

Joint Venture With Nepes Corporation

Oct 04, 2005

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The Board of Directors of United Test and Assembly Centre Ltd (the "Company") wishes to announce that the Company has today entered into a joint venture and shareholders agreement ("JVA") and a business agreement ("BA") with Nepes Corporation ("Nepes"), a wafer bumping company in Korea.

Pursuant to the JVA and the BA, the Company and Nepes have established a joint venture company, Nepes Pte Ltd, in Singapore ("JVCo"), which will be principally engaged in the business of providing wafer bumping services.

Nepes and the Company will initially subscribe for ordinary shares of US\$1.00 each in the capital of JVCo at par, for the aggregate subscription amount of US\$10 million and US\$5 million respectively.

Upon completion of the initial subscription, the Company will have an equity interest of 33% and Nepes will have an interest of 67% in the issued and paid up capital of JVCo.

The Board of Directors of JVCo comprises 2 directors nominated by the Company and 4 directors nominated by Nepes.

The Company's investment in the JVCo will be funded by internal resources and is not expected to have a material impact on the earnings per share and net tangible assets per share of the Company for the financial year ending 31 December 2005.

To the best of the Directors' knowledge, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect in the above transaction.

BY ORDER OF THE BOARD

Lareina Yap Chu Han
Company Secretary

Singapore, 4 October 2005