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STATS ChipPAC LTD.

(Incorporated in the Republic of Singapore)
(Company Registration Number: 199407932D)

PERPETUAL SECURITIES OFFERING BY WAY OF A NON-RENOUNCEABLE RIGHTS ISSUE

1. INTRODUCTION

STATS ChipPAC Ltd. (the "**Company**") today announces a proposed offering of Perpetual Securities (as defined below) by way of a non-renounceable rights issue (the "**Perpetual Securities Offering**") to raise gross proceeds of US$200,000,000.

Pursuant to the Perpetual Securities Offering, US$200,000,000 in aggregate principal amount of 4 per cent. perpetual securities (the "**Perpetual Securities**") will be issued in the denomination of US$1,000 for each Perpetual Security, on the basis of one Perpetual Security for every 11,011 ordinary shares in the capital of the Company ("**Shares**") held by shareholders of the Company ("**Shareholders**") as at a time and date to be determined by the directors of the Company ("**Directors**") for the purpose of determining the Shareholders' entitlements under the Perpetual Securities Offering (the "**Books Closure Date**"), fractional entitlements to be disregarded.

2. BACKGROUND

The intention to launch the Perpetual Securities Offering was first announced by the Company on 30 December 2014, the same day on which JCET-SC (Singapore) Pte. Ltd. (the "**Offeror**") announced a pre-conditional takeover offer for the Company. The Perpetual Securities Offering is subject to certain conditions, including the Offeror announcing a firm intention to make an offer for the Company ("**Offer**") by 30 June 2015.

Following the announcement of the firm intention to make the Offer made by or on behalf of the Offeror today ("**Offer Announcement**"), all the conditions to the Perpetual Securities Offering have been fulfilled. Accordingly, the Company wishes to announce the launch of the Perpetual Securities Offering and the proposed terms of the Perpetual Securities Offering.

Copies of the aforementioned announcements are available on the website of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on www.sgx.com.

3. PROPOSED TERMS OF THE PERPETUAL SECURITIES OFFERING

Pursuant to the Perpetual Securities Offering, US$200,000,000 in aggregate principal amount of the Perpetual Securities will be offered to the Shareholders on the basis of one Perpetual Security for every 11,011 Shares held by Shareholders as at the Books Closure Date, fractional entitlements (if any) to be disregarded.

The Company proposes to provisionally allot Perpetual Securities to all Shareholders who are eligible to participate in the Perpetual Securities Offering (the "**Entitled Shareholders**")

comprising Entitled Depositors and Entitled Scripholders (both as defined in paragraph 8 below) on a pro-rata basis, fractional entitlements (if any) to be disregarded. Entitled Shareholders will be at liberty to accept (in full or in part) or decline their provisional allotments of Perpetual Securities and will be eligible to apply for additional Perpetual Securities in excess of their provisional allotments under the Perpetual Securities Offering.

Entitlements to subscribe for the Perpetual Securities will not be renounceable and will not be traded on the SGX-ST. Entitled Shareholders are prohibited from trading, transferring, assigning or otherwise dealing with (in full or in part) their (i) provisional allotments of Perpetual Securities or (ii) eligibility to apply for additional Perpetual Securities in excess of their provisional allotments under the Perpetual Securities Offering.

Entitlements of Entitled Shareholders to Perpetual Securities will be rounded down to the nearest whole number of Perpetual Securities. Fractional entitlements will be disregarded and will not be allotted to the Entitled Shareholders. As an illustration:

(a) an Entitled Shareholder who holds 15,000 Shares only as at the Books Closure Date will be provisionally allotted with one Perpetual Security;

(b) an Entitled Shareholder who holds 11,011 Shares only as at the Books Closure Date will be provisionally allotted with one Perpetual Security;

(c) an Entitled Shareholder who holds 11,010 Shares as at the Books Closure Date will **not** be provisionally allotted with any Perpetual Security; and

(d) an Entitled Shareholder who holds 5,000 Shares only as at the Books Closure Date will **not** be provisionally allotted with any Perpetual Security.

Fractional entitlements to the Perpetual Securities that are disregarded in arriving at the Entitled Shareholders' entitlements will, together with the Perpetual Securities represented by the provisional allotments of (1) Entitled Shareholders who decline or do not accept their provisional allotments of the Perpetual Securities under the Perpetual Securities Offering and/or (2) ineligible Shareholders, be aggregated and used to satisfy excess applications (if any), or disposed of or otherwise dealt with in such manner as the Board may, in its absolute discretion, deem fit for the benefit of the Company.

In the allotment of excess Perpetual Securities, the Directors and substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Perpetual Securities Offering, or have representation (direct or through a nominee) on the board of the Company, will rank last in priority.

4. PROPOSED TERMS AND LISTING STATUS OF THE PERPETUAL SECURITIES

The issue price of the Perpetual Securities is US$1,000 per Perpetual Security.

The Perpetual Securities will constitute direct, senior and unsecured obligations of the Company and rank *pari passu* with all other outstanding senior and unsecured and unsubordinated obligations of the Company, other than certain contractually senior obligations as set out in the terms and conditions of the Perpetual Securities.

The indicative terms and conditions of the Perpetual Securities are set out in the Company's circular to Shareholders dated 30 March 2015 (the "**Circular**"). The full and final terms and conditions of the Perpetual Securities will be set out in an instruction booklet (the "**Instruction Booklet**") to be despatched by the Company to Entitled Shareholders following the Books Closure Date.

In view of the timing of the Perpetual Securities Offering and the possibility of the Company being delisted from the SGX-ST following the close of the Offer, as well as taking into account relevant compliance costs, the Company has decided not to seek a listing of the Perpetual Securities to be issued pursuant to the Perpetual Securities Offering. **Accordingly, the Perpetual Securities are not expected to be listed on the SGX-ST or any stock exchange and holders of the Perpetual Securities will not be able to trade the Perpetual Securities on the SGX-ST or any stock exchange.**

As the Company is not seeking a listing of the Perpetual Securities, no application has been made to the SGX-ST for permission to list the Perpetual Securities. The SGX-ST assumes no responsibility for the accuracy of any of the statements made, reports contained and opinion expressed in this Announcement.

5. STSPL UNDERTAKING

Pursuant to an undertaking given by Singapore Technologies Semiconductors Pte Ltd ("**STSPL**") in favour of the Company (the "**STSPL Undertaking**"), STSPL has, subject to certain conditions, undertaken to subscribe for both its pro rata share of the Perpetual Securities and all other Perpetual Securities not subscribed by the other Shareholders, up to an aggregate maximum amount of US$200,000,000.

As at the date of this Announcement, STSPL holds 1,845,715,689 Shares, representing approximately 83.8% of all the issued Shares[1]. As announced in the Offer Announcement, STSPL and the Offeror have entered into a share purchase agreement pursuant to which STSPL has agreed to sell, and the Offeror has agreed to purchase, 2,202,219 Shares on the same terms as the Offer ("**Proposed Pre-Acquisition**"), save that the completion of the sale of such Shares will occur on the date of the Offer Announcement and will not be subject to the conditions of the Offer.

In view of the Proposed Pre-Acquisition, on the Books Closure Date, STSPL is expected to hold 1,843,513,470 Shares, representing approximately 83.7% of all the issued Shares.

[1] The percentage shareholding in this Announcement is computed based on a total of 2,202,218,293 issued Shares as at 25 June 2015, being the latest practicable date prior to the publication of this Announcement.

Assuming that:

(i) all the Shareholders subscribe and pay in full for their respective pro-rata entitlements under the Perpetual Securities Offering[2], pursuant to the STSPL Undertaking, STSPL will subscribe and pay in full for its pro-rata entitlement of approximately US$167.4 million in aggregate principal amount of the Perpetual Securities, representing 83.7 per cent. of the total Perpetual Securities to be issued by the Company; and

(ii) none of the Shareholders (other than STSPL) subscribe for any of their pro-rata entitlements under the Perpetual Securities Offering, pursuant to the STSPL Undertaking, STSPL will subscribe and pay in full for US$200 million in aggregate principal amount of the Perpetual Securities, representing 100 per cent. of the total Perpetual Securities to be issued by the Company.

In view of the STSPL Undertaking, the Company has decided to proceed with the Perpetual Securities Offering on a non-underwritten basis.

6. INDICATIVE TIMETABLE

An indicative timetable for the Perpetual Securities is set out in the Appendix to this Announcement. The timetable is indicative only and is subject to change at the Company's discretion. The Company will publicly announce any change to the above timetable through an SGXNET announcement to be posted on the SGX-ST's website at www.sgx.com.

In relation to the indicative timetable, Shareholders should note that the Perpetual Securities issued as at the First Closing Date (as defined below) will only be credited to the Securities Accounts (as defined below) of the relevant Entitled Shareholders after the Final Closing Date (as defined below), on or around 24 August 2015. **Accordingly, the Entitled Shareholders who successfully accept their provisional allotments of the Perpetual Securities as at the First Closing Date will not be able to deal in such Perpetual Securities until after the Perpetual Securities are credited to their Securities Accounts on or around 24 August 2015.**

7. RATIONALE FOR THE PERPETUAL SECURITIES OFFERING AND PROPOSED USE OF PROCEEDS

As announced in the previous announcement dated 30 December 2014 and the Circular, the Company proposed to undertake the Perpetual Securities Offering to raise gross proceeds of US$200,000,000 to strengthen the financial position of the Company.

Although the Perpetual Securities Offering is not underwritten, pursuant to the STSPL Undertaking, all the Perpetual Securities will be subscribed for. The Company intends to use all the proceeds from the Perpetual Securities Offering for repayment or refinancing of the existing loans and/or debt obligations of the Company and its subsidiaries.

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[2] Assuming that all the Shareholders are eligible to participate in the Perpetual Securities Offering.

Pending the deployment of the proceeds, such proceeds may be deposited with banks and/or financial institutions and/or invested in short-term money market instruments and/or debt instruments, as the Directors may deem fit.

For so long as the Company remains listed on the SGX-ST: (i) the Company will announce any material disbursement of the proceeds from the Perpetual Securities Offering; and (ii) a status report on the use of the proceeds will be provided in the Company's annual report.

8. ELIGIBILITY TO PARTICIPATE IN THE PERPETUAL SECURITIES OFFERING

8.1 **Entitled Depositors.** Shareholders whose Shares are registered in the name of The Central Depository (Pte) Limited ("**CDP**") and whose securities accounts with CDP ("**Securities Accounts**") are credited with Shares as at 5.00 p.m. (Singapore time) on the Books Closure Date ("**Depositors**") will be provisionally allotted Perpetual Securities entitlements on the basis of the number of Shares standing to the credit of their Securities Accounts with CDP as at the Books Closure Date. "**Entitled Depositors**" are Depositors whose registered addresses with CDP are in Singapore as at the Books Closure Date or who, at least three Market Days prior to the Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents, other than Depositors who are resident or with a registered address in the United States or who are U.S. persons (as defined in Regulation S under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**")), or who are otherwise located, resident or with a registered address in any jurisdiction in which the Perpetual Securities Offering may not be lawfully made. In this Announcement, "**Market Day**" means a day on which the SGX-ST is open for trading in securities.

8.2 **Entitled Scripholders**. Duly completed and stamped transfers (in respect of Shares not registered in the name of CDP) together with all relevant documents of title received up to 5.00 p.m. (Singapore time) on the Books Closure Date by the Company's share registrar, M & C Services Private Limited ("**Share Registrar**") at 112 Robinson Road #05-01, Singapore 068902, will be registered to determine the provisional Perpetual Securities entitlements of the transferee (a "**Scripholder**", which term shall include a person who is registered as a holder of Shares and whose share certificates are not deposited with CDP) under the Perpetual Securities Offering. "**Entitled Scripholders**" are Scripholders whose registered addresses with the Company are in Singapore as at the Books Closure Date or who have, at least three Market Days prior to the Books Closure Date, provided the Company's Share Registrar with addresses in Singapore for the service of notices and documents, other than Scripholders who are resident or with a registered address in the United States or who are U.S. persons (as defined in Regulation S under the U.S. Securities Act), or who are otherwise located, resident or with a registered address in any jurisdiction in which the Perpetual Securities Offering may not be lawfully made.

The Perpetual Securities will be initially represented by global certificate(s) registered in the name of, and deposited with, CDP. Accordingly, Entitled Scripholders who wish to accept their provisional allotments of the Perpetual Securities and (if applicable) apply for excess Perpetual Securities must open Securities Account if they have not already done so, and provide their Securities Account numbers in the forms comprised in the acceptance and application forms to be sent to them ("PALs"). Entitled Scripholders who

fail to provide their Securities Account numbers in the forms comprised in their PALs or who have given incorrect or invalid Securities Account numbers or whose Securities Account numbers provided are not otherwise accepted by CDP for the credit of the Perpetual Securities that may be allotted to them or whose particulars as provided in the forms comprised in the PALs differ from those particulars given to CDP for the opening of their Securities Accounts or whose particulars as provided in the forms comprised in the PALs differ from those particulars currently maintained with CDP or those particulars given to CDP for the opening of their Securities Accounts are liable to have their acceptances of their provisional allotments of Perpetual Securities and (if applicable) applications for excess Perpetual Securities rejected.

8.3 **Foreign Shareholders**. For practical reasons and in order to avoid any violation of the securities legislation applicable in countries other than Singapore, the Perpetual Securities will not be offered to Shareholders (i) with registered addresses outside Singapore as at the Books Closure Date and who have not, at least three Market Days prior to the Books Closure Date, provided CDP or the Company's Share Registrar, as the case may be, with addresses in Singapore for the service of notices and documents, or (ii) who are resident or with a registered address in the United States or who are U.S. persons (as defined in Regulation S under the U.S. Securities Act), or who are otherwise located, resident or with a registered address in any jurisdiction in which the Perpetual Securities Offering may not be lawfully made (the "**Foreign Shareholders**"). Accordingly, no provisional allotment of Perpetual Securities made to the Foreign Shareholders and no purported acceptance or application for Perpetual Securities by the Foreign Shareholders will be valid.

8.4 **CPFIS Members**. The Perpetual Securities are not eligible for inclusion under the Central Provident Fund ("**CPF**") Investment Scheme – Ordinary Account ("**CPFIS**"). Accordingly, persons who have previously purchased Shares using their CPF account savings ("**CPF Funds**") under the CPFIS ("**CPFIS Members**") are not permitted to use their CPF Funds to pay the issue price of the Perpetual Securities to accept their provisional allotments of Perpetual Securities or (if applicable) apply for excess Perpetual Securities. CPFIS Members who wish to accept their provisional allotments of Perpetual Securities and (if applicable) apply for excess Perpetual Securities will need to instruct their respective approved CPF agent banks to accept and (if applicable) apply for the Perpetual Securities on their behalf using their personal funds (and not CPF Funds) and in accordance with the terms and conditions to be set out in the Instruction Booklet. The Perpetual Securities will not be held through the CPF investment account of any CPFIS Member.

9. INSTRUCTION BOOKLET

The terms and conditions of the Perpetual Securities Offering and the Perpetual Securities may be subject to such changes as the Board may deem fit. The final terms and conditions of the Perpetual Securities Offering and the Perpetual Securities will be contained in the Instruction Booklet.

10. RESPONSIBILITY STATEMENT

The Directors (including any who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement which might cause this Announcement to be misleading in any material respect, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the Directors has been to ensure, through reasonable enquiries, that such information has been accurately extracted from such sources or, as the case may be, reflected or reproduced in this Announcement.

BY ORDER OF THE BOARD

Janet T. Taylor
General Counsel and Company Secretary
26 June 2015

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IMPORTANT NOTICE

This Announcement is for information only and does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, any Perpetual Securities or to take up any entitlements to Perpetual Securities in any jurisdiction in which such an offer or solicitation is unlawful. No person should acquire any Perpetual Securities except on the basis of the information contained in the Instruction Booklet and its accompanying documents. The offer or sale of Perpetual Securities and the acquisition or purchase of the Perpetual Securities are subject to specific legal or regulatory restrictions in certain jurisdictions. The Company assumes no responsibility in the event there is a violation by any person of such restrictions.

NOT FOR PUBLICATION OR DISTRIBUTION OUTSIDE OF SINGAPORE

The distribution of this Announcement, the Instruction Booklet, the provisional allotment letters and/or the application forms for Perpetual Securities and excess Perpetual Securities into jurisdictions other than Singapore may be restricted by law. The information contained in this Announcement and such other documents should not be distributed, forwarded to or transmitted in or into any jurisdiction where to do so might constitute a violation of applicable securities laws or regulations. Persons into whose possession this Announcement and such other documents come should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this Announcement.

This Announcement is not an offer of securities for sale in the United States. Securities may not be offered or sold in the United States absent registration or an exemption from registration under the U.S. Securities Act. The Company does not intend to register any portion of the Perpetual Securities Offering in the United States or to conduct a public offering of securities in the United States.

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APPENDIX

INDICATIVE TIMETABLE OF THE PERPETUAL SECURITIES OFFERING

The Perpetual Securities issued as at the First Closing Date will only be credited to the Securities Accounts of the relevant Entitled Shareholders after the Final Closing Date on or around 24 August 2015. **Accordingly, the Entitled Shareholders who successfully accept their provisional allotments of the Perpetual Securities as at the First Closing Date will not be able to deal in such Perpetual Securities until after the Perpetual Securities are credited to their Securities Accounts on or around 24 August 2015.**

Expected date when the Shares trade ex-rights	:	9 July 2015 at 9:00 a.m.
Expected Books Closure Date	:	13 July 2015 at 5:00 p.m.
Expected date of despatch of Instruction Booklet (together with the acceptance and application forms or provisional allotment letter, as the case may be) to the Entitled Shareholders	:	16 July 2015
Expected opening date and time for the Perpetual Securities Offering	:	16 July 2015 at 9.00 a.m.
Expected first closing date and time, being the first closing date and time for acceptance and payment for provisional allotments of Perpetual Securities[(1)]	:	5 August 2015 at 9.00 a.m. ("**First Closing Date**")
Expected date for issuance of Perpetual Securities pursuant to valid acceptances of provisional allotments of Perpetual Securities as at the First Closing Date[(1)]	:	5 August 2015
Expected final closing date and time, being the last date and time for: (i) acceptance and payment for provisional allotments of Perpetual Securities; and (ii) application and payment for the application for excess Perpetual Securities	:	14 August 2015 at 5.00 p.m. ("**Final Closing Date**")
Expected date for issuance of Perpetual Securities pursuant to valid acceptances of provisional allotments of Perpetual Securities and successful application for excess Perpetual Securities as at the Final Closing Date (excluding Perpetual Securities issued pursuant to valid acceptances of provisional allotments of Perpetual Securities as at the First Closing Date)	:	21 August 2015
Expected date when the Securities Accounts of the Entitled Shareholders are credited with Perpetual Securities pursuant to valid acceptances of provisional allotments of Perpetual Securities and successful excess application (including	:	24 August 2015

Perpetual Securities issued pursuant to valid acceptances of provisional allotments of Perpetual Securities as at the First Closing Date)		
Expected date for refund of unsuccessful applications (if made through CDP)	:	24 August 2015

The above timetable is indicative only and is subject to change at the Company's discretion. The Company will publicly announce any change to the above timetable through an SGXNET announcement to be posted on the SGX-ST's website at www.sgx.com.

Note:

(1) Allotment of excess Perpetual Securities will take place after the Final Closing Date. Accordingly, any Perpetual Securities issued to Entitled Shareholders pursuant to successful acceptances of provisional allotments of Perpetual Securities as at the First Closing Date will **not** exceed the Perpetual Securities provisionally allotted to such Entitled Shareholders.

The Perpetual Securities issued as at the First Closing Date will only be credited to the Securities Accounts of the relevant Entitled Shareholders after the Final Closing Date, on or around 24 August 2015. **Accordingly, the Entitled Shareholders who successfully accept their provisional allotments of the Perpetual Securities as at the First Closing Date will not be able to deal in such Perpetual Securities until after the Perpetual Securities are credited to their Securities Accounts on or around 24 August 2015**.