



Income Statement Highlights

| (Amounts in US\$ thousand) | Q2'2012 | Q1'2012 | QoQ | Q2'2011 | YoY |
|--|---------|----------|--------|---------|--------|
| Total Revenue | 421,826 | 332,711 | 26.8% | 352,389 | 19.7% |
| Gross Profit | 101,716 | 39,844 | 155.3% | 50,273 | 102.3% |
| Gross Margins | 24.1% | 12.0% | — | 14.3% | — |
| Operating Expenses: | | | | | |
| Research & Development | 51,020 | 59,311 | | 51,501 | |
| General & Administrative | 29,094 | 23,924 | | (8,933) | |
| Selling & Marketing | 7,786 | 6,892 | | 8,139 | |
| Others, net | 73 | 1 | | (325) | |
| Operating expenses | 87,973 | 90,128 | -2.4% | 50,382 | 74.6% |
| Operating income (loss) | 13,743 | (50,284) | — | (109) | — |
| Net income (loss) attributable to SMIC | 7,059 | (42,825) | — | (3,772) | — |
| Net income (loss) per ADS | 0.01 | (0.08) | — | (0.01) | — |

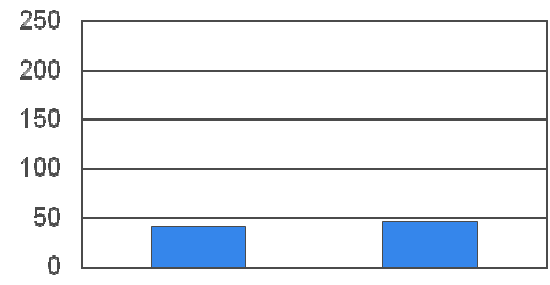
- Wafer revenue from our managed fab Wuhan Xinxin was \$41.6 million in Q2, contributing 9.9% to our total revenue, vs. \$22.1M in previous quarter.
- R&D expense in Q2 was offset by government grants of \$16 million





North America

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Q2 Vs Q3



