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STATS ChipPAC LTD.

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

ANNOUNCEMENT

CAPITAL REDUCTION AND DISTRIBUTION – NOTICE OF BOOKS CLOSURE DATE

1. INTRODUCTION

The board of directors (the "**Board**") of STATS ChipPAC Ltd. (the "**Company**") refers to its announcements dated 30 December 2014, 30 March 2015 and 5 May 2015 and its circular to Shareholders dated 30 March 2015 (the "**Circular**") in which the Company set out details of its proposed distribution (the "**Distribution**") of its stake in the Taiwan Subsidiaries to shareholders of the Company ("**Shareholders**") by way of a proposed capital reduction exercise to be carried out by the Company pursuant to Section 78G of the Companies Act (the "**Capital Reduction**"), which will involve:

(i) a proposed cash distribution of US$15,000,000 on a pro-rata basis to Shareholders based on the number of ordinary shares in the capital of the Company ("**Shares**") held by such Shareholders as at the Books Closure Date (as defined below) (the "**Cash Distribution**"); and

(ii) a proposed distribution *in specie* of US$74,119,520 in the form of the ordinary shares in the capital of Bloomeria Limited (a wholly-owned subsidiary of the Company as at the date hereof which will hold the Company's existing shareholding in the Taiwan Subsidiaries prior to the Capital Reduction and Distribution being effected) ("**Taiwan HoldCo**", and such shares, "**Taiwan HoldCo Shares**"), to Shareholders on the basis of one (1) Taiwan HoldCo Share for one (1) Share held as at the Books Closure Date (the "**Distribution *in specie***"),

each subject to certain conditions as described in the Circular.

Unless otherwise defined herein, all capitalised terms used in this Announcement shall have the same meanings ascribed to them in the Circular.

2. NOTICE OF BOOKS CLOSURE DATE

NOTICE IS HEREBY GIVEN THAT the share transfer books and register of members of the Company will be closed from **5.00 p.m. (Singapore time) on 13 July 2015** (the "**Books Closure Date**") for the purpose of determining the entitlements of Shareholders under the Capital Reduction and Distribution.

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Duly completed registrable transfers of Shares received by the share registrar of the Company, M & C Services Private Limited (the "**Share Registrar**") at 112 Robinson Road #05-01, Singapore 068902, up to 5.00 p.m. (Singapore time) on the Books Closure Date will be registered to determine the Shareholders' entitlements to the Distribution pursuant to the Capital Reduction. Shareholders whose Securities Accounts with The Central Depository (Pte) Limited ("**CDP**") are credited with Shares as at 5.00 p.m. on the Books Closure Date will be entitled to the Distribution pursuant to the Capital Reduction.

3. ENTITLEMENT PER SHARE AND EXCLUDED OVERSEAS SHAREHOLDERS

3.1 **Issued Shares**. As at the date of this Announcement, the Company has 2,202,218,293 Shares in issue. All entitlements per Share in this Announcement is computed on the basis that the total number of Shares in issue as at the Books Closure Date remains unchanged at 2,202,218,293. The Company will make a further announcement if there is any change in the number of issued Shares of the Company as at Books Closure Date which results in the variation of entitlements per Share.

3.2 **Basic Entitlement per Share**. Pursuant to the Capital Reduction and Distribution, Shareholders who hold Shares as at the Books Closure Date ("**Entitled Shareholders**") (other than the Excluded Overseas Shareholders as described in paragraph 3.5 below) will be entitled to receive the following for each Share held as at the Books Closure Date (the "**Basic Entitlement**"):

Basic Entitlement per Share : **US$0.0068113 in cash**[1] **and one (1) Taiwan HoldCo Share**

Entitled Shareholders should read the Circular, in particular, the section entitled "Risk Factors in relation to Taiwan HoldCo and Taiwan Subsidiaries" set out in Appendix 3 of the Circular.

3.3 **Cash Election**. As set out in the Circular, **TAIWAN HOLDCO IS NOT, AND THERE IS NO INDICATION THAT IT WILL BE, LISTED ON THE SGX-ST OR ANY OTHER STOCK EXCHANGE**. To provide flexibility for Entitled Shareholders who do not wish to receive shares of an unlisted investment holding company, Entitled Shareholders will have the right to elect to receive all (and not part of) their pro-rata entitlements to Taiwan HoldCo Shares pursuant to the Distribution *in specie* in cash instead (the "**Cash Election**") and will, if they so elect, receive their full entitlements to the Distribution in cash.

3.4 **Full Cash Entitlement per Share**. Entitled Shareholders who exercise the Cash Election (the "**Electing Shareholders**") will be entitled to receive the following for each Share held as at the

[1] This figure is calculated by dividing US$15,000,000 by the total number of Shares, rounded down to the nearest seven decimal places. The aggregate amount of cash to be paid to each Entitled Shareholder pursuant to the Capital Reduction and Distribution, representing such Entitled Shareholder's pro-rata entitlement to the Cash Distribution, will be adjusted by rounding down any fraction of a cent to the nearest cent, where applicable.

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Books Closure Date (the "**Full Cash Entitlement**"):

Full Cash Entitlement per Share	:	**US$0.0068113 in cash and US$0.0336568 in cash[2] in lieu of one (1) Taiwan HoldCo Share**

Accordingly, the Entitled Shareholders who exercise the Cash Election will receive in aggregate US$0.0404681 in cash for each Share held as at the Books Closure Date.

ENTITLED SHAREHOLDERS (OTHER THAN THE EXCLUDED OVERSEAS SHAREHOLDERS) WHO WISH TO RECEIVE THEIR FULL CASH ENTITLEMENT MUST EXERCISE THE CASH ELECTION.

3.5 **Excluded Overseas Shareholders**. Where the Directors are of the view that the distribution of Taiwan HoldCo Shares to any Entitled Shareholders who are Overseas Shareholders may infringe any relevant foreign law or necessitate compliance with conditions or requirements which they regard as onerous by reasons of costs, delay or otherwise, the Taiwan HoldCo Shares will not be distributed to such Overseas Shareholders ("**Excluded Overseas Shareholders**"). **Excluded Overseas Shareholders will not receive the Cash Election Forms (as defined below), will be deemed to have exercised the Cash Election and will receive their full entitlements to the Distribution in cash in respect of the Shares held by them as at the Books Closure Date in the same manner as any Electing Shareholders.**

Without prejudice to the generality of the definition of Excluded Overseas Shareholders, the Company has determined that Shareholders with mailing addresses outside Singapore, People's Republic of China, Republic of China, Taiwan and Japan as at the Books Closure Date shall be regarded as Excluded Overseas Shareholders.

For the avoidance of doubt, any Shareholder whose registered address is in Singapore or who has provided CDP or the Share Registrar, as the case may be, with an address in Singapore for the service of documents or notices and who is: (i) a U.S. person (as defined in Regulation S under the U.S. Securities Act 1933, as amended ("**Regulation S**") or resident or with a registered address in the United States; or (ii) located or resident in any jurisdiction in which a distribution of Taiwan HoldCo Shares pursuant to the Distribution *in specie* may not be lawfully made (including any member state of the European Economic Area, United Kingdom and Hong Kong) is required to notify the Company in writing of such fact no later than 6 July 2015, being five (5) market days prior to the Books Closure Date. Upon being notified of such fact, the Company will regard such Shareholders as an Excluded Overseas Shareholder.

[2] This figure is calculated by dividing US$74,119,520 by the total number of Shares, rounded up to the nearest seven decimal places. The aggregate amount of cash to be paid to each Electing Shareholder pursuant to the Capital Reduction and Distribution, representing the cash equivalent of the Taiwan HoldCo Shares that would have otherwise been distributed to such Electing Shareholder, will be adjusted by rounding down any fraction of a cent to the nearest cent, where applicable.

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In the absence of any such notification, each Entitled Shareholder whose registered address is in Singapore as at the Books Closure Date or who has provided CDP or the Share Registarar address in Singapore for the service of documents or notices shall be deemed to represent and warrant to the Company that (a) he is not a U.S. person (as defined in Regulation S) and is not resident and does not have a registered address in the United States; and (b) he is not located or resident in any jurisdiction in which a distribution of Taiwan HoldCo Shares pursuant to the Distribution *in specie* may not be lawfully made (including any member state of the European Economic Area, United Kingdom and Hong Kong).

4. CASH ELECTION FORMS

Following the Books Closure Date, the Company will despatch forms of election in respect of the Cash Election ("**Cash Election Forms**") to all Entitled Shareholders (other than the Excluded Overseas Shareholders who will not receive the Cash Election Forms, will be deemed to have exercised the Cash Election and will receive their full entitlements to the Distribution in cash).

As set out in paragraph 3.4 above, ENTITLED SHAREHOLDERS (OTHER THAN THE EXCLUDED OVERSEAS SHAREHOLDERS) WHO WISH TO RECEIVE THEIR FULL CASH ENTITLEMENT MUST EXERCISE THE CASH ELECTION.

To exercise the Cash Election, an Entitled Shareholder (not being an Excluded Overseas Shareholder) MUST complete, sign and return the Cash Election Form so as to reach CDP or the Share Registrar, as the case may be, no later than the Election Closing Date, currently expected to be 5.00 P.M. ON 31 JULY 2015 (or such other date and time as may be notified by the Company to Shareholders) (the "Election Closing Date").

Entitled Shareholders (other than the Excluded Overseas Shareholders) who do not take any action will receive cash and unlisted Taiwan HoldCo Share(s) in respect of the Shares held by them as at the Books Closure Date pursuant to the Capital Reduction, as set out in paragraph 3.2 above.

5. IMPORTANT DATES AND EVENTS

Shareholders should note the following events and dates:

Last date and time of "cum" trading of the Shares on the SGX-ST	:	8 July 2015 at 5.00 p.m.
Commencement of "ex" trading of the Shares on the SGX-ST	:	9 July 2015 at 9.00 a.m.
Books Closure Date for the Capital Reduction	:	13 July 2015 at 5.00 p.m.

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and Distribution

Expected date of despatch of Cash Election Forms	:	*16 July 2015*
Expected Election Closing Date, being last date and time for Shareholders to submit Cash Election Forms	:	*31 July 2015 at 5.00 p.m.*
Expected Effective Date of the Capital Reduction	:	*5 August 2015*

The dates and events in italics above are indicative only and are 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.

BY ORDER OF THE BOARD

Elaine Sin
Senior Director, Corporate Legal and Company Secretary
3 July 2015

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This Announcement is not an offer of securities for sale in the United States or any other jurisdiction in which the proposed offering of securities may be restricted by law. Securities may not be offered or sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended. The Company does not intend to register any offering in the United States or to conduct a public offering of securities in the United States.