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US-TAIWAN BUSINESS COUNCIL SUPPORTS SWIFT COMPLETION OF THE CARLYLE GROUP'S PURCHASE OF ADVANCED SEMICONDUCTOR ENGINEERING

In its "Semiconductor Report – Annual Review 2006," the US-Taiwan Business Council calls for the Taiwan government to swiftly complete the application process for The Carlyle Group's proposed purchase of Advanced Semiconductor Engineering, Inc. (ASE). Carlyle made an offer in early January to purchase ASE - the world's largest chip packaging and testing company - for approximately US\$5.5 billion and take it private.

This potential deal highlights the ability of Taiwan companies to attract substantial foreign investments, greatly benefiting Taiwan's economy. It also underscores the attractiveness of Taiwan's semiconductor market, which the Council has predicted will become the world's largest market for chip equipment spending and for DRAM production in 2007, due largely to new partnerships and a number of new investments.

Council President Rupert Hammond-Chambers commented that "Carlyle's entry into Taiwan's semiconductor market reflects the high caliber of Taiwan businesses and a desire to link the U.S. and Taiwan - arguably the two most important semiconductor markets in the world. It is important to move away from the notion that only semiconductor companies can realize synergies through mergers and acquisitions in the semiconductor sector. Private equity firms are also well positioned to add value for shareholders, market sectors, and economies."

The Carlyle Group is a significant holder of semiconductor assets, and the purchase of a global leader such as ASE is an important addition to the Carlyle portfolio. In addition, the deal will add value to ASE by providing access to Carlyle's other portfolio businesses.

Dr. Tien Wu, Chief Operating Officer of ASE Group, will provide valuable insights on the future of ASE, on the way forward for Taiwan's chip industry, and on the outlook for global chip integration when he speaks at **Taiwan + China Semiconductor Outlook 2007** on February 7, 2007 in Santa Clara, California.

Outlook 2007, hosted by the US-Taiwan Business Council, will also feature speeches and presentations by Bob Christopher of Ugobe, George Koo of Deloitte, Beth McCormick of the U.S. Department of Defense, and Brian Shieh of Powerchip Semiconductor.

The conference's Corporate Sponsors include ASE Group, Applied Materials, The Carlyle Group, Deloitte, New Momentum, PricewaterhouseCoopers, and TSMC. Association Sponsors include CASPA, FSA, NACSA, SEMI North America, SIA, and TSIA.

For further information on the Council and **Taiwan + China Semiconductor Outlook 2007**, visit www.taiwan-china-outlook.com.

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 to foster trade and business relations between the United States and Taiwan. The Council provides its members with business intelligence, offers access to an extensive network of relationships, and serves as a vital and effective representative in dealing with business, trade, and investment matters.

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