JIANGSU CHANGJIANG ELECTRONICS TECHNOLOGY CO., LTD.

(Incorporated in the People's Republic of China)
(the "**Company**")

ANNOUNCEMENT REGARDING POTENTIAL MAJOR TRANSACTION

Further to the announcement by the Company on 1 September 2014 on the Shanghai Stock Exchange and its request for suspension of trading on 3 November 2014, the Company has made a non-binding proposal dated 5 November 2014 (the "**Proposal**") to STATS ChipPAC Ltd. ("**STATS**") to acquire all of the issued and paid-up ordinary shares (on a fully-diluted basis) ("**Shares**") in STATS (the "**Proposed Transaction**").

Exclusivity and Proposed Transaction

In connection with such Proposal, STATS and its controlling shareholder Singapore Technologies Semiconductors Pte Ltd ("**STSPL**") (STATS and STSPL collectively being the "**STATS Parties**") have agreed to negotiate, on an exclusive basis with the Company, the definitive terms for the Proposed Transaction.

The exclusivity period will expire on the earlier of (a) the Company's written confirmation to STATS of the termination of the negotiations in respect of the Proposed Transaction; and (b) 5:00 p.m. (Singapore time) on 30 November 2014, or such later date as the parties may mutually agree in writing and with the prior consent of the Securities Industry Council of Singapore.

The exclusivity was granted by STATS and STSPL on the basis of the Proposal that:

(1) the Proposed Transaction does not include STATS's subsidiaries in Taiwan, being 52%-owned STATS ChipPAC Taiwan Semiconductor Corporation and 100%-owned STATS ChipPAC Taiwan Co., Ltd. (collectively, the "**Taiwan Companies**"). The Company understands that STATS's shareholdings in the Taiwan Companies will be restructured to enable STATS's existing shareholders to maintain their effective ownership interests in the Taiwan Companies before the completion of the Proposed Transaction (the "**Taiwan Restructuring**"), and such Taiwan Restructuring is intended to be carried out in a manner consistent with the objective of enabling smooth continuation of the business and operational relationships of the Taiwan Companies; and

(2) the Proposed Transaction (which excludes the Taiwan Companies) will be for an aggregate purchase price of USD780 million[1] for all the Shares.

The Proposed Transaction, if it proceeds, will be implemented by way of a pre-conditional voluntary conditional cash offer (the "**Proposed Pre-Conditional Offer**"). Whether or not the Company proceeds to make the Proposed Pre-Conditional Offer would be subject to:

(a) finalisation of the conditions of the Proposed Pre-Conditional Offer;
(b) the grant by STSPL of an irrevocable undertaking to accept the Offer (as defined below);
(c) finalisation of the Company's funding arrangements (whether debt or equity) in connection with the Proposed Transaction, which are at an advanced stage as at the date of this Announcement; and
(d) entry into definitive agreements to effect the Proposed Transaction and the Taiwan Restructuring.

While the conditions of any Proposed Pre-Conditional Offer are still subject to discussion and have not been agreed or finalised, such conditions are likely to include:

(i) regulatory approvals and filings (a) in the People's Republic of China (including but without limitation those of the National Development and Reform Commission ("**NDRC**"), the State Administration of Foreign Exchange ("**SAFE**") and the Ministry of Commerce ("**MOFCOM**")) and (b) in Taiwan;
(ii) approval of the shareholders of the Company for the Proposed Transaction;
(iii) approval of the shareholders of STATS (if required);
(iv) anti-trust filings and approvals in such jurisdictions as may be required; and
(v) such other approvals as may be necessary to effect the Proposed Transaction and the Taiwan Restructuring.

Neither the making of the Proposed Pre-Conditional Offer nor the Proposed Pre-Conditional Offer itself (if and when made) will be conditional upon any further due diligence by the Company on STATS and its subsidiaries.

[1] The Offer (as defined in this Announcement), if and when made, will be made in Singapore Dollars for the Shares on a fully-diluted basis based on published USD:SGD exchange rates prevailing as at the latest practicable date prior to any announcement of a Proposed Pre-Conditional Offer (as defined in this Announcement). As an illustration only, based on the USD1:SGD1.286 exchange rate prevailing as at 2 November 2014 and assuming all the outstanding share options and share awards granted by STATS are exercised and vested in full, the indicative Offer price (if and when an Offer is made) would be SGD0.452 per Share. This is given purely for illustration purposes only and the actual Offer price (if and when an Offer is made) may be different depending on the USD:SGD exchange rate and the number of Shares in issue at the relevant time.

Unless otherwise prohibited by applicable rules, laws or regulations, (a) the Company has offered to pay STATS a fee of USD23.4 million if any of the regulatory approvals required by the Company to make the Offer under applicable laws and regulations in the People's Republic of China (including the approvals of NDRC and SAFE and the approval of MOFCOM in relation to any matter not involving anti-trust, but excluding the approval of MOFCOM in relation to anti-trust matters) is not obtained by a long-stop date to be agreed and (b) the Company's largest shareholder, Jiangsu Xinchao Technology Group Co., Ltd., has offered to pay STATS a fee of USD7.0 million if the approval of the shareholders of the Company for the Proposed Transaction or approval of MOFCOM in relation to anti-trust matters is not obtained by a long-stop date to be agreed.

Subject to the agreed conditions of the Proposed Pre-Conditional Offer being satisfied or waived, it is contemplated that the Company (or an offeror vehicle to be established) will make a voluntary conditional offer (the "**Offer**") for the Shares conditional upon (i) acceptances being received in respect of more than 50% of all the Shares as at the close of the Offer and (ii) completion of the Taiwan Restructuring.

No Firm Offer

There can be no certainty that an offer will be made nor as to the terms of which any offer will be made and this Announcement does not represent or amount to an announcement of a firm intention to make an offer. Accordingly, there can be no certainty that the Proposed Transaction, the Proposed Pre-Conditional Offer or the Offer or any offer (whether on varied or other terms or with any other conditions) will ultimately materialise or be made even if the pre-conditions identified above are satisfied. Shareholders and investors are therefore advised to exercise caution when dealing in shares and other securities of either the Company or STATS or STATS ChipPAC Taiwan Semiconductor Corporation (as applicable).

Responsibility Statement

The Directors of the Company (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, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or publicly available sources, the sole responsibility of the Directors of the Company 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.

Any enquiries relating to this Announcement should be directed to the following person during office hours:

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BY ORDER OF THE BOARD
6 November 2014