



UNITED TEST AND ASSEMBLY CENTER LTD

Proposed Scheme of Arrangement

The Board of Directors (the "Board") of United Test and Assembly Center Ltd ("UTAC" or the "Company") refers to certain press articles reported in the Business Times and the Straits Times, both of today.

The Board is of the opinion that all shareholders of UTAC are entitled to their views and it is within the prerogative of the shareholders to decide in their discretion how they wish to vote their UTAC shares with respect to the scheme of arrangement (the "Scheme") pursuant to which the consortium comprising Affinity Equity Partners and TPG Capital (the "Consortium") proposes to acquire all the issued shares of the Company. (Please refer to the Company's joint announcement with the Consortium dated 26 June 2007 for details of the Scheme).

The Board wishes to reiterate that the Company will be issuing a scheme document to its shareholders containing full details of the Scheme (including the recommendation of the Board as well as the advice of the independent financial adviser to the Board). The Board has engaged ANZ Singapore Limited (the "IFA") as the independent financial adviser to advise on the proposed Scheme, and wishes to inform shareholders that the advice of the IFA will be contained in the scheme document which will be despatched to the shareholders in due course. **In the meantime, shareholders of UTAC are advised to refrain from taking any action in relation to their UTAC shares which may be prejudicial to their interests.**

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 are fair and accurate and that no material facts have been omitted from this announcement which would make this announcement misleading, 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.

BY ORDER OF THE BOARD

Lareina Yap Chu Han
Singapore, 18 July 2007