



JOINT ANNOUNCEMENT

PROPOSED SCHEME OF ARRANGEMENT

1. Introduction

The respective boards of directors of United Test and Assembly Center Ltd (“**UTAC**”) and Global A&T Electronics Ltd. (the “**Acquiror**”) wish to jointly announce that UTAC and the Acquiror (each, a “**Party**” and collectively, the “**Parties**”) have on 26 June 2007 entered into an implementation agreement (the “**Implementation Agreement**”) relating to the proposed acquisition (the “**Acquisition**”) of UTAC by the Acquiror, a special purpose company incorporated in the Cayman Islands which is a consortium vehicle of Affinity Equity Partners (“**Affinity**”) and TPG Capital (“**TPG**”). Further details on the Acquiror are set out in paragraph 6.2 below. The Acquisition will be effected by the shareholders of UTAC (the “**UTAC Shareholders**”) by way of a scheme of arrangement (the “**Scheme**”) under Section 210 of the Companies Act, Chapter 50 of Singapore (the “**Act**”) and the Singapore Code on Take-overs and Mergers (the “**Code**”).

2. The Scheme

2.1 Terms of the Scheme. The Scheme is proposed in accordance with Section 210 of the Act and the Code, pursuant to which:

- (a) the issued shares in UTAC (the “**UTAC Shares**”) held by the UTAC Shareholders as at a books closure date to be announced by UTAC (the “**Entitled Scheme Shareholders**”) will be transferred to the Acquiror; and
- (b) in consideration for each issued UTAC Share to be transferred, the Acquiror will pay a cash consideration of **S\$1.20** per UTAC Share (the “**Scheme Price**”) to the Entitled Scheme Shareholders.

Upon the Scheme becoming effective, the UTAC Shares held by the Entitled Scheme Shareholders will be transferred to the Acquiror (i) fully paid; (ii) free from all charge, mortgage, lien, hypothecation, judgment, encumbrance, easement, right of pre-emption, security, title retention, preferential right, trust arrangement or other security interest and any other third party rights or interests of any nature whatsoever; and (iii) together with all rights, benefits and entitlements attached thereto as at the date of this announcement (the “**Announcement**”) and thereafter attaching thereto, including the right to receive and retain all dividends, rights and other distributions (if any) declared, paid or made by UTAC on or after the date of this Announcement.

- 2.2 Resultant Position. Following the completion of the Scheme, the Acquiror will own all the issued UTAC Shares and UTAC will be delisted from the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). It is expected that subject to the conditions precedent (details of which are set out in paragraph 7 below) being satisfied, the Scheme will become effective in the fourth calendar quarter of 2007.
- 2.3 Scheme Document. Further information on the terms and conditions upon which the Scheme will be implemented by UTAC and the Acquiror will be set out in the document to be issued by UTAC to the UTAC Shareholders containing, *inter alia*, details on the Acquisition (the “**Scheme Document**”).

3. Scheme Price

3.1 Comparison. The Scheme Price represents:

- (a) a premium of approximately 20.0⁽¹⁾% to the volume weighted average price (“**VWAP**”) per UTAC Share on the SGX-ST of S\$1.00⁽²⁾ over the one calendar month from 23 May 2007 to 22 June 2007 (the last trading day of the UTAC Shares on the SGX-ST prior to the date of the Implementation Agreement);
- (b) a premium of approximately 25.0⁽¹⁾% to the VWAP per UTAC Share on the SGX-ST of S\$0.96⁽²⁾ over the three calendar months from 23 March 2007 to 22 June 2007 (the last trading day of the UTAC Shares on the SGX-ST prior to the date of the Implementation Agreement);
- (c) a premium of approximately 30.4⁽¹⁾% to the VWAP per UTAC Share on the SGX-ST of S\$0.92⁽²⁾ over the six calendar months from 23 December 2006 to 22 June 2007 (the last trading day of the UTAC Shares on the SGX-ST prior to the date of the Implementation Agreement); and
- (d) a premium of approximately 78.3% to the net asset value of S\$0.67 (based on exchange rate of US\$1 : S\$1.5369) per UTAC Share based on the unaudited consolidated financial statements of UTAC for the three-month period ended 31 March 2007.

Notes:

- (1) Computed based on share prices which were rounded to the nearest two decimal places.
- (2) Rounded to the nearest two decimal places.

3.2 Convertible Bonds Offer. As at the date of this Announcement, UTAC has issued 1.00 per cent. Tranche A Convertible Bonds due 2013 for the principal amount of US\$95,000,000 and 1.00 per cent Tranche B Convertible Bonds due 2013 for the principal amount of US\$95,000,000 (collectively, the “**Convertible Bonds**”).

Pursuant to Rule 19 of the Code, an appropriate offer will be made to the holders of the Convertible Bonds (“**Bondholders**”, each a “**Bondholder**”) by the Acquiror for the Convertible Bonds (the “**Convertible Bonds Offer**”). The Convertible

Bonds Offer is subject to the Scheme becoming effective and binding in accordance with its terms.

The offer price for the Convertible Bonds (the “**Convertible Bonds Offer Price**”) will be as follows:

Convertible Bonds	Convertible Bonds Offer Price for every US\$100,000 principal amount of Convertible Bonds	Payment Type
1.00 per cent. Tranche A Convertible Bonds due 2013	S\$185,967.80	Cash
1.00 per cent. Tranche B Convertible Bonds due 2013	S\$185,967.80	Cash

The Convertible Bonds Offer Price set out in the table above is calculated based on the Scheme Price of **S\$1.20** for one UTAC Share multiplied by the number of UTAC Shares into which US\$100,000 principal amount of the Convertible Bonds may be converted. The actual Convertible Bonds Offer Price will be calculated based on the total principal amount of the Convertible Bonds that are tendered by a Bondholder pursuant to the Convertible Bonds Offer.

The Convertible Bonds will be acquired by the Acquiror (i) free from all charge, mortgage, lien, hypothecation, judgment, encumbrance, easement, right of pre-emption, security, title retention, preferential right, trust arrangement or other security interest and any other third party rights or interests of any nature whatsoever; and (ii) together with all rights, benefits and entitlements attached thereto as at the date of this Announcement and thereafter attaching thereto, including the right to receive and retain all interest, payments, rights and other distributions (if any) declared, paid or made by UTAC on or after the date of this Announcement.

The Acquiror reserves the right to revise the terms of the Convertible Bonds Offer at such time and in such manner as it may consider appropriate. If the terms of the Convertible Bonds Offer are revised, all Bondholders who have accepted the previous Convertible Bonds Offer will receive the revised consideration.

For the avoidance of doubt, the Scheme is proposed to all UTAC Shareholders who hold UTAC Shares issued pursuant to the valid conversion of Convertible Bonds at least three market days prior to the Books Closure Date (the “**Final Exercise Date**”).

Details of the Convertible Bonds Offer will be despatched to the Bondholders not later than the date of despatch of the Scheme Document to the UTAC Shareholders.

- 3.3 Outstanding Options. As at 22 June 2007, there are outstanding options (the “**Options**”) to subscribe for an aggregate of 31,882,272 UTAC Shares granted pursuant to UTAC’s 2000 Equity Incentive Plan, the UTAC Employee Share

Option Scheme 2003 and the UTAC Replacement Option Scheme (collectively described as the “**UTAC Share Option Schemes**”). The exercise prices for the outstanding Options range between S\$0.59 to S\$0.70 and US\$0.1875 to US\$0.2484.

Under the rules of the UTAC Share Option Schemes, the Options are not transferable by the holders thereof (“**Optionholders**”). In view of this, the Scheme will not be extended to the Optionholders.

Instead, the Acquiror will make a proposal (the “**Options Proposal**”) that subject to:

- (a) the Scheme becoming effective and binding; and
- (b) the relevant Options continuing to be exercisable into new UTAC Shares as at the date the Scheme becomes effective in accordance with its terms (the “**Effective Date**”),

the Acquiror will pay the holders of such Options a cash amount for each Option (determined as provided below) (the “**Option Price**”), in consideration of such holders agreeing:

- (i) not to exercise all or any of such Options into new UTAC Shares; and
- (ii) not to exercise all or any of their other rights as holders of such Options,

in each such case from the date of their acceptance of the Options Proposal to the respective dates of expiry of such Options. In addition, Optionholders who have accepted the Options Proposal will also be required to surrender all of their Options for cancellation.

The Option Price is calculated on a "see-through basis". In other words, the Option Price for an Option will be the amount (if positive) of the Scheme Price less the exercise price of that Option. If the exercise price of an Option is equal to or more than the Scheme Price, the Option Price for each Option will be the nominal amount of S\$0.001.

Under the UTAC Employee Share Option Scheme 2003 and the UTAC Replacement Option Scheme, if the court sanctions the Scheme, Optionholders may exercise their Options during the period commencing on the date upon which the court sanctions the Scheme (the “**Court Order Date**”) and ending either on the expiry of 60 days thereafter or the Effective Date, whichever is later (but not after the expiry of the relevant option period relating to the Options) (the “**Accelerated Exercise Period**”). On the expiry of the Accelerated Exercise Period, any unexercised Options shall lapse and become null and void.

For the avoidance of doubt, the Scheme is proposed to all UTAC Shareholders who hold UTAC Shares issued pursuant to the valid exercise of the Options prior to the Final Exercise Date.

Details of the Options Proposal will be despatched to the Optionholders not later than the date of despatch of the Scheme Document to the UTAC Shareholders.

- 3.4 No Cash Outlay. UTAC Shareholders should note that no cash outlay (including any stamp duties or brokerage expenses) will be required from the UTAC Shareholders under the Scheme.

4. **Irrevocable Undertakings**

Certain UTAC Shareholders (the “**Undertaking Shareholders**”), who (together with their family members in respect of certain Undertaking Shareholders) have an aggregate interest of approximately 17.25% in the issued UTAC Shares as at 22 June 2007, have each given an irrevocable undertaking to the Acquiror (collectively, the “**Irrevocable Undertakings**”) to, *inter alia*, vote, or procure the voting of, all their respective UTAC Shares and the UTAC Shares held by their family members, as the case may be, in favour of the Scheme or, in the event that the Acquiror proceeds with the Acquisition by way of a general offer pursuant to the provisions of the Code, to tender their UTAC Shares in acceptance of the offer. The Undertaking Shareholders have also given an undertaking to accept the Options Proposal and the Convertible Bonds Offer to be made by the Acquiror in respect of their respective Options and Convertible Bonds, if any. A list of the Undertaking Shareholders is set out in Schedule 1 to this Announcement.

5. **Rationale for the Scheme**

- ***Rationale for Acquisition by the Acquiror***

Both TPG and Affinity have dedicated local teams focused on creating close long-term partnerships with strong management teams of companies which have the potential to become industry leaders, utilising the vast experience, resources and network which Affinity and TPG can provide. UTAC has both a capable management team and the potential to become a leading company in the outsourced semiconductor assembly and testing industry. Affinity and TPG have vast experience in investing in the technology/semiconductor sector.

- ***Rationale for UTAC***

The Scheme provides an opportunity for UTAC Shareholders to realize their investment in their UTAC Shares for cash at a premium to the historical closing prices of UTAC Shares.

6. **Information on UTAC and the Acquiror**

- 6.1 UTAC. UTAC was incorporated on 26 November 1997 and converted to a public limited company on 15 May 2000. UTAC was listed on the SGX-ST on the Mainboard of the SGX-ST on 9 February 2004. UTAC is a leading independent provider of semiconductor assembly and testing services for a broad range of

integrated circuits including memory, mixed-signal, logic and radio-frequency ICs. UTAC and its subsidiaries (the “**UTAC Group**”) offers a full range of package and test development, engineering and manufacturing services and solutions to a worldwide customer base, comprising leading integrated device manufacturers, fabless companies and wafer foundries. UTAC operates manufacturing facilities in Singapore, Thailand, Taiwan and China, in addition to its global network of sales offices in the United States, Europe, Japan, Korea, China and Singapore.

6.2 The Acquiror. The Acquiror is a special purpose vehicle incorporated under the laws of the Cayman Islands for the purpose of acquiring the UTAC Shares pursuant to the Scheme. The shareholding structure of the Acquiror is as follows: (a) 50 per cent. of the Acquiror is currently held by an entity which is controlled by the Affinity group, and (b) 50 per cent. of the Acquiror is currently held by entities which are controlled by the TPG group ((a) and (b) collectively, the “**Acquiror Shareholders**”). The proposed directors of the Acquiror are senior executives of the Affinity group and senior executives of the TPG group respectively as follows:

- (a) Mr. Ng Lak Chuan, Partner, Affinity Equity Partners (HK) Ltd;
- (b) Mr. James Fung Hwee Ling, Director, Affinity Equity Partners (S) Pte Ltd;
- (c) Mr. Justin Tong-Yi Chang, Senior Partner, TPG Capital, Limited; and
- (d) Mr. Ashish Jaiprakash Shastry, Managing Director, Head of Southeast Asia, TPG Capital (S) Pte Ltd.

6.3 Affinity. Affinity is one of the most reputable and active private equity players in the Asia Pacific region. It is an independently owned buyout fund manager established in 2004, and has completed landmark transactions in five countries.

6.4 TPG. TPG is one of the largest private equity investment firms in the world, one of the most established and experienced private equity firms in the Asia Pacific region and one of the most active technology sector investors globally.

7. Conditions Precedent to the Scheme

The Scheme will become effective and binding on UTAC and all Entitled Scheme Shareholders subject to fulfilment or waiver (as applicable) of, *inter alia*, the following conditions precedent set out in the Implementation Agreement (the “**Conditions Precedent**”):

- (a) Scheme: the approval of the Scheme by the UTAC Shareholders in compliance with the requirements of Section 210(3) of the Act;
- (b) Scheme Court Order: the grant of the court order by the court sanctioning the Scheme under the Act (the “**Scheme Court Order**”) and such Scheme Court Order having become final;

- (c) ACRA Registration: the registration of the Scheme Court Order with the Accounting and Corporate Regulatory Authority of Singapore (“**ACRA**”);
- (d) Regulatory Approvals: prior to the first application to the court for the order to convene a meeting of UTAC Shareholders to approve the Scheme (the “**Scheme Meeting**”), all regulatory approvals being obtained and not revoked or withdrawn, including but not limited to;
 - (i) confirmation from the Securities Industry Council (the “**SIC**”) that rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29 and 33.2 and note 1(b) to Rule 19 of the Code shall not apply to the Scheme subject to any conditions the SIC may deem fit to impose; and
 - (ii) the approval-in-principle from the SGX-ST of the Scheme, the Scheme Document and for the proposed delisting of UTAC;
- (e) No Prescribed Occurrence: between the date of the Implementation Agreement and the Record Date, no Prescribed Occurrence in relation to the UTAC Group Companies. A list of prescribed occurrences (the “**Prescribed Occurrences**”) is set out in Schedule 2 to this Announcement;
- (f) Authorisations and Consents: in addition to the approvals mentioned in paragraph 7(d) above, the receipt of all authorisations, consents, clearances, permissions and approvals as are necessary or required by either Party under any and all applicable laws, from all governmental agencies and Third Parties, for or in respect of the implementation of the Scheme and the transactions contemplated under the Implementation Agreement. “**Third Parties**” as defined in the Implementation Agreement means (i) the top ten customers of the UTAC Group in terms of contribution by revenue for the financial year ended 31 December 2006; and (ii) all financial institutions which have extended banking or credit facilities to any member of the UTAC Group;
- (g) UTAC Representations, Warranties and Covenants: (i) the representations and warranties of UTAC set out in the Implementation Agreement being true and correct in all material respects in each case as of the date of the Implementation Agreement and as of the Record Date as though made on and as of that date except to the extent any such representation or warranty expressly relates to an earlier date (in which case as of such earlier date); and (ii) UTAC shall have, as of the Record Date, performed and complied in all material respects with all covenants and agreements contained in the Implementation Agreement which are required to be performed by or complied by it on or prior to the Record Date, provided that a breach of such representations, warranties, covenants and agreements shall not be regarded as “material” for the purpose of this condition precedent, unless the effect of such breaches (other than with respect to certain specified obligations, representations and warranties of UTAC) shall cause the consolidated net asset value of UTAC to be reduced by US\$15 million or more. “**Record Date**” as defined

in the Implementation Agreement means the date falling on the business day immediately preceding the Effective Date;

- (h) Acquiror Representations, Warranties and Covenants: (i) the representations and warranties of the Acquiror set out in the Implementation Agreement being true and correct in all material respects in each case as of the date of the Implementation Agreement and as of the Record Date as though made on and as of that date except to the extent any such representation or warranty expressly relates to an earlier date (in which case as of such earlier date); and (ii) the Acquiror shall have, as of the Record Date, performed and complied in all material respects with all covenants and agreements contained in the Implementation Agreement which are required to be performed by or complied with by it, on or prior to the Record Date;
- (i) Material Adverse Change: between the date of the Implementation Agreement and the Record Date: (i) there being no termination of or receipt of notice to terminate certain specified key licence agreements; and (ii) there being no event which has or will have the effect of causing a diminution in the consolidated net asset value of UTAC to an amount below US\$657 million (without taking into account any fees and expenses which shall have been incurred or accrued in connection with the transaction contemplated in the Implementation Agreement), as reflected in the later of (aa) the latest publicly released consolidated unaudited financial statement of UTAC prior to the Record Date; or (bb) the consolidated unaudited management balance sheet (prepared in accordance with generally accepted accounting principles in Singapore) as at the calendar month-end at least 15 days prior to the Record Date, provided that any diminution in value of any item of the assets or increase in value of any item of the liabilities of the UTAC Group arising from currency translation shall not be taken in account; and (iii) no customer or customers of the UTAC Group, who has, or in the aggregate have, contributed revenues of US\$30 million or more for the financial year ended 31 December 2006, has during the 12-month period prior to the date of the Implementation Agreement or at any time on or prior to the Record Date ceased or given notice of intention to cease to be a customer of the UTAC Group.

8. Non-fulfillment of Conditions Precedent

Notwithstanding anything contained in the Implementation Agreement, the Implementation Agreement will terminate if any of the Conditions Precedent has not been satisfied (or, where applicable, has not been waived) by 31 December 2007 (or such other date that the Parties may agree) and the non-fulfilment of any such Condition Precedent is material in the context of the Acquisition except that:

- (a) in the event of any non-fulfilment of the Conditions Precedent referred to in paragraphs 7(e) to (g) and (i) above, the Acquiror can only rely on such

non-fulfilment of any such Condition Precedent to terminate the Implementation Agreement with the prior consultation of the SIC; and

- (b) in the event of any non-fulfilment of the Conditions Precedent referred to in paragraph 7(h) above, UTAC can only rely on such non-fulfilment of any such Condition Precedent to terminate the Implementation Agreement with the prior consultation of the SIC.

9. **Termination**

The Implementation Agreement provides, *inter alia*, that the Implementation Agreement may be terminated at any time on or prior to the date falling on a business day immediately preceding the date on which the Scheme becomes effective in accordance with its terms (the “**Record Date**”), as summarised below, provided that the Party seeking termination does so only after it has had prior consultation with, or approval of, as may be applicable, the Securities Industry Council (the “**SIC**”):

- (a) **Court Order**: by either the Acquiror or UTAC, if any court of competent jurisdiction or Governmental Agency has issued an order, decree or ruling or taken any other action permanently enjoining, restraining or otherwise prohibiting the Scheme, the Acquisition or any part thereof, or has refused to do anything necessary to permit the Scheme, the Acquisition or any part thereof, and such order, decree, ruling, other action or refusal shall have become final and non-appealable;
- (b) **Breach**: by (a) the Acquiror, if UTAC is in material breach of any provision of the Implementation Agreement (including representations and warranties) or has failed to perform and comply in all respects with any of the matters referred to in paragraph 7 above in relation to the Conditions Precedent on or prior to the Record Date, provided that a breach of such provision will not be regarded as “material” unless the effect of any or all such breaches (other than with respect to certain of UTAC’s obligations), shall cause the consolidated net asset value of UTAC to be reduced by US\$15 million or more, or (b) UTAC, if the Acquiror is in material breach of any provision of the Implementation Agreement or has failed to perform and comply in all respects with any of the matters referred to in paragraph 7 above in relation to the Conditions Precedent on or prior to the Record Date; or
- (c) **Shareholders' Approvals**: by the Acquiror, if the resolutions submitted to the Scheme Meeting are not approved (without amendment) by the requisite majorities.

10. **Effect of Termination**

In the event of termination of the Implementation Agreement by either UTAC or the Acquiror pursuant to the terms of the Implementation Agreement, the Implementation Agreement shall terminate (except for provisions relating to

confidentiality, costs and expenses and governing law) and there shall be no other liability on the part of either Party except that in the case of a breach or non-compliance by UTAC of certain obligations in the Implementation Agreement (collectively, the “**Specific Obligations of UTAC**”), the Acquiror shall, in addition to the right to terminate the Implementation Agreement, be entitled to receive from UTAC and UTAC shall fully compensate the Acquiror on a reimbursement basis for all reasonable out-of-pocket costs and expenses incurred by or on behalf of the Acquiror in connection with the Acquisition, subject to a maximum amount of US\$10 million.

The Specific Obligations of UTAC include, *inter alia*, (a) the release of this Announcement, jointly with the Acquiror, on or as soon as practicable after the date the Implementation Agreement is executed, (b) the preparation and despatch of the Scheme Document in compliance with all applicable laws and regulations, (c) subject to obtaining the approval of the SGX-ST, the application to the High Court of Singapore for order(s) convening the Scheme Meeting and the convening of the Scheme Meeting, (d) following the grant of the court order by the High Court of Singapore sanctioning the Scheme, as soon as practicable, delivering the same to ACRA for registration, and (e) the obligation not to solicit any approach, expression of interest, offer or proposal from a third party involving a transaction to, *inter alia*, preclude, restrict, delay or prejudice the Acquisition or acquire control of UTAC and/or any of its subsidiaries.

11. Waiver of Rights to a General Offer

UTAC Shareholders should note that by voting in favour of the Scheme, they will be regarded as having waived their rights to a general offer by the Acquiror to acquire the UTAC Shares under the Code.

12. Right to Revise Scheme Price or Proceed with an Offer

The Acquiror has the right at its discretion to elect at any time, subject to prior consultation with the SIC:

- (i) to implement the Acquisition by way of a voluntary conditional cash offer (the “**Offer**”). In such event, the Acquiror will make the Offer on the same or better terms as those which apply to the Scheme, including without limitation, the same or a higher consideration than the Scheme Price, an acceptance condition set at more than 50 per cent., of the UTAC Shares to which the Offer relates; and
- (ii) in the event of a firm competing general offer from a third party for all UTAC Shares other than those held by such third party and parties acting in concert with such third party, at a price higher than the Scheme Price and carries no additional conditions other than those necessary for the implementation of the Scheme, to proceed by way of an Offer (in the manner described in paragraph 12(i) above) or terminate the Implementation Agreement and not proceed with the Acquisition.

13. Confirmation of Financial Resources

ABN AMRO Bank N.V., Singapore branch (“**ABN AMRO**”), as the lead financial adviser to the Acquiror, confirms that sufficient financial resources are available to the Acquiror to satisfy in full the aggregate Scheme Price to be paid to the Entitled Scheme Shareholders pursuant to the Scheme, the aggregate Convertible Bonds Offer Price to be paid to the Bondholders pursuant to the Convertible Bonds Offer and the aggregate Option Price to be paid to the Optionholders pursuant to the Options Proposal.

14. Delisting

UTAC is listed on the Main Board of the SGX-ST. If the Scheme becomes effective, the Acquiror will own all the UTAC Shares and will make an application to seek confirmation from the SGX-ST to delist UTAC from the SGX-ST upon the Scheme becoming effective and binding.

15. Financial Advisers

- 15.1 Financial Advisers to the Acquiror. ABN AMRO is the lead financial adviser to the Acquiror. J.P. Morgan (S.E.A.) Limited and Merrill Lynch (Singapore) Pte. Ltd. also advised the Acquiror.
- 15.2 Independent Financial Adviser to UTAC. The Board of Directors of UTAC has appointed ANZ Singapore Limited as the independent financial adviser (the “**IFA**”) to the independent directors of UTAC for the purposes of the Scheme (the “**Independent Directors**”).

16. Disclosures

- 16.1 The Acquiror. As of the date hereof, none of the Acquiror, its directors, the Acquiror Shareholders or ABN AMRO (each, a “**Relevant Person**”) owns, controls or has agreed to acquire any UTAC Shares.
- 16.2 Acquiror Dealings. No Relevant Person has dealt for value in any UTAC Shares during the three-month period immediately preceding the date of this Announcement.
- 16.3 Further Disclosures. In the interests of confidentiality, the Acquiror has not, prior to the release of the Announcement, asked other persons who may be presumed to act in concert with it in relation to the Scheme whether they hold or have dealt in any UTAC Shares. Following the release of the Announcement, the Acquiror will make such enquiries and will make the relevant disclosures in due course and in the Scheme Document.
- 16.4 UTAC Directors and Substantial Shareholders. Save for Messrs Chen Chih-Yuan, Lee Joon Chung, Tsai Chung-Che and Chew Lo-Hou, the Directors who have

- given Irrevocable Undertakings to, among other things, vote their respective UTAC Shares in favour of the Scheme, no Director or substantial shareholder of UTAC has any interest in the Scheme (other than by reason only of being a Director or shareholder of UTAC).
- 16.5 Directors' Service Contracts. As at the date of this Announcement, there is no service contract with any director or any person proposed to be appointed as a director of UTAC and/or the Acquiror in connection with the Scheme.
- 17. Miscellaneous**
- 17.1 Implementation Agreement. A copy of the Implementation Agreement is available for inspection at UTAC's registered office at 5 Serangoon North Avenue 5 Singapore 554916 during UTAC's normal business hours for three months from the date of this Announcement or until the Effective Date, whichever is the later.
- 17.2 Scheme Document. Full details of the Scheme (including the recommendation of the Independent Directors and the advice of the IFA to the Independent Directors) will be contained in the Scheme Document to be sent to Shareholders in due course. **In the meantime, UTAC Shareholders are advised to refrain from taking any action in relation to their UTAC Shares which may be prejudicial to their interests.**
- 17.3 Overseas Shareholders. This Announcement does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy any security, nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in this Announcement in any jurisdiction in contravention of applicable law. The release, publication or distribution of this Announcement in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which this Announcement is released, published or distributed should inform themselves about and observe such restrictions.

Copies of this Announcement and any formal documentation relating to the Scheme are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any jurisdiction where the implementation of the Scheme would violate the law of that jurisdiction ("**Restricted Jurisdiction**") and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction.

The applicability of the Scheme to persons not resident in Singapore may be affected by the laws of the relevant jurisdiction. The UTAC Shareholders who are not resident in Singapore should inform themselves about, and observe, any applicable requirements. Further details in relation to overseas UTAC Shareholders will be contained in the Scheme Document.

18. Responsibility Statements

18.1 UTAC

The directors of UTAC (including any director who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Announcement (other than those relating to the Acquiror) are fair and accurate and that no material facts have been omitted from this Announcement, and they jointly and severally accept responsibility accordingly. Where any information has been extracted from published or publicly available sources, the sole responsibility of the directors of UTAC has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Announcement.

18.2 The Acquiror

The directors of the Acquiror (including any director who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Announcement (other than those relating to UTAC) are fair and accurate and that no material facts have been omitted from this Announcement, and they jointly and severally accept responsibility accordingly. Where any information has been extracted from published or publicly available sources, the sole responsibility of the directors of the Acquiror has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Announcement.

**BY ORDER OF THE BOARD OF
UNITED TEST AND ASSEMBLY
CENTER LTD**

**BY ORDER OF THE BOARD OF
GLOBAL A&T ELECTRONICS LTD.**

26 June 2007
Singapore

Schedule 1

Undertaking Shareholders

Name of Undertaking Shareholder	Number of UTAC Shares subject to the Irrevocable Undertakings ⁽¹⁾	Number of Options subject to the Irrevocable Undertakings ⁽¹⁾
Solomon Technology Corp.	95,204,733	-
Moretek Investment Corp.	40,580,015	-
Taiwan Special Opportunities Fund III	35,800,000	-
Tsai Chung-Che	27,857,414	197,505
Euro-Capital Holdings Global Inc.	19,405,237	-
China Container Express Line, Inc.	11,780,143	-
Lee Joon Chung	6,606,307	3,479,166
Fortune Technology Fund I Ltd.	5,866,667	-
Chen Chih-Yuan	5,802,590	18,076
Golden Technology Venture Capital Investment Corporation	2,678,211	-
Titen Technology Venture Capital Investment Corporation	2,078,211	-
Central Technology Venture Capital Investment Corporation	1,954,813	-
L.H. International Corporation	1,333,333	-
Legend Technology Venture Capital Investment Corporation	1,066,211	-
NTUC Spring I Technology Venture Capital Investment Corporation	533,333	-
SF Technology Venture Capital Investment Corporation	331,112	-
Chew Lo-Hou	60,399	6,267
TOTAL	258,938,729	3,701,014

Note:

(1) Based on information provided by each of the Undertaking Shareholders.

Schedule 2

Prescribed Occurrences

All capitalised terms used and not defined in this Announcement shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection at the registered office of UTAC during normal business hours until the date the Scheme becomes effective.

For the purpose of this Joint Announcement, “**Prescribed Occurrence**”, in relation to UTAC and each UTAC Group Company, as the case may be, means any of the following:

- (1) **Share Buy-back:** entering into a share buy-back agreement or resolving to approve the terms of a share buy-back agreement under the Act or the equivalent companies or securities legislation;
- (2) **Reduction of Share Capital:** resolving to reduce its share capital in any way;
- (3) **Allotment of Shares:** making an allotment of, or granting an option to subscribe for, any shares or securities convertible into shares or agreeing to make such an allotment or to grant such an option or convertible security, other than allotment of shares following the valid conversion of a Convertible Bond or the valid exercise of an existing issued option in accordance with the terms of any of the UTAC Share Option Schemes;
- (4) **Issuance of Debt Securities:** issuing, or agreeing to issue, convertible notes or other debt securities;
- (5) **Dividends:** declaring, making or paying any dividends or any other form of distribution to its shareholders;
- (6) **Injunctions:** an injunction or other order issued by any court of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the Scheme or the Acquisition or any part thereof by UTAC;
- (7) **Resolution for Winding Up:** resolving that it be wound up;
- (8) **Appointment of Liquidator and Judicial Manager:** the appointment of a liquidator, provisional liquidator, judicial manager and/or provisional judicial manager of UTAC or of any UTAC Group Company;
- (9) **Order of Court for Winding Up:** the making of an order by a court of competent jurisdiction for the winding up of UTAC or of any UTAC Group Company;
- (10) **Composition:** entering into any arrangement or general assignment or composition for the benefits of its creditors generally;
- (11) **Appointment of Receiver:** the appointment of a receiver or a receiver and manager, in relation to the property or assets of UTAC or of any UTAC Group

Company;

- (12) **Insolvency:** becoming or being deemed by law or a court to be insolvent, or stops or suspends or threatens to stop or suspend, payment of its debts;
- (13) **Cessation of Business:** ceases or threatens to cease for any reason to carry on business in the usual course;
- (14) **Investigations and Proceedings:** if UTAC or any UTAC Group Company or any of their respective directors or employees is or will be the subject of any governmental, quasi-governmental, criminal, regulatory or stock exchange investigation and/or proceeding; or
- (15) **Analogous Event:** any event occurs which, under the laws of any jurisdiction, has an analogous or equivalent effect to any of the foregoing event.