



STATS ChipPAC Ltd.

Reg No.: 199407932D

FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT

Financial Statements for the Three and Six Months Ended 30 June 2013.

These figures have not been audited.

STATS ChipPAC Ltd. ("STATS ChipPAC" or the "Company" and together with its subsidiaries, the "Group") is an independent provider of a full range of semiconductor packaging design, bump, probe, assembly, test and distribution solutions. The Group is headquartered in Singapore and has manufacturing facilities in South Korea, Singapore, China, Malaysia and Taiwan (which includes the facilities of STATS ChipPAC's 52%-owned Taiwan subsidiary, STATS ChipPAC Taiwan Semiconductor Corporation). STATS ChipPAC markets its services through its direct sales force in the United States, South Korea, Japan, China, Singapore, Malaysia, Taiwan and Switzerland.

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

The results of operations for interim periods are not necessarily indicative of the results of operations that may be expected for any other period. 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 13-week second quarter of 2013 ended on 30 June 2013, while our 13-week first quarter of 2012, 13-week second quarter of 2012, 14-week fourth quarter of 2012 and 13-week first quarter of 2013 ended on 25 March 2012, 24 June 2012, 30 December 2012 and 31 March 2013, respectively.

All amounts are expressed in United States dollars unless otherwise indicated.

Certain of the statements in this report are forward-looking statements, including our outlook for the three months ending 29 September 2013, that are based on management's current views and assumptions and involve a number of risks and uncertainties which could cause actual results to differ materially. In some cases, you can identify forward-looking statements by terminology such as "may," "will," "should," "expect," "plan," "intend," "target," "anticipate," "believe," "estimate," "predict," "project," "potential," "continue" or the negative of these terms or other comparable terminology. Factors that could cause actual results figures 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; inability to consolidate our Malaysia operations into our China operations and uncertainty as to whether such plan will achieve the expected objectives and results; the amount of recovery from the business interruption insurance claim due to flooding of the Thailand plant; loss of 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; unsuccessful acquisitions and investments in other companies and 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; and the continued trading and listing of our ordinary shares on the Singapore Exchange Securities Trading Limited ("SGX-ST"). 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.

PART I – INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2, Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the Group together with a comparative statement for the corresponding period of the immediately preceding financial year.

| | Consolidated Income Statement | | | |
|---------------------------------------------------------------------|--------------------------------------|---------------------|-------------------------|----------------------|
| | Three Months Ended | | Six Months Ended | |
| | 30 June | 24 June | 30 June | 24 June |
| | 2013 | 2012 | 2013 | 2012 |
| | US\$'000 | US\$'000 | US\$'000 | US\$'000 |
| Net revenues | 396,366 | 422,684 | 802,727 | 812,869 |
| Cost of revenues | (339,455) | (351,015) | (683,382) | (678,530) |
| Gross profit | <u>56,911</u> | <u>71,669</u> | <u>119,345</u> | <u>134,339</u> |
| Operating expenses: | | | | |
| Selling, general and administrative | 24,268 | 25,893 | 47,560 | 50,714 |
| Research and development | 12,700 | 12,485 | 25,075 | 24,226 |
| Exchange offer and redemption expenses | 14,129 | — | 15,701 | — |
| Write-off of debt issuance costs | 2,176 | — | 2,392 | — |
| Total operating expenses | <u>53,273</u> | <u>38,378</u> | <u>90,728</u> | <u>74,940</u> |
| Operating income before exceptional items | 3,638 | 33,291 | 28,617 | 59,399 |
| Plant closure costs | (36,530) | — | (36,530) | — |
| Flood related plan charges | — | (2,720) | — | (7,316) |
| Operating income (loss) after exceptional items | <u>(32,892)</u> | <u>30,571</u> | <u>(7,913)</u> | <u>52,083</u> |
| Other income (expenses), net: | | | | |
| Interest income | 353 | 436 | 680 | 877 |
| Interest expense | (13,536) | (14,676) | (28,794) | (29,386) |
| Foreign currency exchange loss | (8) | (605) | (324) | (387) |
| Share of loss of associate | — | (196) | — | (654) |
| Other non-operating income, net | 53 | 92 | 45 | 140 |
| Total other expenses, net | <u>(13,138)</u> | <u>(14,949)</u> | <u>(28,393)</u> | <u>(29,410)</u> |
| Income (loss) before income taxes | (46,030) | 15,622 | (36,306) | 22,673 |
| Income tax expense | (3,850) | (4,030) | (8,521) | (6,482) |
| Net income (loss) | <u>(49,880)</u> | <u>11,592</u> | <u>(44,827)</u> | <u>16,191</u> |
| Less: Net income attributable to the non-controlling interest | <u>(2,368)</u> | <u>(2,675)</u> | <u>(3,892)</u> | <u>(4,490)</u> |
| Net income (loss) attributable to STATS ChipPAC Ltd. | <u><u>(52,248)</u></u> | <u><u>8,917</u></u> | <u><u>(48,719)</u></u> | <u><u>11,701</u></u> |

| | Consolidated Statement of Comprehensive Income | | | |
|----------------------------------------------------------|-------------------------------------------------------|-----------------|-------------------------|-----------------|
| | Three Months Ended | | Six Months Ended | |
| | 30 June | 24 June | 30 June | 24 June |
| | 2013 | 2012 | 2013 | 2012 |
| | US\$'000 | US\$'000 | US\$'000 | US\$'000 |
| Net income (loss) | (49,880) | 11,592 | (44,827) | 16,191 |
| Other comprehensive income (loss): | | | | |
| Cash flow hedges | 77 | 513 | (1,034) | 10,645 |
| Foreign currency translation adjustment | (797) | (1,225) | (3,817) | 1,551 |
| Comprehensive income (loss), net of tax | <u>(720)</u> | <u>(712)</u> | <u>(4,851)</u> | <u>12,196</u> |
| Total comprehensive income (loss), net of tax | <u>(50,600)</u> | <u>10,880</u> | <u>(49,678)</u> | <u>28,387</u> |
| Comprehensive income (loss), net of tax attributable to: | | | | |
| STATS ChipPAC Ltd. | (52,584) | 8,794 | (51,733) | 23,198 |
| Non-controlling interest | 1,984 | 2,086 | 2,055 | 5,189 |
| | <u>(50,600)</u> | <u>10,880</u> | <u>(49,678)</u> | <u>28,387</u> |

1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the Group together with a comparative statement for the corresponding period of the immediately preceding financial year.

Net income of the Group is arrived at after charging (crediting):

| | Three Months Ended | | Six Months Ended | |
|-------------------------------------------------------|---------------------------|-----------------|-------------------------|-----------------|
| | 30 June | 24 June | 30 June | 24 June |
| | 2013 | 2012 | 2013 | 2012 |
| | US\$'000 | US\$'000 | US\$'000 | US\$'000 |
| Depreciation and amortisation, including amortisation | | | | |
| of debt issuance cost..... | 76,486 | 70,846 | 148,930 | 141,724 |
| Allowance for doubtful debts..... | 154 | 343 | 390 | 579 |
| Bad debts written off..... | — | — | — | — |
| Write-off for stock obsolescence | 19 | 311 | 630 | 541 |
| Adjustment for overprovision of tax in respect of | | | | |
| prior years..... | (90) | (1,285) | (90) | (1,393) |
| (Write-back) additions for liability on unrecognised | | | | |
| tax benefits for uncertain tax positions in respect | | | | |
| of prior years | — | — | — | (847) |
| Gain on sale of property, plant and equipment | (147) | (380) | (511) | (1,116) |
| Plant closure costs..... | 36,530 | — | 36,530 | — |
| Flood related plan charges | — | 2,720 | — | 7,316 |

Plant closure costs of \$36.5 million in the second quarter of 2013 relate to the Group's announced plan to consolidate its leaded wirebond packaging and related test operations in Kuala Lumpur, Malaysia into its Qingpu, Shanghai, China operations and closure of its Malaysia plant by the end of 2014. The plant closure costs included employee severance and benefit costs of \$17.8 million, non-cash asset impairment charges of \$17.7 million and other associated costs of \$1.0 million.

Flood related plan charges of \$2.7 million in the second quarter of 2012 and \$7.3 million in the first half of 2012 primarily relate to depreciation on suspended production operations and labour and other expenses to support production shift from the Thailand plant to other manufacturing locations of the Group.

1(b)(i) A statement of financial position (for the Company and Group), together with a comparative statement as at the end of the immediately preceding financial year.

| | Group | | Company | |
|-------------------------------------------------------------------|------------------|---------------------|------------------|---------------------|
| | 30 June 2013 | 30 December 2012 | 30 June 2013 | 30 December 2012 |
| | US\$'000 | US\$'000 | US\$'000 | US\$'000 |
| ASSETS | | | | |
| Current assets: | | | | |
| Cash and cash equivalents | 144,767 | 170,558 | 58,632 | 84,204 |
| Financial assets, available-for-sale..... | 39,408 | 39,601 | — | — |
| Accounts receivable, net | 203,209 | 258,043 | 84,967 | 89,092 |
| Other receivables | 15,037 | 20,726 | 6,419 | 806 |
| Inventories | 92,330 | 90,203 | 18,502 | 15,585 |
| Prepaid expenses and other current assets..... | 27,967 | 24,559 | 9,056 | 10,788 |
| Short-term amounts due from subsidiaries..... | — | — | 459,626 | 459,407 |
| Total current assets | 522,718 | 603,690 | 637,202 | 659,882 |
| Non-current assets: | | | | |
| Property, plant and equipment, net | 1,276,391 | 1,242,950 | 445,998 | 422,607 |
| Investment in subsidiaries..... | — | — | 711,411 | 732,311 |
| Intangible assets..... | 35,565 | 36,361 | 25,948 | 24,816 |
| Goodwill | 381,487 | 381,487 | — | — |
| Long-term restricted cash | 442 | 489 | — | — |
| Deferred tax assets..... | 37 | — | — | — |
| Prepaid expenses and other non-current assets | 2,982 | 3,299 | 16 | 10 |
| Total non-current assets | 1,696,904 | 1,664,586 | 1,183,373 | 1,179,744 |
| Total assets | 2,219,622 | 2,268,276 | 1,820,575 | 1,839,626 |
| LIABILITIES | | | | |
| Current liabilities: | | | | |
| Accounts and other payables..... | 142,223 | 164,301 | 16,619 | 14,424 |
| Payables related to property, plant and equipment purchases | 37,778 | 42,746 | 10,902 | 18,675 |
| Accrued operating expenses..... | 92,681 | 113,476 | 40,035 | 55,381 |
| Income taxes payable..... | 7,045 | 13,155 | — | — |
| Short-term borrowings..... | 94,759 | 50,690 | 94,759 | 50,690 |
| Short-term amounts due to related parties..... | 223 | 28 | 223 | 28 |
| Short-term amounts due to subsidiaries | — | — | 170,282 | 176,970 |
| Total current liabilities..... | 374,709 | 384,396 | 332,820 | 316,168 |
| Non-current liabilities: | | | | |
| Long-term borrowings | 779,940 | 792,609 | 779,940 | 792,609 |
| Deferred tax liabilities | 53,605 | 47,141 | 7,508 | 6,952 |
| Other non-current liabilities | 43,579 | 21,532 | — | — |
| Total non-current liabilities..... | 877,124 | 861,282 | 787,448 | 799,561 |
| Total liabilities | 1,251,833 | 1,245,678 | 1,120,268 | 1,115,729 |
| EQUITY | | | | |
| Share capital | 873,666 | 873,666 | 872,766 | 872,766 |
| Retained earnings..... | 50,252 | 98,971 | (162,847) | (139,192) |
| Other reserves | (4,842) | (1,828) | (9,612) | (9,677) |
| Equity attributable to equity holders of STATS | | | | |
| ChipPAC Ltd..... | 919,076 | 970,809 | 700,307 | 723,897 |
| Non-controlling interest..... | 48,713 | 51,789 | — | — |
| Total equity | 967,789 | 1,022,598 | 700,307 | 723,897 |
| Total liabilities and equity | 2,219,622 | 2,268,276 | 1,820,575 | 1,839,626 |

1(b)(ii) In relation to the aggregate amount of the Group's borrowings and debt securities, specify the following at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year.

| | 30 June 2013 | | 30 December 2012 | |
|-----------------------------------|--------------|-----------|------------------|-----------|
| | Secured | Unsecured | Secured | Unsecured |
| | US\$'000 | US\$'000 | US\$'000 | US\$'000 |
| (a) Repayable within 1 year | — | 94,759 | — | 50,690 |
| (b) Repayable after 1 year | — | 779,940 | — | 792,609 |
| | — | 874,699 | — | 843,299 |

As of 30 June 2013, the Group's total debt outstanding consisted of \$874.7 million of borrowings, which included \$611.2 million of the Company's 4.5% Senior Notes due 2018, \$200.0 million of the Company's 5.375% Senior Notes due 2016 and other short-term borrowings.

(c) Details of the collaterals:

The long-term debts as at 30 June 2013 and 30 December 2012 were unsecured.

The Company's 4.5% Senior Notes due 2018 and 5.375% Senior Notes due 2016 are fully and unconditionally guaranteed, jointly and severally, on a senior basis, by certain subsidiaries of the Company.

1(c) A statement of cash flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

| | Three Months Ended | | Six Months Ended | |
|--------------------------------------------------------------------------------------|--------------------|-----------------|------------------|-----------------|
| | 30 June 2013 | 24 June 2012 | 30 June 2013 | 24 June 2012 |
| | US\$'000 | US\$'000 | US\$'000 | US\$'000 |
| Cash Flows From Operating Activities | | | | |
| Net income (loss) | (49,880) | 11,592 | (44,827) | 16,191 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | | |
| Income tax expense | 3,850 | 4,030 | 8,521 | 6,482 |
| Depreciation and amortisation | 74,833 | 70,128 | 146,359 | 140,242 |
| Gain on sale of property, plant and equipment | (147) | (380) | (511) | (1,116) |
| Asset impairment | 17,730 | — | 17,730 | — |
| Exchange offer and redemption expenses | 14,129 | — | 15,701 | — |
| Write-off of debt issuance costs | 2,176 | — | 2,392 | — |
| Foreign currency exchange (gain) loss | 72 | (351) | (604) | (35) |
| Share of loss of associate | — | 196 | — | 654 |
| Interest income | (353) | (436) | (680) | (877) |
| Interest expense | 13,536 | 14,676 | 28,794 | 29,386 |
| Others | 51 | (16) | 23 | 20 |
| Changes in operating working capital: | | | | |
| Accounts receivable | 33,514 | (24,071) | 54,834 | (30,355) |
| Inventories | (3,175) | 4,091 | (2,127) | 123 |
| Other receivables, prepaid expenses and other assets | (1,554) | 1,864 | 2,523 | (11,180) |
| Accounts payable, accrued operating expenses and other payables | 24,274 | 24,578 | (19,438) | 17,044 |
| Amounts due to related parties | 194 | (5) | 195 | 2 |
| Income tax paid | (6,560) | (7,881) | (7,674) | (8,003) |
| Net cash provided by operating activities | 122,690 | 98,015 | 201,211 | 158,578 |
| Cash Flows From Investing Activities | | | | |
| Proceeds from maturity of financial assets, available-for-sale | 21,791 | 24,010 | 38,757 | 40,823 |
| Purchases of financial assets, available-for-sale | (16,762) | (26,172) | (40,006) | (44,666) |
| Acquisition of intangible assets | (1,186) | (1,143) | (2,300) | (2,690) |
| Purchases of property, plant and equipment | (100,914) | (110,900) | (203,148) | (180,385) |
| Interest received | 213 | 445 | 357 | 755 |
| Others, net | 225 | 1,475 | 2,020 | 2,235 |
| Net cash used in investing activities | (96,633) | (112,285) | (204,320) | (183,928) |
| Cash Flows From Financing Activities | | | | |
| Repayment of short-term debts | (30,000) | (10,000) | (151,483) | (36,300) |
| Proceeds from issuance of senior notes | — | — | 255,000 | — |
| Debt issuance costs | — | — | (7,400) | — |
| Repurchase and redemption of senior notes | (255,719) | — | (255,719) | — |
| Exchange offer of senior notes | — | — | (24,933) | — |
| Proceeds from bank borrowings | 110,100 | 13,000 | 195,583 | 39,300 |
| Grants received | 470 | 28 | 558 | 947 |
| Interest paid | (3,373) | (5,478) | (34,304) | (28,060) |
| Increase (decrease) in restricted cash | 3 | (377) | 47 | (390) |
| Net cash used in financing activities | (178,519) | (2,827) | (22,651) | (24,503) |
| Net decrease in cash and cash equivalents | (152,462) | (17,097) | (25,760) | (49,853) |
| Effect of exchange rate changes | | | | |
| on cash and cash equivalents | (32) | 53 | (31) | 12 |
| Cash and cash equivalents at beginning of the period | 297,261 | 162,014 | 170,558 | 194,811 |
| Cash and cash equivalents at end of the period | 144,767 | 144,970 | 144,767 | 144,970 |

1(d)(i) A statement (for the Company and Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Statement of Changes in Equity – Group

Three Months Ended 30 June 2013

| | Attributable to equity holders of STATS ChipPAC Ltd. | | | | Total equity attributable to STATS ChipPAC Ltd. US\$'000 | Non-controlling interest US\$'000 | Total equity US\$'000 |
|----------------------------------------------------|------------------------------------------------------|-------------------------------|--------------------------------------------------|-----------------------------|-------------------------------------------------------------|--------------------------------------|--------------------------|
| | Share capital US\$'000 | Retained earnings US\$'000 | Foreign currency translation reserve US\$'000 | Hedging reserve US\$'000 | | | |
| Balance at 1 April 2013..... | 873,666 | 102,500 | (3,916) | (590) | 971,660 | 51,860 | 1,023,520 |
| Total comprehensive income (loss), net of tax..... | — | (52,248) | (413) | 77 | (52,584) | 1,984 | (50,600) |
| Dividends paid by subsidiary..... | — | — | — | — | — | (5,131) | (5,131) |
| Balance at 30 June 2013..... | 873,666 | 50,252 | (4,329) | (513) | 919,076 | 48,713 | 967,789 |

Three Months Ended 24 June 2012

| | Attributable to equity holders of STATS ChipPAC Ltd. | | | | Total equity attributable to STATS ChipPAC Ltd. US\$'000 | Non-controlling interest US\$'000 | Total equity US\$'000 |
|----------------------------------------------------|------------------------------------------------------|-------------------------------|--------------------------------------------------|-----------------------------|-------------------------------------------------------------|--------------------------------------|--------------------------|
| | Share capital US\$'000 | Retained earnings US\$'000 | Foreign currency translation reserve US\$'000 | Hedging reserve US\$'000 | | | |
| Balances at 26 March 2012..... | 873,666 | 85,192 | (3,164) | (3,197) | 952,497 | 50,705 | 1,003,202 |
| Total comprehensive income (loss), net of tax..... | — | 8,917 | (636) | 513 | 8,794 | 2,086 | 10,880 |
| Dividends paid by subsidiary..... | — | — | — | — | — | (5,171) | (5,171) |
| Balance at 24 June 2012..... | 873,666 | 94,109 | (3,800) | (2,684) | 961,291 | 47,620 | 1,008,911 |

Six Months Ended 30 June 2013

| | Attributable to equity holders of STATS ChipPAC Ltd. | | | | Total equity attributable to STATS ChipPAC Ltd. US\$'000 | Non-controlling interest US\$'000 | Total equity US\$'000 |
|----------------------------------------------------|------------------------------------------------------|-------------------------------|--------------------------------------------------|-----------------------------|-------------------------------------------------------------|--------------------------------------|--------------------------|
| | Share capital US\$'000 | Retained earnings US\$'000 | Foreign currency translation reserve US\$'000 | Hedging reserve US\$'000 | | | |
| Balance at 31 December 2012..... | 873,666 | 98,971 | (2,349) | 521 | 970,809 | 51,789 | 1,022,598 |
| Total comprehensive income (loss), net of tax..... | — | (48,719) | (1,980) | (1,034) | (51,733) | 2,055 | (49,678) |
| Dividends paid by subsidiary..... | — | — | — | — | — | (5,131) | (5,131) |
| Balance at 30 June 2013..... | 873,666 | 50,252 | (4,329) | (513) | 919,076 | 48,713 | 967,789 |

Six Months Ended 24 June 2012

| | Attributable to equity holders of STATS ChipPAC Ltd. | | | | Total equity attributable to STATS ChipPAC Ltd. US\$'000 | Non-controlling interest US\$'000 | Total equity US\$'000 |
|----------------------------------------------------|------------------------------------------------------|-------------------------------|--------------------------------------------------|-----------------------------|-------------------------------------------------------------|--------------------------------------|--------------------------|
| | Share capital US\$'000 | Retained earnings US\$'000 | Foreign currency translation reserve US\$'000 | Hedging reserve US\$'000 | | | |
| Balances at 26 December 2011..... | 873,666 | 82,408 | (4,652) | (13,329) | 938,093 | 47,602 | 985,695 |
| Total comprehensive income (loss), net of tax..... | — | 11,701 | 852 | 10,645 | 23,198 | 5,189 | 28,387 |
| Dividends paid by subsidiary..... | — | — | — | — | — | (5,171) | (5,171) |
| Balance at 24 June 2012..... | 873,666 | 94,109 | (3,800) | (2,684) | 961,291 | 47,620 | 1,008,911 |

Statement of Changes in Equity – Company

Three Months Ended 30 June 2013

| Attributable to equity holders of STATS ChipPAC Ltd. | | | | | |
|------------------------------------------------------|---------------------------|-------------------------------|--------------------------------------------------|-----------------------------|-------------------------------------------------------------|
| | Share capital US\$'000 | Retained earnings US\$'000 | Foreign currency translation reserve US\$'000 | Hedging reserve US\$'000 | Total equity attributable to STATS ChipPAC Ltd. US\$'000 |
| Balances at 1 April 2013..... | 872,766 | (147,774) | (9,733) | (18) | 715,241 |
| Total comprehensive income (loss), net of tax..... | — | (15,073) | — | 139 | (14,934) |
| Balance at 30 June 2013..... | 872,766 | (162,847) | (9,733) | 121 | 700,307 |

Three Months Ended 24 June 2012

| Attributable to equity holders of STATS ChipPAC Ltd. | | | | | |
|------------------------------------------------------|---------------------------|-------------------------------|--------------------------------------------------|-----------------------------|-------------------------------------------------------------|
| | Share capital US\$'000 | Retained earnings US\$'000 | Foreign currency translation reserve US\$'000 | Hedging reserve US\$'000 | Total equity attributable to STATS ChipPAC Ltd. US\$'000 |
| Balances at 26 March 2012..... | 872,766 | (136,024) | (9,733) | (4,006) | 723,003 |
| Total comprehensive income (loss), net of tax..... | — | (1,116) | — | 1,464 | 348 |
| Balance at 24 June 2012..... | 872,766 | (137,140) | (9,733) | (2,542) | 723,351 |

Six Months Ended 30 June 2013

| Attributable to equity holders of STATS ChipPAC Ltd. | | | | | |
|------------------------------------------------------|---------------------------|-------------------------------|--------------------------------------------------|-----------------------------|-------------------------------------------------------------|
| | Share capital US\$'000 | Retained earnings US\$'000 | Foreign currency translation reserve US\$'000 | Hedging reserve US\$'000 | Total equity attributable to STATS ChipPAC Ltd. US\$'000 |
| Balances at 31 December 2012..... | 872,766 | (139,192) | (9,733) | 56 | 723,897 |
| Total comprehensive income (loss), net of tax..... | — | (23,655) | — | 65 | (23,590) |
| Balance at 30 June 2013..... | 872,766 | (162,847) | (9,733) | 121 | 700,307 |

Six Months Ended 24 June 2012

| Attributable to equity holders of STATS ChipPAC Ltd. | | | | | |
|------------------------------------------------------|---------------------------|-------------------------------|--------------------------------------------------|-----------------------------|-------------------------------------------------------------|
| | Share capital US\$'000 | Retained earnings US\$'000 | Foreign currency translation reserve US\$'000 | Hedging reserve US\$'000 | Total equity attributable to STATS ChipPAC Ltd. US\$'000 |
| Balances at 26 December 2011..... | 872,766 | (125,980) | (9,733) | (11,531) | 725,522 |
| Total comprehensive income (loss), net of tax..... | — | (11,160) | — | 8,989 | (2,171) |
| Balance at 24 June 2012..... | 872,766 | (137,140) | (9,733) | (2,542) | 723,351 |

1(d)(ii) Details of any changes in the Company’s share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the Company, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

| | Number of shares | |
|--------------------------------------------------------------------------|------------------|-----------------|
| | 30 June 2013 | 24 June 2012 |
| Issued shares outstanding at 31 December 2012 and 26 December 2011 | 2,202,218,293 | 2,202,218,293 |
| Issue of shares pursuant to share plans | — | — |
| Issued shares outstanding at 30 June 2013 and 24 June 2012 | 2,202,218,293 | 2,202,218,293 |
| Options outstanding | 3,693,848 | 5,884,128 |

Convertible Notes

The Group did not have any outstanding convertible notes as at 30 June 2013 and 24 June 2012.

Treasury Shares

The Group did not have any treasury shares as at 30 June 2013 and 24 June 2012.

1(d)(iii) Total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

| | 30 June 2013 | 30 December 2012 |
|--------------------------------------------------------------|-----------------|---------------------|
| Total number of issued shares excluding treasury shares..... | 2,202,218,293 | 2,202,218,293 |

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures, prepared in accordance with Singapore FRS, have not been audited or reviewed by the Group’s auditors.

3 Where the figures have been audited or reviewed, the auditors’ report (including any qualifications or emphasis of matter).

Not applicable.

4 Whether the same accounting policies and methods of computation as in the Company’s most recently audited annual financial statements have been applied.

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as those used in the most recently audited annual financial statements. See also item 5 below.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group adopted various new/revised FRS which took effect for fiscal 2013:-

- FRS 1: Amendments to FRS 1 - Presentation of Other Comprehensive Income (effective for annual periods beginning on or after 1 Jul 2012)
- FRS 19: Employee Benefits (effective for annual periods beginning on or after 1 Jan 2013)
- FRS 101: Amendments to FRS 101 - Government Loans (effective for annual periods beginning on or after 1 Jan 2013)
- FRS 107: Amendments to FRS 107 - Disclosures - Offsetting of Financial Assets and Financial Liabilities (effective for annual periods beginning on or after 1 Jan 2013)
- FRS 113: Fair Value Measurement (effective for annual periods beginning on or after 1 Jan 2013)
- General Amendment: Improvement to FRS 2012 (effective for annual periods beginning on or after 1 Jan 2013)

The adoption of these new/revised FRS did not result in any significant impact on the financial statements of the Group. Effective from fiscal 2013, goodwill allocation to the Group's cash generating units was revised to primarily represent the business of providing turnkey packaging and testing services to its global customer base. Previously, goodwill was allocated to the Group's various locations in South Korea, China, Malaysia and Taiwan.

6 Earnings per ordinary share ("EPS") of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:-

- (a) based on the weighted average number of ordinary shares on issue; and
(b) on a fully diluted basis (detailing any adjustments made to the earnings).

| | Three Months Ended | | Six Months Ended | |
|-----------------------------------------------------------------------------|--------------------|-----------------|------------------|-----------------|
| | 20 June 2013 | 24 June 2012 | 30 June 2013 | 24 June 2012 |
| Net income (loss) per ordinary shares attributable to STATS ChipPAC Ltd. | | | | |
| - Basic..... | US\$ (0.02) | US\$ 0.00 | US\$ (0.02) | US\$ 0.01 |
| - Diluted..... | US\$ (0.02) | US\$ 0.00 | US\$ (0.02) | US\$ 0.01 |
| Ordinary shares (in thousands) used in per ordinary shares calculation: | | | | |
| - Basic..... | 2,202,218 | 2,202,218 | 2,202,218 | 2,202,218 |
| - Diluted..... | 2,202,218 | 2,202,223 | 2,202,218 | 2,202,226 |

7 Net asset value (for the Company and Group) per ordinary share based on the total number of issued shares excluding treasury shares of the Company at the end of the:-

- (a) current financial period reported on; and
(b) immediately preceding financial year.

| | Group | | Company | |
|------------------------------------------|-----------------|---------------------|-----------------|---------------------|
| | 30 June 2013 | 30 December 2012 | 30 June 2013 | 30 December 2012 |
| Net asset value per ordinary share | US\$ 0.44 | US\$ 0.46 | US\$ 0.32 | US\$ 0.33 |

The net asset value per ordinary share of the Group and the Company as at 30 June 2013 and 30 December 2012 is calculated based on the total issued number of ordinary shares of 2,202,218,293.

8 A review of performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:-

- (a) any significant factors that affected the turnover, costs and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.

Please refer to attached appendix: "Management's Discussion and Analysis of Financial Condition and Results of Operations."

9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

The Group's net revenues for the three months ended 30 June 2013 decreased 2.5% from the three months ended 31 March 2013 compared to revised guidance for net revenues to be approximately 3% to 4% decrease from the three months ended 31 March 2013.

As a percentage of net revenues, the adjusted EBITDA for the three months ended 30 June 2013 was 23.3%, compared to revised guidance of adjusted EBITDA to be in the range of 21% to 23%.

The Group's capital expenditure in the three months ended 30 June 2013 amounted to \$105.8 million, compared to capital expenditure guidance of approximately \$100 million to \$120 million.

10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.

Please refer to attached appendix: "Management's Discussion and Analysis of Financial Condition and Results of Operations."

11 If a decision regarding dividend has been made:-

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

Not applicable.

(b)(i) Amount per share (cents)

Not applicable.

(b)(ii) Previous corresponding period (cents)

Not applicable.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable.

Not applicable.

(e) Book closure date.

Not applicable.

12 If no dividend has been declared (recommended), a statement to that effect.

No dividend has been declared or recommended for the current reporting period.

13 If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transaction as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

No Interested Party Transactions (IPT) mandate has been obtained from shareholders.

14 Negative confirmation pursuant to Rule 705(5).

The Directors hereby confirm that, to the best of their knowledge, nothing has come to their attention which may render the unaudited financial statements for the three months ended 30 June 2013 to be false or misleading in any material aspect.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

15 Segmented revenue and results for business or geographical segments (of the Group) in the form presented in the Company’s most recently audited annual financial statements, with comparative information for the immediately preceding year.

Not applicable.

16 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to attached appendix: “Management Discussion and Analysis of Financial Condition and Results of Operations.”

17 A breakdown of the Group’s sales.

Not applicable.

18 A breakdown of the total annual dividend (in dollar value) for the Company’s latest full year and its previous full year.

Not applicable.

19 Disclosure of person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company pursuant to Rule 704(13) in the format below. If there are no such persons, the Company must make an appropriate negative statement.

| Name | Age | Family relationship with any director and/or substantial shareholder | Current position and duties, and the year the position was held | Details of changes in duties and position held, if any, during the year |
|------|-----|----------------------------------------------------------------------|-----------------------------------------------------------------|-------------------------------------------------------------------------|
| — | — | — | — | — |

Disclosure of person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company pursuant to Rule 704(13) will be made in the full year announcement.

ON BEHALF OF THE BOARD OF DIRECTORS

James A. Norling
Chairman

Tan Lay Koon
President and Chief Executive Officer

BY ORDER OF THE BOARD

Janet T. Taylor
Company Secretary

6 August 2013