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GIGAMEDIA LTD
Form 6-K
June 17, 2003

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON D.C. 20549

FORM 6-K
REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15D-16 UNDER
THE SECURITIES EXCHANGE ACT OF 1934

For the month of June, 2003
Commission File Number: 000-30540

GIGAMEDIA LIMITED
122 TunHua North Road, 14th Floor
Taipei, Taiwan (R.O.C.)

(Indicate by check mark whether the registrant files or will file annual reports under cover of 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 the registrant in connection with Rule 12g3-2(b) :82- .)

GIGAMEDIA LIMITED is furnishing under cover of Form 6-K:
GIGAMEDIA RECEIVES AMENDED BUYOUT OFFER FROM MANAGEMENT TEAM

[GIGAMEDIA LOGO]

GIGAMEDIA RECEIVES AMENDED BUYOUT OFFER
FROM MANAGEMENT TEAM

TAIPEI, Taiwan, June 13, 2003 - GigaMedia Limited ("GigaMedia" or the "Company") (Nasdaq: GIGM, www.giga.net.tw), a diversified provider of online and offline entertainment services in Taiwan, today announced that the board of directors of the Company received on June 12, 2003, an amended management buyout offer (the "Amended Offer") from the senior management team (the "Management Group") of GigaMedia to privatize the Company. The Amended Offer, dated June 12, 2003, follows a previous offer made by the same management group dated March 19, 2003

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and announced by the Company on March 21, 2003.

The Amended Offer is for US\$1.30 per GigaMedia share and the directors of the Company are required to respond by the end of the business day, Taipei, Taiwan time, on June 20, 2003 whether they are agreeable to continue discussions with the Management Group. In the event that they do not revert by that date, the Management Group is entitled to treat all discussions on the Amended Offer as having been terminated. The Amended Offer would be structured as a scheme of arrangement under Singapore law whereby the Company would return capital and cancel all outstanding shares in the Company other than those held by the Management Group, either directly or through a separate legal entity formed by them.

Terms of the proposed transaction include the following conditions: (a) the negotiation and execution of a definitive agreement and other related agreements mutually acceptable in form and substance to the Company and the Management Group and/or the separate legal entity formed by them; (b) the scheme of arrangement being sanctioned and approved by a court of competent jurisdiction in Singapore; (c) disclosure documents complying with Rule 13e-3 of the U.S. Securities Exchange Act being filed and approved by the U.S. Securities Exchange Commission; (d) the obtaining of an opinion from the Company's independent financial advisor that the transaction is fair to GigaMedia's shareholders; (e) the receipt of any necessary consents from third parties and the making of any necessary foreign or domestic governmental filings, and the expiration of any specified waiting periods thereunder without challenge; and (f) the Amended Offer being accepted by GigaMedia's shareholders (i) holding not less than 75% of GigaMedia's outstanding shares, and (ii) representing a majority in number of members present; in each case, present and voting at a duly called shareholders' meeting that fulfills the quorum requirements under Singapore law and the Company's constituting documents to ratify the transaction.

The Amended Offer is based upon discussions between the Management Group, the special committee of GigaMedia's board of directors and each party's respective financial advisors, as well as a careful review of the financial status of the Company.

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The directors of GigaMedia wish to highlight that there is no assurance that the management buyout offer will actually proceed. The Company will make an appropriate announcement in the event that it enters into any definitive agreement on the Amended Offer. In the meantime, the Company advises that shareholders exercise caution when dealing with GigaMedia shares and that they should not take any action which may be prejudicial to their interests.

ABOUT GIGAMEDIA

GigaMedia Limited (Nasdaq: GIGM) is a diversified provider of entertainment services in Taiwan. The Company's online/offline business model provides the Company multiple distribution channels, deep customer relationships and the ability to meet future market demands as technology drives new media and entertainment industry change.

Offline, GigaMedia operates Taiwan's two largest music store chains, Rose Records and Tachung Records through its subsidiary G-Music. These businesses were acquired in February and September of 2002, respectively, and together hold approximately a 50% share of Taiwan's music retail market.

Online, the Company operates a leading broadband ISP, providing Internet access service and broadband content with multiple delivery technologies. The Company's access products consist of premium cable modem and ADSL offerings, giving the

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company the ability to deliver superior broadband connections island-wide. GigaMedia's cable modem is a world-class platform capable of offering broadband Internet access at speeds of up to 100 times faster than traditional dial-up services. With 21 cable system partners, the Company's cable modem business passes more than 3.1 million Taiwan households, as well as 417,000 small and medium businesses. In addition, the Company offers interactive Chinese-language multimedia Web sites through its Web destination <http://www.gigigaga.com>.

Other subsidiary companies of GigaMedia include Koos Broadband Telecom Limited, a broadband service provider focused exclusively on corporate subscribers in Taiwan.

Strategic investors of GigaMedia include the Koos Group, a major player in Taiwan's manufacturing, finance, telecommunications, media, and cable industries.

More information on GigaMedia can be obtained from