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**ADVANCED MICRO-FABRICATION EQUIPMENT INC.
RAISES \$35 MILLION IN SERIES B FINANCING**

***Leading Financial Institution and Venture Capital Firms Combine to Fund
Commercialization Phase of Semiconductor Processing Technology***

SHANGHAI, China, and SAN FRANCISCO, Calif., Oct. 9, 2006—Advanced Micro-Fabrication Equipment Inc. (AMEC), an emerging Asia-based developer of innovative semiconductor processing technology and equipment, today completed its Series B financing, which raised \$35 million. The financing will fund commercialization of the company's proprietary advanced technology, which is primed to transform the world's integrated circuit (IC) manufacturing fabs with a new level of technology and economic innovation for key process steps.

Participants in the round include existing investors **Walden International, Lightspeed Venture Partners, Redpoint Ventures, Interwest Partners, Bay Partners, Global Catalyst Partners and KT Venture Group**. Leading financial institution **Goldman Sachs** joined the round as a new investor.

Established in 2004, AMEC was founded by a team of global technology experts to develop a new breed of high-performing semiconductor processing solutions with powerful economic advantages. Engineered specifically for the 65/45-nm nodes and smaller, AMEC's solutions will offer the world's chipmakers a new, extendible, and more cost-competitive technology source for critical processing steps involved in the production of advanced ICs. With its roots in Asia, AMEC sits in the hub of the world's semiconductor manufacturing industry, providing unparalleled proximity to a large customer base. This prime regional location also offers easy access to an expansive global supply chain that AMEC will leverage to augment its advanced technology solutions with a new level of economic innovation.

"The funding comes at a high point for AMEC and validates the success of our development efforts thus far," said the company's chairman and chief executive officer, Gerald Yin. "We're extremely pleased to receive continued support from Walden International, Lightspeed Venture Partners and other VCs, and we welcome the addition of Goldman Sachs, a new financial champion to this round. We greatly appreciate their confidence in our progress. This latest round will boost the efforts to launch our beta tools and build a world-class infrastructure that's capable of meeting our customers' demanding service and support requirements."

According to Walden International's chairman, Lip-Bu Tan, "The semiconductor industry is eager for technology that not only solves the technical challenges associated with advanced IC production, but does so economically. With high capital equipment costs cutting into chipmakers' margins and threatening overall profitability, the playing field is ripe for a nimble new "change-maker" that can exploit a sharp global business model to drive the production of advanced technology and mitigate the economic burden faced by chipmakers. We're pleased to support the company's efforts," noted the San Francisco-based executive.

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Commenting on Lightspeed Venture Partners' investment, General Partner Chris Schaepe noted, "AMEC has made exceptional progress on a variety of fronts. The company has assembled a strong management and technical team and is close to commercializing its advanced semiconductor processing equipment. Its unique Asia-based R&D, manufacturing and service operations bring AMEC very close to its dominant customer base, thereby enhancing the company's value proposition and providing a competitive edge."

About Advanced Micro-Fabrication Equipment Inc.

Advanced Micro-Fabrication Equipment Inc. (AMEC) is an emerging Asia-based semiconductor equipment company with a portfolio of wafer fabrication solutions designed to advance technology, increase productivity and reduce manufacturing costs for leading global semiconductor manufacturers. Strategically headquartered in the hub of the semiconductor manufacturing industry, AMEC's solutions combine innovative technology solutions with economic innovations for the 65/45-nm nodes and beyond. AMEC's global infrastructure will include R&D, manufacturing, business and support operations in China, Japan, Korea, Singapore, Taiwan, and the U.S.

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