

FOR IMMEDIATE RELEASE

STATS ChipPAC Reports First Quarter 2015 Results

Singapore – 21 April 2015 – STATS ChipPAC Ltd. (“STATS ChipPAC” or the “Company” – SGX-ST: STATSchP), a leading provider of advanced semiconductor packaging and test services, today announced results for the first quarter 2015.

Tan Lay Koon, President and Chief Executive Officer of STATS ChipPAC, said, “Revenue for the first quarter of 2015 increased 1.5% to \$371.1 million compared to a year ago and was 8.8% lower from the prior quarter, as we saw seasonal weakness in our personal computer and consumer end markets. In the wireless communication market, we continued to see strength in demand for emerging market handsets as well as product ramps for new high performance smartphones and wearable devices.”

Gross margin for the first quarter of 2015 was 10.5% compared to 10.0% in the first quarter of 2014 and 12.1% in the prior quarter. Operating margin for the first quarter of 2015 was 2.1% of revenue, compared to 0.7% in the first quarter of 2014 and 3.1% in the prior quarter. Net loss for the first quarter of 2015 was \$2.1 million compared to net loss of \$15.8 million in the first quarter of 2014 and net income of \$3.5 million in the prior quarter.

Dennis Chia, Chief Financial Officer of STATS ChipPAC, said, “Our adjusted EBITDA¹ in the first quarter was \$83.2 million or 22.4% of revenue, compared to \$78.4 million and \$96.7 million or 21.4% and 23.8% of revenue in the first quarter of 2014 and prior quarter, respectively. Capital expenditure² for the first quarter 2015 was \$37.0 million or 10.0% of revenue, compared to \$113.6 million and \$64.8 million or 31.1% and 15.9% of revenue in the first quarter of 2014 and prior quarter, respectively. Cash, cash equivalents and bank deposits increased to \$197.1 million as of the end of the first quarter of 2015 compared to \$185.2 million as of the end of the fourth quarter of 2014. During the quarter, we reduced debt to \$1,168.9 million as of the end of the first quarter of 2015 compared to \$1,203.3 million as of the end of the fourth quarter of 2014.”

¹ Adjusted EBITDA is not required by, or presented in accordance with, Singapore Financial Reporting Standards (“FRS”). We define adjusted EBITDA as net income attributable to STATS ChipPAC Ltd. plus income tax expense, interest expense, net, depreciation and amortisation, restructuring charges, share-based compensation, asset impairment, tender offer, debt exchange or debt redemption expenses and write-off of debt issuance costs. We present adjusted EBITDA as a supplemental measure of our performance. Management believes the non-FRS financial measure is useful to investors in enabling them to perform additional analysis.

² Capital expenditure refers to acquisitions of production equipment, asset upgrades and infrastructure investments.



STATS ChipPAC Ltd.

Company Registration No.: 199407932D

Headquarters: 10 Ang Mo Kio Street 65, #05-17/20 Techpoint,
Singapore 569059

www.statschippac.com

Investor Conference Call / Live Audio Webcast Details

A conference call has been scheduled for 8:00 a.m. in Singapore on Wednesday, 22 April 2015. During the call, time will be set-aside for analysts and investors to ask questions of executive officers.

The call may be accessed by dialing +65-6823-2299. A live audio webcast of the conference call will be available on STATS ChipPAC's website at www.statschippac.com. A replay of the call will be available 2 hours after the live call through 7 May 2015 at www.statschippac.com and by telephone at 800-616-2127. The conference ID number to access the conference call and replay is 8006233.

Forward-looking Statements

Certain statements in this release are forward-looking statements that involve a number of risks and uncertainties that could cause actual results to differ materially from those described in this release. Factors that could cause actual results to differ include, but are not limited to, general business and economic conditions and the state of the semiconductor industry; prevailing market conditions; demand for end-use applications products such as communications equipment, consumer and multi-applications and personal computers; decisions by customers to discontinue outsourcing of test and packaging services; level of competition; our reliance on a small group of principal customers; our continued success in technological innovations; pricing pressures, including declines in average selling prices; intellectual property rights disputes and litigation; our ability to control operating expenses; our substantial level of indebtedness and access to credit markets; potential impairment charges; availability of financing; changes in our product mix; our capacity utilisation; delays in acquiring or installing new equipment; limitations imposed by our financing arrangements which may limit our ability to maintain and grow our business; returns from research and development investments; changes in customer order patterns; customer credit risks; disruption of our operations; shortages in supply of key components and disruption in supply chain; disruption of our operations and other difficulties related to the relocation of our China operations; loss of directors, key management or other personnel; defects or malfunctions in our testing equipment or packages; rescheduling or cancelling of customer orders; adverse tax and other financial consequences if the taxing authorities do not agree with our interpretation of the applicable tax laws; classification of our Company as a passive foreign investment company; our ability to develop and protect our intellectual property; changes in environmental laws and regulations; exchange rate fluctuations; regulatory approvals for further investments in our subsidiaries; majority ownership by Temasek Holdings (Private) Limited ("Temasek") that may result in conflicting interests with Temasek and our affiliates; majority beneficial ownership by Jiangsu Changjiang Electronics Technology Co., Ltd. ("JCET") upon the voluntary conditional cash offer by JCET for all the ordinary shares of our Company ("the JCET Offer") and the consummation of the JCET Offer that may result in conflicting interests with other holders of our securities; our inability to capture all or any of the benefits from acquisitions and investments in other companies and businesses; loss of customers or failure to compete effectively with the divestment or spin-off of our subsidiaries or businesses; labour union problems in South Korea; uncertainties of conducting business in China and changes in laws, currency policy and political instability in other countries in Asia; natural calamities and disasters, including outbreaks of epidemics and communicable diseases; the continued trading and listing of our ordinary shares on the Singapore Exchange Securities Trading Limited ("SGX-ST"); and the potential delisting of our ordinary shares on the SGX-ST following the consummation of the JCET Offer. You should not unduly rely on such statements. We do not intend, and do not assume any obligation, to update any forward-looking statements to reflect subsequent events or circumstances.



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Basis of Preparation of Results

The financial statements included in this release have been prepared in accordance with the Singapore Financial Reporting Standards ("FRS").

Our 52-53 week fiscal year ends on the Sunday nearest and prior to 31 December. Our fiscal quarters end on a Sunday and our first quarter of 2015 ended on 29 March 2015, while our first quarter of 2014, and fourth quarter of 2014 ended on 30 March 2014 and 28 December 2014, respectively. References to "\$" are to the lawful currency of the United States of America.

About STATS ChipPAC Ltd.

STATS ChipPAC Ltd. (SGX-ST Code: S24) is a leading service provider of semiconductor packaging design, assembly, test and distribution solutions in diverse end market applications including communications, digital consumer and computing. With global headquarters in Singapore, STATS ChipPAC has design, research and development, manufacturing or customer support offices throughout Asia, the United States and Europe. STATS ChipPAC is listed on the SGX-ST. Further information is available at www.statschippac.com. Information contained in this website does not constitute a part of this release.

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STATS ChipPAC Ltd.
Consolidated Income Statement
(Unaudited)

	Three Months Ended	
	29 March 2015 \$'000	30 March 2014 \$'000
Net revenues	371,080	365,476
Cost of revenues	(332,144)	(328,956)
Gross profit	38,936	36,520
Operating expenses:		
Selling, general and administrative	22,711	24,122
Research and development	8,514	9,932
Operating expenses	31,225	34,054
Equipment impairment	—	2,261
Total operating expenses	31,225	36,315
Operating income	7,711	205
Other income (expenses), net:		
Interest income	437	562
Interest expense	(14,325)	(12,375)
Foreign currency exchange loss	(459)	(210)
Other non-operating income (expenses), net	(1,389)	9
Total other expenses, net	(15,736)	(12,014)
Loss before income taxes	(8,025)	(11,809)
Income tax benefit (expense)	7,154	(2,938)
Net loss	(871)	(14,747)
Less: Net income attributable to the non-controlling interest	(1,194)	(1,060)
Net loss attributable to STATS ChipPAC Ltd.	(2,065)	(15,807)
Net loss per ordinary share attributable to STATS ChipPAC Ltd.:		
Basic	\$ (0.00)	\$ (0.01)
Diluted	\$ (0.00)	\$ (0.01)
Ordinary shares (in thousands) used in per ordinary share calculation:		
Basic	2,202,218	2,202,218
Diluted	2,202,218	2,202,218
<u>Key Ratios and Information:</u>		
Gross Margin	10.5%	10.0%
Operating Expenses as a % of Revenue	8.4%	9.3%
Operating Margin before equipment impairment	2.1%	0.7%
Depreciation & Amortisation, including		
Amortisation of Debt Issuance Costs	80,421	78,952
Capital Expenditures	36,956	113,620



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STATS ChipPAC Ltd.
Consolidated Statement of Financial Position
(Unaudited)

	29 March 2015 \$'000	28 December 2014 \$'000
ASSETS		
Current assets:		
Cash and cash equivalents	150,665	117,456
Short-term bank deposits	44,757	66,054
Accounts receivable	221,031	238,684
Other receivables	13,479	29,479
Inventories	74,552	73,232
Assets held for sale	11,373	11,373
Prepaid expenses and other current assets	18,670	20,192
Total current assets	534,527	556,470
Non-current assets:		
Long-term bank deposits	1,669	1,659
Property, plant and equipment	1,595,659	1,637,195
Intangible assets	33,781	33,617
Goodwill	381,487	381,487
Deferred tax assets	211	100
Prepaid expenses and other non-current assets	8,504	3,306
Total non-current assets	2,021,311	2,057,364
Total assets	2,555,838	2,613,834
LIABILITIES		
Current liabilities:		
Accounts and other payables	187,968	198,076
Payables related to property, plant and equipment purchases	48,242	95,592
Accrued operating expenses	93,729	107,312
Income taxes payable	12,274	12,327
Short-term bank borrowings	224,404	212,597
Short-term amounts due to related parties	224	31
Total current liabilities	566,841	625,935
Non-current liabilities:		
Long-term borrowings	944,501	990,688
Deferred tax liabilities	32,154	38,689
Deferred government compensation for plant relocation	49,347	—
Other non-current liabilities	17,564	16,079
Total non-current liabilities	1,043,566	1,045,456
Total liabilities	1,610,407	1,671,391
EQUITY		
Share capital	873,666	873,666
Retained earnings	27,618	29,683
Other reserves	(10,852)	(13,800)
Equity attributable to equity holders of STATS ChipPAC Ltd.	890,432	889,549
Non-controlling interest	54,999	52,894
Total equity	945,431	942,443
Total liabilities and equity	2,555,838	2,613,834



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STATS ChipPAC Ltd.
Other Supplemental Information
(Unaudited)

	1Q 2015	4Q 2014	1Q 2014
<u>Net Revenues by Product Line</u>			
Advanced Packaging ^{##}	49.1%	47.9%	49.1%
Wirebond Packaging	27.3%	27.6%	29.7%
Test	23.6%	24.5%	21.2%
	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
<u>Net Revenues by End User Market</u>			
Communications	66.2%	67.7%	67.2%
Personal Computers	8.0%	8.4%	8.6%
Consumer, Multi-applications and Others	25.8%	23.9%	24.2%
	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
<u>Net Revenues by Region</u>			
United States of America	62.6%	68.0%	65.1%
Asia	30.0%	24.3%	24.6%
Europe	7.4%	7.7%	10.3%
	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
Number of Testers	873	880	948
Number of Wirebonders	3,402	3,512	4,118

^{##} Advanced Packaging includes flip-chip and wafer level packaging.



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