

**Contact:**

n o a on  
2 x 2  
c co

# NEWS RELEASE

## SMIC Reports 2012 Third Quarter Results

**All currency figures stated in this report are in US Dollars unless stated otherwise. The financial statement amounts in this report are determined in accordance with US GAAP.**

an a No 5 2 2 conduc o M n u c u n n o o o o on  
NY M o o a ny on o a d n conduc o ound n  
o d o o y n nounc d con o d u o o a on o on nd d  
2 2

### Third Quarter 2012 Highlights:

- a y nu a co d o 2 on n 2 c a u y o  
 2 on n 2 and 5 y ya o ya  
 ■ o n nc a d o 2 5 n 2 co a d o 2 n 2 2 a y du o  
 con nu d o n n a nu a cu n c ncy  
 ■ N a o n a d o o a on a on n 2 co a d o  
 on n 2 2  
 ■ nco a u o conduc o M nu a cu n n a o a o a on nc a d o  
 2 on n 2 co a d o on n 2 2  
 ■ u d a 2 A

### Fourth Quarter 2012 Guidance:

o o n a n a o a d oo n a n c a a d on cu n x ca on  
a nd c n o a nd unc a n o o c a o und "a a o  
a n o

- nu x c d o a ou 2
- o a n x c d o a n o o 2
- a n x n x c u d n c o o n x c a n a n d o n n a n  
a x c d o a n o o n o o n

zuYn u M x cu c and x cu co co n d " M a  
 d on a da no o n n o n a n 5 n a n  
 d a o 2 and nc nou a c y a o n  
 o a n o d o o 2 and on o o n a a c n a c a  
 no ou ya and a n c a a 2 2 a a ya o co d  
 nu

“ n a o a ucc u ya c d ou o o o u y u z ou x n  
a a c ya nd o c ncy

“ u d u t a o c no o y d n a on on a c , a a dy n u o o  
 n a u t  
 “ And a on a c ou on o c o con nu a d a n c d c no o y d o n o  
 x a n d n d a n d o t a o n a a d n n ou a on  
 a d n cu o t ou t a y a n d c  
 “ a n c a a o o o ou a u n a y a a u o ou 5 n a n d  
 u n d o d d a M n a a n d n n o t a d  
 o o co , u n a on a n d con u co n t B a u o M , n  
 co a n o a n a n d a cu n y n n o o o d x o u  
 o a u on t a on a n d a

---

## Conference Call / Webcast Announcement

a No 2 2  
 a n n u t a n a t  
 a n n u t a n d a c o d  
 n d a 5 2 5 2 a cod M  
 on on 5 2 5 2 a cod M  
 a a n 2 2 5 2 5 a cod M  
 a cod M  
 a u d o a c c o n n o n a on o  
 a t d a co t 2 x n y  
 Ana c d on o a a on a n c on c co y o n a  
 a a a on M o a o d o 2 on o o n a

---

## About SMIC

conduc o M n a c u n n a o a o o a on “ M NY M on o  
 a d n conduc o ound n o d a n d a a n d o a d a n c d ound y n  
 M a n d a o d n n a d c cu ound y a n d c no o y c a e on o  
 a n o a d a d n a n a M a a a a a on a c y a  
 a n d 2 a a a n a n a a a o t a a n B n a a  
 a 2 a t a n a n n a n d a 2 a und con uc on n n z n M a o a  
 cu o t c a n d a n o c n t u o a n a n d a a n a n d a n a  
 o c n on on n a d d on M a a a n d o a a a a n u a n o n d  
 y u a n X n x n conduc o M n a c u n o o a on t a  
 o o n o a on a c c o

---

## Safe Harbor Statements

nd a cu L a on o Ac o 5  
 a con a n a d d on o o a n o a on “ o a d oo n a n n  
 a n n o “ a a o o on o a cu o L a on t o Ac o  
 o a d oo n a n n c u d n a n und “ ou a 2 2 u d n c  
 “ x a on a 2 2 a n a y a o co d t nu a n d “ a y n on a c o con nu  
 d o n a d a n c d c no o y o n c a n d a n d o t a o n a

a a d on M , cu n a u on x ca on a nd o c on a ou uu n M  
u o d " , " a n c a c





## Analysis of Revenue

Revenue Analysis			
By Application	3Q12	2Q12	3Q11
Other	5	2	
Other applications			5
Other		5	
By Service Type	3Q12	2Q12	3Q11
Other	5	5	2
Memory			
By Customer Type	3Q12	2Q12	3Q11
Other			2 2
Other			
Other		2	
By Geography	3Q12	2Q12	3Q11
North America	55 2	5	55
Europe	5	2	
Other	5		
Wafer Revenue Analysis			
By Technology (logic, memory & copper interconnect only)	3Q12	2Q12	3Q11
Other		2	
Other		2	
Other		5 5	2
Other	5	5	5
Other	5		
Other	2 5		

Note:

- (1) Including 0.13  $\mu$ m copper interconnects
- (2) Including Hong Kong, but excluding Taiwan
- (3) Excluding China

Capacity\*

	3Q12	2Q12
Manufacturing capacity	5	5
Production capacity	2 5 5	

Note:  
\* Wafers per month at the end of the period in 8" equivalent wafers, calculated on a 30-day basis for comparison purposes

- Manufacturing capacity increased 2.5x from 2.0 million wafers per month in 2Q12 to 5.0 million wafers per month in 3Q12. This increase was primarily due to the completion of the manufacturing capacity expansion project in 3Q12.

Shipment and Utilization

8" equivalent wafers	3Q12	2Q12	QoQ	3Q11	YoY
Production	5 5				

### Operating Expense (Income) Analysis

Amounts in US\$ thousands	3Q12	2Q12	QoQ	3Q11	YoY
Operating expenses	52	52	2	5	
Selling, general and administrative	25	25			
Research and development	25	2		2	5
Manufacturing			5		5
Other operating expenses	2		5		

- Operating expenses increased 2% on a constant currency basis due to higher selling, general and administrative expenses.
- Research and development expenses decreased 2% on a constant currency basis due to lower expenses in certain areas.

### Total Other Loss, Net

Amounts in US\$ thousands	3Q12	2Q12	QoQ	3Q11	YoY
Other income				22	
Interest income	5	2	5	5	22
Other income	5	2		2	52
Other loss	5	25			

- Other income increased 2% on a constant currency basis due to higher interest income.
- Other loss decreased 2% on a constant currency basis due to lower expenses in certain areas.

### Depreciation and Amortization

- Depreciation and amortization decreased 2% on a constant currency basis due to lower expenses in certain areas.

### Liquidity

Amounts in US\$ thousands	3Q12	2Q12
Accounts payable	25	2
Trade accounts payable	25	22
Other accounts payable	2	5
Accounts receivable	2222	252
Trade accounts receivable	5	2
Other accounts receivable		
Accounts payable		225
Trade accounts payable		5
Other accounts payable	2	
Accounts payable		

## Capital Structure

Amounts in US\$ thousands	3Q12	2Q12
Debt	2,525	2,225
Equity	2,525	2,525
Non-current debt	2,525	2,525
Current debt	2,525	2,525
Long-term debt	2,525	2,525
Short-term debt	2,525	2,525
Debt to equity ratio	2.22	2.22
Debt to capitalization ratio	5	5

Note:

(1) Including portion of noncontrolling interest.

(2) Total debt divided by equity, total debt including short-term borrowings, current portion of long-term debt and long-term debt.

## Cash Flow

Amounts in US\$ thousands	3Q12	2Q12
Net income	2,525	2,525
Net income	2,525	2,525
Net income	2,525	2,525
Net income	2,525	2,525
Net income	2,525	2,525
Net income	2,525	2,525
Net income	2,525	2,525
Net income	2,525	2,525
Net income	2,525	2,525
Net income	2,525	2,525

## Capex Summary

■ Capital expenditures



## **Recent Highlights and Announcements**

- M n μ 2 Lo o dd d M a o 2 2
- M 2 2 c n o y y o u c n a n a 2 2 o 2
- a n o on 2 2 2
- c a L a n d y o o N d a o d c on o M a n o
- c a n d b n a o o o a o u n a on 2 2
- c a No a on L a n d a n u o o o d o d 2 2
- c a No a on L a n d u o o Non d o d 2 2
- Announc n o a u d d n u o x Mon nd d a n 2 2
- M n u ou o n o a 2 2
- a n o o a n y c a y a n d Au o d n a 2 2 2
- No a on o B a d M n 2 2
- M o u o Mon nd d a n 2 2 2 2
- M a cond a 2 2 nu a n d o M n u a n c 2 2 2
- No a on o B a d M n 2 2
- A o n n o a n a c 2 2

*Please visit SMIC's website at [http://www.smics.com/eng/press/press\\_releases.php](http://www.smics.com/eng/press/press_releases.php) and [http://www.smics.com/eng/investors/ir\\_filings.php](http://www.smics.com/eng/investors/ir_filings.php) for further details regarding the recent announcements.*

N N      ↳      conduc o M nta c u n n      o o      o o      on  
N L A      A M N      M      N      N M  
n      oua nd xc      a      a a

conduc o M n u c u n n a o o o o o n  
N N N L A BALAN  
n oua nd

	As of	
	September 30, 2012 (Unaudited)	June 30, 2012 (Unaudited)
<b>ASSETS</b>		
u n a		
a a nd a u a n	2 5	2
c d a	2 5	22
Accoun c a n o a o a n c o 5 a nd 5 a		
n n o 2 2 a nd a n 2 2 c y	2	2 5
a d x n a nd o cu n a	2 2 2 2	2 5 2
o a cu n a	5	2
	<b>1,133,168</b>	<b>1,114,267</b>
a d a nd u	5 5	
a n a nd u n n	2 5	2 5
Ac u d n a n a n	2 55	2 2
on a		
<b>TOTAL ASSETS</b>	<b>3,978,794</b>	<b>3,974,836</b>
<b>LIABILITIES, NONCONTROLLING INTEREST AND EQUITY</b>		
u n a		
Accoun a y		2 5 2
Acc u d x n a nd o cu n a	5	5
o o o n		5
u n o on o o y no	2 5 2	2 2 n

	For the three months ended	
	September 30, 2012	June 30, 2012
	(Unaudited)	(Unaudited)
<b>Cash flow from operating activities</b>		
N nco	2 2	
o on nd o on	2	
a n o u y n n		
a n n o n a a nd o	5 2	2
<b>Net cash provided by operating activities</b>	<b>119,023</b>	<b>109,425</b>
<b>Cash flow from Investing activities:</b>		
Ac u on o		
o y a na nd u n		2 5
na n a	2	5
a n n o n n	2	
a n n c d a n o n n a c	2 5	2
	2	2
<b>Net cash used in investing activities</b>	<b>(128,349)</b>	<b>(126,293)</b>
<b>Financing activities:</b>		
oc d o o n	2 2	
a y n o o n	2 5	2 5
oc d o on d		2 5
a y n o on d		2
a y n o o o y no		5
<b>Net cash provided by (used in) financing activities</b>	<b>(49,712)</b>	<b>6,999</b>
c o Xca n a ca n	2	
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(58,909)</b>	<b>(9,947)</b>
<b>CASH AND CASH EQUIVALENTS, beginning of period</b>	<b>290,694</b>	<b>300,641</b>
<b>CASH AND CASH EQUIVALENTS, end of period</b>	<b>231,785</b>	<b>290,694</b>