



U92500.SUB

<SUBMISSION>
<TYPE> 6-K
<DOCUMENT-COUNT> 27
<LIVE>
<FILER-CIK> 0001095270
<FILER-CCC> #####
<CONTACT-NAME> Edgar Services
<CONTACT-PHONE-NUMBER> 404-350-2000
<SROS> NASD
<PERIOD> 03-28-2005
<NOTIFY-INTERNET> csd.sinagppore@bowne.com
<NOTIFY-INTERNET> bowne.edgar@bowne.com



<DOCUMENT>
<TYPE> 6-K
<FILENAME> u92500e6vk.htm
<DESCRIPTION> Chartered Semiconductor Manufacturing Ltd
<TEXT>

[Table of Contents](#)

**United States
Securities and Exchange Commission
Washington, D.C. 20549**

Form 6-K

**Report of Foreign Private Issuer Pursuant to Rule
13a-16 or 15d-16 of the Securities Exchange Act of 1934**

For the month of March 2005

Commission File Number 000-27811

**CHARTERED SEMICONDUCTOR
MANUFACTURING LTD**

(Exact name of registrant as specified in its charter)

Not Applicable

(Translation of registrant's name into English)

Republic of Singapore

(Jurisdiction of incorporation or organization)

60 Woodlands Industrial Park D
Street 2, Singapore 738406
(65) 6362-2838

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F

Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes

No

If "Yes" is marked, indicate below the file number assigned to registrant in connection with Rule 12g3-2(b). Not applicable.

[E/O]

CRC: 21748
EDGAR 2

BOMU92500 002.00.00.00 0/4


TABLE OF CONTENTS

SIGNATURES

EXHIBIT INDEX

[Ex-99.1 The Company's Proxy Statement for the annual shareholders' meeting to be held on April 28, 2005](#)

[Ex-99.2 The Company's letter to its shareholders](#)

[Ex-99.3 The Company's supplementary information for the year ended December 31, 2004](#)

[Table of Contents](#)

TABLE OF CONTENTS

1. Other Events

On or about March 28, 2005 in Singapore, the Company began distribution of the Company's Proxy Statement and annual report for the year ended December 31, 2004 for the annual shareholders' meeting to be held on April 28, 2005.

The Company's annual report consists of:

- (a) the Company's letter to its shareholders;
- (b) the abridged Management Discussion and Analysis and the Financial Statements for the years ended December 31, 2002, 2003 and 2004; and
- (c) the Company's supplementary information for the year ended December 31, 2004.

The Company's complete Management Discussion and Analysis and the Financial Statements were included in the Form 20-F which the Company filed with the United States Securities and Exchange Commission on March 7, 2005. Copies of the Company's Proxy Statement, letter to shareholders and supplementary information are attached as Exhibit 99.1, Exhibit 99.2 and Exhibit 99.3, respectively.

2. Exhibits

- 99.1 The Company's Proxy Statement for the annual shareholders' meeting to be held on April 28, 2005.
- 99.2 The Company's letter to its shareholders.
- 99.3 The Company's supplementary information for the year ended December 31, 2004.

[Table of Contents](#)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunder duly authorized.

Date: March 28, 2005

CHARTERED SEMICONDUCTOR
MANUFACTURING LTD

By: /s/ George Thomas
Name: George Thomas
Title: Vice President & Chief Financial Officer

[E/O]

CRC: 48285

EDGAR 2

BOMU92500 004.00.00.00 0/2



[Table of Contents](#)

EXHIBIT INDEX

- 99.1 The Company's Proxy Statement for the annual shareholders' meeting to be held on April 28, 2005.
- 99.2 The Company's letter to its shareholders.
- 99.3 The Company's supplementary information for the year ended December 31, 2004.



<DOCUMENT>
<TYPE> EX-99.1
<FILENAME> u92500exv99w1.htm
<DESCRIPTION> Ex-99.1 The Company's Proxy Statement for the annual shareholders' meeting to be
<TEXT>

Exhibit 99.1



**Chartered Semiconductor
Manufacturing Ltd**
(Regn. No.: 198703584-K)
www.charteredsemi.com

60 Woodlands Industrial Park D
Street 2
Singapore 738406
Tel: (65) 6362 2838
Fax: (65) 6360 4970

NOTICE OF SEVENTEENTH ANNUAL GENERAL MEETING

To Be Held On April 28, 2005

To Our Shareholders,

You are cordially invited to attend and NOTICE IS HEREBY GIVEN of the Seventeenth Annual General Meeting of Chartered Semiconductor Manufacturing Ltd (the "Company") to be held in Singapore on Thursday, April 28, 2005 at the registered office of the Company located at 60 Woodlands Industrial Park D, Street 2, Singapore 738406 at 11:00 a.m. (Singapore time) for the following purposes:

ROUTINE BUSINESS

- 1) To adopt the Audited Accounts of the Company for the year ended December 31, 2004, including the reports of the Directors and the Auditors.
- 2) (a) To re-elect the following Directors retiring pursuant to Article 94 of the Company's Articles of Association and who, being eligible, offer themselves for re-election:
 - (i) Mr. Chia Song Hwee
 - (ii) Dr. Tsugio Makimoto
- (b) To record the retirement of Mr. Lim Ming Seong, a Director retiring pursuant to Article 94 of the Company's Articles of Association.
- 3) To re-appoint the following Directors pursuant to Section 153(6) of the Companies Act, Chapter 50 and for this purpose to consider and, if thought fit, to pass with or without modifications the following resolutions, which will be proposed as Ordinary Resolutions:
 - (a) "That pursuant to Section 153(6) of the Companies Act, Chapter 50, Mr. Charles E. Thompson be and is hereby re-appointed a Director of the Company to hold such office from the date of this Annual General Meeting until the next annual general meeting of the Company."
 - (b) "That pursuant to Section 153(6) of the Companies Act, Chapter 50, Mr. Robert E. La Blanc be and is hereby re-appointed a Director of the Company to hold such office from the date of this Annual General Meeting until the next annual general meeting of the Company."
- 4) To re-appoint KPMG as the Company's Auditors and to authorize the Directors to fix their remuneration.

- 5) To approve Directors' fees of \$459,334 for the year ended December 31, 2004 (Directors' fees were \$427,125 for the year ended December 31, 2003).

SPECIAL BUSINESS

To consider and, if thought fit, to pass with or without modifications the following resolutions, each of which will be proposed as Ordinary Resolutions:

- 6) Increase in Authorized Share Capital

That the authorized share capital of the Company be increased from S\$800,000,000.54 divided into 3,076,923,079 ordinary shares of S\$0.26 each to S\$1,200,000,000.68 divided into 4,615,384,618 ordinary shares of S\$0.26 each.

- 7) (a) Authority to Allot and Issue Shares pursuant to Section 161 of the Companies Act, Chapter 50

That pursuant to Section 161 of the Companies Act, Chapter 50, the Directors be and are hereby authorized to allot and issue shares in the capital of the Company to any person on such terms and conditions and with such rights or restrictions as they may think fit to impose and that such authority shall continue in force until the conclusion of the next annual general meeting of the Company or the expiration of the period within which the next annual general meeting is required by law to be held, whichever is the earlier.

- (b) Authority to Create and Issue Securities and to Allot and Issue Shares in connection therewith pursuant to Section 161 of the Companies Act, Chapter 50

That pursuant to Section 161 of the Companies Act, Chapter 50, approval be and is hereby given to the Directors to:

- (i) (aa) create and issue securities ("Securities") including, without limitation, warrants or options to subscribe for new shares of the Company ("New Shares") or to purchase from the Company other securities issued or to be issued by the Company, debt securities and securities which are convertible into, exchangeable for, or exercisable for, New Shares or other securities issued or to be issued by the Company to any person or persons and on such terms and conditions as the Directors may think fit to impose;
- (bb) create and issue any further Securities ("Further Securities") as may be required or permitted to be issued in accordance with the terms and conditions of the Securities; and
- (cc) make, enter into and/or issue offers, agreements, options, undertakings, guarantees and/or indemnities (together referred to as "Agreements") which would or might require the issue of New Shares or other securities by the Company with any person or persons and on such terms and conditions as the Directors may think fit to impose;
- (ii) allot and issue from time to time:

- (aa) such number of New Shares as may be required or permitted to be allotted or issued on the conversion, exchange or exercise of the Securities, or any of them, to the holders of such Securities on the conversion, exchange or exercise thereof, subject to and otherwise in accordance with the terms and conditions of the Securities;
- (bb) on the same basis as paragraph (ii)(aa) above, such further New Shares as may be required to be allotted and issued on the conversion, exchange or exercise of any of the Further Securities in accordance with the terms and conditions of the Further Securities; and
- (cc) such number of New Shares as may be required or permitted to be allotted or issued pursuant to and otherwise in accordance with the terms and conditions of the Agreements; and
- (iii) take such steps, make such amendments to the terms and conditions of the Securities, the Further Securities and the Agreements and any of them, and exercise such discretion as the Directors may from time to time deem fit, advisable or necessary in connection with all or any of the above matters.
- (c) Authority to Offer and Grant Options and to Allot and Issue Additional Shares Pursuant to the Company's Share Option Plan 1999 (the "1999 Option Plan")
- That pursuant to Section 161 of the Companies Act, Chapter 50, the Directors be and are hereby authorized to offer and grant options in accordance with the provisions of the 1999 Option Plan, as amended and restated, and to allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of the options under the 1999 Option Plan, as amended and restated.
- (d) Authority to Offer and Grant Purchase Rights and to Allot and Issue Additional Shares Pursuant to the Company's Employee Share Purchase Plan 2004 (the "Chartered ESPP 2004")
- That pursuant to Section 161 of the Companies Act, Chapter 50, the Directors be and are hereby authorized to offer and grant rights to purchase shares in the capital of the Company in accordance with the provisions of the Chartered ESPP 2004, and to allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of rights to purchase shares in the capital of the Company under the Chartered ESPP 2004.
- (e) Authority to Offer and Grant Purchase Rights and to Allot and Issue Additional Shares Pursuant to the Company's Share Purchase Plan 2004 for Employees of Silicon Manufacturing Partners Pte Ltd (the "SMP ESPP 2004")
- That pursuant to Section 161 of the Companies Act, Chapter 50, the Directors be and are hereby authorized to offer and grant rights to purchase shares in the capital of the Company in accordance with the provisions of the SMP ESPP 2004, and to allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of rights to purchase shares in the capital of the Company under the SMP ESPP 2004.

8) To transact any other business as may be properly transacted at an annual general meeting.

The foregoing items of business are more fully described in the Proxy Statement accompanying this Notice.

The Board of Directors has fixed the close of business on February 28, 2005 as the date for determining those holders of Ordinary Shares ("Shareholders") who will be entitled to receive copies of this Notice and the accompanying Proxy Statement and the Company's 2004 Annual Report to Shareholders (the "Annual Report"). A Shareholder who is registered with The Central Depository (Pte) Limited as at 48 hours before the time set for the Annual General Meeting on April 28, 2005 shall be entitled to vote in person or by proxy at the Annual General Meeting.

NOTES:

- (1) A Shareholder is a person whose name appears on the Depository Register of The Central Depository (Pte) Limited in Singapore or a person registered in the Company's Register of Shareholders (Members).
- (2) A Shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his behalf. A proxy need not be a Shareholder of the Company. The instrument appointing a proxy, a form of which is enclosed, must be deposited at the registered office of the Company at 60 Woodlands Industrial Park D, Street 2, Singapore 738406 not less than 48 hours before the time set for the Annual General Meeting or any adjournment thereof. A proxy may be revoked at any time not less than 48 hours before the time set for the Annual General Meeting by the Shareholder submitting a subsequently dated instrument appointing a proxy or at the Annual General Meeting prior to the vote of the resolution by the Shareholder attending the Annual General Meeting and voting in person.
- (3) The Company is subject to the continuing Nasdaq listing rules and applicable U.S. federal securities laws and is not subject to the continuing listing rules of the Singapore Exchange Securities Trading Limited.

BY ORDER OF THE BOARD

LOOI LEE HWA

COMPANY SECRETARY

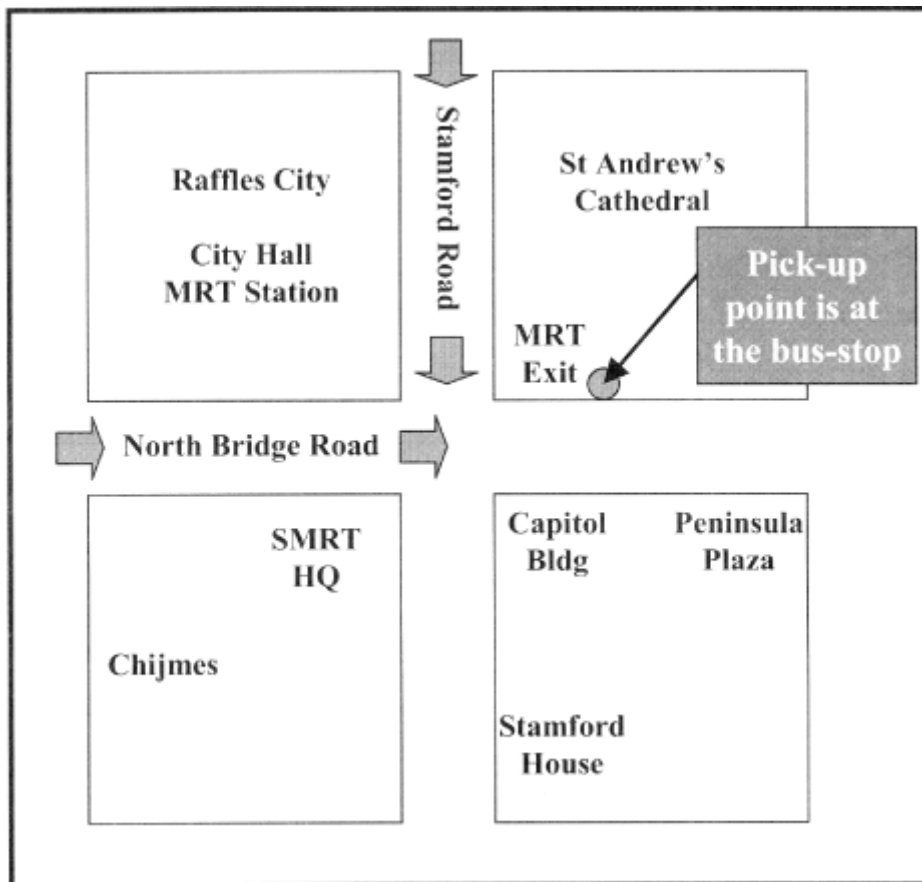
Singapore
March 28, 2005

For the convenience of those Shareholders who wish to attend the Annual General Meeting and who will not be driving, buses have been arranged to pick up those Shareholders from the City Hall MRT Station and the Marsiling MRT Station on the day of the Annual General Meeting.

For Shareholders who will be boarding the bus at the City Hall MRT Station, please proceed to the bus stand along North Bridge Road, in front of the St. Andrew's Cathedral. The bus, which will be carrying a sign bearing "Chartered Semiconductor Manufacturing AGM" at the windscreen of the bus, will leave at **10:00 a.m. SHARP**. Kindly refer to the location map below.

For Shareholders who will be boarding the bus at the Marsiling MRT Station, please proceed to the bus stand (next to the NTUC supermarket), in front of the Marsiling MRT Station. The bus, which will be carrying a sign bearing "Chartered Semiconductor Manufacturing AGM" at the windscreen of the bus, will leave at **10:30 a.m. SHARP**.

The buses will be available to transport Shareholders back to either the City Hall MRT Station or the Marsiling MRT Station after the Annual General Meeting.



[E/O]

CRC: 28618

EDGAR 2

BOMU92500 799.01.06.00 0/1


This page has been intentionally left blank



**Chartered Semiconductor
Manufacturing Ltd**
(Regn. No.: 198703584-K)
www.charteredsemi.com

60 Woodlands Industrial Park D
Street 2
Singapore 738406
Tel: (65) 6362 2838
Fax: (65) 6360 4970

PROXY STATEMENT

SEVENTEENTH ANNUAL GENERAL MEETING

To Be Held On April 28, 2005

This Proxy Statement is furnished in connection with the solicitation by the Board of Directors (the "Board") of Chartered Semiconductor Manufacturing Ltd (the "Company"), a company incorporated in Singapore under the Companies Act, Chapter 50 of Singapore (the "Companies Act"), of proxies for voting at the Company's Annual General Meeting of Shareholders (the "Annual General Meeting") to be held in Singapore on Thursday, April 28, 2005 at the registered office of the Company located at 60 Woodlands Industrial Park D, Street 2, Singapore 738406 at 11:00 a.m. (Singapore time), or any adjournments or postponements thereof, for the purposes set out in the accompanying Notice of Annual General Meeting. Shareholders should read this Proxy Statement carefully prior to returning their instruments appointing a proxy or proxies.

This Proxy Statement, the accompanying instrument appointing a proxy or proxies, the Notice of Annual General Meeting and the Company's 2004 Annual Report to Shareholders (the "Annual Report") were mailed to Shareholders on or about March 28, 2005.

In this Proxy Statement and the Notice of Annual General Meeting, references to "S\$" shall mean Singapore dollars, the legal currency of Singapore and references to "\$" shall mean United States dollars ("U.S. dollars"), the legal currency of the United States. This Proxy Statement contains translations of certain Singapore dollar amounts into U.S. dollars as of December 31, 2004, at an exchange rate of S\$1.645 = \$1.00. These translations should not be construed as a representation that those Singapore dollar or U.S. dollar amounts could have been, or could be, converted to U.S. dollars or Singapore dollars, as the case may be, at any particular rate, the rate stated above, or at all.

Shareholders Entitled to Notice of Annual General Meeting and Vote

The Board has fixed the close of business on February 28, 2005 as the date for determining those holders of ordinary shares, S\$0.26 par value per share ("Shareholders") who will be entitled to receive copies of the Notice of Annual General Meeting and this Proxy Statement and the Annual Report.

A Shareholder is a person whose name appears in the Depository Register of The Central Depository (Pte) Limited ("CDP") in Singapore or in the Company's Register of Shareholders (Members). A Shareholder whose name appears on the Depository Register of CDP as at 48 hours before the time set for the Annual General Meeting on April 28, 2005 shall be entitled to vote in person or by proxy at the Annual General Meeting.

As at December 31, 2004, the Company had 2,509,238,524 ordinary shares, S\$0.26 par value per share (the "Ordinary Shares"), issued and outstanding.



Proxies

To be effective, the instrument appointing a proxy or proxies, a form of which is enclosed, must be deposited at the registered office of the Company at 60 Woodlands Industrial Park D, Street 2, Singapore 738406 not less than 48 hours before the time set for the Annual General Meeting, or any adjournment thereof. A proxy need not be a Shareholder and Shareholders may appoint any member of the Board, the Company Secretary or any other person as their proxy.

A proxy given pursuant to this solicitation may be revoked by the Shareholder giving it at any time not less than 48 hours before the time set for the Annual General Meeting by the Shareholder submitting a subsequently dated instrument appointing a proxy or at the Annual General Meeting prior to the vote of the resolution by the Shareholder attending the Annual General Meeting and voting in person.

Quorum

The required quorum for transaction of business at the Annual General Meeting is two or more Shareholders holding not less than 33 $\frac{1}{3}$ % of the total issued and fully paid Ordinary Shares, present in person or by proxy.

Voting and Solicitation

On a show of hands, every Shareholder present in person or by proxy shall have one vote and on a poll, every Shareholder present in person or by proxy shall have one vote for each Ordinary Share held or represented. A resolution put to the vote of Shareholders at the Annual General Meeting will be decided on a show of hands unless a poll is demanded by the Chairman of the Annual General Meeting or a Shareholder present in person or by proxy and entitled to vote at the Annual General Meeting.

Ordinary Shares represented by a duly executed instrument appointing a proxy or proxies that is deposited with the Company (at least 48 hours before the time set for the Annual General Meeting) will be voted at the Annual General Meeting in accordance with Shareholders' instructions contained in the instrument. In the absence of specific instructions in the instrument, the proxy or proxies of a Shareholder may vote or abstain as he or they may think fit. On a show of hands, each of the resolutions to be proposed at the Annual General Meeting will be duly passed by the affirmative vote of a simple majority of Shareholders present in person or by proxy and voting at the Annual General Meeting. On a poll, each of the resolutions to be proposed at the Annual General Meeting will be duly passed by the affirmative vote of a simple majority of votes cast at the Annual General Meeting, every Shareholder present in person or by proxy having one vote for each Ordinary Share held or represented.

The entire cost of soliciting proxies will be borne by the Company.

SUMMARY OF PROPOSALS

Shareholders will be requested to vote on the following proposals at the Annual General Meeting:

- (1) Adoption of the Audited Accounts of the Company for the year ended December 31, 2004, including the reports of the Directors and the Auditors;
- (2) Re-election of Directors retiring by rotation and to record the retirement of a Director;
- (3) Re-appointment of Directors pursuant to Section 153(6) of the Companies Act;
- (4) Re-appointment of Auditors and authorization of the Board to fix their remuneration;

- (5) Approval of Directors' fees for services rendered during the year ended December 31, 2004;
- (6) Increase in authorized share capital; and
- (7) Authorization to the Board to allot and issue shares and securities.

PROPOSAL NO. 1

Adoption of the Audited Accounts of the Company including the Reports of the Directors and Auditors

The Company's Annual Report for the fiscal year ended December 31, 2004 accompanies this Proxy Statement. The Annual Report includes the Company's U.S. dollar financial statements prepared in conformity with United States generally accepted accounting principles ("U.S. GAAP") and the Supplementary Information described hereafter. For the purposes of complying with the Companies Act, the Company has prepared for distribution to Shareholders, supplementary information (the "Supplementary Information") containing financial information required to be presented under the Companies Act but which is not included in U.S. GAAP financial statements. The financial statements are accompanied by the Auditors' Reports of KPMG, the Company's independent auditors.

The Board recommends a vote "FOR" the adoption of the Company's Audited Accounts for the fiscal year ended December 31, 2004, including the reports of the Directors and Auditors.

PROPOSAL NO. 2(a)

Re-Election of Directors Retiring by Rotation

In accordance with Article 94 of the Articles of Association of the Company, a portion of the Directors shall retire at every annual general meeting of the Shareholders. The number of Directors retiring and eligible to stand for re-election each year varies, but generally is equal to one-third of the Board, with the Directors who have been in office longest since their re-election or appointment standing for re-election. Messrs. Lim Ming Seong, Chia Song Hwee and Dr. Tsugio Makimoto are retiring by rotation at the Annual General Meeting. Being eligible to stand for re-election, Mr. Chia Song Hwee and Dr. Tsugio Makimoto have offered themselves for re-election. The Board believes it is in the best interest of the Company to re-elect them as Directors.

The biographies of Mr. Chia Song Hwee and Dr. Tsugio Makimoto are provided on page 15 and page 16 respectively. A complete listing of all our Directors are provided from page 15 through page 19.

Mr. Lim Ming Seong has indicated his intention to retire at the Annual General Meeting pursuant to Article 94 of the Company's Articles of Association and has decided not to seek re-election. The Company would like to note the retirement of Mr. Lim as a Director of the Company and to place on record our appreciation to Mr. Lim for his contributions as a Director since 1987.

The Board recommends a vote "FOR" the re-election of each of Mr. Chia Song Hwee and Dr. Tsugio Makimoto to the Board of Directors.

PROPOSAL NO. 3(a) and (b)

Re-Appointment of Directors pursuant to Section 153(6) of the Companies Act

Section 153(1) of the Companies Act provides that, subject to sub-section (6) of Section 153, no person of or over the age of 70 years shall be appointed to act as a director of a public company or of a subsidiary of a public company. Section 153(6) allows the appointment of such a person by the passing of an ordinary resolution by a simple majority of shareholders of the company entitled to vote in person or by proxy at a general meeting of the company. A director appointed pursuant to Section 153(6) of the Companies Act would hold office until the next annual general meeting of the company.

In accordance with Section 153 of the Companies Act, Messrs. Charles E. Thompson and Robert E. La Blanc are offering themselves for re-appointment to the Board. The Board believes it is in the best interest of the Company to re-appoint them as Directors of the Company.

The biographies of Messrs. Charles E. Thompson and Robert E. La Blanc are provided on page 16.

The Board recommends a vote "FOR" the re-appointment of Messrs. Charles E. Thompson and Robert E. La Blanc to the Board of Directors and to hold such office until the next annual general meeting of the Company.

PROPOSAL NO. 4

Re-Appointment of Auditors and Authorization of the Board to fix their Remuneration

The firm of KPMG has served as independent auditors for the Company from the incorporation of the Company in 1987 to the fiscal year ended December 31, 2004. The Board intends to re-appoint KPMG as independent auditors to audit the accounts and records of the Company for the fiscal year ending December 31, 2005 and to perform other appropriate services. The Company expects that a representative from KPMG will be present at the Annual General Meeting. Such representative will have the opportunity to make a statement if he or she so desires and is expected to be available to respond to appropriate questions.

The Board recommends a vote "FOR" the re-appointment of KPMG as the Company's independent auditors for the fiscal year ending December 31, 2005 and the authorization of the Board to fix their remuneration.

PROPOSAL NO. 5

Approval of Directors' Fees

In accordance with Article 81 of the Articles of Association of the Company, Shareholders are requested to approve the payment of Directors' fees of \$459,334 for services rendered during the fiscal year ended December 31, 2004. The Directors' fees for the fiscal year ended December 31, 2004 represent an increase of 7.5% or \$32,209 over the Directors' fees of \$427,125 for the fiscal year ended December 31, 2003. The increase in Directors' fees in 2004 was due to the restoration of a 50% cut in the Directors' attendance fees in January 2004. The cut in the attendance fees was effected in 2001.

Please see "Item 6, Directors, Senior Management and Employees — Compensation of Directors and Senior Management" set forth in the Form 20-F as filed with the SEC, for a general discussion of the compensation of our Board members.

The Board recommends a vote "FOR" the approval of Directors' fees of \$459,334 for the fiscal year ended December 31, 2004.

PROPOSAL NO. 6

Increase in Authorized Share Capital

The Company is incorporated in the Republic of Singapore and is subject to Singapore Laws. Under the Companies Act, a company may in general meeting, increase its share capital by creating new shares.

Shareholders' approval is sought to increase the authorized share capital from S\$800,000,000.54 divided into 3,076,923,079 Ordinary Shares to S\$1,200,000,000.68 divided into 4,615,384,618 Ordinary Shares, by the creation of 1,538,461,539 new Ordinary Shares.

The Board believes that it is advisable and in the best interests of the Company and its Shareholders to have a sufficient number of new Ordinary Shares for issuance in future financing transactions, acquisitions and other proper corporate opportunities and purposes. The proposed increase in authorized share capital is to strengthen the capital base of the Company to position it for future growth. Having additional Ordinary Shares available for issuance in the future would give the Company greater flexibility to pursue corporate opportunities and, subject to the requirements of the Companies Act and the qualification requirements of the Nasdaq National Market ("Nasdaq"), enable it to issue Ordinary Shares without the expense and delay of having to convene an extraordinary general meeting of Shareholders.

The Board recommends a vote "FOR" the increase in the Authorized Share Capital of the Company to S\$1,200,000,000.68 divided into 4,615,384,618 Ordinary Shares by the creation of 1,538,461,539 new Ordinary Shares.

PROPOSAL NO. 7(a), (b), (c), (d) and (e)

Authorization to the Board to Allot and Issue Shares and Securities

The Company is incorporated in the Republic of Singapore. Pursuant to the Companies Act, Directors may exercise any power of the Company to issue new Ordinary Shares only with the prior approval of the Shareholders of the Company at a general meeting. Such approval, if granted, is effective from the date of the meeting at which it was given to the conclusion of the next annual general meeting of Shareholders of the Company or the expiration of the period within which the next annual general meeting is required by law to be held, whichever is earlier.

Shareholders' approval is sought for the issue of new Ordinary Shares during the period from the Annual General Meeting to the next annual general meeting. This approval, if granted, will lapse at the conclusion of the annual general meeting of the Company to be held in 2006 or, if earlier, the expiration of the period within which the next annual general meeting is required by law to be held.

The requirement for Shareholders' approval under the Companies Act extends to the issue of new Ordinary Shares arising from the conversion, exchange or exercise of other securities, including warrants or options to subscribe for new Ordinary Shares or to purchase from the Company other securities issued or to be issued by the Company, debt securities and securities which are convertible into, exchangeable for, or exercisable for new Ordinary Shares, new Ordinary Shares pursuant to any offers, agreements, options, undertakings, guarantees and/or indemnities to be made, entered into or issued by the Company, as well as new Ordinary Shares to be issued pursuant to the exercise of options under the Company's Share Option Plan 1999 (the "1999 Option Plan"), the Company's Employee Share Purchase Plan 2004 ("Chartered ESPP 2004") and the Share Purchase Plan 2004 for Employees of Silicon Manufacturing Partners Pte Ltd (the "SMP ESPP 2004").

Shareholders' approval is sought for the creation and issuance of new securities, including but not limited to warrants, options or other securities convertible into, exchangeable for, or exercisable for, Ordinary Shares, the making, entry into and/or issue of offers, agreements, options, undertakings, guarantees and/or indemnities by the Company which would or might require the issue of Ordinary Shares, and the issuance of Ordinary Shares required or permitted to be allotted and issued on the conversion, exchange or exercise of such securities, pursuant to such offers, agreements, options, undertakings, guarantees and/or indemnities, or upon the exercise of any options under the 1999 Option Plan, Chartered ESPP 2004 and SMP ESPP 2004.

The Board believes that it is advisable and in the best interests of the Company and its Shareholders to have a sufficient number of new Ordinary Shares for issuance in future financing transactions, acquisitions and other proper corporate opportunities and purposes. Having additional Ordinary Shares available for issuance in the future would give the Company greater flexibility to pursue corporate opportunities and, subject to the listing requirements of the Nasdaq, enable it to issue Ordinary Shares without the expense and delay of having to convene an extraordinary general meeting of Shareholders.

The Nasdaq listing requirements mentioned above generally require that the Company obtain Shareholders' approval prior to, among other things, the issuance of securities in connection with the following:

- (i) where the issuance will result in a change of control of the Company;
- (ii) in connection with certain acquisitions of stock or assets of another company, including where the issuance of Ordinary Shares (or securities convertible into or exercisable for Ordinary Shares) will equal or exceed 20% or more of the outstanding Ordinary Shares prior to such issuance; or
- (iii) in connection with a sale or issuance of Ordinary Shares (other than a public offering), where the sale or issuance of Ordinary Shares (or securities convertible into or exercisable for Ordinary Shares) is at a price less than the greater of book value and market value, and such issuance equals or exceeds 20% of the outstanding Ordinary Shares prior to such issuance.

The Shareholders' approval that the Company is seeking under this proposal No. 7 to authorize the Directors to issue new Ordinary Shares and securities does not extend to the issue of securities in connection with the above. Before the Company can issue securities in connection with the above, it generally would be required to re-seek Shareholders' approval under the Nasdaq listing requirements.

In summary, under proposal Nos. 7(a), (b), (c), (d) and (e), Shareholders are requested to authorize the Board to:

- a) allot and issue shares in the capital of the Company pursuant to Section 161 of the Companies Act;
- b) create and issue securities and to allot and issue shares in the capital of the Company in connection therewith pursuant to Section 161 of the Companies Act;
- c) offer and grant options and to allot and issue additional shares in the capital of the Company pursuant to the 1999 Option Plan;
- d) offer and grant purchase rights and to allot and issue additional shares in the capital of the Company pursuant to the Chartered ESPP 2004; and
- e) offer and grant purchase rights and to allot and issue additional shares in the capital of the Company pursuant to the SMP ESPP 2004.

The Board recommends a vote "FOR" each of the resolutions set out under proposal No. 7 as described above and in the Notice of Annual General Meeting.

OTHER BUSINESS

The Board does not presently intend to bring any other business before the Annual General Meeting, and so far as is known to the Board, no matters will be brought before the Annual General Meeting except as is specified in this Proxy Statement. As to any business that may properly come before the Annual General Meeting, however, it is intended that proxies, in the form enclosed, will be voted in respect thereof in accordance with the judgment of those persons voting such proxies.

DIRECTORS AND SENIOR MANAGEMENT

The following table sets forth, as of December 31, 2004, the name, age and position of each Director and member of senior management of our Company.

Name	Age	Position
Board Of Directors (1)		
James A. Norling (2) (3) (5)	62	Chairman of the Board
Lim Ming Seong (3) (5)	57	Deputy Chairman of the Board
Chia Song Hwee (2)	42	Director
Sum Soon Lim (3) (4) (5)	61	Director
Robert E. La Blanc (4)	70	Director
Andre Borrel (3) (4) (5)	68	Director
Charles E. Thompson (3) (5)	75	Director
Tsugio Makimoto, PhD	67	Director
Tay Siew Choon (2) (3) (5)	57	Director
Peter Seah Lim Huat (2) (3) (5)	58	Director
Philip Tan Yuen Fah (4)	60	Director
Senior Management (1)		
Chia Song Hwee	42	President and Chief Executive Officer
Ang Kay Chai	45	Senior Vice President, Fab Operations
Michael J. Rekul	55	Senior Vice President, Worldwide Sales and Marketing
Sun Shi-Chung, PhD	57	Senior Vice President, Technology Development
George Thomas	51	Vice President and Chief Financial Officer
Ang Tang Yong	47	Vice President, Quality, Reliability Assurance and Support Operations
Roy Kannan	52	Vice President and Chief Information Officer
Ng Seng Huwi	47	Vice President, Human Resources
Tan Seng Chai	42	Vice President, Strategy Resources

(1) A portion of our directors (including our President and Chief Executive Officer) are elected at each annual general meeting of shareholders. The number of directors retiring and eligible to stand for re-election each year varies, but generally, it is equal to one-third of the board, with the directors who have been in office longest since their re-election or appointment standing for re-election. Our contracts with senior management and/or directors do not have fixed expiry dates but can be terminated by either party through notice provisions.

(2) Member of the Executive Committee.

(3) Member of the Executive Resource and Compensation Committee.

(4) Member of the Audit Committee.

(5) Member of the Nominating Committee.



JAMES A. NORLING

James A. Norling has served on our Board of Directors since March 1, 2001 and as our Chairman of the Board since August 1, 2002. Mr. Norling also served as interim Chief Executive Officer from May 2002 to June 2002. He has 37 years of working experience in the electronics industry. Mr. Norling was with Motorola Inc. from 1965 to 2000 holding various positions, including President of the Semiconductor Products Sector in 1986, President of the Europe, Middle East and Africa region in 1993, Deputy to the Chief Executive Officer in 1998 and President of the Personal Communications Sector in 1999 until his retirement. He has previously served as a board member and the Chairman of the Semiconductor Industry Association. Mr. Norling is currently a board member of Harley-Davidson, Inc. Mr. Norling holds a B.Sc and a Masters degree in Electrical Engineering from the University of Illinois.



LIM MING SEONG

Lim Ming Seong has served on our Board of Directors since November 1987 and as our Deputy Chairman of the Board since August 1995. Mr. Lim currently sits on the boards of various companies, including as Deputy Chairman of STATS ChipPAC Ltd (formerly known as ST Assembly Test Services Ltd) and Chairman of CSE Global Ltd. After joining Singapore Technologies Pte Ltd in December 1986, Mr. Lim has held various senior positions in the Singapore Technologies group. Prior to joining Singapore Technologies Pte Ltd, Mr. Lim was with the Ministry of Defence of Singapore. Mr. Lim received his Bachelor of Science (Honors) in Mechanical Engineering from the University of Toronto and his Diploma in Business Administration from the University of Singapore. Mr. Lim also participated in the Advanced Management Programs at INSEAD and Harvard University.



CHIA SONG HWEЕ

Chia Song Hwee has served on our Board of Directors and as our President and Chief Executive Officer since June 2002. Prior to his appointment, Mr. Chia had served as our Chief Administrative Officer since September 2000, as our Senior Vice President since February 2000 and as our Chief Financial Officer since December 1997. Mr. Chia was our Director of Finance from April 1996 to December 1997. Since joining our Company in 1996, his responsibilities have steadily expanded to include the areas of finance, strategic development, technology alliances and legal. From May 1992 through December 1994, Mr. Chia was Regional Financial Controller (Asia and Middle East) for Anadrill Technical Services, Inc. From January 1995 to April 1996, Mr. Chia was Regional Controller (Asia, Australia and Middle East) for Sedco Forex Technical Services, Inc. Mr. Chia received his Bachelor of Business (Accountancy), with distinction, from Edith Cowan University, Australia and is a member of CPA Australia.



SUM SOON LIM

Sum Soon Lim has served on our Board of Directors since February 1994. He is currently a corporate adviser to Temasek Holdings (Private) Limited. Prior to the cessation of operations of Singapore Technologies Pte Ltd on December 31, 2004, Mr. Sum was also a corporate adviser to Singapore Technologies Pte Ltd. Mr. Sum had worked with the Singapore Economic Development Board, DBS Bank, J.P. Morgan Inc., Overseas Union Bank Ltd and Nuri Holdings (S) Pte Ltd, a private investment holding company. He is also a member of the Securities Industry Council. Mr. Sum currently also sits on the board of various companies, including CapitaLand Ltd, Singapore Health Services Pte Ltd, Singapore Technologies Telemedia Pte Ltd and Singapore Press Holdings Ltd. He is also a Commissioner in P.T. Indonesian Satellite Corporation. Mr. Sum received his B.Sc (Honors) in Production Engineering from the University of Nottingham, England.



ROBERT E. LA BLANC

Robert E. La Blanc has served on our Board of Directors since May 1998 and is the President of Robert E. La Blanc Associates, Inc., an information technologies consulting and investment banking firm. From 1979 to 1981, Mr. La Blanc was Vice Chairman of Continental Telecom, Inc. and from 1969 to 1979, a General Partner of Salomon Brothers Inc. Mr. La Blanc has also held various senior positions within companies in the telecommunications industry including AT&T, Bell Telephone Laboratories and New York Telephone Company. Mr. La Blanc received his B.E.E. from Manhattan College and his MBA from New York University. Mr. La Blanc also is a graduate of the Operating Engineers Program at Bell Telephone Laboratories and the USAF Communications Officers School.



ANDRE BORREL

Andre Borrel has served on our Board of Directors since July 1998 and is currently working as a consultant in the semiconductor industry. Prior to joining our Board of Directors, Mr. Borrel was Senior Vice President and General Manager of Communications, Power and Signal Technology Group at Motorola Inc. Mr. Borrel is also an Officer of the French National Order of Merit and holds a Master Degree in Electronics from "Ecole Nationale Superieure des Telecommunications" in Paris, France.



CHARLES E. THOMPSON

Charles E. Thompson has served on our Board of Directors since September 1998 and is currently working as a consultant in the information technology/semiconductor technology industry. From 1973 to 1996, Mr. Thompson was World Marketing Senior Vice President at Motorola Inc. Prior thereto, Mr. Thompson was Computer Department Sales Director at General Electric. Mr. Thompson received his Bachelor of Science in Mathematics from the University of Washington.



TSUGIO MAKIMOTO, PhD

Tsugio Makimoto has served on our Board of Directors since September 1999 and has more than 40 years of working experience in the semiconductor industry. He is currently a corporate adviser to Sony Corporation or Sony. Prior to joining Sony, Dr. Makimoto has worked for Hitachi Ltd since 1959 where he has held various senior positions, including Executive Managing Director in 1993, Senior Executive Managing Director in 1997 and Corporate Chief Technologist since 1998. Dr. Makimoto was an auditor of Hitachi Chemical Corporation from 2000 to 2003. He was also nominated a Fellow of the Institute of Electrical and Electronics Engineers, Inc. in 1997. Dr. Makimoto was also a visiting professor at Toyo University (1999-2001).



TAY SIEW CHOON

Tay Siew Choon has served on our Board of Directors since July 2001. Mr. Tay was formerly a corporate advisor to Singapore Technologies Pte Ltd which ceased operations on December 31, 2004. Prior to that, he was Managing Director and Chief Operating Officer in Singapore Technologies Pte Ltd. From 1998 to 2000, Mr. Tay was the Managing Director and Deputy Chief Executive Officer of SembCorp Industries Ltd and has held various senior positions in Singapore Technologies Industrial Corporation Ltd. Mr. Tay currently also sits on the board of various companies including STATS ChipPAC Ltd (formerly known as ST Assembly Test Services Ltd), ST Telemedia Pte Ltd, SNP-LeeFung Holdings Limited, Straco Corporation Limited and Pan-United Corporation Ltd. He is currently Chairman of SNP Corporation Ltd and Deputy Chairman of Green Dot Capital Pte Ltd, a wholly owned subsidiary of Temasek Holdings (Private) Limited. Mr. Tay received his Bachelor of Engineering (Electrical) (Honors) Degree from Auckland University and his Masters of Science in Systems Engineering from the former University of Singapore (now National University of Singapore).



PETER SEAH LIM HUAT

Peter Seah has served on our Board of Directors since January 2002. Mr. Seah is currently a member of the Temasek Advisory Panel. Prior to the cessation of operations of Singapore Technologies Pte Ltd on December 31, 2004, Mr. Seah was the President and Chief Executive Officer of Singapore Technologies Pte Ltd. Before joining Singapore Technologies Pte Ltd, he was a banker for 32 years, 22 of which were with the Overseas Union Bank Ltd and before that with Citibank. He retired from his position as Vice Chairman and CEO at Overseas Union Bank Ltd in September 2001. Mr. Seah currently sits on the board of various companies including SembCorp Industries Ltd, CapitaLand Ltd, ST Engineering Ltd and STATS ChipPAC Ltd (formerly known as ST Assembly Test Services Ltd). Mr. Seah graduated from the University of Singapore in 1968 with an honors degree in Business Administration. For his public service, he was awarded the Public Service Medal (1995) as well as the Public Service Star (1999) by the Singapore Government.



PHILIP TAN YUEN FAH

Philip Tan has served on our Board of Directors and as our Chairman of the Audit Committee since October 2003. He is currently an independent consultant and also sits on the board of companies such as Overseas Union Insurance Ltd and Singapore Food Industries Ltd. Mr. Tan is a veteran in the banking and financial industry. He retired in 2002 from Overseas Union Bank Ltd after holding various positions since joining the company in 1979. Mr. Tan holds a Bachelor of Accountancy from the University of Singapore and a Bachelor of Law from the University of Wolverhampton, UK. In addition, Mr. Tan also holds a graduate diploma in Business Administration from the Manchester Business School, UK. He is a Certified Public Accountant and a member of the Accounting Standards Committee of the Institute of Certified Public Accountants of Singapore. He is also a Chartered Management Accountant of the Chartered Institute of Management Accountants of UK and a Fellow of CPA (Australia).



ANG KAY CHAI

Ang Kay Chai has served as our Senior Vice President, Fab Operations, since September 2002. Mr. Ang is responsible for manufacturing strategy and operational excellence across all of Chartered's fabs. Mr. Ang returned to Chartered after spending four years at Silterra Malaysia Sdn, Bhd., where he was responsible for fab operations. There, he led teams in technology partner selection, green field fab startup, transfer of 0.25um and 0.18um technology and development of foundry-compatible process capabilities. Prior to that, Mr. Ang spent nine years at Chartered where he led the initial conception, development and ramp of Fab 2 and Fab 3. Mr. Ang first joined Chartered in 1989 and was one of the pioneers on Chartered's Fab 1 team. Mr. Ang holds a Master of Science degree in Engineering from the University of Texas and a Bachelor of Engineering degree from the National University of Taiwan.



MICHAEL J. REKUC

Michael J. Rekuc has served as our Senior Vice President, Worldwide Sales and Marketing since August 2003. He has the overall responsibility for global sales, marketing and services, customer support and regional business operations. From January 1999 to July 2003, Mr. Rekuc served as our President of our Americas operations. Mr. Rekuc brings nearly 30 years of electronics and semiconductor industry experience. From 1976 until joining Chartered in January 1999, Mr. Rekuc held sales, management and director positions in the semiconductor product sector of Motorola Inc. His last few positions at Motorola Inc. included worldwide responsibilities as global sales director for wireless subscriber systems and a 2-year role as vice president and sales director for PC, computing and peripherals. Mr. Rekuc holds a BSEE from Lawrence University of Michigan.



SUN SHI-CHUNG, PhD

Sun Shi-Chung has served as our Senior Vice President, Technology Development since December 2001. Dr. Sun has the overall responsibility for technology development and execution according to the competitive technology roadmap. Dr. Sun has more than 29 years of experience in the semiconductor industry. He joined us from Promos Technologies in Taiwan, where he was the head of research and development. During his career, he has held various positions with TSMC, Advanced Micro Devices Inc., Catalyst Semiconductor, Hewlett-Packard and AT & T Bell Labs. Dr. Sun received his PhD in electrical engineering from Stanford University, his M.S. in electrical engineering from the State University of New York and his B.S. in electrical engineering from National Cheng Kung University in Taiwan. Dr. Sun has been awarded several U.S. patents with several more pending, and his work has been featured in more than 100 technical publications.



GEORGE THOMAS

George Thomas has served as our Vice President and Chief Financial Officer since June 2002 and has overall responsibility for our Company's finance, investor relations and legal functions. From September 2000 to June 2002, Mr. Thomas served as Vice President, Finance. He joined our Company in May 2000 as Group Controller. Mr. Thomas began his Finance/Accounting career with Canadian Met-Chem, a subsidiary of U.S. Steel Corporation as Internal Auditor and Senior Accounts Executive in 1978. From June 1983 to April 2000, he held various positions at Schlumberger's Sedco Forex Division, including Controller, Operations-Worldwide, Regional Controller, Asia & Australia, Controller, Indonesia Operations, and Finance Manager of Arabian Drilling Company, a joint venture between Schlumberger and Petromin. He has served on the Board of Directors of Chartered Silicon Partners Pte Ltd since April 2001 and the Board of Directors of Silicon Manufacturing Partners Pte Ltd as an alternate director since July 2003. Mr. Thomas received his Bachelor Degree in Commerce and in General Law. He is also a member of the Institute of Chartered Accountants of India.



ANG TANG YONG

Ang Tang Yong has served as our Vice President, Quality, Reliability Assurance and Support Operations since July 2002 and has overall responsibility for facilities, supply management and quality assurance. Mr. Ang first joined our Company in 1993 as Facilities Director and during the next seven years served consecutively as Vice President and Operations Manager of our Fab 1, General Manager of Silicon Manufacturing Partners Pte Ltd, and as General Manager of Chartered Silicon Partners Pte Ltd. Mr. Ang has more than 20 years of working experience in the semiconductor industry. Prior to joining our Company, Mr. Ang held positions in the United States and Singapore with AT&T, Hitachi and Texas Instruments. From March 2001 to July 2002, he was president of Ellipsiz, a provider of semiconductor engineering and manufacturing services, headquartered in Singapore. Mr. Ang received a diploma in electrical engineering from Singapore Polytechnic and a master's degree in business administration from the State University of New York.



ROY KANNAN

Roy Kannan has served as our Vice President and Chief Information Officer (CIO) since September 2003. Mr. Kannan is responsible for our global information technology organization and for driving our Company's strategic initiative to extend a virtual business systems network for supporting the business systems network for supporting the business requirements of customers, partners, suppliers and employees. He joined us from the RGM group, a multi-divisional conglomerate, where he was the CIO. His responsibilities included the revamp of the Company's data, voice, network and security infrastructure, as well as the management of information systems (IS) operations and data centers. During Mr. Kannan's more than 20 years of experience in the IS industry, he has held senior positions at leading IS solutions companies such as Compaq, Mastek, Digital Equipment and Patni. Mr. Kannan holds a Bachelor of Chemical Engineering Degree from the Indian Institute of Technology, Madras, and a post-graduate diploma in management from the Indian Institute of Management, Ahmedabad.



NG SENG HUWI

Ng Seng Huwi has served as our Vice President, Human Resources since July 2003. Mr. Ng is responsible for the overall development and implementation of policies and processes in our Company's human resources management system. Mr. Ng brings with him extensive work experience in a number of large multi-national companies. He joined us from Praxair Inc., where he was vice president of Asia Human Resources with responsibilities that included ensuring organizational effectiveness, improving productivity and managing performance. During his 23-year professional career, Mr. Ng has lived and worked around the world, holding a variety of human resources, engineering and operations positions in global companies, including Schlumberger, Unilever and ICI. Mr. Ng holds a Bachelor of Engineering (Honors) from the University of Aberdeen in Scotland and an MBA from the University of Sheffield, England.



TAN SENG CHAI

Tan Seng Chai has served as our Vice President, Strategy Resources since July 2003. Mr. Tan has overall responsibility for the coordination of Chartered's long-term strategic initiatives and serves as the liaison with the management team, as well as the external communication teams. Prior to his appointment, Mr. Tan served as our Vice President, Human Resources from July 1999 to July 2003. He joined our Company in April 1996 as a human resource manager. Mr. Tan has more than 17 years of experience in the semiconductor industry. He began his career at National Semiconductor in 1987 where he held various positions in engineering, production and human resource management. Mr. Tan later joined Creative Technology Ltd in 1994 and prior to joining our Company, he was Creative Technology Ltd's Senior Manager, Human Resource. Mr. Tan holds a Bachelor of Engineering (Hons) from the National University of Singapore in 1987 and a M.Sc (Industrial and System Eng) from the National University of Singapore in 1991.

COMPENSATION OF DIRECTORS AND SENIOR MANAGEMENT

The aggregate compensation we paid to or accrued for all of our directors and senior management for services rendered to us and our subsidiaries during the fiscal years ended December 31, 2003 and December 31, 2004 were approximately \$3.0 million and \$3.4 million respectively. The increase in the aggregate compensation in 2004 was mainly due to the increase in senior management's salary as a result of the restoration of their pay cut in January 2004. The pay cut was effected in June 2002. We also provide our directors and our senior management with customary director or senior management insurance, as appropriate.

The table below sets out the compensation paid to our directors during the fiscal year ended December 31, 2004:

	<u>Salary⁽¹⁾</u>	<u>Bonus⁽²⁾</u>	<u>Others⁽³⁾</u> <u>(in \$ thousands)</u>	<u>Director's Fees⁽⁴⁾</u>	<u>Total</u>
James A. Norling	—	—	—	85	85
Lim Ming Seong	—	—	—	45	45
Chia Song Hwee	416	—	29	—	445
Sum Soon Lim	—	—	—	40	40
Robert E. La Blanc	—	—	—	45	45
Andre Borrel	—	—	—	53	53
Charles E. Thompson	—	—	—	45	45
Tsugio Makimoto	—	—	—	35	35
Tay Siew Choon	—	—	—	39	39
Peter Seah Lim Huat	—	—	—	35	35
Philip Tan Yuen Fah	—	—	—	38	38
Total as of December 31, 2004	<u>416</u>	<u>—</u>	<u>29</u>	<u>460</u>	<u>905</u>
Total as of December 31, 2003	<u>295</u>	<u>11</u>	<u>34</u>	<u>431</u>	<u>771</u>

(1) Base salary (inclusive of employers' Central Provident Fund (CPF)). The increase in Mr. Chia Song Hwee's salary in 2004 was due to the restoration of a 30% pay cut in January 2004. The pay cut was effected in June 2002.

(2) Economic Value Added (EVA) (inclusive of employers' CPF).

(3) Allowances (inclusive of employers' CPF) and others.

(4) The increase in Directors' fees in 2004 was due to the restoration of a 50% cut in the Directors' attendance fees in January 2004. The cut in the attendance fees was effected in 2001.

During 2004, we also granted options to purchase 4,855,000 Ordinary Shares to our directors and senior management. These options were granted under our 1999 Option Plan. The exercise prices of these options range from S\$1.02 to S\$1.70. The expiration dates of these options range from February 27, 2009 to July 30, 2014, subject to annual vesting requirements.

In 2004, except for a quarterly bonus paid in the first quarter of 2004 relating to the performance of fourth quarter of 2003, no other bonus was paid or accrued to our senior management. Our President and Chief Executive Officer does not have a guaranteed minimum annual bonus. None of our directors receive benefits upon termination of their appointment in their capacity as directors.

BOARD PRACTICES AND BOARD COMPOSITION

Our Articles of Association set the minimum number of directors at two. As of December 31, 2004, we have 11 directors. A portion of our directors (including our President and Chief Executive Officer) are re-elected at each annual general meeting of shareholders. The number of directors retiring and eligible to stand for re-election each year varies, but generally it is equal to one-third of the board, with the directors who have been in office longest since their re-election or appointment standing for re-election. Mr. Lim Ming Seong, our Deputy Chairman of the Board will be retiring at the annual general meeting of shareholders to be held on April 28, 2005 and will not be seeking re-election.

As of December 31, 2004, Temasek Holdings (Private) Limited ("Temasek"), through its affiliate, beneficially owns 60.19% of our outstanding Ordinary Shares. As such, it is able to control actions over many matters requiring approval by our shareholders, including the election of directors.

Under the Nasdaq rules, companies that satisfy the definition of a "Controlled Company" may be exempt from certain regulatory requirements. The regulatory requirements which a "Controlled Company" is exempt from include:

- (i) the requirement that the majority of Board members must be independent;
- (ii) the requirement that the compensation committee must be comprised solely of independent directors, or that compensation of our senior management must be made by a majority of the independent directors on the full Board; and
- (iii) the requirement that the nomination committee must be comprised solely of independent directors or that nominations must be made by a majority of the independent directors on the full Board.

A "Controlled Company" is defined as a company of which more than 50% of the voting power is held by an individual, group or another company. As Singapore Technologies Pte Ltd ("Singapore Technologies") (prior to December 31, 2004) and Temasek (with effect from December 31, 2004) through its affiliate owns more than 50% of our outstanding Ordinary Shares, our Company falls under the definition of "Controlled Company" and our Board has resolved to rely on the exemption for a "Controlled Company" as provided under the Nasdaq rules. However, our Board may from time to time review this decision.

In addition, the current Nasdaq rules require that our Audit Committee be comprised solely of independent directors. Although one of our Audit Committee members does not qualify as an independent director under the Nasdaq rules, we are currently exempt from this requirement pursuant to an exemption we previously received from Nasdaq. In the event we are no longer able to rely on this exemption in the future, we anticipate that we would rely on the Nasdaq rule which permits one non-independent director to be appointed to the Audit Committee for a period of up to two years if the Board makes a determination that, under exceptional and limited circumstances, the director's membership on the committee is in the best interests of the company and its shareholders.

The Board of Directors held 4 meetings during the fiscal year ended December 31, 2004, all of which were regularly scheduled meetings. The Board of Directors also held meetings without senior management in regular sessions which are generally held immediately after a regularly scheduled Board meeting.

COMMITTEES OF THE BOARD OF DIRECTORS

(a) Executive Committee

The Executive Committee of our Board of Directors was established to enable our Board to delegate some of its powers and functions regarding the governing of the affairs of the Company and its subsidiaries to the Executive Committee in order to facilitate timely decision-making processes within the limits of authority as determined by our Board. The members of the Executive Committee are Messrs. James A. Norling (chairman), Peter Seah Lim Huat, Tay Siew Choon and Chia Song Hwee. The Executive Committee held 4 meetings during the fiscal year ended December 31, 2004.

(b) Audit Committee

The Audit Committee of our Board of Directors consists of four members. The Audit Committee reviews, acts on and reports to the Board of Directors regarding various auditing and accounting matters. In particular, the Audit Committee reviews the financial statements of our Company, the scope and results of annual audits (both internal and external), the recommendation of our independent auditors and the response of our Company's management to both the internal and external audits. The Audit Committee meets up at least once a year with the external and internal auditors without the presence of management. It also oversees related party transactions, including all material transactions between us and the Singapore Technologies group (prior to December 31, 2004) and Temasek group (with effect from December 31, 2004). In December 2004, the Audit Committee adopted a Whistleblower Programme to encourage ethical conduct and facilitate disclosures. In addition, the Audit Committee has also established a Business Ethics and Review Committee to implement and administer our Company's policies on ethical conduct and to receive, retain, investigate and act on complaints and concerns of employees regarding violations of our Company's human resource policies addressing employee business practices and code of ethics.

The members of the Audit Committee are Messrs. Philip Tan Yuen Fah (chairman), Sum Soon Lim, Robert E. La Blanc and Andre Borrel. The Audit Committee held 7 meetings during the fiscal year ended December 31, 2004.

(c) Executive Resource and Compensation Committee

The Executive Resource and Compensation Committee, or the ERCC, of our Board of Directors oversees executive compensation and development in our Company with the goal of building capable and committed management teams through competitive compensation, focused management and progressive policies which can attract, motivate and retain a pool of talented executives to meet our current and future growth plans. The ERCC establishes compensation policies for key executives, approves salary reviews, bonuses and incentives for key executives, approves share incentives, including share options and share ownership for executives, approves key appointments and reviews succession plans for key positions, and oversees the development of key executives and talented executives.

The members of the ERCC are Messrs. Peter Seah Lim Huat (chairman), James A. Norling, Andre Borrel, Lim Ming Seong, Charles E. Thompson, Sum Soon Lim and Tay Siew Choon. The ERCC held 4 meetings during the fiscal year ended December 31, 2004.

(d) Nominating Committee

The Nominating Committee, or the NC, of our Board of Directors was established primarily to support and advise the Company in ensuring that the Board of the Company is comprised of individuals who are best able to discharge their responsibilities as directors having regard to the law and the highest standards of governance. The NC is responsible for recommending suitable candidates to the Board for election as directors of the Company focusing, in particular, on candidates who can add value to the management through their contributions in the relevant strategic business areas and who collectively will result in a strong and diverse board. The members of the NC are Messrs. Peter Seah Lim Huat (chairman), James A. Norling, Andre Borrel, Lim Ming Seong, Charles E. Thompson, Sum Soon Lim and Tay Siew Choon. The NC held 4 meetings during the fiscal year ended December 31, 2004.

(e) Budget Committee

We dissolved our Budget Committee on April 29, 2004 as most of its functions had been taken over by the other committees. Prior to its dissolution, the Budget Committee of our Board of Directors was responsible for reviewing our annual budget and our quarterly financial performance in relation to our budget as well as our capital spending and financial plans. The members of the Budget Committee were Messrs. Andre Borrel (chairman), Lim Ming Seong, Sum Soon Lim and Tay Siew Choon.

Related Transactions With Our Directors

Mr. Peter Seah Lim Huat is a member of the Temasek Advisory Panel and Mr. Sum Soon Lim is a corporate adviser to Temasek.

SHARE OWNERSHIP FOR DIRECTORS AND SENIOR MANAGEMENT

The following table sets forth certain information with respect to the beneficial ownership of our Ordinary Shares for each of our directors and our president and chief executive officer and all of our directors and senior management as a group as of December 31, 2004, based on an aggregate of 2,509,238,524 Ordinary Shares outstanding as of such date.

Directors	Ordinary Shares ⁽¹⁾ Beneficially Owned ⁽²⁾ Number	
James A. Norling	1,662,631	}
Lim Ming Seong	414,436	
Chia Song Hwee	3,467,041	
Sum Soon Lim	997,490	
Robert E. La Blanc	432,964	
Andre Borrel	646,800	
Charles E. Thompson	488,792	
Tsugio Makimoto	326,546	
Tay Siew Choon	454,073	
Peter Seah Lim Huat	240,330	
Philip Tan Yuen Fah	85,000	
All directors and senior management ⁽³⁾ as a group (19 persons)	14,288,625	Please see Note (4) below

(1) The number of Ordinary Shares listed in this table includes Ordinary Shares held directly or in the form of American Depositary Shares, or ADSs.

(2) Gives effect to the Ordinary Shares issuable within 60 days from December 31, 2004 upon the exercise of all options and other rights beneficially owned by the indicated shareholders on that date. Beneficial ownership is determined in accordance with the rules of the SEC and includes voting and investment power with respect to Ordinary Shares. Except for 36,000 shares held by James A. Norling and 120,020 shares held by Michael J. Rekc which are jointly held, the persons named in the table have sole voting and sole investment control with respect to all Ordinary Shares beneficially owned.

(3) None of our directors or senior management individually owns 1% or more of our outstanding shares.

(4) Less than 1% of our outstanding shares.

[E/O]

CRC: 55299
EDGAR 2

BOMU92500 799.01.25.00 0/4


SHARE OPTIONS FOR DIRECTORS

The following table contains information pertaining to share options held by directors as of December 31, 2004.

	<u>As of December 31, 2004</u>	<u>Exercise price S\$</u>	<u>Exercise period</u>
James A. Norling	58,609	4.05	28/03/2002 to 28/03/2006
	58,609	4.26	15/08/2002 to 15/08/2006
	58,609	3.46	22/02/2003 to 22/02/2007
	1,172,195	3.88	01/05/2002 to 01/05/2012
	58,609	1.86	30/08/2003 to 30/08/2007
	50,000	0.72	28/02/2004 to 28/02/2008
	60,000	1.10	29/08/2004 to 29/08/2008
	110,000+	1.70	27/02/2005 to 27/02/2009
Lim Ming Seong	58,609	4.05	28/03/2002 to 28/03/2006
	58,609	4.26	15/08/2002 to 15/08/2006
	58,609	3.46	22/02/2003 to 22/02/2007
	58,609	1.86	30/08/2003 to 30/08/2007
	45,000	0.72	28/02/2004 to 28/02/2008
	45,000	1.10	29/08/2004 to 29/08/2008
	90,000+	1.70	27/02/2005 to 27/02/2009
Chia Song Hwee	10,467	1.18	28/10/1997 to 28/10/2006
	20,935	1.00	28/11/1998 to 28/11/2007
	61,704	0.80	30/11/1998 to 29/11/2008
	26,444	0.80	30/04/1999 to 29/04/2009
	234,439	2.86	29/10/1999 to 29/10/2009
	70,331	2.86	29/04/2000 to 29/10/2009
	410,268	14.24	06/04/2001 to 06/04/2010
	527,487	10.12	03/10/2001 to 03/10/2010
	263,743	4.05	28/03/2002 to 28/03/2011
	263,743	4.26	15/08/2002 to 15/08/2011
	234,439	3.46	22/02/2003 to 22/02/2012
	2,344,391	1.86	30/08/2003 to 30/08/2012
	300,000	0.72	28/02/2004 to 28/02/2013
	700,000	1.10	29/08/2004 to 29/08/2013
1,000,000+	1.70	27/02/2005 to 27/02/2014	
220,000+	1.02	30/07/2004 to 30/07/2014	
Sum Soon Lim	93,775	14.24	06/04/2001 to 06/04/2005
	93,775	10.12	03/10/2001 to 03/10/2005
	46,887	4.05	28/03/2002 to 28/03/2006
	46,887	4.26	15/08/2002 to 15/08/2006
	46,887	3.46	22/02/2003 to 22/02/2007
	46,887	1.86	30/08/2003 to 30/08/2007
	25,000	0.72	28/02/2004 to 28/02/2008
	35,000	1.10	29/08/2004 to 29/08/2008
	60,000+	1.70	27/02/2005 to 27/02/2009
Robert E. La Blanc	23,443	14.24	06/04/2001 to 06/04/2005
	58,609	10.12	03/10/2001 to 03/10/2005
	29,304	4.05	28/03/2002 to 28/03/2006
	29,304	4.26	15/08/2002 to 15/08/2006
	29,304	3.46	22/02/2003 to 22/02/2007
	29,304	1.86	30/08/2003 to 30/08/2007
	25,000	0.72	28/02/2004 to 28/02/2008
	35,000	1.10	29/08/2004 to 29/08/2008
	60,000+	1.70	27/02/2005 to 27/02/2009

[E/O]

CRC: 53376
EDGAR 2

BOMU92500 799.01.26.00 0/7


	<u>As of December 31, 2004</u>	<u>Exercise price S\$</u>	<u>Exercise period</u>
Andre Borrel	93,775	14.24	06/04/2001 to 06/04/2005
	93,775	10.12	03/10/2001 to 03/10/2005
	46,887	4.05	28/03/2002 to 28/03/2006
	46,887	4.26	15/08/2002 to 15/08/2006
	46,887	3.46	22/02/2003 to 22/02/2007
	46,887	1.86	30/08/2003 to 30/08/2007
	40,000	0.72	28/02/2004 to 28/02/2008
	45,000	1.10	29/08/2004 to 29/08/2008
	85,000 ⁺	1.70	27/02/2005 to 27/02/2009
Charles E. Thompson	58,609	14.24	06/04/2001 to 06/04/2005
	58,609	10.12	03/10/2001 to 03/10/2005
	29,304	4.05	28/03/2002 to 28/03/2006
	29,304	4.26	15/08/2002 to 15/08/2006
	29,304	3.46	22/02/2003 to 22/02/2007
	29,304	1.86	30/08/2003 to 30/08/2007
	25,000	0.72	28/02/2004 to 28/02/2008
	35,000	1.10	29/08/2004 to 29/08/2008
	60,000 ⁺	1.70	27/02/2005 to 27/02/2009
Tsugio Makimoto	11,721	14.24	06/04/2001 to 06/04/2005
	58,609	10.12	03/10/2001 to 03/10/2005
	29,304	4.05	28/03/2002 to 28/03/2006
	29,304	4.26	15/08/2002 to 15/08/2006
	29,304	3.46	22/02/2003 to 22/02/2007
	29,304	1.86	30/08/2003 to 30/08/2007
	25,000	0.72	28/02/2004 to 28/02/2008
	35,000	1.10	29/08/2004 to 29/08/2008
	60,000 ⁺	1.70	27/02/2005 to 27/02/2009
Peter Seah Lim Huat	23,443	3.46	22/02/2003 to 22/02/2007
	46,887	1.86	30/08/2003 to 30/08/2007
	40,000	0.72	28/02/2004 to 28/02/2008
	45,000	1.10	29/08/2004 to 29/08/2008
	85,000 ⁺	1.70	27/02/2005 to 27/02/2009
Tay Siew Choon	23,443	4.26	15/08/2002 to 15/08/2006
	29,304	3.46	22/02/2003 to 22/02/2007
	234,439	3.88	01/05/2002 to 01/05/2007
	46,887	1.86	30/08/2003 to 30/08/2007
	25,000	0.72	28/02/2004 to 28/02/2008
	35,000	1.10	29/08/2004 to 29/08/2008
	60,000 ⁺	1.70	27/02/2005 to 27/02/2009
Philip Tan Yuen Fah	85,000 ⁺	1.70	27/02/2005 to 27/02/2009

+ Options that were granted in 2004.

EMPLOYEE BENEFIT PLANS

Share Option Plan 1999

On March 30, 1999, we adopted our Share Option Plan 1999 ("1999 Option Plan"). The purpose of the plan is to put our Company in a competitive position as an employer. Options granted under the 1999 Option Plan may be non-statutory options or incentive stock options intended to qualify under Section 422 of the U.S. Internal Revenue Code.

The 1999 Option Plan is administered by the ERCC. Our employees, employees of SMP, our outside directors and consultants are eligible to receive option grants subject to certain exceptions as provided in the 1999 Option Plan. An individual who owns more than 10% of the total combined voting power of all classes of our outstanding shares is not eligible for the grant of options unless:

- the exercise price of the option is at least 110% of the fair market value of a share on the date of grant; and
- in the case of an incentive stock option, such option by its terms is not exercisable after the expiration of five years from the date of grant.

The aggregate number of shares that may be issued under the 1999 Option Plan and under any other share incentive and option schemes or agreements may not exceed 227,647,883 shares, as adjusted from 197,160,000 to give effect to the October 2002 Rights Offering.

If an outstanding option expires for any reason or is cancelled or otherwise terminated, the shares allocable to the unexercised portion of such option will again be available for the purposes of the plan and all other share incentive and option schemes approved by the ERCC. The exercise price of an incentive stock option shall not be less than 100% of the fair market value of a share on the date of grant. In no event will the exercise price for an option be below par value.

The exercisability of options outstanding under the 1999 Option Plan may be fully or partially accelerated under certain circumstances such as a change in control of our Company, as defined in the 1999 Option Plan.

Each grant under the 1999 Option Plan is evidenced by a share option agreement and the term of options granted may not exceed 10 years from the date of grant. If the optionee's service with us is terminated, the optionee's outstanding options, to the extent then exercisable, remain exercisable for a specified period (which is based on the reason for the termination) following the date of termination. All options which are not exercisable at the date of termination lapse when the optionee's service terminates.

As of December 31, 2004, options to purchase 112,654,252 Ordinary Shares were issued and outstanding under our 1999 Option Plan, of which 21,157,751 were held by our directors and senior management. The exercise prices of these outstanding options range from S\$0.72 to S\$14.24 and the expiration dates of these options range from April 6, 2005 to July 30, 2014.

The 1999 Option Plan will terminate automatically on January 28, 2009, ten years after the date on which the Board adopted the 1999 Option Plan. The ERCC may amend, suspend or terminate the 1999 Option Plan at any time and for any reason, provided that any amendment which increases the number of shares available for issuance under the 1999 Option Plan, or which materially changes the class of persons who are eligible for the grant of incentive share options, will be subject to the approval of our shareholders.

Employee Share Purchase Plans

In May 2001, we implemented a Chartered Employee Share Purchase Plan 2001 (the "Chartered ESPP 2001") and a Share Purchase Plan for Employees of Silicon Manufacturing Partners Pte Ltd (the "SMP ESPP 2001"). The purpose of the plans was to put our respective companies in a competitive position as an employer. Employees purchase shares from our respective companies through payroll deductions.

The aggregate number of shares that were available for purchase under the Chartered ESPP 2001 and the SMP ESPP 2001, was an aggregate number of 11,721,955 shares.

All available shares under the Chartered ESPP 2001 and the SMP ESPP 2001 were issued and allotted by the end of February 2004, and as a result, both the Chartered ESPP 2001 and the SMP ESPP 2001 were terminated.

A new Chartered Employee Share Purchase Plan (the "Chartered ESPP 2004") and a new Share Purchase Plan for employees of Silicon Manufacturing Partners Pte Ltd (the "SMP ESPP 2004") were approved by shareholders at our last Annual General Meeting held on April 29, 2004. The aggregate number of shares that are available for purchase under the Chartered ESPP 2004 and the SMP ESPP 2004, is an aggregate number of 30,000,000 shares with a limit of 3,000,000 shares per calendar year (and a limit of 1,500,000 shares per offering period). The first offering period of the new Chartered ESPP 2004 and the SMP ESPP 2004 commenced on September 1, 2004 and ended on February 28, 2005. A total of 1,496,640 shares were issued on March 2, 2005 during this first offering period.

EQUITY COMPENSATION PLAN INFORMATION AS OF DECEMBER 31, 2004

<u>Plan Category</u>	<u>(a) Number of securities to be issued upon exercise of outstanding options, warrants and rights</u>	<u>(b) Weighted-average exercise price of outstanding options, warrants and rights</u>	<u>(c) Number of securities remaining available for future issuance under equity compensation plans (excluding securities in column (a))</u>
Equity compensation plans approved by shareholders	112,654,252	\$ 2.36	123,144,753
Equity compensation plans not approved by shareholders	N.A.*	N.A.*	N.A.*
Total	112,654,252	\$ 2.36	123,144,753

* Note: The company does not have any equity compensation plans which have not been approved by shareholders

MAJOR SHAREHOLDERS

The following table sets forth certain information with respect to each person or group of affiliated persons who is known by us to beneficially own 5% or more of our Ordinary Shares as of December 31, 2004 based on an aggregate of 2,509,238,524 Ordinary Shares outstanding as of such date:

<u>Shareholders Holding 5% Or More⁽³⁾</u>	<u>Ordinary Shares⁽¹⁾ Beneficially Owned⁽²⁾</u>	
	<u>Number</u>	<u>Percentage</u>
Singapore Technologies Semiconductors Pte Ltd	1,510,324,883	60.19%

- (1) The number of Ordinary Shares listed in this table includes Ordinary Shares held directly or in the form of ADSs.
- (2) Beneficial ownership is determined in accordance with the rules of the SEC and includes voting and investment power with respect to Ordinary Shares. Unless otherwise indicated, the persons named in the table have sole voting and sole investment control with respect to all Ordinary Shares beneficially owned.
- (3) Singapore Technologies Semiconductors Pte Ltd, or ST Semiconductors, is a wholly-owned subsidiary of Temasek. Temasek may be therefore deemed to beneficially own the shares owned by ST Semiconductors, because it is the parent company of ST Semiconductors.

Our Company is majority owned by ST Semiconductors. On December 31, 2004, Temasek, as part of the rationalization plan to manage Temasek's capital structure more efficiently, acquired all of Singapore Technologies' interest in our Company ("ST Restructuring"). Prior to the ST Restructuring, ST Semiconductors was a wholly owned subsidiary of Singapore Technologies and as such, Singapore Technologies was deemed to beneficially own the shares owned by ST Semiconductors, because it was the parent company of ST Semiconductors.

However, pursuant to the ST Restructuring and Temasek's acquisition of all of Singapore Technologies' shareholdings in ST Semiconductors, Singapore Technologies has ceased to be the parent company of ST Semiconductors and accordingly, Singapore Technologies no longer has any deemed interest in our Company. Singapore Technologies has ceased to be a substantial shareholder of our Company with effect from December 31, 2004.

As of December 31, 2004, 835,782 of our Ordinary Shares, representing 0.03% of our outstanding shares, were held by a total of 113 holders of record with addresses in the U.S.. As of the same date, 2,733,428 of our ADSs (representing 27,334,280 Ordinary Shares), representing 1.09% of our outstanding shares, were held by a total of 13 registered holders of record with addresses in the U.S.. Since certain of these Ordinary Shares and ADSs were held by brokers or other nominees, the number of record holders in the U.S. may not be representative of the number of beneficial holders or their country of residence.

STOCK PERFORMANCE GRAPH

The Stock Performance Graph below shall not be deemed incorporated by reference by any general statement incorporating by reference this Proxy Statement into any filing under the U.S. Securities Act of 1933 or under the U.S. Securities Exchange Act of 1934, except to the extent the Company specifically incorporates this information by reference, and shall not otherwise be deemed filed under such Acts.

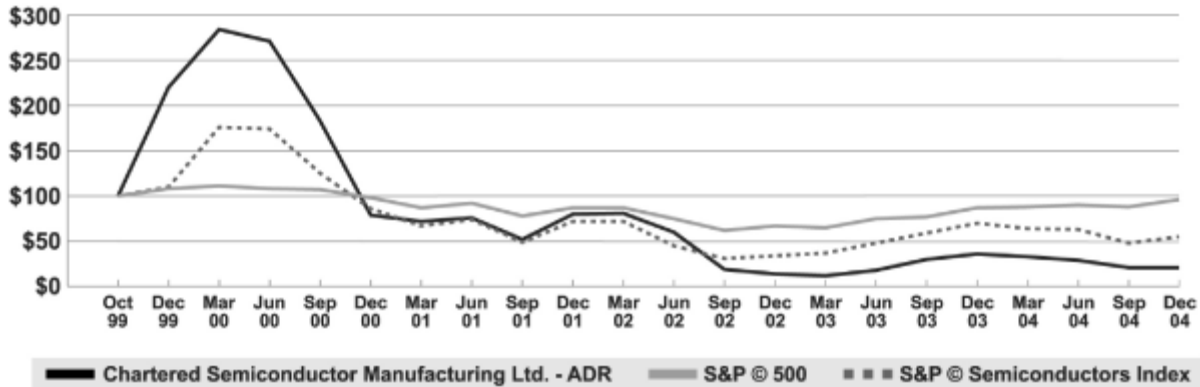
This graph compares the total shareholder return of the Company's ADSs with the S&P 500 Index and the S&P Semiconductors Index over a period from October 29, 1999 to December 31, 2004. October 29, 1999 was the first day of trading in the Company's ADSs. The total shareholder return assumes \$100 invested at the beginning of the period in the Company's ADSs, the S&P 500 Index and the S&P Semiconductors Index. It also assumes reinvestment of all dividends.

Pursuant to the rules and interpretations of the U.S. Securities and Exchange Commission, the graph is calculated using, as the beginning measurement point, the closing price of the Company's ADSs on October 29, 1999, which was \$28.38 (after adjusting for the October 2002 Rights Offering).

The historical data of our ADS prices has been adjusted to reflect the October 2002 Rights Offering.

The comparisons in the graph are based on historical data and are not intended to forecast the possible future performance of the Company's ADSs or Ordinary Shares. The graph lines merely connect the prices on the dates indicated and do not reflect fluctuations between those dates.

CUMULATIVE TOTAL RETURN
 Based upon an initial investment of \$100 on October 29, 1999
 with dividends reinvested



SOURCE: GEORGESON SHAREHOLDER COMMUNICATIONS INC.

	Oct 99	Dec 99	Mar 00	Jun 00	Sep 00	Dec 00	Mar 01	Jun 01	Sep 01	Dec 01	Mar 02	Jun 02	Sep 02	Dec 02	Mar 03	Jun 03	Sep 03	Dec 03	Mar 04	Jun 04	Sep 04	Dec 04
Chartered Semiconductor Manufacturing Ltd. - ADR	\$100	\$220	\$284	\$271	\$183	\$79	\$72	\$76	\$52	\$80	\$81	\$60	\$19	\$14	\$12	\$18	\$30	\$36	\$33	\$29	\$21	\$21
S&P 500	\$100	\$108	\$111	\$108	\$107	\$98	\$87	\$92	\$78	\$87	\$87	\$75	\$62	\$67	\$65	\$75	\$77	\$87	\$88	\$90	\$88	\$96
S&P Semiconductors Index	\$100	\$110	\$176	\$174	\$125	\$86	\$67	\$74	\$49	\$72	\$72	\$45	\$31	\$35	\$37	\$46	\$58	\$70	\$64	\$63	\$48	\$55

Copyright © 2005, Standard & Poor's, a division of The McGraw-Hill Companies, Inc. All rights reserved.

Note: An adjustment factor of 0.8552 has been applied to historical ADS prices prior to September 12, 2002 to reflect the Company's eight-for-ten October 2002 Rights Offering.

BY ORDER OF THE BOARD

LOOI LEE HWA
 COMPANY SECRETARY

Singapore
 March 28, 2005



IMPORTANT

1. For Investors who have used their CPF monies to buy shares of Chartered Semiconductor Manufacturing Ltd, the Annual Report 2004 is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF Investors who wish to vote should contact their CPF Approved Nominees.

PROXY FORM – SEVENTEENTH ANNUAL GENERAL MEETING

I/We, _____ (Name), of _____

_____ (Address) being a member(s) of CHARTERED SEMICONDUCTOR MANUFACTURING LTD (the "Company") hereby appoint

Name	Address	NRIC/Passport Number	Proportion of Shareholding(%)
and/or (delete as appropriate)			

as my/our proxy, to attend and to vote for me/us on my/our behalf and, if necessary, to demand a poll, at the Seventeenth Annual General Meeting ("Seventeenth AGM") of the Company to be held at 60 Woodlands Industrial Park D, Street 2, Singapore 738406 on April 28, 2005 at 11:00 a.m., and at any adjournment thereof.

(Please indicate with an "X" in the spaces provided whether you wish your vote(s) to be cast for or against the Resolutions as set out in the Notice of the Seventeenth AGM and summarised below. In the absence of any specific directions, the proxy/proxies will vote or abstain as he/they may think fit, as he/they will on any other matter arising at the Seventeenth AGM).

No.	Routine Business - Ordinary Resolutions	For	Against
1)	To adopt the Audited Accounts of the Company for the year ended December 31, 2004, including the reports of the Directors and the Auditors.		
2(a)	(i) To re-elect Mr. Chia Song Hwee as a Director of the Company pursuant to Article 94 of the Company's Articles of Association.		
	(ii) To re-elect Dr. Tsugio Makimoto as a Director of the Company pursuant to Article 94 of the Company's Articles of Association.		
3(a)	To re-appoint Mr. Charles E. Thompson as a Director of the Company to hold office until the next Annual General Meeting pursuant to Section 153(6) of the Companies Act, Chapter 50.		
3(b)	To re-appoint Mr. Robert E. La Blanc as a Director of the Company to hold office until the next Annual General Meeting pursuant to Section 153(6) of the Companies Act, Chapter 50.		
4)	To re-appoint KPMG as the Company's Auditors and to authorize the Directors to fix their remuneration.		
5)	To approve Directors' fees of US\$459,334 for the year ended December 31, 2004.		
No.	Special Business – Ordinary Resolutions		
6)	To approve the increase in the authorized share capital of the Company.		
7(a)	To authorize the Directors to allot and issue shares in the capital of the Company pursuant to Section 161 of the Companies Act, Chapter 50.		
7(b)	To authorize the Directors to create and issue securities and to allot and issue shares in the capital of the Company in connection therewith pursuant to Section 161 of the Companies Act, Chapter 50.		

[E/O]

CRC: 30355
EDGAR 2

BOMU92500 799.01.32.00 0/1


No.	Special Business - Ordinary Resolutions	For	Against
7(c)	To authorize the Directors to offer and grant options and to allot and issue additional shares in the capital of the Company pursuant to the Company's Share Option Plan 1999.		
7(d)	To authorize the Directors to offer and grant purchase rights and to allot and issue additional shares in the capital of the Company pursuant to the Company's Employee Share Purchase Plan 2004.		
7(e)	To authorize the Directors to offer and grant purchase rights and to allot and issue additional shares in the capital of the Company pursuant to the Share Purchase Plan 2004 for Employees of Silicon Manufacturing Partners Pte Ltd.		

Dated this _____ day of _____ 2005.

Total Number of Shares Held

Signature(s) of Shareholder(s)/Common Seal

IMPORTANT

Please read Notes below.

NOTES:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50), you should insert that number of Shares. If you have Shares registered in your name in the Register of Shareholders (Members), you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Shareholders, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Shareholders. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
2. A shareholder of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint one or two proxies to attend and vote instead of him. A proxy need not be a member of the Company.
3. Where a shareholder appoints two proxies, the appointments shall be invalid unless he specifies the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each proxy.
4. The instrument appointing a proxy or proxies must be deposited at 60 Woodlands Industrial Park D, Street 2, Singapore 738406 not less than 48 hours before the time appointed for the Seventeenth Annual General Meeting.
5. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorized.
6. A corporation which is a shareholder may authorize by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Seventeenth Annual General Meeting, in accordance with Section 179 of the Companies Act, Chapter 50.

GENERAL:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the shareholder, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Seventeenth Annual General Meeting, as certified by The Central Depository (Pte) Limited to the Company.



<DOCUMENT>
<TYPE> EX-99.2
<FILENAME> u92500exv99w2.htm
<DESCRIPTION> Ex-99.2 The Company's letter to its shareholders
<TEXT>

Exhibit 99.2

To Our Shareholders

In 2004, we posted revenue growth that outpaced that of the industry and recorded a modest profit after three years of significant losses. Revenues in 2004 were \$932 million, up 69 percent from 2003. Our total business base revenues, which include our share of Silicon Manufacturing Partners (SMP) of \$171 million, were \$1,103 million, up 52 percent from the previous year. SMP is our minority-owned joint venture company and is not consolidated under U.S. GAAP. Revenues from 0.13-micron and below technologies increased almost four fold and accounted for more than a third of the dollar increase during the year. Net income in 2004 was \$7 million, an improvement of \$298 million compared to 2003. Earnings per American Depositary Share (ADS) and earnings per share in 2004 were \$0.03 and \$0.00 respectively, compared with a loss per ADS and loss per share of \$1.16 and \$0.12 respectively in 2003. Cash flow from operations was \$332 million in 2004, and we exited the year in a strong liquidity position with \$570 million in cash and term deposits and over \$1 billion in credit facilities.

The way forward

2004 was a year when we took several important steps to pave the way forward for Chartered and reinforce our position among industry leaders: moving into 300-millimeter (mm) manufacturing and promoting market acceptance of the Chartered-IBM technology platform.

We moved equipment into Fab 7, our first 300mm (12-inch) fab, achieving functional 0.13-micron 300mm wafers within five months. We also launched engineering wafers in that fab for 0.11-micron and 90-nanometer (nm) technologies. Fab 7 is currently in pilot production and on schedule to start commercial production in mid-2005. In order to achieve faster yield improvement and smoother ramp, we are proactively deploying advanced tools and methodologies in Fab 7. Such solutions include PDF Solutions' Characterization Vehicle Infrastructure to increase the robustness of our processes and the integration of certain portions of AMD's technologies, methodologies and skill sets, collectively known as AMD Automated Precision Manufacturing, into our yield management system.

On the customer front, we secured our first customer for Fab 7, IBM, for manufacturing 90nm Silicon-on-Insulator (SOI) products. We also entered into a manufacturing agreement with AMD for manufacturing its 64-bit microprocessors commencing in 2006. These represent new markets and new growth opportunities for Chartered and also make us the only dedicated foundry to manufacture leading-edge SOI products. In addition, we are seeing good traction with our 90nm CMOS offering which we believe would allow us to increase presence in markets such as base-band and graphics. Our plan is to ramp Fab 7 to 9,000 300mm wafers per month capacity by the end of 2005 and to achieve breakeven at that level.

Path to sustainable profitability

Though we are entering 2005 in a soft market environment, we are excited about the opportunities ahead of us. We will continue to expand our leading-edge market share by engaging with new customers and products with our 0.13-micron offering, newly qualified 0.11-micron technology and 90nm CMOS platform.

As we move into a new phase of growth, one of management's top priorities remains reducing the company's breakeven point. Our target is to achieve a breakeven point of 75 percent utilization by fourth quarter 2005, including Fab 7 as part of our cost structure. This will bring Chartered closer to a path of sustained profitability.

Chartered's way forward reflects opportunity and optimism which are built upon the progress we have made in executing to the strategies that were put in place two years ago. Leveraging our efforts to enable innovation for our customers, build partnerships with industry leaders, and pursue growth for the company, we look forward to executing to the opportunities that are ahead of us. We thank you for your continued support.

Chia Song Hwee
President & CEO

Safe Harbor Statement under the provisions of the United States Private Securities Litigation Reform Act of 1995

This document contains forward-looking statements, as defined in the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Examples of these forward-looking statements are, including without limitation, the commencement of commercial production of Fab 7, our agreement with IBM for manufacturing 90nm SOI products and our agreement with AMD for manufacturing of AMD64 microprocessors in 2006; our plan to ramp Fab 7 to 9,000 300-mm wafers per month capacity by the end of fourth quarter 2005 and achieving breakeven at that level; the reduction of our breakeven point to 75% utilization by the end of 2005; annual growth rate of worldwide semiconductor industry and the timing of the trough of the semiconductor market cycle; our expectation of the capital expenditure to equip and complete Fab 7; our 2005 planned capital expenditures, research and development expenditures, depreciation and amortization and wafer capacity; our business outlook for 2005; our capacity utilization rate, production capacity and production capacity mix and our expected sources of liquidity, cash flow, funding needs and financings.

These forward looking statements reflect our current views with respect to future events and financial performance, and are subject to certain risks and uncertainties, which could cause actual results to differ materially from historical results or those anticipated. Among the factors that could cause actual results to differ materially are changes in the market outlook and trends; the growth rate of fabless companies and the outsourcing strategy of integrated device manufacturers; the rate of the semiconductor market recovery; economic conditions in the United States as well as globally; customer demands, unforeseen delays or interruptions in our plans for our fabrication facilities (including Fab 7); the performance level of and technology mix in our fabrication facilities; our progress on leading edge products; access to or delays in technological advances or our development of process technologies; the successful implementation of our partnership, technology and supply alliances (including our joint development agreements with IBM, Infineon and Samsung); changes in capacity allocation in process technology mix, changes in our capacity plans, unavailability of materials, equipment, manpower, expertise and timely regulatory approvals; the availability of financings and the terms thereof; and terrorist attacks, another war, or the possibility of another outbreak of SARS or any other infectious disease in Singapore as well as various parts of the world.

Although we believe the expectations reflected in such forward-looking statements are based upon reasonable assumptions, we can give no assurance that our expectations will be attained. In addition to the foregoing factors, a description of certain other risks and uncertainties which cause actual results to differ materially can be found in "Item 3. Key Information — Risk Factors." You are cautioned not to place undue reliance on these forward-looking statements, which reflect management's current analysis of future events. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.



<DOCUMENT>
<TYPE> EX-99.3
<FILENAME> u92500exv99w3.htm
<DESCRIPTION> Ex-99.3 The Company's supplementary information for the year ended December 31,
<TEXT>

[E/O]

CRC: 14037
EDGAR 2

BOMU92500 799.03.01.00 0/1


Exhibit 99.3

CHARTERED SEMICONDUCTOR MANUFACTURING LTD

Supplementary Information for the Year Ended December 31, 2004

[E/O]

CRC: 45208
EDGAR 2

BOMU92500 799.03.02.00 0/2


**CHARTERED SEMICONDUCTOR MANUFACTURING LTD
AND SUBSIDIARIES**

INDEX

	Page Number
Report of the Directors	S-1
Statement by Directors	S-15
Report of Independent Registered Public Accounting Firm	S-16
Additional Information	A-1 to A-5

**CHARTERED SEMICONDUCTOR MANUFACTURING LTD
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED DECEMBER 31, 2004**

Directors' Report

We are pleased to submit this annual report to the members of the Company together with the audited unconsolidated and consolidated financial statements for the year ended December 31, 2004.

Directors

The directors in office at the date of this report are as follows:-

James A. Norling	(Chairman)
Lim Ming Seong	(Deputy Chairman)
Chia Song Hwee	(President and CEO)
Philip Tan Yuen Fah	(Chairman of Audit Committee)
Sum Soon Lim	
Robert Edmund La Blanc	
Andre Borrel	
Charles E Thompson	
Tsugio Makimoto	
Tay Siew Choon	
Peter Seah Lim Huat	

Directors' Interests

According to the register kept by the Company for the purposes of Section 164 of the Companies Act, Chapter 50 (the "Act"), particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and infant children) in shares, debentures and share options of the Company and in related corporations are as follows:

	At beginning of the year	At end of the year
The Company — Ordinary shares of S\$0.26 each fully paid		
James A. Norling	36,000	36,000
Chia Song Hwee	242,616	242,616
Sum Soon Lim	350,000	408,618
Robert Edmund La Blanc	48,384	90,254
Andre Borrel	36,060	36,060
Charles E Thompson	33,880	75,750
Tsugio Makimoto	19,000	19,000

[E/O]

CRC: 60924
EDGAR 2

BOMU92500 799.03.04.00 0/3



**CHARTERED SEMICONDUCTOR MANUFACTURING LTD
 REPORT OF THE DIRECTORS
 FOR THE YEAR ENDED DECEMBER 31, 2004**

Directors' Interests (cont'd)

	At beginning of the year	At end of the year	Exercise Price S\$	Exercise period
The Company — Options to subscribe for ordinary shares of S\$0.26 each				
James A. Norling	58,609	58,609	4.05	28/03/2002 to 28/03/2006
	58,609	58,609	4.26	15/08/2002 to 15/08/2006
	58,609	58,609	3.46	22/02/2003 to 22/02/2007
	1,172,195	1,172,195	3.88	01/05/2002 to 01/05/2012
	58,609	58,609	1.86	30/08/2003 to 30/08/2007
	50,000	50,000	0.72	28/02/2004 to 28/02/2008
	60,000	60,000	1.10	29/08/2004 to 29/08/2008
	—	110,000	1.70	27/02/2005 to 27/02/2009
Lim Ming Seong	58,609	58,609	4.05	28/03/2002 to 28/03/2006
	58,609	58,609	4.26	15/08/2002 to 15/08/2006
	58,609	58,609	3.46	22/02/2003 to 22/02/2007
	58,609	58,609	1.86	30/08/2003 to 30/08/2007
	45,000	45,000	0.72	28/02/2004 to 28/02/2008
	45,000	45,000	1.10	29/08/2004 to 29/08/2008
	—	90,000	1.70	27/02/2005 to 27/02/2009
Chia Song Hwee	10,467	10,467	1.18	28/10/1997 to 28/10/2006
	20,935	20,935	1.00	28/11/1998 to 28/11/2007
	61,704	61,704	0.80	30/11/1998 to 29/11/2008
	26,444	26,444	0.80	30/04/1999 to 29/04/2009
	234,439	234,439	2.86	29/10/1999 to 29/10/2009
	70,331	70,331	2.86	29/04/2000 to 29/10/2009
	410,268	410,268	14.24	06/04/2001 to 06/04/2010
	527,487	527,487	10.12	03/10/2001 to 03/10/2010
	263,743	263,743	4.05	28/03/2002 to 28/03/2011
	263,743	263,743	4.26	15/08/2002 to 15/08/2011
	234,439	234,439	3.46	22/02/2003 to 22/02/2012
	2,344,391	2,344,391	1.86	30/08/2003 to 30/08/2012
	300,000	300,000	0.72	28/02/2004 to 28/02/2013
	700,000	700,000	1.10	29/08/2004 to 29/08/2013
	—	1,000,000	1.70	27/02/2005 to 27/02/2014
	—	220,000	1.02	30/07/2004 to 30/07/2014
Sum Soon Lim	16,748	—	0.94	15/11/1996 to 07/10/2004
	41,870	—	0.80	30/04/1999 to 07/10/2004
	70,331	Options expired	2.86	29/04/2000 to 29/10/2004
	23,443	Options expired	2.86	29/10/2000 to 29/10/2004
	93,775	93,775	14.24	06/04/2001 to 06/04/2005
	93,775	93,775	10.12	03/10/2001 to 03/10/2005
	46,887	46,887	4.05	28/03/2002 to 28/03/2006
	46,887	46,887	4.26	15/08/2002 to 15/08/2006
	46,887	46,887	3.46	22/02/2003 to 22/02/2007
	46,887	46,887	1.86	30/08/2003 to 30/08/2007
	25,000	25,000	0.72	28/02/2004 to 28/02/2008
	35,000	35,000	1.10	29/08/2004 to 29/08/2008
	—	60,000	1.70	27/02/2005 to 27/02/2009

**CHARTERED SEMICONDUCTOR MANUFACTURING LTD
 REPORT OF THE DIRECTORS
 FOR THE YEAR ENDED DECEMBER 31, 2004**

Directors' Interests (cont'd)

	At beginning of the year	At end of the year	Exercise Price S\$	Exercise period
The Company — Options to subscribe for ordinary shares of S\$0.26 each				
Robert Edmund La Blanc	41,870	—	0.86	30/11/1999 to 07/10/2004
	11,721	Options expired	2.86	29/04/2000 to 29/10/2004
	11,721	Options expired	2.86	29/10/2000 to 29/10/2004
	23,443	23,443	14.24	06/04/2001 to 06/04/2005
	58,609	58,609	10.12	03/10/2001 to 03/10/2005
	29,304	29,304	4.05	28/03/2002 to 28/03/2006
	29,304	29,304	4.26	15/08/2002 to 15/08/2006
	29,304	29,304	3.46	22/02/2003 to 22/02/2007
	29,304	29,304	1.86	30/08/2003 to 30/08/2007
	25,000	25,000	0.72	28/02/2004 to 28/02/2008
	35,000	35,000	1.10	29/08/2004 to 29/08/2008
	—	60,000	1.70	27/02/2005 to 27/02/2009
Andre Borrel	42,199	Options expired	2.86	29/04/2000 to 29/10/2004
	23,443	Options expired	2.86	29/10/2000 to 29/10/2004
	93,775	93,775	14.24	06/04/2001 to 06/04/2005
	93,775	93,775	10.12	03/10/2001 to 03/10/2005
	46,887	46,887	4.05	28/03/2002 to 28/03/2006
	46,887	46,887	4.26	15/08/2002 to 15/08/2006
	46,887	46,887	3.46	22/02/2003 to 22/02/2007
	46,887	46,887	1.86	30/08/2003 to 30/08/2007
	40,000	40,000	0.72	28/02/2004 to 28/02/2008
	45,000	45,000	1.10	29/08/2004 to 29/08/2008
	—	85,000	1.70	27/02/2005 to 27/02/2009
Charles E Thompson	41,870	—	0.86	30/11/1999 to 07/10/2004
	35,165	Options expired	2.86	29/04/2000 to 29/10/2004
	23,443	Options expired	2.86	29/10/2000 to 29/10/2004
	58,609	58,609	14.24	06/04/2001 to 06/04/2005
	58,609	58,609	10.12	03/10/2001 to 03/10/2005
	29,304	29,304	4.05	28/03/2002 to 28/03/2006
	29,304	29,304	4.26	15/08/2002 to 15/08/2006
	29,304	29,304	3.46	22/02/2003 to 22/02/2007
	29,304	29,304	1.86	30/08/2003 to 30/08/2007
	25,000	25,000	0.72	28/02/2004 to 28/02/2008
	35,000	35,000	1.10	29/08/2004 to 29/08/2008
	—	60,000	1.70	27/02/2005 to 27/02/2009

**CHARTERED SEMICONDUCTOR MANUFACTURING LTD
 REPORT OF THE DIRECTORS
 FOR THE YEAR ENDED DECEMBER 31, 2004**

Directors' Interests (cont'd)

	At beginning of the year	At end of the year	Exercise Price S\$	Exercise period
The Company — Options to subscribe for ordinary shares of S\$0.26 each				
Tsugio Makimoto	11,721	11,721	14.24	06/04/2001 to 06/04/2005
	58,609	58,609	10.12	03/10/2001 to 03/10/2005
	29,304	29,304	4.05	28/03/2002 to 28/03/2006
	29,304	29,304	4.26	15/08/2002 to 15/08/2006
	29,304	29,304	3.46	22/02/2003 to 22/02/2007
	29,304	29,304	1.86	30/08/2003 to 30/08/2007
	25,000	25,000	0.72	28/02/2004 to 28/02/2008
	35,000	35,000	1.10	29/08/2004 to 29/08/2008
	—	60,000	1.70	27/02/2005 to 27/02/2009
Peter Seah Lim Huat	23,443	23,443	3.46	22/02/2003 to 22/02/2007
	46,887	46,887	1.86	30/08/2003 to 30/08/2007
	40,000	40,000	0.72	28/02/2004 to 28/02/2008
	45,000	45,000	1.10	29/08/2004 to 29/08/2008
	—	85,000	1.70	27/02/2005 to 27/02/2009
Tay Siew Choon	23,443	23,443	4.26	15/08/2002 to 15/08/2006
	29,304	29,304	3.46	22/02/2003 to 22/02/2007
	234,439	234,439	3.88	01/05/2002 to 01/05/2007
	46,887	46,887	1.86	30/08/2003 to 30/08/2007
	25,000	25,000	0.72	28/02/2004 to 28/02/2008
	35,000	35,000	1.10	29/08/2004 to 29/08/2008
	—	60,000	1.70	27/02/2005 to 27/02/2009
Philip Tan Yuen Fah	—	85,000	1.70	27/02/2005 to 27/02/2009

Related Corporations

	At beginning of the year	At end of the year
CapitaLand Limited — Ordinary shares of S\$1.00 each fully paid		
Lim Ming Seong	13,250	13,250
Peter Seah Lim Huat	113,000	113,000

	At beginning of the year	At end of the year	Exercise Price S\$	Exercise period
CapitaLand Limited — Options to subscribe for ordinary shares of S\$1.00 each				
Sum Soon Lim	107,700	107,700	##2.10	13/06/2001 to 11/06/2005
	80,000	80,000	##2.06	05/08/2001 to 03/08/2005
	150,000	150,000	##2.02	19/06/2002 to 18/06/2006
	100,000	100,000	##1.32	11/05/2003 to 10/05/2007
	100,000	##132,000	##1.00	01/03/2004 to 28/02/2008
	—	##100,000	##1.33	28/02/2005 to 27/02/2009

**CHARTERED SEMICONDUCTOR MANUFACTURING LTD
 REPORT OF THE DIRECTORS
 FOR THE YEAR ENDED DECEMBER 31, 2004**

Directors' Interests (cont'd)

Related Corporations (cont'd)

	At beginning of the year	At end of the year	Exercise Price S\$	Exercise period
CapitaLand Limited — Options to subscribe for ordinary shares of S\$1.00 each (cont'd)				
Peter Seah Lim Huat	90,000	90,000	##1.32	11/05/2003 to 10/05/2007
	90,000	##118,800	##1.00	01/03/2004 to 28/02/2008
	—	##90,000	##1.33	28/02/2005 to 27/02/2009
Tay Siew Choon	53,850	53,850	##1.91	13/06/2001 to 11/06/2005
	50,000	50,000	##1.85	19/06/2002 to 18/06/2006
	40,000	40,000	##1.19	11/05/2003 to 10/05/2007
	19,000	##23,940	##1.00	01/03/2004 to 28/02/2013

**At beginning
of the year At end of
the year**

CapitaMall Trust Management Limited (Unit holdings in CapitaMall Trust)

Lim Ming Seong	11,000	12,100
Sum Soon Lim	50,000	55,000
Peter Seah Lim Huat	55,000	60,500
Tay Siew Choon	—	1,049,000

CapitaCommercial Trust Management Limited (Unit holdings in CapitaCommerical Trust)

Lim Ming Seong	—	2,650
Peter Seah Lim Huat	—	22,600

	At beginning of the year	At end of the year	Exercise Price S\$	Exercise period
Global Crossing Limited — Options to subscribe for common shares of US\$0.01 each pursuant to STT Communication Share Option Plan 2004				
Lim Ming Seong	—	11,000	US\$10.16	12/01/2005 to 11/01/2014
Peter Seah Lim Huat	—	40,000	US\$10.16	12/01/2005 to 11/01/2014
Sum Soon Lim	—	11,000	US\$10.16	12/01/2005 to 11/01/2014
Tay Siew Choon	—	11,000	US\$10.16	12/01/2005 to 11/01/2014
Green Dot Internet Services Pte Ltd — Options to subscribe for ordinary shares of S\$1.00 each				
Tay Siew Choon	16,627	16,627	1.00	12/03/2003 to 11/03/2013
	—	10,466	1.00	01/04/2004 to 31/03/2014

**CHARTERED SEMICONDUCTOR MANUFACTURING LTD
 REPORT OF THE DIRECTORS
 FOR THE YEAR ENDED DECEMBER 31, 2004**

Directors' Interests (cont'd)

Related Corporations (cont'd)

	At beginning of the year	At end of the year	Exercise Price Rp	Exercise period
PT Indonesian Satellite Corporation Tbk ("Indosat") — Options to subscribe for Series B common shares of Rp 100 each###				

Sum Soon Lim	135,000	135,000	1,567.44	01/08/2004 to 31/07/2005
	—	135,000	3,702.60	01/08/2005 to 31/07/2006

Peter Seah Lim Huat	150,000	150,000	1,567.44	01/08/2004 to 31/07/2005
	—	150,000	3,702.60	01/08/2005 to 31/07/2006

**At beginning
of the year At end of
the year**

Raffles Holdings Limited — Ordinary shares of S\$0.50 each fully paid

Lim Ming Seong	12,000	12,000
Tay Siew Choon	10,000	10,000

Singapore Computer Systems Limited — Ordinary shares of S\$0.25 each fully paid

Tay Siew Choon	771,000	971,000
Tay Siew Choon#	400,000	200,000

	At beginning of the year	At end of the year	Exercise Price S\$	Exercise period
--	-----------------------------	-----------------------	--------------------------	--------------------

Singapore Computer Systems Limited — Options to subscribe for ordinary shares of S\$0.25 each

Tay Siew Choon	80,000	80,000	2.20	19/10/2001 to 18/10/2005
	100,000	100,000	2.08	15/03/2002 to 14/03/2006
	75,000	75,000	1.55	08/03/2003 to 07/03/2007
	75,000	75,000	0.86	22/02/2004 to 21/02/2008
	—	75,000	0.84	30/04/2005 to 29/04/2009

**At beginning
of the year At end of
the year**

Singapore Telecommunications Ltd — Ordinary shares of S\$0.15 each fully paid

Lim Ming Seong	3,620	3,390
Chia Song Hwee	1,820	1,690
Sum Soon Lim	3,510	3,259
Peter Seah Lim Huat	3,420	3,176
Tay Siew Choon	3,220	2,990
Philip Tan Yuen Fah	3,620	3,370

**CHARTERED SEMICONDUCTOR MANUFACTURING LTD
 REPORT OF THE DIRECTORS
 FOR THE YEAR ENDED DECEMBER 31, 2004**

Directors' Interests (cont'd)

Related Corporations (cont'd)

	At beginning of the year	At end of the year
Singapore Technologies Engineering Ltd — Ordinary shares of S\$0.10 each fully paid		
Philip Tan Yuen Fah	25,686	25,686

	At beginning of the year	At end of the year	Exercise Price S\$	Exercise period
Singapore Technologies Engineering Ltd — Options to subscribe for ordinary shares of S\$0.10 each				
Lim Ming Seong	15,000	15,000	2.29	08/02/2003 to 07/02/2007
	7,500	7,500	1.79	07/02/2004 to 06/02/2008
	7,500	7,500	1.86	12/08/2004 to 11/08/2008
	—	7,500	2.09	10/02/2005 to 09/02/2009
	—	7,500	2.12	11/08/2005 to 10/08/2009
Sum Soon Lim	25,000	25,000	2.72	20/02/2002 to 19/02/2006
	19,000	19,000	2.29	08/02/2003 to 07/02/2007
Peter Seah Lim Huat	89,000	89,000	1.92	13/08/2003 to 12/08/2007
	44,500	44,500	1.79	07/02/2004 to 06/02/2008
	40,500	40,500	1.86	12/08/2004 to 11/08/2008
	—	44,500	2.09	10/02/2005 to 09/02/2009
	—	44,500	2.12	11/08/2005 to 10/08/2009
Philip Tan Yuen Fah	95,000	95,000	2.72	20/02/2002 to 19/02/2006
	55,000	55,000	2.29	08/02/2003 to 07/02/2007
	27,500	27,500	1.79	07/02/2004 to 06/02/2008
	27,500	27,500	1.86	12/08/2004 to 11/08/2008

	At beginning of the year	At end of the year
SembCorp Industries Ltd — Ordinary shares of S\$0.25 each fully paid		
Lim Ming Seong	91,551	91,551
Tay Siew Choon	54,598	54,598

**CHARTERED SEMICONDUCTOR MANUFACTURING LTD
 REPORT OF THE DIRECTORS
 FOR THE YEAR ENDED DECEMBER 31, 2004**

Directors' Interests (cont'd)

Related Corporations (cont'd)

	At beginning of the year	At end of the year	Exercise Price S\$	Exercise period
SembCorp Industries Ltd — Options to subscribe for ordinary shares of S\$0.25 each				
Tay Siew Choon	500,000	500,000	2.26	20/05/2001 to 19/05/2009
	500,000	500,000	1.99	27/06/2001 to 26/06/2010
	50,000	50,000	1.55	20/04/2002 to 19/04/2006
	25,000	25,000	1.59	08/05/2003 to 07/05/2007
	25,000	25,000	0.98	18/10/2003 to 17/10/2007
	25,000	25,000	1.14	03/06/2004 to 02/06/2008
	25,000	25,000	1.29	19/11/2004 to 18/11/2008
Peter Seah Lim Huat	140,000	140,000	1.99	27/06/2001 to 26/06/2005
	140,000	140,000	1.55	20/04/2002 to 19/04/2006
	70,000	70,000	1.59	08/05/2003 to 07/05/2007
	70,000	70,000	0.98	18/10/2003 to 17/10/2007
	70,000	70,000	1.14	03/06/2004 to 02/06/2008
	70,000	70,000	1.29	19/11/2004 to 18/11/2008
	—	70,000	1.35	18/05/2005 to 17/05/2009
	—	70,000	1.52	23/11/2005 to 22/11/2009
SNP Corporation Ltd — Options to subscribe for ordinary shares of S\$0.50 each				
Tay Siew Choon	20,000	20,000	0.50	23/04/2002 to 22/04/2011
	50,000	50,000	0.69	17/04/2003 to 16/04/2007
	50,000	50,000	0.59	15/04/2004 to 14/04/2008
	—	70,000	1.19	21/04/2005 to 20/04/2009
STT Communications Ltd — Options to subscribe for ordinary shares of S\$0.50 each				
Lim Ming Seong	25,000	25,000	0.92	28/04/2002 to 27/04/2011
	50,000	50,000	0.50	24/11/2002 to 23/11/2011
	100,000	100,000	0.50	29/06/2003 to 28/06/2007
	150,000	150,000	0.57	30/07/2004 to 29/07/2008
	—	200,000	1.08	29/07/2005 to 28/07/2009
Sum Soon Lim	300,000	300,000	1.42	19/09/2001 to 18/09/2005
	35,000	35,000	0.92	28/04/2002 to 27/04/2006
	70,000	70,000	0.50	24/11/2002 to 23/11/2006
	200,000	200,000	0.50	29/06/2003 to 28/06/2007
	200,000	200,000	0.57	30/07/2004 to 29/07/2008
	—	300,000	1.08	29/07/2005 to 28/07/2009
Peter Seah Lim Huat	8,000	8,000	0.50	29/06/2003 to 28/06/2012
	39,000	39,000	0.57	30/07/2004 to 29/07/2013
	—	130,000	1.08	29/07/2005 to 28/07/2014

**CHARTERED SEMICONDUCTOR MANUFACTURING LTD
 REPORT OF THE DIRECTORS
 FOR THE YEAR ENDED DECEMBER 31, 2004**

Directors' Interests (cont'd)

Related Corporations (cont'd)

	At beginning of the year	At end of the year	Exercise Price S\$	Exercise period
STT Communications Ltd — Options to subscribe for ordinary shares of S\$0.50 each (cont'd)				
Tay Siew Choon	100,000	100,000	1.42	19/09/2001 to 18/09/2010
	15,000	15,000	0.92	28/04/2002 to 27/04/2011
	30,000	30,000	0.50	24/11/2002 to 23/11/2011
	80,000	80,000	0.50	29/06/2003 to 28/06/2012
	100,000	100,000	0.57	30/07/2004 to 29/07/2013
	—	200,000	1.08	29/07/2005 to 28/07/2014

	At beginning of the year	At end of the year
Singapore Food Industries Limited — Ordinary shares of S\$0.05 each fully paid		

Tay Siew Choon	531,000	813,000
Philip Tan Yuen Fah	20,000	40,000

	At beginning of the year	At end of the year	Exercise Price S\$	Exercise period
Singapore Food Industries Limited — Options to subscribe for ordinary shares of S\$0.05 each				
Tay Siew Choon	150,000	50,000	0.55	24/08/2002 to 23/08/2005
Philip Tan Yuen Fah	100,000	100,000	0.55	24/08/2001 to 23/08/2005
	20,000	—	0.78	30/10/2001 to 29/10/2004
	70,000	70,000	0.69	28/07/2002 to 27/07/2006
	70,000	70,000	0.78	09/08/2003 to 08/08/2007
	70,000	70,000	0.76	05/08/2004 to 04/08/2008
	—	70,000	0.80	10/06/2005 to 09/06/2009

	At beginning of the year	At end of the year
SMRT Corporation Ltd — Ordinary shares of S\$0.10 each fully paid		
Tay Siew Choon ⁺	30,000	30,000

	At beginning of the year	At end of the year
StarHub Ltd — Ordinary shares of \$0.40 each fully paid		
Lim Ming Seong	—	60,000
Sum Soon Lim	—	20,000
Peter Seah Lim Huat	—	60,000

**CHARTERED SEMICONDUCTOR MANUFACTURING LTD
 REPORT OF THE DIRECTORS
 FOR THE YEAR ENDED DECEMBER 31, 2004**

Directors' Interests (cont'd)

Related Corporations (cont'd)

	At beginning of the year	At end of the year	Exercise Price S\$	Exercise period
StarHub Ltd — Options to subscribe for ordinary shares of S\$0.40 each				
Lim Ming Seong	250,000	^62,500	^0.880	30/11/2003 to 29/11/2007
	75,000	^18,750	^0.880	31/05/2004 to 30/05/2008
	75,000	^18,750	^0.880	29/11/2004 to 28/11/2008
	—	^18,750	^0.960	03/04/2005 to 02/04/2009
	—	18,750	0.985	27/11/2005 to 26/11/2009
Peter Seah Lim Huat	150,000	^37,500	^0.880	30/11/2003 to 29/11/2007
	75,000	^18,750	^0.880	31/05/2004 to 30/05/2008
	75,000	^18,750	^0.880	29/11/2004 to 28/11/2008
	—	^18,750	^0.960	03/04/2005 to 02/04/2009
	—	18,750	0.985	27/11/2005 to 26/11/2009

	At beginning of the year	At end of the year
Telechoice International Limited — Ordinary shares of S\$0.02 each fully paid		
Lim Ming Seong	—	60,000
Sum Soon Lim	—	60,000
Peter Seah Lim Huat	—	50,000
Tay Siew Choon	—	60,000

The Ascott Group Limited — Ordinary shares of S\$0.20 each fully paid

Philip Tan Yuen Fah	35,181	35,181
---------------------	--------	--------

	At beginning of the year	At end of the year	Exercise Price S\$	Exercise period
The Ascott Group Limited — Options to subscribe for ordinary shares of S\$0.20 each				
Lim Ming Seong	12,000	12,000	0.320	^30/06/2002 to 30/12/2006
Peter Seah Lim Huat	12,000	12,000	0.353	^05/05/2003 to 30/12/2006
	30,000	30,000	0.321	^10/05/2004 to 30/12/2006
	—	32,000	0.418	^31/12/2004 to 30/12/2006
Tay Siew Choon	10,000	10,000	0.370	^21/12/2001 to 30/12/2006
	12,000	12,000	0.320	^30/06/2002 to 30/12/2006
	12,000	12,000	0.353	^05/05/2003 to 30/12/2006
	23,000	23,000	0.321	^10/05/2004 to 30/12/2006

**CHARTERED SEMICONDUCTOR MANUFACTURING LTD
 REPORT OF THE DIRECTORS
 FOR THE YEAR ENDED DECEMBER 31, 2004**

Directors' Interests (cont'd)

Related Corporations (cont'd)

	At beginning of the year	At end of the year
Vertex Investment (II) Ltd — Ordinary shares of US\$1.00 each fully paid		
Tay Siew Choon*	2	2
Vertex Technology Fund Ltd — Ordinary shares of US\$1.00 each fully paid		
Lim Ming Seong **	300	300
Sum Soon Lim	300	300
Tay Siew Choon **	20	20
Vertex Technology Fund (II) Ltd — Ordinary shares of US\$1.00 each fully paid		
Lim Ming Seong ***	50	50
Sum Soon Lim	500	500
Tay Siew Choon ***	500	500
Vertex Technology Fund (II) Ltd — Redeemable Preference Shares of US\$0.01 each fully paid		
Lim Ming Seong ***	50	50
Sum Soon Lim	500	485
Tay Siew Choon ***	500	500

* Held in the name of United Overseas Bank Trustee Limited

+ Held in the name of DBS Nominees (Private) Limited

++ Held in the name of HSBC Trustee (Singapore) Limited

+++ Held in the name of Ballas Nominees (Private) Limited

Conditional award of ordinary shares of S\$0.25 each in Singapore Computer Systems Limited under the Green Dot Capital Restricted Stock Plan

Adjustment to exercise prices and/or number of share options for unexercised share options under the CapitaLand Share Option Plan in respect of the distribution in specie of units in CapitaCommerical Trust to CapitaLand shareholders

Pursuant to the 5:1 stock split effected at Indosat's EGM on March 8, 2004, the number of shares, par value and exercise price of shares have been correspondingly changed and these figures above reflect the figures following the share split

^ On August 16, 2004, the company consolidated every four ordinary shares of par value of S\$0.10 each into one ordinary share of par value S\$0.40 each. Accordingly, adjustment was made to exercise prices and number of share options for unexercised share options under the StarHub Share Option Plan

**CHARTERED SEMICONDUCTOR MANUFACTURING LTD
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED DECEMBER 31, 2004**

Directors' Interests (cont'd)

Related Corporations (cont'd)

^^ Pursuant to the existing Share Option Plan of The Ascott Limited ("Ascott"), Singapore Technologies Pte Ltd ("STPL") has been designated as the parent company. Employees of STPL as parent group employees were granted options ("Options") to subscribe for ordinary shares in the capital of Ascott

Arising from a restructuring between Temasek Holdings (Private) Limited and STPL which was completed in December 2004, STPL ceased to be the parent company of Ascott. Employees of STPL ceased to be employees of STPL with effect from January 1, 2005. Pursuant to the rules of the Share Option Plans, the ERCC of Ascott agreed that the Options then held by each of such former employees of STPL shall not lapse, that the vesting periods (if any) in respect of such Options shall be fully accelerated and that such Options shall continue to be exercisable for a period of 2 years from December 31, 2004

Directors' Interests in Contracts

During the financial year, two of the directors of the Company received advisory fees from related companies in their capacity as Corporate Advisors to these companies for provision of strategic, organizational and corporate finance advisory services.

Except as disclosed in this report, since the end of the last financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest.

**CHARTERED SEMICONDUCTOR MANUFACTURING LTD
 REPORT OF THE DIRECTORS
 FOR THE YEAR ENDED DECEMBER 31, 2004**

Share Options

Details of options on unissued shares of the Company are set out below:-

Name of participant	Options granted during the financial year under review	Aggregate options granted since commencement of Scheme to the end of financial year under review	Aggregate options exercised/lapsed since commencement of Scheme to the end of the financial year under review	Aggregate options outstanding as at the end of the financial year under review
Directors of the Company				
James A. Norling	110,000	1,626,631	—	1,626,631
Lim Ming Seong	90,000	414,436	—	414,436
Chia Song Hwee	1,220,000	6,688,391	—	6,688,391
Sum Soon Lim	60,000	647,490	152,392	495,098
Robert Edmund La Blanc	60,000	384,580	65,312	319,268
Andre Borrel	85,000	627,488	82,390	545,098
Charles E Thompson	60,000	454,912	100,478	354,434
Tsugio Makimoto	60,000	307,546	—	307,546
Tay Siew Choon	60,000	454,073	—	454,073
Peter Seah Lim Huat	85,000	240,330	—	240,330
Philip Tan Yuen Fah	85,000	85,000	—	85,000

Except as set out above and in the accompanying financial statements:

- (i) during the financial year, there were no options granted by the Company or its subsidiaries to any person to take up unissued shares in the Company or its subsidiaries;
- (ii) during the financial year, there were no shares issued by virtue of any exercise of option to take up unissued shares of the Company or its subsidiaries; and
- (iii) as at the end of the financial year, there were no unissued shares of the Company or its subsidiaries under option.

None of the persons to whom options have been granted by the Company have any right to participate by virtue of the option in any share issue of any other company.

**CHARTERED SEMICONDUCTOR MANUFACTURING LTD
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED DECEMBER 31, 2004**

Audit Committee

The financial statements, accounting policies and system of internal accounting controls are the responsibility of the Board of Directors acting through the Audit Committee. The Committee met during the year to review the scope of work of the internal auditors and of the statutory auditors, and the results arising therefrom, including their evaluation of the system of internal controls. The Committee reviewed the independence of the statutory auditors, as well as the assistance given by the Company's officers to the auditors. The announcements of results and the audited financial statements were reviewed by the Committee prior to their submission to the directors of the Company for adoption.

The Committee has recommended to the Board of Directors that the auditors, KPMG, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

Auditors

The auditors, KPMG, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors

JAMES A. NORLING
Chairman

CHIA SONG HWEE
President and CEO

Singapore

February 24, 2005

**CHARTERED SEMICONDUCTOR MANUFACTURING LTD
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED DECEMBER 31, 2004**

In our opinion:

- (a) the US GAAP financial statements set out on pages F-2 to F-33, F-35 and F-36 are drawn up so as to give a true and fair view of the consolidated and unconsolidated state of affairs of the Company as at December 31, 2004 and of the consolidated results of the business and consolidated cash flows of the Company for the year ended on that date; and
- (b) at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has authorized these financial statements for issue on the date of this statement.

On behalf of the Board of Directors

JAMES A. NORLING
Chairman

CHIA SONG HWEE
President and CEO

Singapore

February 24, 2005

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Shareholders of Chartered Semiconductor Manufacturing Ltd:

We have audited the financial statements of Chartered Semiconductor Manufacturing Ltd and subsidiaries (the "Group") as of December 31, 2004 and 2003, and for each of the years in the three-year period ended December 31, 2004, and have issued our report thereon dated February 4, 2005.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion:

- (a) the consolidated financial statements of the Group and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") to give a true and fair view of the state of affairs of the Group and of the Company as at December 31, 2004 and of the statements of operations, comprehensive income (loss), shareholders' equity and cash flows of the Group for the year ended on that date; and
- (b) the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

KPMG
Certified Public Accountants

Singapore

February 4, 2005

CHARTERED SEMICONDUCTOR MANUFACTURING LTD

ADDITIONAL INFORMATION

Information on the employee share option plan are set out on page A-2.

Economic value added statements are set out on page A-2.

Details of directors' remuneration are set out on page A-4.

Statistics on the shareholders of the Company are set out on page A-5.

A-1

**CHARTERED SEMICONDUCTOR MANUFACTURING LTD
 ADDITIONAL INFORMATION**

Employee Share Option Plan

Share Options Granted During the Year

Date of Grant	Balance at Date of Grant	Lapsed	Exercise	Balance at 31/12/2004	Exercise Period	Exercise Price S\$	Expiry Date
27/02/2004	1,350,150	22,100	—	1,328,050	27/02/2005 to 27/02/2009	1.70	27/02/2009
27/02/2004	16,044,670	657,700	—	15,386,970	27/02/2005 to 27/02/2014	1.70	27/02/2014
30/07/2004	3,010,000	7,500	7,500	2,995,000	30/07/2004 to 30/07/2014	1.02	30/07/2014
01/11/2004	200,000	—	—	200,000	01/11/2005 to 01/11/2014	1.02	01/11/2014
01/12/2004	300,000	—	—	300,000	01/12/2004 to 01/12/2014	1.03	01/12/2014
	<u>20,904,820</u>	<u>687,300</u>	<u>7,500</u>	<u>20,210,020</u>			

**Economic Value Added (EVA)
 (in US\$million)**

	2003	2004
Adjusted net operating loss before tax	(305)	(16)
Adjust for:		
Equity in income of SMP	23	28
Interest expense	42	30
Imputed interest on present value of operating leases	3	4
Amortization of accumulated capital charge	(53)	(59)
Others	—	(3)
Adjusted loss before interest and tax	(290)	(16)
Cash operating taxes	(16)	(8)
Net operating loss after tax (NOPAT)	(306)	(24)
Average capital employed (Note 1)	3,531	3,749
Weighted average cost of capital (Note 2)	9.0%	9.8%
Capital charge	(318)	(367)
Group EVA	(624)	(391)
Less:		
Minority share of EVA	(10)	—
Group EVA attributable to ordinary shareholders	<u>(614)</u>	<u>(391)</u>
EVA spread	(18%)	(10%)

Note 1: Monthly average share capital plus interest bearing liabilities, timing provision, goodwill amortized and present value of operating leases.

	2003	2004
Major Capital Components (in US\$ million):		
Long-term debt	1,035	923
Short-term debt	129	267
Equity	2,620	2,623
Others	(253)	(64)
	<u>3,531</u>	<u>3,749</u>

**CHARTERED SEMICONDUCTOR MANUFACTURING LTD
 ADDITIONAL INFORMATION**

Note 2: The Weighted Average Cost of Capital is calculated in accordance to Singapore Technologies (“ST”) Group EVA Policy as follows:

- i) Cost of Equity using Capital Asset Pricing Model with market risk premium at 6.0%;
- ii) Risk-free rate 3.78% (2003: 2.78%) based on yield-to-maturity of Singapore Government 10 years Bonds;
- iii) Ungeared beta at 1.2 based on ST risk categorization; and
- iv) Cost of debt rate at 3.70% (2003: 2.68%) using 5-year Singapore Dollar Swap Offered rate plus 75 basis point.

Value Added

	2003	2004
Value added per employment cost (in US\$ thousand)	2.7	3.9
Value added per employee (in US\$ thousand)	96	181

Directors’ Remuneration

The remuneration of directors of the Company falls within the following ranges:-

	Number of Directors	
	2003	2004
S\$500,000* and above	1	1
S\$250,000* to S\$499,999*	—	—
Below S\$250,000*	14**	10
	<u>15</u>	<u>11</u>

* The Directors’ remuneration has been translated from United States dollar amounts to Singapore dollars as of December 31, 2004 at an exchange rate of S\$1.645 = US\$1.00.

** During 2003, two Directors retired from the Board, two Directors resigned and one new Director was appointed to the Board.

**CHARTERED SEMICONDUCTOR MANUFACTURING LTD
 ADDITIONAL INFORMATION**

Summary compensation table for the year ended December 31, 2004

(in US\$ thousands)

	<u>Salary</u> ⁽¹⁾	<u>Bonus</u> ⁽²⁾	<u>Others</u> ⁽³⁾	<u>Directors'</u> <u>Fees</u> ⁽⁴⁾	<u>Total</u>	<u>Options</u> <u>Granted</u> <u>in 2004</u>	<u>Exercise</u> <u>Price</u>	<u>Exercise</u> <u>Period</u>
James A. Norling	—	—	—	85	85	110,000	S\$1.70	27/02/2005 to 27/02/2009
Lim Ming Seong	—	—	—	45	45	90,000	S\$1.70	27/02/2005 to 27/02/2009
Chia Song Hwee	416	—	29	—	445	1,220,000	S\$1.02 - S\$1.70	30/07/2004 to 30/07/2014
Sum Soon Lim	—	—	—	40	40	60,000	S\$1.70	27/02/2005 to 27/02/2009
Robert E La Blanc	—	—	—	45	45	60,000	S\$1.70	27/02/2005 to 27/02/2009
Andre Borrel	—	—	—	53	53	85,000	S\$1.70	27/02/2005 to 27/02/2009
Charles E Thompson	—	—	—	45	45	60,000	S\$1.70	27/02/2005 to 27/02/2009
Tsugio Makimoto	—	—	—	35	35	60,000	S\$1.70	27/02/2005 to 27/02/2009
Tay Siew Choon	—	—	—	39	39	60,000	S\$1.70	27/02/2005 to 27/02/2009
Peter Seah Lim Huat	—	—	—	35	35	85,000	S\$1.70	27/02/2005 to 27/02/2009
Philip Tan Yuen Fah	—	—	—	38	38	85,000	S\$1.70	27/02/2005 to 27/02/2009
Total as of December 31, 2004	<u>416</u>	<u>—</u>	<u>29</u>	<u>460</u>	<u>905</u>			
Total as of December 31, 2003	<u>295</u>	<u>11</u>	<u>34</u>	<u>431</u>	<u>771</u>			

- (1) Base salary (inclusive of employers' Central Provident Fund (CPF)). The increase in Mr. Chia Song Hwee's salary in 2004 was due to the restoration of a 30% pay cut in January 2004. The pay cut was effected in June 2002.
- (2) Economic Value Added (EVA) (inclusive of employers' CPF).
- (3) Allowances (inclusive of employers' CPF) and others.
- (4) The increase in Directors' fees in 2004 was due to restoration of a 50% cut in the Directors' attendance fees in January 2004. The cut in the attendance fees was effected in 2001.

**CHARTERED SEMICONDUCTOR MANUFACTURING LTD
 ADDITIONAL INFORMATION**

**Shareholding Statistics as of
 February 7, 2005**

Twenty Largest Shareholders

No.	Name Of Shareholder	No. of Shares	%
1	Singapore Technologies Semiconductors Pte Ltd	1,510,324,883	60.19
2	DBS Nominees Pte Ltd	91,987,307	3.67
3	Raffles Nominees Pte Ltd	87,452,025	3.49
4	Citibank Nominees Singapore Pte Ltd	73,051,191	2.91
5	HSBC (Singapore) Nominees Pte Ltd	46,151,560	1.84
6	United Overseas Bank Nominees Pte Ltd	35,717,456	1.42
7	Morgan Stanley Asia (Singapore) Pte Ltd	20,075,467	0.80
8	BNP Paribas Noms Singapore Pte Ltd	18,279,864	0.73
9	OCBC Securities Pte Ltd	14,623,315	0.58
10	OCBC Nominees Singapore Pte Ltd	14,480,778	0.58
11	UOB Kay Hian Pte Ltd	13,008,000	0.52
12	DB Nominees (S) Pte Ltd	10,463,380	0.42
13	Merrill Lynch (Singapore) Pte Ltd	9,434,449	0.37
14	Phillip Securities Pte Ltd	7,841,093	0.31
15	Kim Eng Securities Pte Ltd	7,334,086	0.29
16	DBS Vickers Securities (S) Pte Ltd	5,197,001	0.21
17	HL Bank Nominees (S) Pte Ltd	4,883,000	0.19
18	Citibank Consumer Nominees Pte Ltd	4,523,462	0.18
19	Tee Goon Eng	3,244,000	0.13
20	Hong Leong Finance Nominees Pte Ltd	2,956,400	0.12
GRAND TOTAL		1,981,028,717	78.95

Size of Holding	No. of Shareholders	%	No. of Shares	%
1 - 999	874	1.61	262,597	0.01
1,000 - 10,000	42,764	78.97	168,773,465	6.73
10,001 - 1,000,000	10,480	19.36	337,235,749	13.44
1,000,001 and above	33	0.06	2,002,967,197	79.82
	54,151	100.00	2,509,239,008	100.00

Substantial Shareholders :

Name of Shareholder	Direct Interest	Deemed Interest
Temasek Holdings (Private) Limited	—	1,515,777,883
Singapore Technologies Semiconductors Pte Ltd	1,510,324,883	—

Note:

- 'Substantial Shareholders' are those shareholders who own at least 5% of the equity of the Company.
- Singapore Technologies Semiconductors Pte Ltd or ST Semiconductors, is a wholly-owned subsidiary of Temasek Holdings (Private) Limited, or Temasek. By virtue of Section 7 of the Companies Act, Cap. 50, Temasek is deemed to have an interest in (a) the 1,510,324,883 ordinary shares held by ST Semiconductors; and (b) the 5,453,000 ordinary shares held by other companies within the Temasek group.