



ChipMOS Reports Third Quarter 2005 Results

Hsinchu, Taiwan, November 16, 2005 - ChipMOS TECHNOLOGIES (Bermuda) LTD. ("ChipMOS" or "the Company") (Nasdaq: IMOS) today reported unaudited consolidated financial results for the third quarter ended September 30, 2005.

Revenue for the third quarter of 2005 was NT\$3,836 million or US\$116 million, an increase of 2% from NT\$3,755 million or US\$113 million for the second quarter of 2005 and a decrease of 3% from NT\$3,944 million or US\$119 million for the same period in 2004. If the exchange rate used in the second quarter had been used in the third quarter, the Company's revenue for the third quarter in U.S. dollars would have been US\$121 million, in-line with the Company's initial guidance of US\$120 million to US\$125 million. In addition, the company reduced its lower-margin turnkey revenue (including modules) to 2% from 14% of revenue in the same period in 2004. (All U.S. dollar figures in this release are based on an exchange rate of NT\$33.18 against US\$1.00 as of September 30, 2005. The exchange rate used in the second quarter was NT\$31.62 against US\$1.00.)

On a consolidated basis, the gross margin for the third quarter of 2005 was 25%, compared to 25% for the second quarter of 2005 and 26% for the same period in 2004.

Net income for the third quarter of 2005 was NT\$204 million or US\$6 million, and NT\$3.01 or US\$0.09 per common share, compared to net income of NT\$75 million or US\$2 million, and NT\$1.11 or US\$0.03 per common share, for the second quarter of 2005 and net income of NT\$388 million or US\$12 million, and NT\$5.91 or US\$0.18 per common share for the same period in 2004. Excluding the impact of foreign exchange loss of US\$2.4 million, net income was NT\$4.21 or US\$0.13 per common share for the third quarter of 2005.

The unaudited consolidated financial results of ChipMOS for the third quarter ended September 30, 2005 included the financial results of ChipMOS TECHNOLOGIES INC., ChipMOS Japan Inc., ChipMOS U.S.A., Inc., ChipMOS TECHNOLOGIES (H.K.) Limited, ChipMOS Logic TECHNOLOGIES INC., CHANTEK ELECTRONIC CO., LTD., Modern Mind Technology Limited and its wholly-owned subsidiary ChipMOS TECHNOLOGIES (Shanghai) LTD., and ThaiLin Semiconductor Corp.

S.J. Cheng, Chairman and Chief Executive Officer of ChipMOS, said, "Revenues for the third quarter grew sequentially, and this growth is a reflection of higher utilization rates, coupled with better end market demand led by controlled inventory replenishment across the supply chain. Separately, we continued to advance our long-term customer relationships and worked to finalize agreements with new customers. In particular, we extended our testing agreement with Hynix for higher-end products requiring our more advanced technologies."

S.K. Chen, Chief Financial Officer of ChipMOS, said, "We continued to maintain expense and capex controls in the third quarter. Gross margin was 25%, higher than previously expected. We believe there is additional room for sustained improvement as we focus on higher margin business, while benefiting from increased utilization rates. We are also pleased with our progress in China. We recently opened our new facility there and continue to view it as a vital component to our continued success."

Looking forward, Cheng, commented, "We remain optimistic about our growth opportunities going forward. ChipMOS is well positioned to capitalize on the investments we have conservatively made in our technology, our global footprint and the specialized services we offer to our customers. Although the transition from DDR to DDR II remains slower than we originally anticipated, we are pleased with our investments and remain confident in our long-term strategy. Based on the exchange rate of NT\$33.18 against US\$1.00, we currently expect revenue for the full year 2005 will be approximately in the range of US\$455 million to US\$460 million, with gross margin on a consolidated basis approximately in the range of 24% to 26%. For the fourth quarter of 2005, we currently expect revenue will be approximately US\$125 million to US\$130 million, with gross margin on a consolidated basis approximately in the range of 25% to 27%."

Investor Conference Call / Webcast Details

ChipMOS will review detailed third quarter 2005 results on Tuesday, November 15, 2005 at 7:00PM EST (8:00 AM, November 16, Taiwan time). The conference call-in number is 201-689-8562. A live webcast of the conference call will be available at ChipMOS' website at <http://www.chipmos.com.tw>. The playback will be available immediately after the conclusion of the conference call and will be accessible by dialing 1-201-612-7415. The account number to access the replay is 3055 and the confirmation ID number is 173441.

About ChipMOS TECHNOLOGIES (Bermuda) LTD.:

ChipMOS (<http://www.chipmos.com.tw>) is a leading independent provider of semiconductor testing and assembly services to customers in Taiwan, Japan, and the U.S. With advanced facilities in Hsinchu and Southern Taiwan Science Parks in Taiwan and Shanghai, ChipMOS and its subsidiaries provide testing and assembly services to a broad range of customers, including leading fabless semiconductor companies, integrated device manufacturers and independent semiconductor foundries.

Forward-Looking Statements

Certain statements contained in this announcement may be viewed as "forward-looking statements" within the meaning of Section 27A of the U.S. Securities Act of 1933, as amended, and Section 21E of the U.S. Securities Exchange Act of 1934, as amended. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual performance, financial condition or results of operations of the Company to be materially different from any future performance, financial condition or results of operations implied by such forward-looking statements. Further information regarding these risks, uncertainties and other factors is included in the Company's most recent Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission (the "SEC") and in the Company's other filings with the SEC.

[Please click here for financial statements.](#)