



Press Release

UNISEM RECORDED RM324.1 MILLION (approx. US\$101.7 million) REVENUE, RM25.0 MILLION (approx. US\$7.9 million) IN NET INCOME IN 2Q 2008

Kuala Lumpur, 28 July 2008 – Unisem (M) Berhad today announced results for the second quarter ended 30 June 2008 (**2Q08**).

The Group recorded revenue of RM324.1 million (approx. US\$101.7 million) for 2Q08, a significant increase of 101.2 percent compared to RM161.1 million (approx. US\$48.1 million) in the same quarter a year ago (**2Q07**). The increase was mainly due to revenue contribution from Unisem Mauritius, Unisem Chengdu as well as increased sales volume in Unisem Ipoh.

Group's net profit of RM25.0 million (approx. US\$7.9 million) for 2Q08 was lower compared to RM27.6 million (approx. US\$8.3 million) achieved in 2Q07. This was mainly attributable to the recognition of other operating income by Unisem Chengdu and the one-off reversal of deferred taxation expenses arising from the early adoption of revised FRS1 12 'Income Taxes' in 2Q07.

As compared to the prior quarter (**1Q08**) the Group revenue represents an increase of 4.3 percent from RM310.7 million (approx. US\$95.6 million). Profit before taxation (**PBT**) increased 24.0 percent to RM28.9 million (approx. US\$9.1 million) compared to RM23.3 million (approx. US\$7.2 million) in 1Q08. Net profit increased 13.2 percent to RM25.0 million (approx. US\$7.9 million) for 2Q08 compared to RM22.1 million (approx. US\$6.8 million) in 1Q08. The improvement in profits was mainly due to higher sales revenue achieved and improved cost management.

Group earnings before interest, tax, depreciation and amortization (**EBITDA**) for 2Q08 was about RM73.0 million (approx. US\$22.9 million), EBITDA margin was about 23 percent. Equipment capacity utilization averaged at about 74 percent in 2Q08. Group capital expenditure incurred in 2Q08 was about RM50.1 million (approx. US\$15.8 million), principally for purchase of equipment for packaging, wafer bumping and final test activities for Unisem Chengdu, Unisem (M) Berhad, Unisem Mauritius and Unisem-Advanpack Technologies Sdn Bhd.

Commenting on the outlook of the Group, Mr. John Chia Sin Tet, group managing director said, "Unisem expects the Group's revenue and earnings in the third quarter of 2008 to be better than that of the second quarter and the business of the Group for the remaining period of the financial year 2008 would be better than the first half of 2008."

About Unisem

Unisem is a global provider of semiconductor assembly and test services for many of the world's most successful electronics companies. Unisem offers an integrated suite of packaging and test services such as wafer bumping, wafer probing, wafer grinding, a wide range of leadframe and substrate IC packaging, wafer level CSP and RF, analog, digital and mixed-signal test services. Our turnkey services include design, assembly, test, failure analysis, and electrical and thermal characterization. With approximately 9,500 employees worldwide, Unisem has factory locations in Ipoh, Malaysia; Wales, United Kingdom; Chengdu, People's Republic of China; Batam, Indonesia and Sunnyvale, USA. The company is headquartered in Kuala Lumpur, Malaysia. For more information about the company, its products and services, please visit its website at www.unisemgroup.com.