

CHIPMOS TECHNOLOGIES BERMUDA LTD

Form 424B4

October 29, 2012

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PROSPECTUS SUPPLEMENT

(To Prospectus Dated September 5, 2012)

Filed Pursuant to Rule 424(b)(4)

Registration No. 333-181367

2,500,000 COMMON SHARES

ChipMOS TECHNOLOGIES (Bermuda) LTD.

This prospectus supplement relates to the offer and sale by the selling shareholders named in the section Selling Shareholders of 2,500,000 of our common shares.

Our common shares are currently listed on the NASDAQ Capital Market under the symbol IMOS. On October 25, 2012, the last reported sale price of our common shares on the NASDAQ Capital Market was \$11.82.

Investing in our shares involves risks. See the section entitled Risk Factors beginning on page S-13 of this prospectus supplement, and other risk factors contained in the accompanying prospectus and in the documents incorporated by reference herein and therein to read about factors you should consider before investing in our shares.

Neither the U.S. Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the accuracy or completeness of this prospectus supplement and the accompanying prospectus. Any representation to the contrary is a criminal offense.

	Per Share	Total
Public offering price	\$ 10.10	\$ 25,250,000
Underwriting discounts and commissions	\$ 0.6565	\$ 1,641,250
Proceeds, before expenses, to the Selling Shareholders	\$ 9.4435	\$ 23,608,750

The underwriters may also purchase up to an additional 300,000 common shares from ThaiLin Semiconductor Corp., one of the selling shareholders, at the public offering price, less the underwriting discount, within 30 days after the date of this prospectus supplement to cover overallotments, if any.

A copy of this prospectus supplement and the accompanying prospectus has been filed or will, as soon as reasonably practicable, be filed with the Registrar of Companies in Bermuda (the Bermuda Registrar). In accepting this prospectus supplement and the accompanying prospectus for filing and in granting such consent, the Bermuda Registrar accepts no responsibility for our financial soundness or any proposal or for the correctness of any of the statements made or opinions expressed herein or any of the other documents referred to in this prospectus supplement and the accompanying prospectus.

The underwriters expect to deliver the shares against payment on or about October 31, 2012.

Joint Book-Running Managers

Cowen and Company

Craig-Hallum Capital Group

The date of this prospectus supplement is October 26, 2012

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of this offering and other matters relating to us and the selling shareholders. The second part, the accompanying prospectus, gives more general information about the offering and our company.

This prospectus supplement, or the information incorporated by reference in this prospectus supplement, may add, update or change information in the accompanying prospectus. If information in this prospectus supplement, or the information incorporated by reference in this prospectus supplement, is inconsistent with the accompanying prospectus, this prospectus supplement, or the information incorporated by reference in this prospectus supplement, will apply and will supersede that information in the accompanying prospectus.

You should read both this prospectus supplement and the accompanying prospectus, together with the documents incorporated by reference herein and therein, and the additional information described in this prospectus supplement under the heading **Where You Can Find Additional Information .**

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PROSPECTUS SUMMARY

This summary highlights selected information about us, this offering, the selling shareholders and information appearing elsewhere in this prospectus supplement and the accompanying prospectus and in the documents we incorporate by reference. This information is not complete and does not contain all of the information you should consider before investing in our common shares. You should carefully read this entire prospectus supplement and the accompanying prospectus and any related free writing prospectus that we have authorized, including the risks of investing in our securities discussed under the heading "Risk Factors" contained in this prospectus supplement and the accompanying prospectus and any related free writing prospectus that we have authorized for use in connection with this offering, and under similar headings in the other documents that are incorporated by reference herein. You should also carefully read the information incorporated by reference into this prospectus supplement and the accompanying prospectus, including our financial statements, and the exhibits to the registration statement of which this prospectus supplement and accompanying prospectus are a part.

References to US\$ and US dollars are to United States dollars and references to NT\$ and NT dollars are to New Taiwan dollars. This prospectus supplement contains translations from NT dollars to US dollars and from US dollars to NT dollars that were made at the noon buying rate in The City of New York as of September 28, 2012, which was NT\$29.29 to US\$1. We make no representation that the NT dollar or US dollar amounts referred to in this prospectus supplement could have been or could be converted into US dollars or NT dollars, as the case may be, at any particular rate or at all. On October 19, 2012, the noon buying rate was NT\$29.26 to US\$1.

When we refer to the capacity of our semiconductor testing and assembly equipment, we are referring to capacity assessed by our internal personnel based on the specifications and the repair and maintenance frequency of the relevant equipment. Unless otherwise noted, in this prospectus supplement, we refers to ChipMOS TECHNOLOGIES (Bermuda) LTD., or ChipMOS Bermuda, and its subsidiaries, and Mainland China refers to the People's Republic of China, excluding Hong Kong, Macau and Taiwan.

ChipMOS TECHNOLOGIES (Bermuda) LTD. and its Subsidiaries

Overview

We are one of the leading independent providers of semiconductor testing and assembly services for LCD and other flat-panel display driver semiconductors in Taiwan and for advanced memory and logic/mixed-signal products in Taiwan and Mainland China. The depth of our engineering expertise and the breadth of our testing and assembly technologies enable us to provide our customers with advanced and comprehensive testing and assembly services. In addition, our production facilities' geographic presence in Taiwan and Mainland China is attractive to customers wishing to take advantage of the logistical and cost efficiencies stemming from our close proximity to foundries and producers of consumer electronic products in Taiwan and Mainland China.

Our broad range of back-end testing services include: engineering testing, wafer probing and final testing of memory and logic/mixed-signal semiconductors. We also offer leadframe-based and organic substrate-based package assembly services for memory and logic/mixed-signal semiconductors. Our advanced leadframe-based packages include thin small outline packages, or TSOPs, and our advanced organic substrate-based packages include fine-pitch ball grid array, or fine-pitch BGA, packages. In addition, we provide gold bumping, testing and assembly services for LCD and other flat-panel display driver semiconductors by employing Tape Carrier Package (TCP), Chip-on-Film (COF) and Chip-on-Glass (COG) technologies. Semiconductors tested and assembled by us are used in personal computers, graphics applications, such as game consoles and personal digital assistants, or PDAs, communications equipment, such as cellular handsets, and consumer electronic products and display applications, such as flat-panel displays.

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Corporate Structure

We are a holding company, incorporated in August 2000 under the Companies Act 1981 of Bermuda (as amended) (the Bermuda Companies Act), under the name ChipMOS TECHNOLOGIES (Bermuda) LTD. We provide most of our services in Taiwan through our subsidiary, ChipMOS TECHNOLOGIES INC., or ChipMOS Taiwan, in which we hold a majority ownership interest, and its subsidiaries and investees. We also provide services in Mainland China through ChipMOS TECHNOLOGIES (Shanghai) LTD., or ChipMOS Shanghai, a wholly-owned subsidiary of MODERN MIND TECHNOLOGY LIMITED, or Modern Mind, which is a wholly-owned subsidiary of ThaiLin Semiconductor Corp., or ThaiLin. As of September 30, 2012, ThaiLin, a 42.9% owned subsidiary of ChipMOS Taiwan, owned 19.1% of our common shares, He & Fang 2005 Revocable Living Trust owned 10.3% of our common shares, Siliconware Precision Industries Co. Ltd, or Siliconware Precision, owned 9.0% of our common shares and 15.8% of ChipMOS Taiwan's outstanding shares, and Mosel Vitelic Inc. indirectly owned 5.9% of our common shares. The following chart illustrates our corporate structure and our equity interest in each of our principal subsidiaries and affiliates as of September 30, 2012.

Corporate Structure

Note:

- (1) Under ROC Financial Accounting Standards and the regulations of the Taiwan Securities and Futures Bureau, we are required to consolidate the financial results of any subsidiaries in which we hold a controlling interest or voting interest in excess of 50%. We consolidated the financial results of ChipMOS Taiwan, its wholly-owned subsidiary, ChipMOS USA Inc., ThaiLin, Modern Mind, and its wholly-owned subsidiary, ChipMOS Shanghai.
 - (2) In February 2010, we agreed to sell 15.8% of ChipMOS Taiwan's outstanding shares to Siliconware Precision. The share purchase transaction was completed in January 2011. As of September 30, 2012, we owned 84.2% of ChipMOS Taiwan's outstanding shares.
- ChipMOS TECHNOLOGIES INC. (Taiwan).** ChipMOS Taiwan was incorporated in Taiwan in July 1997. Its operations consist of the testing and assembly of semiconductors, as well as gold bumping and memory module manufacturing.

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ThaiLin Semiconductor Corp. (Taiwan). ThaiLin was incorporated in Taiwan in May 1996, and is listed on the GreTai Securities Market in Taiwan. It is engaged in providing semiconductor testing services.

MODERN MIND TECHNOLOGY LIMITED (BVI) and ChipMOS TECHNOLOGIES (Shanghai) LTD. (People's Republic of China). Modern Mind was incorporated in the British Virgin Islands in January 2002. Modern Mind conducts its operations through ChipMOS Shanghai, a wholly-owned subsidiary incorporated in Mainland China in June 2002. ChipMOS Shanghai is engaged in wafer testing and semiconductor assembly and testing.

Industry

Overview of the Semiconductor Manufacturing Process. The manufacturing of semiconductors is a complex process that requires increasingly sophisticated engineering and manufacturing expertise. The manufacturing process may be broadly divided into the following stages:

Process	Description
Circuit Design	The design of a semiconductor is developed by laying out circuit patterns and interconnections.
Wafer Fabrication	Wafer fabrication begins with the generation of a photomask, a photographic negative onto which a circuit design pattern is etched or transferred by an electron beam or laser beam writer. Each completed wafer contains many fabricated chips, each known as a die.
Wafer Probe	Each individual die is then electrically tested, or probed, for defects. Dies that fail this test are discarded, or, in some cases, salvaged for repair.
Assembly	The assembly of semiconductors serves to protect the die, facilitates its integration into electronic systems and enables the dissipation of heat. The process begins with the dicing of the wafers into chips. Each die is affixed to a leadframe-based or organic substrate-based package. Then, electrical connections are formed, in many cases by connecting the terminals on the die to the inner leads of the package using fine metal wires. Finally, each chip is encapsulated for protection, usually in a molded epoxy enclosure.
Final Test	Assembled semiconductors are tested to ensure that the device meets performance specifications. Testing takes place on specialized equipment using software customized for each application. For memory semiconductors, this process also includes burn-in testing to screen out defective devices by applying very high temperatures and voltages to the memory device.

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Outsourcing Trends in Semiconductor Manufacturing. Historically, integrated device manufacturers, or IDMs, designed, manufactured, tested and assembled semiconductors primarily at their own facilities. In recent years, there has been a trend in the industry to outsource stages in the manufacturing process to reduce the high fixed costs resulting from the increasingly complex manufacturing process. Virtually every significant stage of the manufacturing process can be outsourced. The independent semiconductor manufacturing services market currently consists of wafer fabrication and probing services and semiconductor testing and assembly services. Most of the world's major IDMs now use some independent semiconductor manufacturing services to maintain a strategic mix of internal and external manufacturing capacity. We believe that many of these IDMs are significantly reducing their investments in new semiconductor testing and assembly facilities. The availability of technologically advanced independent semiconductor manufacturing services has also enabled the growth of fabless semiconductor companies that focus exclusively on semiconductor design and marketing and outsource their fabrication, testing and assembly requirements to independent companies. We believe the outsourcing of semiconductor manufacturing services, and in particular of testing and assembly services, will increase for many reasons, including the following:

Significant Capital Expenditure Requirements. Driven by increasingly sophisticated technological requirements, wafer fabrication, testing and assembly processes have become highly complex, requiring substantial investment in specialized equipment and facilities and sophisticated engineering and manufacturing expertise. In addition, product life cycles have been shortening, magnifying the need to continually upgrade or replace manufacturing, testing and assembly equipment to accommodate new products. As a result, new investments in in-house fabrication, testing and assembly facilities are becoming less desirable for IDMs because of the high investment costs, as well as difficulties in achieving sufficient economies of scale and utilization rates to be competitive with the independent service providers. Independent foundry, testing and assembly companies, on the other hand, are able to realize the benefits of specialization and achieve economies of scale by providing services to a large base of customers across a wide range of products. This enables them to reduce costs and shorten production cycles through high capacity utilization and process expertise.

Increasing Focus on Core Competencies. As the costs of semiconductor manufacturing facilities increase, semiconductor companies are expected to further outsource their manufacturing operations such as: wafer fabrication, testing and assembly requirements that allow them to focus their resources on semiconductor design and marketing, which these firms consider to be their core competencies.

Time-to-Market Pressure. Increasingly short product life cycles have amplified time-to-market pressure for semiconductor companies, leading them to rely increasingly on independent companies as a key source for effective wafer fabrication, testing and assembly services.

Semiconductor Testing and Assembly Services Industry. Growth in the semiconductor testing and assembly services industry is driven by increased outsourcing of the various stages of the semiconductor manufacturing process by IDMs and fabless semiconductor companies.

The Semiconductor Industry and Conditions of Outsourcing in Taiwan and Mainland China. Taiwan is one of the world's leading locations for outsourced semiconductor manufacturing. The semiconductor industry in Taiwan has developed such that the various stages of the semiconductor manufacturing process have been disaggregated, thus allowing for specialization. The disaggregation of the semiconductor manufacturing process in Taiwan permits these semiconductor manufacturing service providers to focus on particular parts of the production process, develop economies of scale, maintain higher capacity utilization rates and remain flexible in responding to customer needs by lowering time-to-market pressure faced by semiconductor companies. There are several leading service providers in Taiwan, each of which offers substantial capacity, high-quality manufacturing, leading semiconductor wafer fabrication, test, assembly and process technologies, and a full range of services. These service providers have access to an educated labor pool and a large number of engineers suitable for sophisticated manufacturing industries. As a result, many of the world's leading semiconductor

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companies outsource some or all of their semiconductor manufacturing needs to Taiwan's semiconductor manufacturing service providers and take advantage of the close proximity among facilities. In addition, companies located in Taiwan are very active in the design and manufacture of electronic systems, which has created significant local demand for semiconductor devices.

Mainland China has emerged as a similarly attractive location for outsourced semiconductor manufacturing. Mainland China is an attractive manufacturing location for electronic products because companies can take advantage of a well-educated yet low-cost labor force, cost savings due to tax benefits and a large domestic market. These factors have driven increased relocation of much of the electronics industry manufacturing and supply chain to Mainland China. An increasing number of global electronic systems manufacturers and contract manufacturers are relocating or have relocated production facilities to Mainland China. We believe that these electronic product manufacturers and contract manufacturers will source an increasing portion of their demand for semiconductors from semiconductor suppliers located in Mainland China in order to reduce production cycle times, decrease costs, simplify supply chain logistics and meet local content requirements. In line with this trend, we have in recent years expanded our operations in Mainland China.

Our Business Strategies

Our goal is to reinforce our position as a leading independent provider of semiconductor testing and assembly services, concentrating principally on memory, logic/mixed-signal and LCD and other flat-panel display driver semiconductors. The principal components of our business strategy are set forth below.

Focus on Providing Our Services to Potential Growth Segments of the Semiconductor Industry. We intend to continue our focus on developing and providing advanced testing and assembly services for potential growth segments of the semiconductor industry, such as memory, logic/mixed-signal, LCD and other flat-panel display driver semiconductors and bumping services. We believe that our investments in equipment and research and development in some of these areas allow us to offer a differentiated service from our competition. In order to benefit from the expected resumption of growth in these segments, we intend to continue to invest in capacity to meet the testing and assembly requirements of these key semiconductor market segments.

Continue to Invest in the Research and Development of Advanced Testing and Assembly Technologies. We believe that our ability to progressively provide more advanced testing and assembly services to customers is critical to our business. In addition, advanced semiconductor testing and assembly services typically have the potential to generate higher margins due to the greater expertise required and the more sophisticated technologies used. We will continue to invest in the research and development of advanced testing and assembly technologies. For example, we are expanding our capabilities in fine-pitch BGA, multi-chip package (MCP), system in package (SiP), flip chip, wafer level chip scale packaging (WLCSP), and the testing and assembly of COFs. We have also introduced fine-pitch COF based on our proprietary technology and COG testing and assembly services for LCD and other flat-panel display driver semiconductors.

In addition, we will continue to pursue the development of new testing and assembly technologies jointly with domestic and foreign research institutions and universities. We expect to focus our research and development efforts in the following areas:

developing new software conversion programs to increase the capabilities of our testers;

developing advanced assembly technologies for flip chip and high-speed and mobile memory devices;

developing fine-pitch bumping, chip probing and bonding technologies for fine pitch LCD drivers;

developing copper bump plating technology to reduce the gold usage for LCD drivers and launch WLCSP, thick copper and flip chip products to serve logic/mixed-signal and memory products;

improving manufacturing yields for new assembly technologies;

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improving manufacturing yields for new assembly technologies; and

developing environmentally friendly assembly services that focus on eliminating the lead and halogen elements from the materials employed in the package and reducing the toxicity of gaseous chemical wastes.

In 2011, we spent approximately 2.3% of our net revenue on research and development. We will continue to invest our resources to recruit and retain experienced research and development personnel. As of September 30, 2012, our research and development team comprised 276 persons.

Build on Our Strong Presence in Taiwan and Expand Our Operations Outside Taiwan. We intend to build on our strong presence in key centers of semiconductor and electronics manufacturing to grow our business. Currently, most of our operations are in Taiwan, one of the world's leading locations for outsourced semiconductor manufacturing. This presence provides us with several advantages. First, our proximity to other semiconductor companies is attractive to customers who wish to outsource various stages of the semiconductor manufacturing process. Second, our proximity to many of our suppliers, customers and the end-users of our customers' products enables us to be involved in the early stages of the semiconductor design process, enhances our ability to quickly respond to our customers' changing requirements and shortens our customers' time-to-market. Third, we have access to an educated labor pool and a large number of engineers who are able to work closely with our customers and other providers of semiconductor manufacturing services.

As with our operations in Taiwan, we intend to similarly benefit from our operations in Mainland China. We intend to invest in and expand our operations in Mainland China, increasing our testing and assembly services for memory and logic/mixed-signal semiconductors. Depending on customers' demands, market conditions and other relevant considerations, we may from time to time look into other opportunities to expand our operations outside Taiwan.

Expand Our Offering of Vertically Integrated Services. We believe that one of our competitive strengths is our ability to provide vertically integrated services to our customers. Vertically integrated services consist of the integrated testing, assembly and direct shipment of semiconductors to end-users designated by our customers. Providing vertically integrated services enables us to shorten lead times for our customers. As time-to-market and cost increasingly become sources of competitive advantage for our customers, they increasingly value our ability to provide them with comprehensive back-end services.

Through ChipMOS Taiwan, ThaiLin and ChipMOS Shanghai, we are able to offer vertically integrated services for a broad range of products, including memory, logic/mixed-signal and LCD and other flat-panel display driver semiconductors. We believe that these affiliations, which offer complementary technologies, products and services as well as additional capacity, will continue to enhance our own development and expansion efforts into new and potential growth markets. We intend to establish new alliances with leading companies and, if suitable opportunities arise, engage in merger and acquisition activities that will further expand the services we can provide.

Focus on Increasing Sales through Long-Term Agreements with Key Customers as well as Business with Smaller Customers. From time to time, we strategically agree to commit a portion of our testing and assembly capacity to certain of our customers. We intend to continue to focus on increasing sales to key customers through long-term capacity agreements. The customers with which we currently have long-term agreements include a reputable memory customer based in the US. Global market and economic conditions have been unprecedented and challenging with tight credit conditions and recession in most major economies continuing into 2011. Beginning in 2008, we also resumed our focus on our business with smaller customers or customers who do not place orders on a regular basis. We believe that the dual focused strategy will assist us to be better prepared for the current economic volatility and ensure maximum utilization rate of our capacity.

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Recent Developments

Extension of Wafer Test Service Agreement with Spansion On June 25, 2012, our majority-owned subsidiary, ChipMOS Taiwan, announced that it reached an agreement to extend its exclusive wafer sort services contract with Spansion Inc. for two years until April 2014. ChipMOS Taiwan has served as Spansion's exclusive wafer sort sub-contractor since April 2010.

Metal Composite Bump Technology Development. To lessen the effects that rising gold prices have on the standard gold bumping processes used for LCD driver integrated circuits (*ICs*), we developed a lower cost, copper-based technology that replaces the majority of the gold in the bump structure, or metal composite bump (*MCB*). We began implementing the MCB technology for both 8 -and 12- inch wafers during Q3 2011. This technology is experiencing positive market acceptance and enables our customers to improve products margins. Further, the developed copper plating capabilities also enable us to enter advanced packaging segments, such as WLCSP and flip chip packaging, that allow us to capture greater market share for low-density memory products, mixed-signal products and power devices. These products are used in both mobile- and cloud-computing system structures. Given the strong demand for products in these end-markets, we believe that advanced packaging processes are increasingly important in today's OSAT market and offer strong growth opportunities. Finally, in conjunction with our assembly and testing services, introducing additional advanced packaging alternatives allows us to improve our standing as a full turn-key service provider in this market.

At current output and capacity levels, we are confident that we will be able to continue meeting our customers' demand for services. Recently, output for our gold bumping line reached approximately 100,000 8-inch wafer equivalent per month, and our 8-inch copper plating capacity for MCB, WLCSP and flip chip increased to 10,000 wafers per month as of September 30, 2012. By Q4 2012, our 12-inch wafer copper bump plating line will provide capacity for 8,000 wafers per month. In addition, our new 12-inch gold bumping line capacity is 16,000 wafers per month, positioning us to accommodate the LCD driver industry transition to this wafer size. These recently added capabilities allow us to further enhance our services for existing customers and are key enablers for new market entry.

Purchase of New Facility in Taiwan Science Park. On April 6, 2012, our majority-owned subsidiary, ChipMOS Taiwan, received confirmation from Taiwan Tainan District Court that it won a public bid to purchase an existing building in the Southern Taiwan Science Park for approximately US\$10.1 million. The building is located directly across from ChipMOS' existing facility in the Southern Taiwan Science Park and features approximately 393,173 square feet of floor space. The processes of title transfer and registration of the building are complete, and the title deed of building was received on May 8, 2012. This new facility will be used to accommodate the expansion of our LCD Driver Group and Assembly Group.

Expansion of COF and COG Assembly and Test. During Q1 2012, we began adding assembly and test capacity for COF and COG to accommodate the growth demands of our customers. We completed our capacity expansion by the end of Q2 2012, and we anticipate that the expanded COF and COG capacity will be fully reflected in our Q4 2012 revenue.

Building Capacity for WLCSP and Flip Chip Packaging. We are currently ramping production in our WLCSP product assembly line to meet e-compass demand requirements of AKM Semiconductor, Inc., a Japan-domiciled provider of mixed-signal ICs for consumer, automotive and communications applications. We expect to reach full production during Q2 2013. In addition, we are preparing a flip chip assembly line that will provide 12-inch wafer copper plating services for power quad flat no-lead (power QFN) packages, high-density DRAM and mixed-signal products. This capability will enable us to provide turn-key services for these products, and we believe that it will enhance our ability to capture additional market share for our bumping business. We expect that this assembly line will be operational by Q3 2013.

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Criminal Proceeding Process Update for Mr. Shih-Jye Cheng, our Chairman and Chief Executive Officer, and Mr. Hung-Chiu Hu, our Former Director. On May 21, 2012, the Taiwan High Court held a hearing to examine the legality and admissibility of certain evidence related to the case. The Court has not made any substantial rulings with respect to the outcome of the case. The date of next hearing is scheduled to be held on November 1, 2012.

Share Repurchase Plan. We effected a US\$10 million share repurchase program in compliance with Rule 10b5-1 and Rule 10b-18 under the Securities Exchange Act of 1934, as amended on August 20, 2012. The share repurchase plan was completed on October 12, 2012 and 654 thousand shares were repurchased under the plan. These repurchased shares were retired and cancelled.

Selected Financial Data

The following selected financial data should be read in conjunction with our unaudited condensed interim consolidated financial statements and accompanying notes for the six month period ended June 30, 2012, and our accompanying operating and financial review and prospects discussion and analysis of our financial condition and results for this period contained in our Form 6-K filed with the SEC on September 28, 2012. We prepared these in accordance with accounting principles generally accepted in the Republic of China (ROC GAAP), using the standards and interpretations currently issued and effective for the six months ended June 30, 2012, and with our annual consolidated financial statements for the year ended December 31, 2011 contained in our Annual Report on Form 20-F filed with the SEC on April 26, 2012, which we prepared in accordance with ROC GAAP. The financial statements have been prepared in accordance with ROC GAAP which differs in certain material respects from US GAAP, and include presentations reconciled to US GAAP.

The unaudited consolidated statement of income and the unaudited consolidated balance sheets presented below have been prepared in accordance with ROC GAAP, and a reconciliation has been made to US GAAP.

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Results for the six months ended June 30, 2012 are not necessarily indicative of the results that may be expected for the year ending December 31, 2012.

	ROC GAAP (unaudited) Six months ended June 30,				US GAAP (unaudited) Six months ended June 30,	
	2012		2011		2012	
	NT\$	US\$	NT\$	US\$	NT\$	US\$
	(\$ in millions, except per share data)					
Net Revenue	9,213.3	314.6	9,140.6	312.1	9,213.3	314.6
Cost of Revenue	8,342.7	284.9	8,296.7	283.3	8,321.4	284.1
Gross Profit (Loss)	870.6	29.7	843.9	28.8	891.9	30.5
Other Operating Income					71.0	2.4
Operating Expenses						
Research and Development	232.5	8.0	208.6	7.1	232.5	8.0
Sales and Marketing	38.8	1.3	32.9	1.1	38.8	1.3
General and Administrative	302.7	10.3	327.3	11.2	281.0	9.6
Other Operating Expenses					76.6	2.6
Total Operating Expenses	574.0	19.6	568.8	19.4	628.9	21.5
Income (Loss) from Operations	296.6	10.1	275.1	9.4	334.0	11.4
Non-Operating Income (Expenses), Net	(175.7)	(6.0)	(313.2)	(10.7)	(167.4)	(5.7)
Income (Loss) before Income Tax	120.9	4.1	(38.1)	(1.3)	166.6	5.7
Income Tax Benefit (Expense)	(48.3)	(1.6)	(83.5)	(2.9)	(54.1)	(1.9)
Net Income (Loss)	72.6	2.5	(121.6)	(4.2)	112.5	3.8
Add: Net Loss (Income) Attributable to Noncontrolling Interests	42.6	1.4	(2.9)	(0.1)	17.9	0.6