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FOR IMMEDIATE RELEASE

November 4, 2004

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San Jose, California, U.S.A.

IMPACT OF RISING CHINA-TAIWAN POLITICAL TENSIONS ON SEMICONDUCTOR INDUSTRY AND TECHNOLOGY SUPPLY CHAIN TO BE FEATURED AT US-TAIWAN BUSINESS COUNCIL CONFERENCE

The US-Taiwan Business Council today announced that its second annual semiconductor conference, Taiwan + China Semiconductor Industry Outlook 2004, will feature in-depth discussions on the impact of rising tensions in the cross-Strait political environment on the future for the global semiconductor industry and the technology supply chain. This event will be held on December 7, 2004 in San Jose, California.

According to Council President Rupert Hammond-Chambers, "this year we have seen a significant increase in cross-Strait instability – through China's bolstering of its offensive military capabilities, its opposition to Taiwan's ruling government, and its repeated threats of forceful reunification with Taiwan. Should a cross-Strait conflict occur, the ensuing trade disruptions would have serious consequences for the global economy – and specifically for the global technology supply chain, which counts Taiwan and China as two of its most important players."

Taiwan's foundries are already a vital supplier of semiconductors for many of the world's fabless semiconductor companies, and they are increasingly becoming the partner of choice for leading integrated device manufacturers (IDMs) looking to outsource production. Many of the world's largest information technology companies rely heavily on Taiwan and China as a strategic production base for their technology hardware and electronics goods. China is also emerging as a likely competitor to Taiwan in the semiconductor foundry industry, and seeks to build its advanced semiconductor manufacturing capabilities.

"The Council's Outlook 2004 conference provides a valuable opportunity for semiconductor industry executives to meet and discuss these and other challenges and opportunities they face in the Taiwan and China markets," said Hammond-Chambers. "Additional issues include export controls, intellectual property rights (IPR) protection, Taiwan and China's importance to the fabless business community, the outlook for the semiconductor manufacturing equipment market, the value of partnerships between U.S., Taiwan, and China companies, and China's future role in the semiconductor industry."

Conference keynote speakers include Richard Chang, chairman & CEO of SMIC, Nicky Lu, chairman & CEO of Etron Technology, Inc., and Walden (Wally) Rhines, chairman & CEO of Mentor Graphics Corporation.

Agilent Technologies, Inc. is the conference's Platinum Sponsor. Gold Sponsors include Intel Corporation and KLA-Tencor Corporation. Association Sponsors include Fabless Semiconductor Association (FSA), Semiconductor Equipment and Materials International (SEMI), Semiconductor Industry Association (SIA), and Taiwan Semiconductor Industry Association (TSIA).

Visit **www.taiwan-china-outlook.com** to register for the conference and for updated information on the agenda and panelists.

About the US-Taiwan Business Council:

The US-Taiwan Business Council (www.us-taiwan.org) is a membership-based non-profit association founded in 1976. The Council provides its members with business intelligence, access to a network of companies involved in business between Taiwan and the United States, and serves as a vital representative in dealing with investment, business development, and intellectual property matters.

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