



# SMIC Q3 2011 Financial Presentation

**NYSE: SMI      HKSE: 981**

**SMIC Investor Relations**

November 2011





# Safe Harbor

(Under the Private Securities Litigation Reform Act of 1995)

This presentation contains, in addition to historical information, “forward-looking statements” within the meaning of the “safe harbor” provisions of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on SMIC’s current assumptions, expectations and projections about future events. SMIC uses words like “believe,” “anticipate,” “intend,” “estimate,” “expect,” “project” and similar expressions to identify forward-looking statements, although not all forward-looking statements contain these words. These forward-looking statements are necessarily estimates reflecting the best judgment of SMIC’s senior management and involve significant risks, both known and unknown, uncertainties and other factors that may cause SMIC’s actual performance, financial condition or results of operations to be materially different from those suggested by the forward-looking statements including, among others, risks associated with cyclicalities and market conditions in the semiconductor industry, the downturn in the global economy and the impact on China’s economy, intense competition, timely wafer acceptance by SMIC’s customers, timely introduction of new technologies, SMIC’s ability to capture growth opportunities in China, SMIC’s ability to strengthen its product portfolio, supply and demand for semiconductor foundry services, industry overcapacity, shortages in equipment, components and raw materials, orders or judgments from pending litigation, availability of manufacturing capacity and financial stability in end markets.

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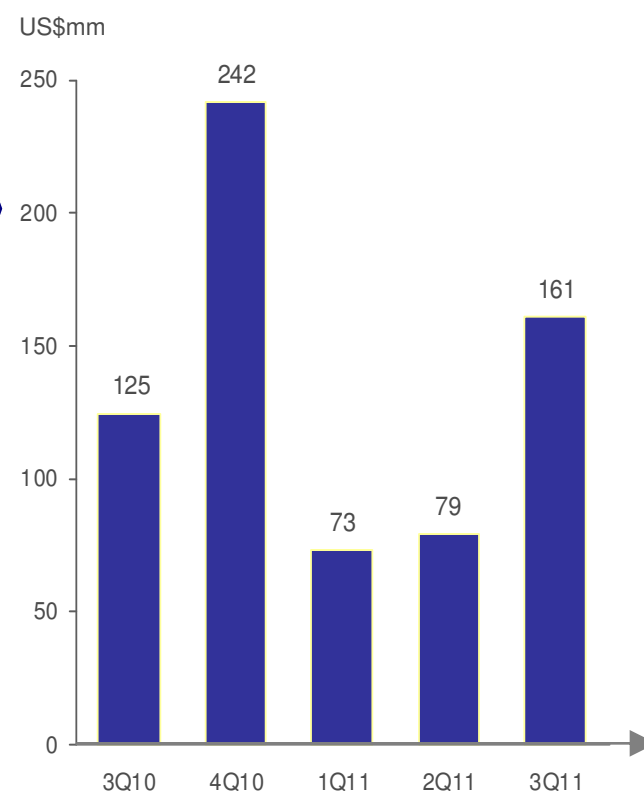
# Cash Flow



## Summary Cash Flow Statement

<i>(in US\$ thousands)</i>	For the three months ended	
	Sept 30, 2011	June 30, 2011
<b>Net Profit (loss)</b>	(87,856)	(3,621)
<b>Net cash provided by operating activities</b>	160,885	79,371
<b>Net cash used in investing activities</b>	(190,376)	(356,711)
<b>Net cash used in financing activities</b>	(65,869)	294,125
<b>Effect of exchange rate changes</b>	138	65
<b>Net increase (decrease) in cash and cash equivalents</b>	(95,222)	16,850
<b>Cash and cash equivalents at the beginning of period</b>	410,912	394,062
<b>Cash and cash equivalents at the end of period</b>	315,690	410,912

## Cashflow from operations

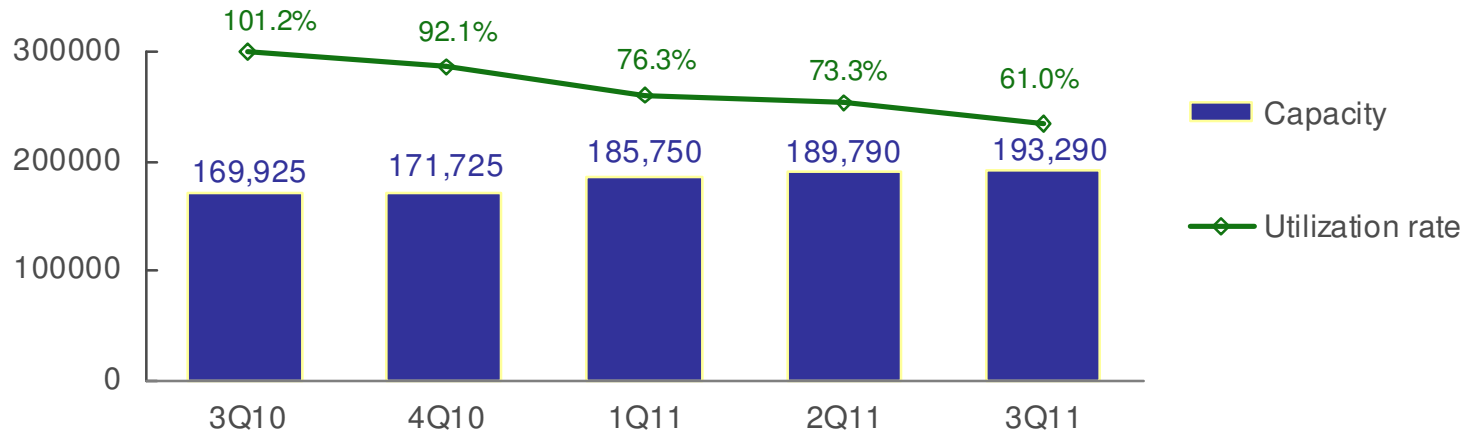












	3Q10	4Q10	1Q11	2Q11	3Q11
<b>Shanghai Mega Fab (8")</b>	86,000	86,000	90,000	90,000	90,000
<b>Beijing Mega Fab (12")</b>	22,500	23,300	27,800	29,129	29,129
<b>Tianjin Fab (8")</b>	33,000	33,300	33,200	34,250	37,750
<b>Monthly Capacity (8-inch equivalent wafers)</b>	<b>169,925</b>	<b>171,725</b>	<b>185,750</b>	<b>189,790</b>	<b>193,290</b>
<b>Wafer Shipment (1)</b>	516,792	517,404	471,231	451,552	406,715
<b>Utilization Rate (2)</b>	101.2%	92.1%	76.3%	73.3%	61.0%



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# 4Q 2011 Guidance

	4Q 2011 Guidance
<b>Sales</b> <sup>(1)</sup>	-5 to -8%
<b>Gross Margin</b>	-3 to -6%
<b>Operating Expenses</b>	\$89 – 92 million

(1) Target revenue from Xinxin will be 8% to 10% of our Q4 2011 total revenue.



**SMIC**

Semiconductor Manufacturing International Corporation

# Appendix



## Q3 11 Results Vs Guidance

	Q3 11 Prior Guidance	Q3 11 Results
<b>Sales</b>	decrease 14 - 17% \$292.5 - 303.1 M	Decrease 12.9% \$306.9M
<b>Gross margin</b>	0% - 3%	1.4%
<b>Operating expenses</b>	\$86 - 89M (1)	\$80M

(1) Exclude foreign exchange differences



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# Capital Expenditures & Depreciation

<i>(in US\$ millions)</i>	1Q 10	2Q 10	3Q 10	4Q 10	2010	1Q 11	2Q 11	3Q 11
Capex	\$64M	\$92M	\$297M	\$275M	\$728M	\$333M	\$284M	\$92M
Total Depreciation & Amortization	\$175M	\$165M	\$148M	\$132M	\$620M	\$131M	\$133M	\$141M