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ASE Group and NXP Semiconductors Embark on a New Assembly and Test Joint Venture in Suzhou, China

New company to be known as ASEN

Suzhou, China, September 28, 2007 – Advanced Semiconductor Engineering Incorporated (ASE, TAIEX: 2311, NYSE: ASX), the world's largest semiconductor assembly and test company, and NXP Semiconductors, the independent semiconductor company founded by Philips, today announced the completion of an assembly and test joint venture. Initially announced in February this year, the name of the new company is ASEN.

Located in the Suzhou Industrial Park, Southern China, ASEN is strategically placed to serve the rapidly growing global semiconductor assembly and test market. As a joint venture, ownership is split between ASE (60%) and NXP (40%) and the Board comprised of senior executives from both companies. Initially ASEN will focus on mobile communications and is expected to expand into other segments in the future. To meet customer needs, ASEN will offer a variety of package types, such as low pin count QFN, LFBGA, SO, TSSOP and other common packages for mobile applications.

"We are pleased to see we have successfully completed the joint assembly and test facility originally founded by NXP," said Dr. Tien Wu, Chief Operating Officer, ASE Group. "The ASEN JV combines ASE's expertise in assembly and test NXP's technology know-how and innovative processes. Together, we deliver strong value across the entire semiconductor industry chain, helping customers to optimize their assembly and test, shortening their time to market and ensuring high quality, cost-effective products."

"We are excited about this partnership as it delivers strong synergies by pairing our expertise and technological know-how with a complimentary partner to deliver optimal value to our customers both in China and in the global semiconductor market," said Ajit Manocha, Executive Vice President, Chief Manufacturing Officer, NXP Semiconductors. "This partnership is also a manifestation of NXP pioneering the asset light strategy in assembly and test, adding value in terms of cost and quality."

ASEN will leverage and expand the previous assembly and test facility of NXP Semiconductors in Suzhou. The ASEN facility is also targeted for further expansion within the next few years. The Suzhou Industry Park is an excellent location for



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ASEN as it has a well developed business-friendly infrastructure and provides the company proximity to its customers and markets.



About ASE Group

The ASE Group is the world's largest provider of independent semiconductor manufacturing services in assembly and test. As a global leader geared towards meeting the industry's ever growing needs for faster, smaller and higher performance chips, the Group develops and offers a wide portfolio of technology and solutions, including IC test program design, front-end engineering test, wafer probe, wafer bump, substrate design and supply, wafer level package, flip chip, system-in-package, final test and electronic manufacturing services through Universal Scientific Industrial Co Ltd, a member of the ASE Group. The Group generated sales revenues of \$4.6 billion in 2006 and employs over 32,000 people worldwide. For more information about the ASE Group, visit www.aseglobal.com.

About NXP Semiconductors

NXP is a top 10 semiconductor company founded by Philips more than 50 years ago. Headquartered in Europe, the company has 37,000 employees working in more than 20 countries and posted sales of EUR 5 billion in 2006. NXP creates semiconductors, system solutions and software that deliver better sensory experiences in mobile phones, personal media players, TVs, set-top boxes, identification applications, cars and a wide range of other electronic devices. News from NXP is located at www.nxp.com.

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