



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)

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Summary Income Statement

<i>(Amounts in US\$thousand)</i>	3Q2011	2Q2011	QoQ	3Q2010	YoY
Total Revenue	306,890	352,389	-12.9%	403,786	-24.0%
Gross Profit	4,223	50,273	-91.6%	100,339	-95.8%
Gross margins	1.4%	14.3%	- 12.9 pts	24.8%	- 23.4 pts
Operating Expenses:					
Research & Development	51,479	51,501		47,396	
General & Administrative	21,903	(8,933)		16,294	
Selling & Marketing	7,398	8,139		7,692	
Others, net	(793)	(325)		8,142	
Operating expenses	79,987	50,382	58.8%	79,524	0.6%
Operating income (loss)	(75,764)	(109)	—	20,815	—
Net income (loss)	(88,073)	(3,772)	—	30,442	—
Net income (loss) per ADS (US\$ diluted)	(0.16)	(0.01)		0.06	

- Wafer revenue from Xinxin was \$31.9 million in the third quarter, contributing 10.4% of our total revenue.
- Opex was \$80 million after being offset by a government subsidy of \$9 million.

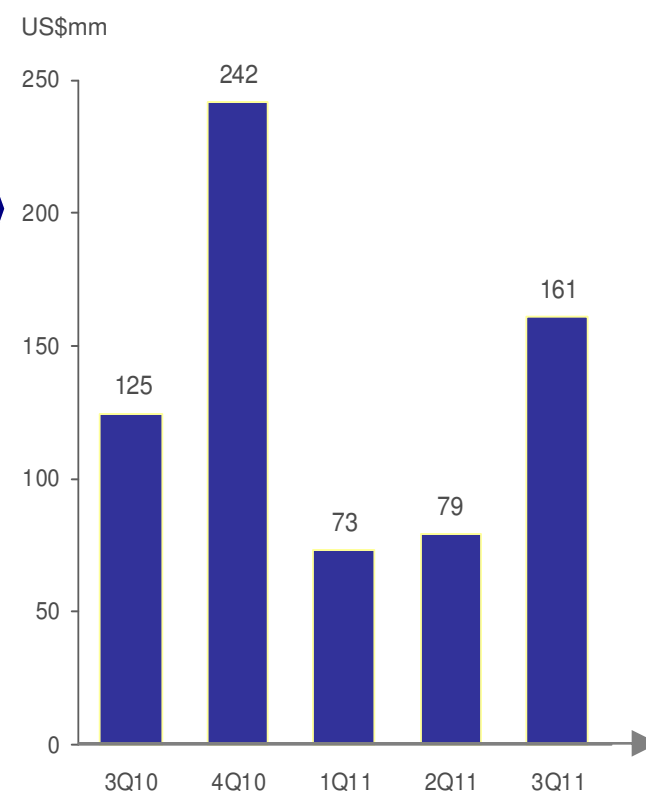
Cash Flow



Summary Cash Flow Statement

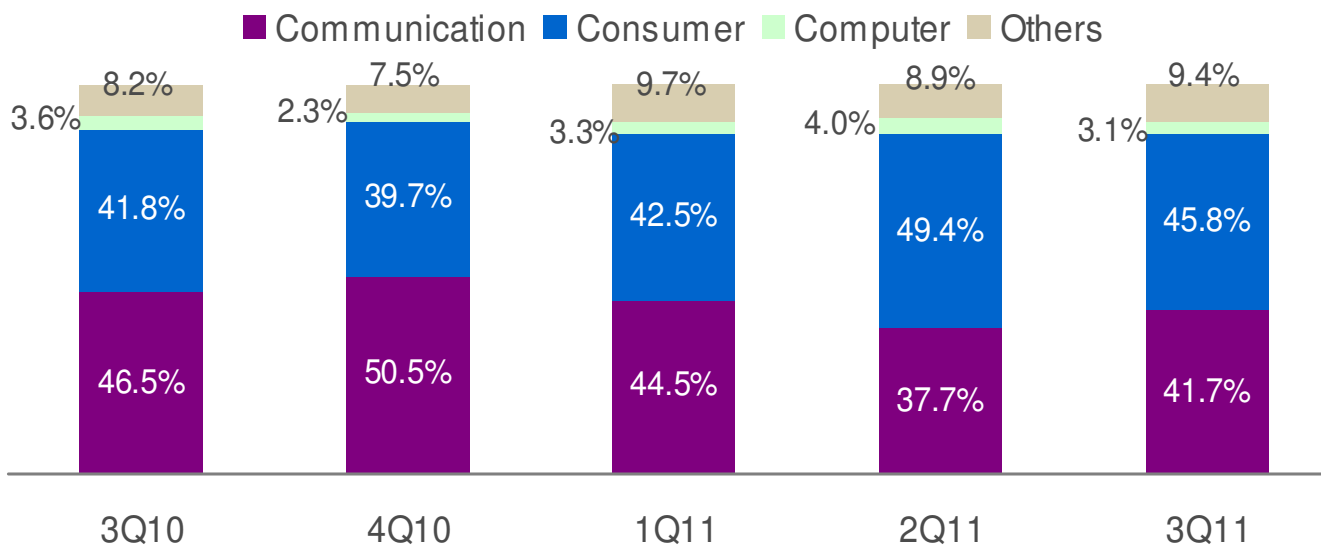
<i>(in US\$ thousands)</i>	For the three months ended	
	Sept 30, 2011	June 30, 2011
Net Profit (loss)	(87,856)	(3,621)
Net cash provided by operating activities	160,885	79,371
Net cash used in investing activities	(190,376)	(356,711)
Net cash used in financing activities	(65,869)	294,125
Effect of exchange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

Cashflow from operations



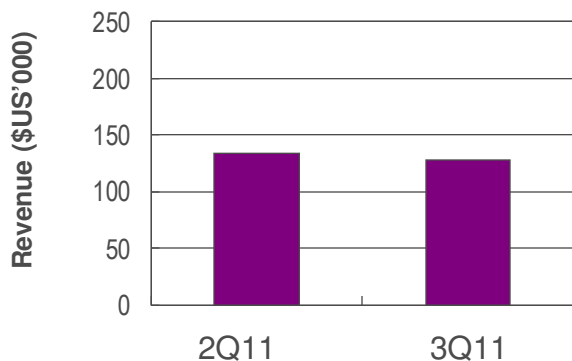


Total Sales Breakdown by Applications

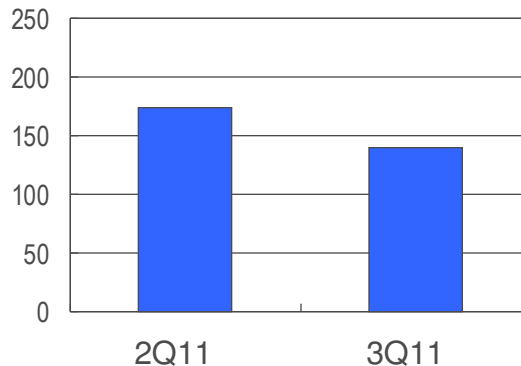


3Q 11 Vs 2Q 11

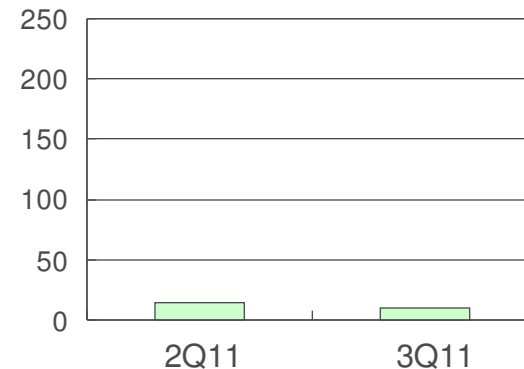
Communications



Consumer



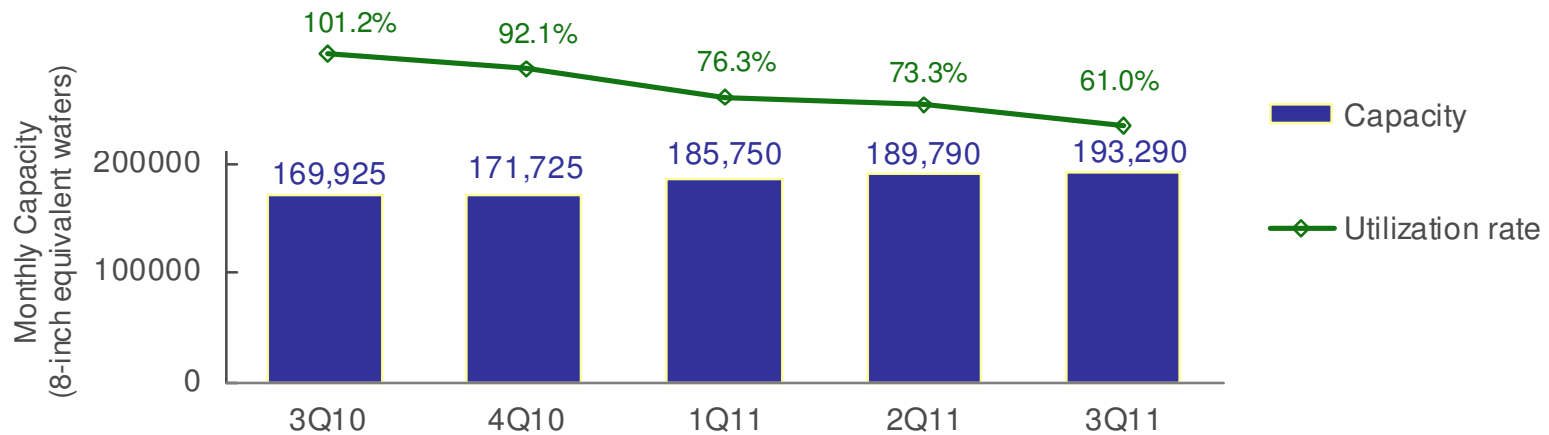
Computer



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Capacity, Utilization and Shipment



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

(1) Including copper interconnects and shipment of managed fabs

Effective 3Q 2011, capacity utilization rate is reported based on actual equipment usage in manufacturing process. Utilization rate for previous quarters have been updated accordingly for comparison purpose. In prior quarters utilization had been reported based on total wafer out divided by estimated capacity.



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4Q 2011 Guidance

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

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



The graphic features several overlapping images: a top-down view of a cleanroom, a worker in a cleanroom, a large industrial building with flags, and a worker at a control panel. The SMIC logo is prominently displayed in the center. The background consists of horizontal bands of light blue, green, and dark blue, with various colored squares (orange, blue, red, green) scattered throughout.

SMIC

Semiconductor Manufacturing International Corporation

Appendix



Q3 11 Results Vs Guidance

	Q3 11 Prior Guidance	Q3 11 Results
Sales	decrease 14 - 17% \$292.5 - 303.1 M	Decrease 12.9% \$306.9M
Gross margin	0% - 3%	1.4%
Operating expenses	\$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