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STATS ChipPAC LTD.

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

PERFORMANCE UPDATE FOR TAIWAN SUBSIDIARIES

Introduction

On 30 March 2015, STATS ChipPac Ltd. ("**Company**") issued a circular to its shareholders ("**Circular**") seeking their approval for the distribution of the Company's shareholdings in its Taiwan subsidiaries, STATS ChipPAC Taiwan Semiconductor Corporation ("**SCT1**") and STATS ChipPAC Taiwan Co., Ltd. ("**SCT3**" and, together with SCT1, "**Taiwan Subsidiaries**"), to the shareholders of the Company by way of capital reduction ("**Capital Reduction**"). On 21 April and 5 May 2015, the shareholders of the Company and the High Court of Singapore, respectively, approved the Capital Reduction.

As described in the Circular, shareholders of the Company may elect whether to receive cash or shares in Bloomeria Ltd, a Singapore company formed to hold the Taiwan Subsidiaries, pursuant to the Capital Reduction. The Company wishes to issue this performance update in connection with such right of election.

Performance Update

The Company expects that the unaudited consolidated net revenues of the Taiwan Subsidiaries for the second quarter of 2015 ("**2Q15**") to be approximately 6% lower compared to the first quarter of 2015 ("**1Q15**") and approximately 23% lower compared to the second quarter of 2014 ("**2Q14**"). The decline in revenues reflects the sluggish demand for semiconductor due primarily to inventory correction particularly in the emerging smartphone market and weak personal computing market. In addition, net revenues of the Taiwan Subsidiaries for 2Q14 were boosted by new product orders ramp-up that were not sustained for the remainder of 2014.

As stated in the Circular, after the Offer has become or been declared unconditional in all respects[1], the Company (which by then would be controlled by JCET) will enter into a technical services agreement ("**TSA**") with SCT1 and SCT3 (which would by then be controlled by Singapore Technologies Semiconductors Pte Ltd ("**STSPL**"), an 83.7% shareholder of the Company), pursuant to which the Company would:

[1] The distribution of the Taiwan Subsidiaries by the Company to its shareholders pursuant to the Capital Reduction is a condition to the voluntary conditional general cash offer by JCET-SC (Singapore) Pte. Ltd ("**JCET-SC**") for the Company ("**Offer**") becoming or being declared unconditional in all respects. The Taiwan Subsidiaries are not therefore within the scope of the Offer.

- pay the Taiwan Subsidiaries fixed service fees for services and deliverables provided by the Taiwan Subsidiaries to the Company; and
- undertake that aggregate service fees payable by it to the Taiwan Subsidiaries will not be less than a certain pre-agreed amount.

This update is subject to a number of risks and uncertainties which could cause actual events and/or results to differ materially from those disclosed in this update. Net revenues for 2Q15 have been prepared based on the actual net revenues for the two months ended 31 May 2015, and based on the estimated net revenues for the month ended 28 June 2015. Net revenues for the two months ended 31 May 2015 are based on the unaudited condensed consolidated income statement of the Taiwan Subsidiaries for the same period, of which the income statement has not been reviewed or audited by the auditors of the Company or the Taiwan Subsidiaries.

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

Elaine Sin
Senior Director, Corporate Legal and Company Secretary

Singapore, 8 July 2015