210
Employee share option scheme:							
- Value of employee services	-	-	1,386	-	-	-	1,386
- Proceeds from shares issued	522	-	(98)	-	-	-	424
<b>Balance at 30 September 2005</b>	<b>541,668</b>	<b>(13,316)</b>	<b>5,193</b>	<b>(280)</b>	<b>(64)</b>	<b>(25,166)</b>	<b>508,035</b>



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

(b) Statement of changes in equity for the quarter ended 30 September 2006 - Company

← Attributable to equity holders of the Company →

	Share capital and share premium	Share option reserve	Fair value reserve	Retained earnings	Total equity
Balance at 1 July 2006	539,105	3,414	(811)	12,521	554,229
Cash flow hedge	-	-	212	-	212
Net gains recognised directly in equity	-	-	212	-	212
Net profit	-	-	-	1,241	1,241
<b>Total recognised gains</b>	-	-	<b>212</b>	<b>1,241</b>	<b>1,453</b>
Employee share option scheme:					
- Value of employee services	-	246	-	-	246
- Proceeds from shares issued	419	(80)	-	-	339
<b>Balance at 30 September 2006</b>	<b>539,524</b>	<b>3,580</b>	<b>(599)</b>	<b>13,762</b>	<b>556,267</b>

(b) Statement of changes in equity for the quarter ended 30 September 2005 - Company

← Attributable to equity holders of the Company →

	Share capital and share premium	Share option reserve	Accumulated (losses)	Total equity
Balance at 1 July 2005	541,146	3,821	(35,374)	509,593
<b>Total recognised gain - Net profit</b>	-	-	<b>8,901</b>	<b>8,901</b>
Employee share option scheme:				
- Value of employee services	-	1,386	-	1,386
- Proceeds from shares issued	522	(98)	-	424
<b>Balance at 30 September 2005</b>	<b>541,668</b>	<b>5,109</b>	<b>(26,473)</b>	<b>520,304</b>



UNITED TEST AND ASSEMBLY CENTER LTD

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) <b>Authorised</b>		
Ordinary shares of US\$0.15 each	4,000,000,000	600,000
(b) <b>Issued and fully paid</b>		
Balance as at 1 July 2006		
- ordinary shares of US\$0.15 each	1,491,587,287	223,738
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	1,377,861	207
- ordinary shares of US\$0.15 each at a premium of US\$0.22 per share pursuant to the exercise of share option	62,149	9
- ordinary shares of US\$0.15 each at a premium of US\$0.23 per share pursuant to the exercise of share option	32,000	5
- ordinary shares of US\$0.15 each at a premium of US\$0.0984 per share pursuant to the exercise of share option	184,895	28
Balance as at 30 September 2006		
- ordinary shares of US\$0.15 each	1,493,244,192	223,987

**Share options**

(a) Options granted/exercised

During the financial period, 500,000 options were granted at exercise price of S\$0.70 under the UTAC Employee Share Option Scheme to the employees of the Group and 1,656,905 shares of the Company of par value of US\$0.15 were allotted and issued by virtue of the exercise of options under the Equity Incentive Plan, Employee Share Option Scheme and Replacement Option Scheme.

(b) Options outstanding

As at 30 September 2006, there were unexercised options for 500,000, 9,458,511, 14,990,305 and 15,351,387 of unissued ordinary shares of US\$0.15 each at exercise price of S\$0.70, S\$0.59, US\$0.2484 and US\$0.1875 respectively. As at 30 September 2005, there were unexercised options for 19,542,000, 27,562,920 and 25,904,996 of unissued ordinary shares of US\$0.15 each at exercise price of S\$0.59, US\$0.2484 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.

- 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.**

Not applicable.

- 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 Jul 2006 to 30 Sep 2006	1 Jul 2005 to 30 Sep 2005
Basic earning per share (cents)	<u>1.15</u>	<u>0.72</u>
Diluted earning per share (cents)	<u>1.14</u>	<u>0.71</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 30 Sep 2006	As at 31 Dec 2005
Net asset value per ordinary share based on issued share capital as at the end of the reporting period (cents)		
- Group	<u>39.85</u>	<u>36.14</u>
- Company	<u>37.25</u>	<u>35.86</u>



## UNITED TEST AND ASSEMBLY CENTER LTD

### 8 Review of the performance of the group.

Revenue increased by 91.9% to \$162.0 million in 3Q06 from \$84.4 million in 3Q05 due to higher sales from assembly and test services as a result of loading increase from customers as well as the acquisition of UTAC Thai Limited ("UTL") (formerly known as NS Electronics Bangkok (1993) Ltd) ("NSEB") in June 2006. In 3Q06, revenue from test service amounted to \$75.7 million or 46.7% of total revenue, revenue from assembly and module services in 3Q06 amounted to \$86.1 million or 53.2% while other revenue amounted to \$0.2 million or 0.1%.

3Q06 revenue from mixed-signal product segment amounted to \$66.4 million or 41.0% of total revenues compared to 3Q05 revenue of \$29.1 million or 34.5% of total revenue; 3Q06 revenue from memory product segment amounted to \$61.7 million or 38.1% of total revenue compared to \$55.3 million or 65.3% in 3Q05; 3Q06 revenue from analog and discretely product segment amounted to \$33.7 million or 20.8% of total revenue. Other revenue in 3Q06 amounted to \$0.2 million or 0.1% of total revenue.

Depreciation expense in cost of sales increased by 53.0% to \$35.8 million in 3Q06 from \$23.4 million in 3Q05 due to the purchase of new machinery and equipment to cater for the increasing orders from our customers, and the acquisition of UTL in June 2006. Other components of the cost of sales such as overheads, raw materials and labour costs increased in line with the revenue increase in 3Q06.

Operating expenses in 3Q06 increased by 50.6% to \$20.1 million as compared to \$13.3 million in 3Q05 due to increase in sales activities and the acquisition of UTL in June 2006.

Selling, general and administration expenses in 3Q06 increased by 42.4% to \$9.4 million compared to \$6.6 million in 3Q05 due to increase in sales activities and the acquisition of UTL in June 2006. Research and development expenses in 3Q06 increased slightly by 7.6% to \$4.0 million.

The finance cost in 3Q06 increased by 499.6% to \$6.1 million compared to \$1.0 million in 3Q05 due to increase in bank loans, partly to finance the acquisition of UTL in June 2006.

Other gains in 3Q06 increased by 302.4% to \$4.8 million as compared to \$1.2 million in 3Q05 due primarily to gain on dilution of interest in an associated company of \$1.7 million, gain on disposal of property, plant and equipment of \$0.2 million, gain on disposal of financial assets at fair value through profit or loss of \$0.2 million, rental income of \$0.2 million, interest income of \$0.6 million, government grant income of \$0.4 million and income from disposal of scrap of \$0.5 million.

Net profit after minority interest for 3Q06 increased by 62.9% to \$17.1 million from \$10.5 million in 3Q05 due to the increase in sales activities and the acquisition of UTL in June 2006.

Revenue increased by 34.4% to \$162.0 million in 3Q06 from \$120.5 million in 2Q06 due primarily to acquisition of UTL in June 2006.

Capital expenditure for equipment committed in 3Q06 was \$57.6 million principally for new production equipment. As at 30 September 2006, the group had 1,052 wire bonders and 779 testers.



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

For 3Q06, UTAC had earlier guided for revenue to be 30% to 35% higher than that of 2Q06. Based on revenue posted in 3Q06, UTAC has met its guidance.

- 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.**

Entering 4Q06, we see continuing strength in our memory and analog business segments but are generally cautious about the mixed-signal sector as our customers' inventory situation continue to work itself through the system. The upcoming holiday season should help in further digesting any inventory overhang.

The memory market remains strong with PC makers installing greater memory density in their products to make them ready for the upgrade to Microsoft Vista. Visibility in the mixed-signal market sector remains somewhat hazy though we see some bright spots as 3G, Bluetooth, 802.11n wireless LAN and digital TV. We are continuing to ramp-up production for some new customers but we anticipate a gentler ramp-up.

Overall, we expect 4Q06 revenue to be 0% to 5% higher than that of 3Q06.

*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**

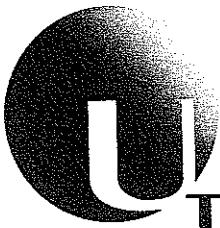
Not applicable.

- 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.

**BY ORDER OF THE BOARD**

**Lareina Yap Chu Han**  
**Company Secretary**  
**26 October 2006**



**TAC United Test and Assembly Center Ltd**

**Statement Pursuant to Rule 705(4) of the Listing Manual  
of the Singapore Exchange Securities Trading Limited**

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim financial results of United Test and Assembly Center Ltd for the quarter ended 30 September 2006, to be false or misleading.

On Behalf of the Board of Directors

**CHARLES CHEN CHIH YUAN**  
Director

**LEE JOON CHUNG**  
Director