

## ATIC to buy Chipmaker for \$1.8 billion

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Abu Dhabi: Advanced Technology Investment Company LLC (Atic), a technology investment company wholly owned by the government of Abu Dhabi Monday announced that it would acquire Chartered Semiconductor Manufacturing of Singapore, one of the world's top dedicated semiconductor foundries, for \$1.8 billion.

"The transaction is expected to close during the fourth quarter of 2009. Completion of the transaction will be subject to customary conditions, such as regulatory and shareholder approvals," Atic said.

"Each Chartered ordinary share will be acquired by Atic for a cash consideration of S\$2.68 [Dh6.88] per share. The transaction represents an equity value of approximately S\$2.5 billion [\$1.8 billion] and a total value of approximately S\$5.6 billion [\$3.9 billion], including debt and convertible redeemable preference shares of approximately S\$3.1 billion [\$2.2 billion] as of June 30, 2009," said Atic. The acquisition marks Atic's second major investment in the semiconductor industry and follows the company's March 2009 creation of Globalfoundries, a US-headquartered, semiconductor manufacturing company and a joint venture with Advanced Micro Devices (AMD).

Commenting on the deal, Atic's Chairman Waleed Al Mokarrab said: "We believe that by having access to Atic's long-term capital and related assets, Chartered has an opportunity to bring its skills, capabilities and leadership to the next level." He added: "By acquiring Chartered, Atic is expanding its investments in the semiconductor industry," he added.

An Atic official familiar with the developments told Gulf News: "Right now, our key objective is to bring together the complimentary capabilities of Chartered and Globalfoundries. We are in process of integration."

"Abu Dhabi is trying to bring technological knowhow to the emirate and the region. The acquisition is a continuation of Abu Dhabi government's long-term strategy to diversify its economy and bring in value-added projects," said Tariq Qaqish, Fund Manager, Asset Management Group for Al Mal Capital.

Chartered offers leading-edge technologies down to 40/45 nanometres, enabling today's system-on-chip designs. In Singapore, the company owns or has an interest in six fabrication facilities, including a 300mm fabrication facility and five 200mm facilities.