



UTAC Holdings Ltd

UTAC Announces Updates on Disputes with Tessera

Singapore, 24 February 2016 - UTAC Holdings Ltd (UTAC) today announced that its subsidiary United Test and Assembly Center Ltd (USG) has reached an agreement with Tessera Inc. (Tessera) on 19 February 2016 to resolve an audit dispute regarding a packaging technology license agreement between Tessera and USG.

USG will pay Tessera US\$3.09 million in March 2016 to resolve all issues relating to the license agreement. USG had made a US\$3.0 million provision in 3Q15 for this dispute based on initial findings by Tessera's auditors. With this settlement, the license agreement has been terminated as of 31 December 2015 with no further royalty payments due to Tessera.

UTAC would also like to update stakeholders that the patent dispute between UTAC (Taiwan) Corporation (UTC) and Tessera is presently scheduled to proceed to trial in April 2016. This is expected to lead to higher legal expenses from 1Q16. UTC would vigorously defend its interest in the suit.

UTAC HOLDINGS LTD