

C 4 2013

: : 981

SMIC Investor Relations

February 2014

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, including statements under “First Quarter 2014 Guidance”, statements regarding future 2014 capital expenditures are based on SMIC’s current assumptions, expectations and projections about future events. SMIC uses words like “believe”, “anticipate”, “intend”, “estimate”, “expect”, “project”, “target”, “plan” and similar expressions to identify forward-looking statements, although not all forward-looking statements contain these words. These forward-looking statements 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 the global economic slowdown, orders or judgments from pending litigation and financial stability in end markets.

Investors should consider the information contained in SMIC’s filings with the U.S. Securities and Exchange Commission (SEC), including its annual report on 20-F filed with the SEC on April 15, 2013, as amended on December 19, 2013, especially the consolidated financial

2013

( )

\$2.07

21.6%

\$22.8

C

2012

\$173.2

40/45

1.1%

2012

12.1%

\$738

69.6%



# 2013

( )

■ C  
 - \$104.0  
 ▼ \$462.5

■ C  
 - C \$499 2012  
 ▼ \$770

■ C - 40.4% , -

- C 33.9% 2012

■ 45.2%  
 - C 48.3% 2012

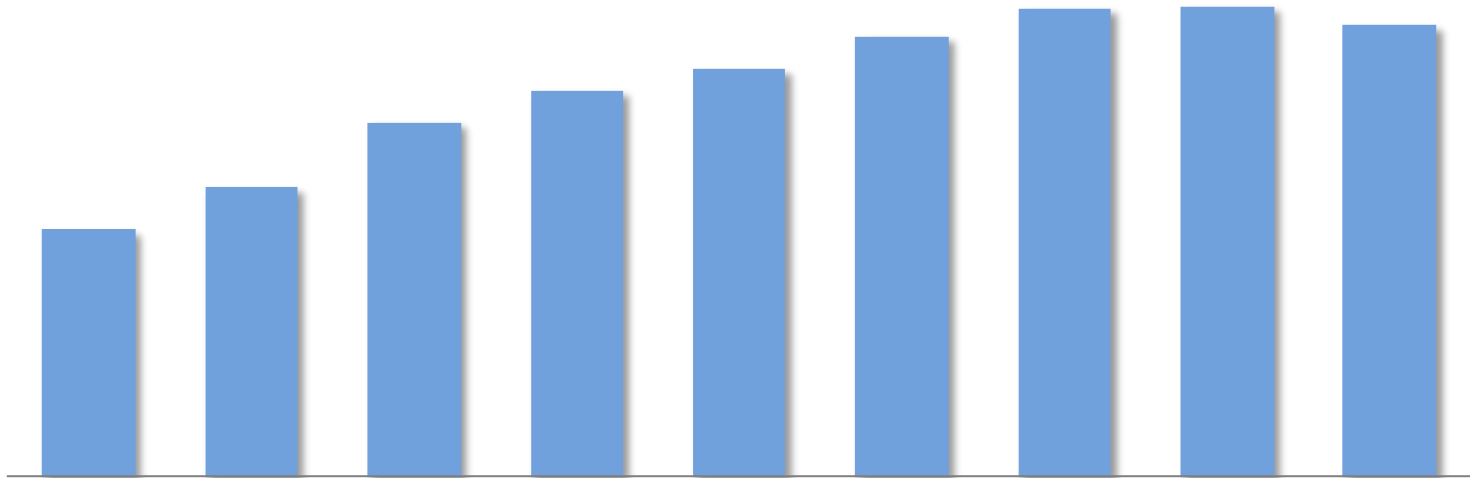




- AA

V

(\$ )



- Revenue from wafer shipments from Wuhan Xinxin from 1Q14 onwards. was \$8.2 in 4Q13. There will not be any wafer shipments from Wuhan Xinxin from 1Q14 onwards.

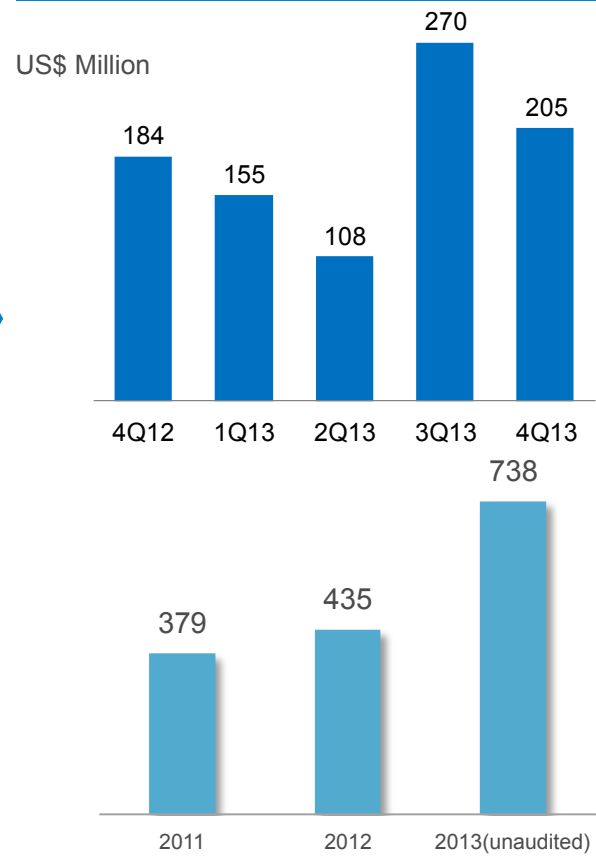




(US\$ thousands)

	31, 2013	30, 2013
C	473,507	262,955
	205,437	269,581
	(269,147)	(213,133)
( )	52,749	154,045
( )	(11,024)	210,552
C	462,483	473,507

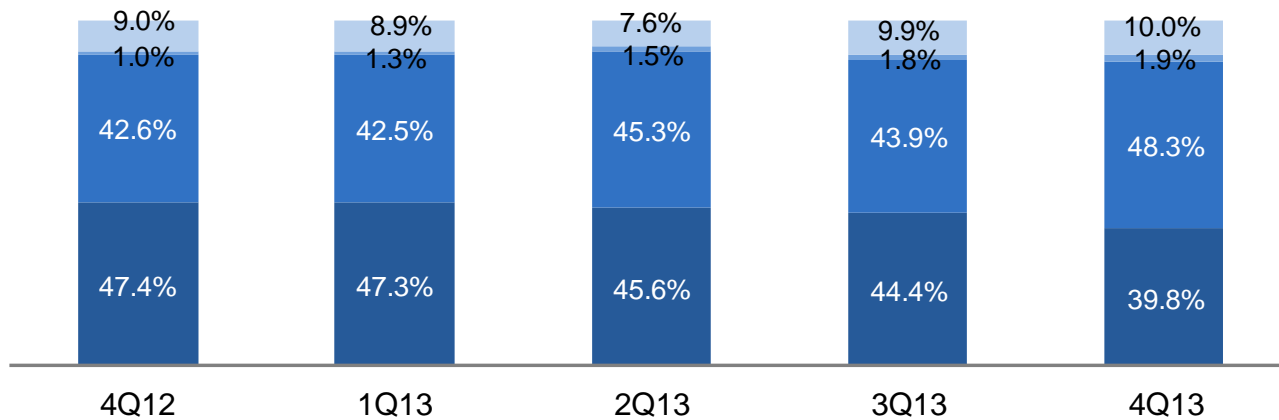
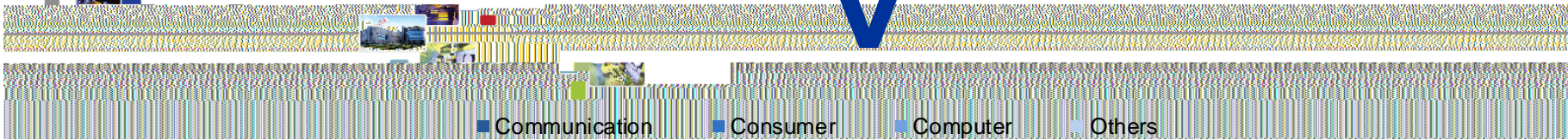
C



B

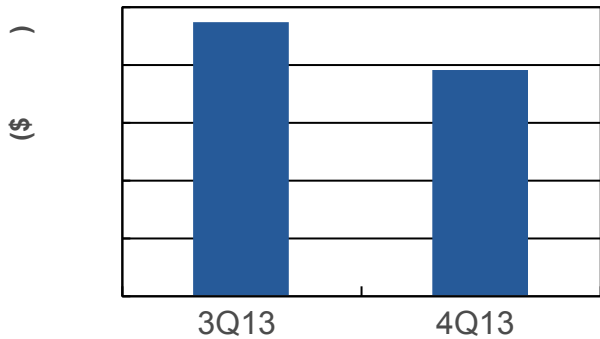
V

A

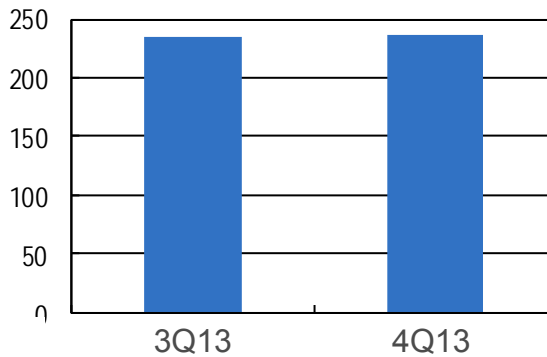


4 13 . 3 13

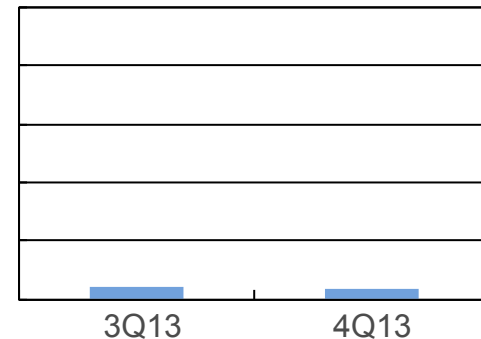
C



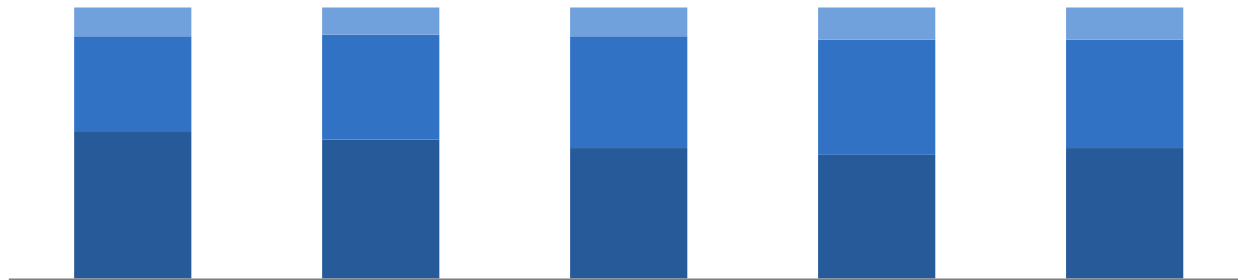
C



C



# B V

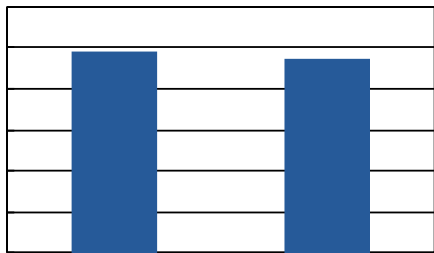


4 13 . 3 13

A

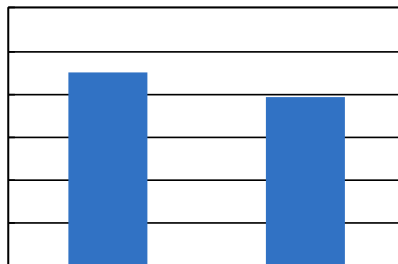
C

( \$ )



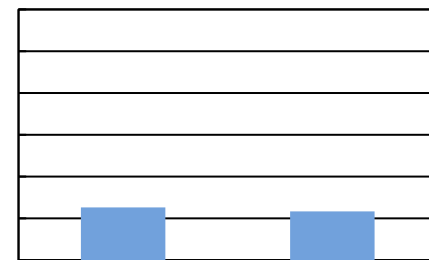
3Q13

4Q13



3Q13

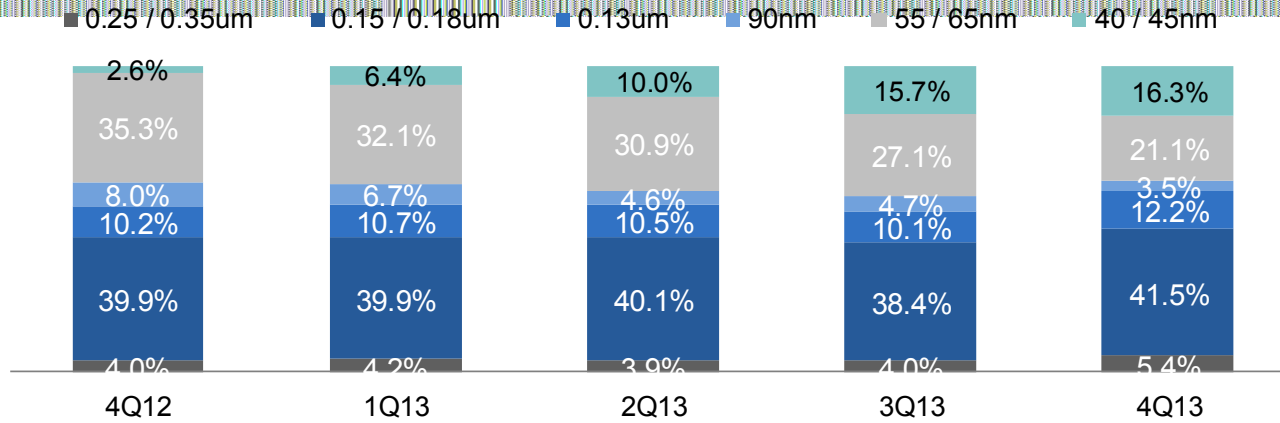
4Q13



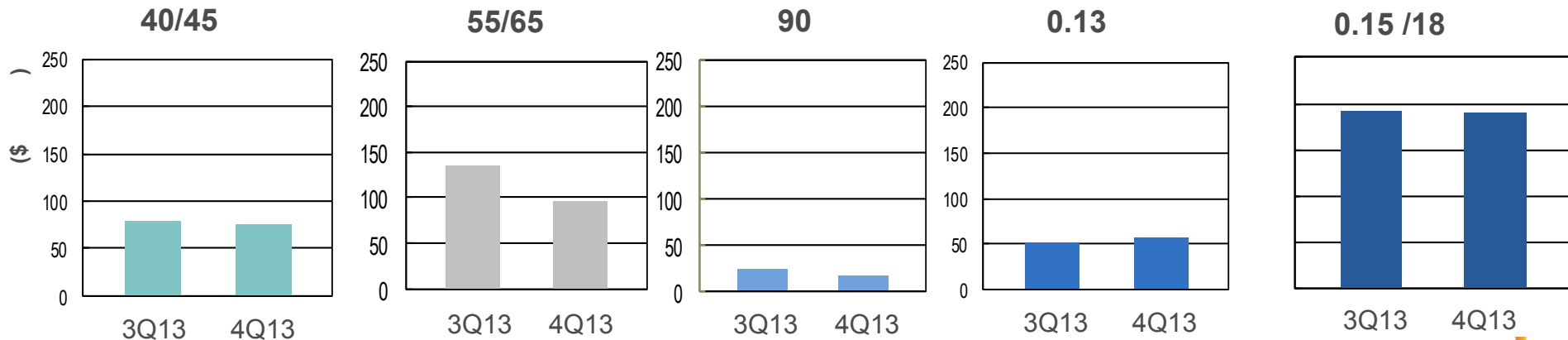
3Q13

4Q13

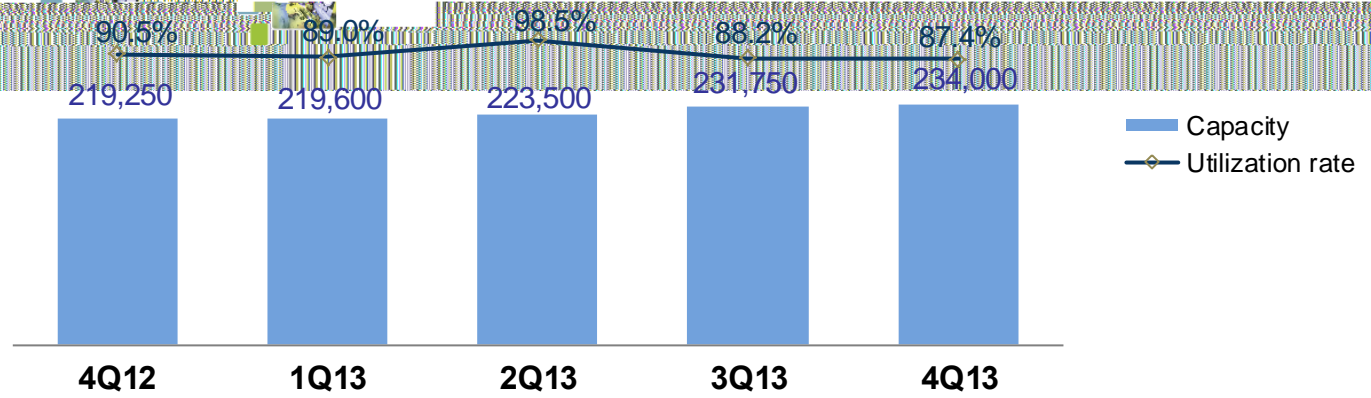
# B V



## 4 13 . 3 13



C



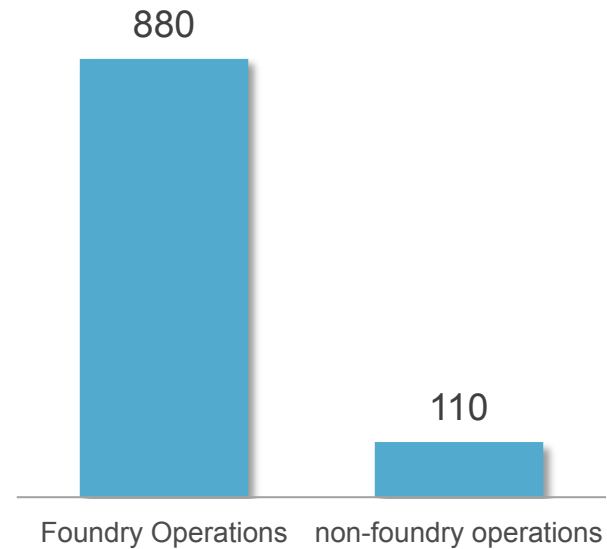
(1) Capacity utilization rate is reported based on total equivalent wafers out divided by estimated total quarterly capacity

# 1 2014

# 2014 C

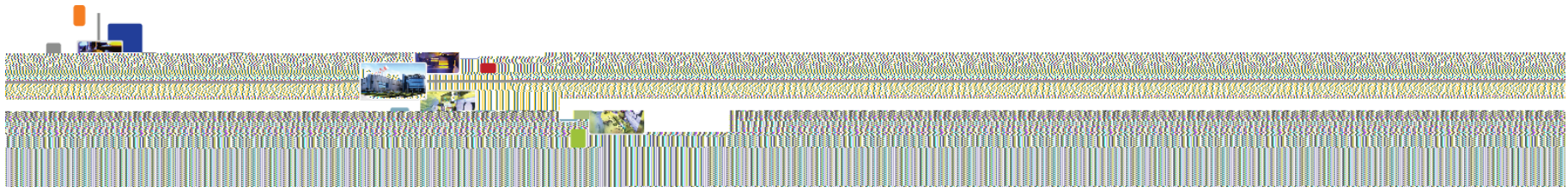
	1 2014	
(1)	\$440	\$460
	-9	-5%
	16%	19%
(2) - AA	\$88	\$92

2014 C ( \$ ) (3)(4)



- (1) This revenue guidance is given in relation to the revenue without wafer shipments from Wuhan Xinxin in 4Q13.
- (2) Exclude the effect of foreign exchange, employee bonus accrual, funding of R&D contracts from the government and gain from the disposal of living quarters.
- (3) The planned 2014 capital expenditure for our foundry operation is approximately \$880 million of which around \$570 million is for our new Beijing project, which is 55% funded by SMIC and 45% funded by the other shareholders of the project.
- (4) In addition, we have budgeted 2014 capital expenditures for non-foundry operations of approximately \$110 million mainly for the construction of living quarters.





A

	4 2013		4 2013
Revenue including wafer shipments from Wuhan Xinxin	-9% to -4.5%		-7.9%
- <b>AA</b> excluding wafer shipments from Wuhan Xinxin	<b>-4.5%</b>		<b>-4.0%</b>
Gross Margin including wafer shipments from Wuhan Xinxin	18.5% to 21.5%		18.9%
- <b>AA</b> excluding wafer shipments from Wuhan Xinxin	<b>19%</b>	<b>22%</b>	<b>19.2%</b>
- <b>AA</b>	(1)	<b>\$80.0</b>	<b>\$84.8</b>

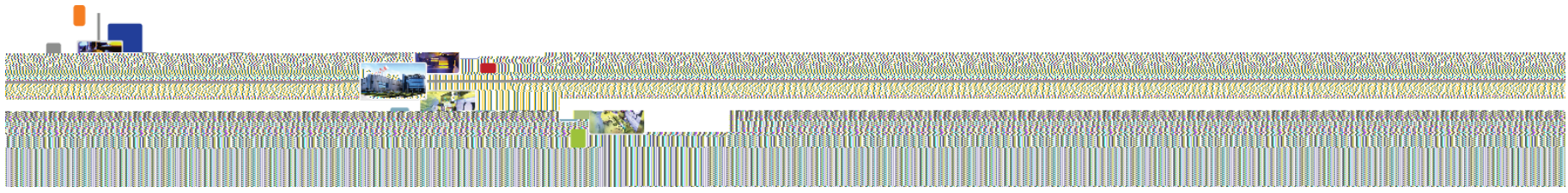
(1) Exclude the effect of foreign exchange, funding of R&D contracts from the government, gain arising from the disposal of living quarters and employee bonus accrual.



2013 C

&

<i>(US\$ millions)</i>	1 13	2 13	3 13	4 13	2013
C	185	302	169	114	770
A &	136	136	137	139	547



Contact us: [ir@smics.com](mailto:ir@smics.com)