



News Release

Unisem Chengdu opens its phase one factory in Chengdu, Sichuan, PRC

Kuala Lumpur 26 October, 2006, Unisem Chengdu Co., Ltd (**Unisem Chengdu**), a wholly owned subsidiary of Unisem (M) Berhad, had on 19th October 2006 celebrated the official opening of the first phase factory in Chengdu, Sichuan, PRC. Approximately 500 guests, including government officials, customers and suppliers of Unisem Group from all over the world, attended the Grand Opening Ceremony. A symbolic production initiation by the guests of honor marked the event.

The Chengdu facility boasts the most advanced state-of-the-art semiconductor packaging and testing equipment for products such as BGA, QFN and TSSOP, with a production capacity of about 30 million units per month. The phase one factory together with the 3-storey office building has a built-up area of about 32,000 m², with approximately 26,000 m² class 10,000 cleanroom space. The Unisem Chengdu facility has gone through production and customer qualification. Commercial production is expected to steadily increase in the next two months.

"Our experience has been wonderful in dealing with the various governmental organization and our operations are progressing smoothly", said John Chia, the Chairman and Managing Director of Unisem (M) Berhad. "Everything today is electronically or chip-driven from hand-phones to computers, domestic electrical appliances to military applications, automotive industry to consumer electronics. Indeed semiconductors or ICs have become and will remain an indispensable part of our daily life. The trend towards out-sourcing is now irreversible although it may not benefit all sub-contract manufacturers equally. Those with some geographical spread, scale and the balance sheet to go the full distance with their customers would be the main beneficiaries of this trend. Together with the CDHTZ we are committed to play our part in the development of Chengdu as the third IC hub in China."

"Unisem Chengdu will be a significant part of the Unisem Group and it is our intention to operate a modern state of the art semiconductor facility in Chengdu. We will participate and contribute to the economical and social development of Chengdu as a responsible long term investor."

About Unisem (M) Berhad

Unisem (M) Berhad, a leading semiconductor packaging and test services company in Malaysia, has its main packaging and test facilities in Ipoh, Malaysia. With approximately 4,700 employees worldwide currently, Unisem has more than one million square feet of IC packaging and testing manufacturing space in Ipoh, Malaysia, Wales, United Kingdom and Chengdu, People's Republic of China and 20,000 square feet of wafer bumping facility in Ipoh, Malaysia. Unisem offers an integrated suite of packaging and test services for semiconductor companies such as wafer bump, wafer probe, wafer grinding, a wide range of leadframe and substrate IC packaging, high-end radio frequency and mix-signal test, tape & reel and drop-shipment services.