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## NEWS RELEASE

### SMIC Reports 2016 Third Quarter Results

All currency figures stated in this report are in US Dollars unless stated otherwise.

The consolidated financial statements are prepared in accordance with International Financial

Shanghai, China ± November 7, 2016. Semiconductor Manufacturing International Corporation (601600.HK) semiconductor foundries in the world, today announced its consolidated results of operations for the three months ended September 30, 2016.

#### Third Quarter 2016 Highlights

Revenue was a record high of \$774.8 million in 3Q16, an increase of 12.3% QoQ from \$690.2 million in 2Q16 and an increase of 36.0% YoY from \$569.9 million in 3Q15.

Gross profit was \$232.1 million in 3Q16, compared to \$217.8 million in 2Q16 and \$182.4 million in 3Q15.

Gross margin was 30.0% in 3Q16, compared to 31.6% in 2Q16 and 32.0% in 3Q15.

Net profit for the period attributable to SMIC was \$113.6 million in 3Q16, as compared to \$97.6 million in 2Q16 and \$82.6 million in 3Q15.

Return on equity was 11.4% in 3Q16, compared to 10.2% in 2Q16 and 9.3% in 3Q15.

#### Fourth Quarter 2016 Guidance:

The following statements are forward looking statements based on current expectations and involved ULVNV DQG XQFHUWDLQWLHV VRPH RI ZKLFK DUH VHW IRUWK XQGHU 6DIH +DUERU 6WDA WPHQWV EHO Company expects:

Revenue to increase by 5% to 7% QoQ.

Gross margin to range from 28% to 30%.

Non-GAAP operating expenses, excluding the effect of employee bonus accrual, government funding and gain from the disposal of living quarters to range from \$179 million to \$184 million.

Non-controlling interests of our majority-owned subsidiaries to range from positive \$37 million to positive \$39 million (losses to be borne by non-controlling interests).

Dr. Tzu-LQ&KLX60,&Y&KLHI(HFXWLYH2IILFHUHQG(HFXWLYH'LUHFWRUFRPPHOSMIC) is seeing robust demand across the board and we reiterate our growth target of 20% compounded annual growth from 2016 to 2019. In 2016, SMIC is growing in excess of 28% YoY. We are forecasting growth for both 4Q16 and 1Q17 given current visibility. We are on track to achieve another record year of revenue and net profit attributable to SMIC.

We had a fantastic third quarter, achieving our 7th consecutive quarter of revenue growth and 18th consecutive quarter of profit. Our revenue was a record high of \$774.8 million, representing a growth of 36.0% YoY and 12.3% QoQ. Our net profit attributable to SMIC was also a record high of 113.6 million, a growth of 37.4% YoY and 16.3% QoQ. This marks the first time our quarterly net profit exceeds \$100 million, and the second consecutive quarter to exceed 10% ROE.

We are still experiencing robust demand from various regions, applications, and nodes, and we are addressing the demand opportunities by laying the foundation for continued growth with prudent HSDQVLRQWRPHHWFXVWRPHUVPHH. Last month, we announced several new fab construction projects to address our diverse demand. Actual production capacity will only be executed with careful planning to meet overlapping conditions of assured customer demand, technological readiness, and sustained profitability.

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## Conference Call / Webcast Announcement

Date: November 8, 2016

Time: 8:30 a.m. Shanghai time

Dial-in numbers and pass code:

China	+86 400-620-8038	(Pass code: SMIC)
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The call will be webcast live with audio at [http://www.smics.com/eng/investors/ir\\_presentations.php](http://www.smics.com/eng/investors/ir_presentations.php) or <http://edge.media-server.com/m/p/thpxzbyj>.

An archived version of the webcast, along with an electronic copy of this news release will be available on the SMIC website for a period of 12 months following the webcast.

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## About SMIC

Semiconductor Manufacturing International Corporation ("SMIC"; NYSE: SMI; SEHK: 981) is one of the leading semiconductor foundries in the world and the largest and most advanced foundry in mainland China. SMIC provides integrated circuit (IC) foundry and technology services on process nodes from 0.35 micron to 28 nanometer. Headquartered in Shanghai, China, SMIC has an international manufacturing and service base. In China, SMIC has a 300mm wafer fabrication facility (fab) and a 200mm mega-fab in Shanghai; a 300mm mega-fab and a majority-owned 300mm fab for advanced nodes in Beijing; 200mm fabs in Tianjin and Shenzhen; and a majority-owned joint-venture 300mm bumping facility in Jiangyin; additionally, in Italy SMIC has a majority-owned 200mm fab. SMIC also has marketing and customer service offices in the U.S., Europe, Japan, and Taiwan, and a representative office in Hong Kong

For more information, please visit [www.smics.com](http://www.smics.com).

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## Safe Harbor Statements

(Under the Private Securities Litigation Reform Act of 1995)

7KLV SUHV V UHOHDVH FRQWDLQVLQ DGGLWLRQ WR KLVWRULFDORRN EQWL RQW HZH D G V ZLWK LQ WKH PHDQLQJ RI WKH VDIH KDUERU SURYLVL RQV RI WKH 86 3ULYDWH 6HF XULWLHV /LWLJDWLRQ 5HIRUP S 1995. These forward-ORRN LQJV WDWHPHQW LQFOXGLQJ WDW FDIHQ DQXHQG 2016 XLGDQFH' &DS (6XPPDU\ and the statements contained in the quotes of our CEO are EDVHG RQ 60,&T current assumptions, expectations and projections about future events. SMIC uses words like EHOLHYH DQWFLSDWH LQWHQG HVWLPDWH HSHFW SURRHH 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 DQG RWKHU IDFWRUV WKDW PD\FDXVH 60,&T DFWXDO SHUIRUPDQFH ILQDQFLDO FRQGLWLRQ RU UH operations to be materially different from those suggested by the forward-looking statements including, among others, risks associated with the cyclical nature of the semiconductor industry, changes in demand for our products, competition in our markets, our reliance on a small number of customers, orders or judgments from pending litigation, intensive intellectual property lawsuits in semiconductor industry and financial stability in end markets, general economic conditions and fluctuations in currency exchange rates.

## About Non-Generally Accepted Accounting Principles ( Non-GAAP ) Financial Measures

in this press release non-GAAP measures of operating results that are adjusted to exclude finance cost, depreciation and amortization, income tax expenses, the effect of employee bonus accrual, government funding and gain from the disposal of living quarters. This earnings release also includes fourth quarter 2016 guidance for non-GAAP operating expenses. The presentation of non-GAAP financial measures is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with IFRS. This earnings release includes EBITDA margin and non-GAAP operating expenses which consist of total operating expenses as adjusted to exclude the effect of employee bonus accrual, government funding and gain from the disposal of living quarters. These non-GAAP financial measures are not calculated or presented in accordance with, and are not alternatives or substitutes for financial measures prepared in accordance with IFRS, and should be read only in conjunction with the Group's financial measures prepared in accordance with IFRS. The Group's non-GAAP financial measures may be different from similarly-titled non-GAAP financial measures used by other companies.

SMIC believes that use of these non-GAAP financial measures is necessary for management to understand, manage and evaluate the Group's business and make financial and operational decisions.

The accompanying table has more information and reconciliations of each non-GAAP financial measure to its most directly comparable GAAP financial measure. A reconciliation of non-GAAP guidance measures to corresponding GAAP measures is not available on a forward-looking basis because the effect of these adjustment items excluded for the purpose of non-GAAP operating expenses guidance are subject to some unpredictable conditions that cannot be estimated with reasonable certainty.

## **Summary of Thrid Quarter 2016 Operating Results**

*Amounts in US\$ thousands, except for EPS and operating data*

	<b>3Q16</b>	<b>2Q16</b>	<b>QoQ</b>	<b>3Q15</b>	<b>YoY</b>
Revenue	774,845	690,221	12.3%	569,854	36.0%
Cost of sales	(542,742)	(472,407)	14.9%	(387,503)	40.1%
Gross profit	232,103	217,814	6.6%	182,351	27.3%
Operating expenses	(123,471)	(102,394)	20.6%	(108,125)	14.2%
Profit from operations	108,632	115,420	-5.9%	74,226	46.4%
Other income (expense), net	4,471				

## Analysis of Revenue

<b>Revenue Analysis</b>			
<b>By Application</b>	<b>3Q16</b>	<b>2Q16</b>	<b>3Q15</b>
Computer	3.9%	4.3%	4.4%
Communications	46.1%	49.9%	55.1%
Consumer	40.7%	38.8%	31.9%
Others	9.3%		

## Capacity\*

Fab / (Wafer Size)	3Q16	2Q16
68QJ8LOHJD)DE´	107,000	106,000
Shanghai 12-LQF)DE´	45,000	45,000
Beijing Mega Fab (12")	87,750	83,250
Tianjin Fab (8")	45,000	45,000
Shenzhen Fab (8´)	31,000	26,000
Beijing Majority-Owned Fab (12")	34,875	33,750
Avezzano Majority-Owned Fab (8")	40,000	-
Total monthly wafer fabrication capacity	390,625	339,000

Note:

\*

ers, calculated on a 30-day basis for comparison purposes

Monthly capacity increased to 390,625 8-inch equivalent wafers in 3Q16 from 339,000 8-inch equivalent wafers in 2Q16, primarily because of 1) the capacity expansion in our Shanghai 8-inch fab, Shenzhen 8-inch fab, Beijing 12-inch mega-fab and our majority-owned Beijing 12-inch fab, and 2) the acquisition of LFoundry in 3Q16.

## Shipment and Utilization

2

3Q16

2Q16

QoQ

3

### Operating Expense s (Income) Analysis

<i>Amounts in US\$ thousands</i>	<b>3Q16</b>	<b>2Q16</b>	<b>QoQ</b>	<b>3Q15</b>	<b>YoY</b>
Operating expenses	123,471	102,394	20.6%	108,125	14.2%
Research and development, net	81,898	64,526	26.9%	62,381	31.3%
General and administrative	35,449	33,496	5.8%	51,387	-31.0%
Selling and marketing	8,009	8,228	-2.7%	11,154	-28.2%
Other operating income	(1,885)	(3,856)	-51.1%	(16,797)	-88.8%

R&D expenses increased by \$17.4 million QoQ to \$81.9 million in 3Q16, compared to \$64.5 million in 2Q16. Excluding the funding of R&D contracts from the government, R&D expenses increased by \$15.0 million QoQ to \$91.5 million in 3Q16. The change was mainly due to higher level of R&D activities in 3Q16. Funding of R&D contracts from the government was \$9.6 million in 3Q16, compared to \$12.0 million in 2Q16.

Other operating income decreased from \$3.9 million in 2Q16 to \$1.9 million in 3Q16, mainly because of lower gain realized from the disposal of certain living quarters in 3Q16.

### Other Income ( expense ), Net

<i>Amounts in US\$ thousands</i>	<b>3Q16</b>	<b>2Q16</b>	<b>QoQ</b>	<b>3Q15</b>	<b>YoY</b>
Other income (expense), net	4,471	(20,632)	-	(3,459)	-
Interest income	3,045	1,788	70.3%	1,378	121.0%
Finance costs	(1,236)				



## Depreciation and Amortization

<i>Amounts in US\$ thousands</i>	<b>3Q16</b>	<b>2Q16</b>	<b>QoQ</b>	<b>3Q15</b>	<b>YoY</b>
Depreciation and amortization	185,688	168,908	9.9%	130,460	42.3%

The increase in depreciation and amortization in 3Q16 was primarily due to 1) an increase in the capacity of the majority-owned Beijing 12-inch fab, Shanghai 12-inch fab and Shenzhen 8-inch fab and 2) the acquisition of LFoundry in 3Q16.

## Liquidity

<i>Amounts in US\$ thousands</i>	<b>3Q16</b>	<b>2Q16</b>
Cash and cash equivalent	1,634,752	1,586,671
Restricted cash	493,031	228,381
Other financial assets <sup>(1)</sup>	141,082	303,721
Trade and other receivables	754,140	657,406
Prepayment and prepaid operating expenses	35,878	51,493
Inventories	459,299	404,265
Assets classified as held-for-sale	53,379	57,333
Total current assets	3,571,561	3,289,270
Current tax liabilities	245	292
Other financial liabilities	443	422
Accrued liabilities	163,663	148,555
Deferred government funding	118,361	83,973
Convertible bonds	402,854	399,416
Short-term notes	89,955	90,465
Short-term Borrowings	66,655	91,375
Trade and other payables	1,099,528	1,097,743
Total current liabilities	1,941,704	1,912,241
Cash Ratio <sup>(2)</sup>	0.8x	0.8x
Quick Ratio <sup>(3)</sup>	1.6x	1.5x
Current Ratio <sup>(4)</sup>	1.8x	1.7x

Note:

(1) Other financial assets mainly contain financial products sold by bank and bank deposits over 3 months.

(2) Cash and cash equivalent divided by total current liabilities.

(3) Current assets excluding inventories divided by total current liabilities.

## Capital Structure

<i>Amounts in US\$ thousands</i>	<b>3Q16</b>	<b>2Q16</b>
Cash and cash equivalent	1,634,752	1,586,671
Restricted cash- current	493,031	228,381
Restricted cash- non current	21,359	-
Other financial assets <sup>(1)</sup>	141,082	303,721
Short-term borrowings	66,655	91,375
Long-term borrowings	1,240,343	1,232,457
Short-term notes	89,955	90,465
Medium-term notes	222,911	223,996
Convertible bonds- current	402,854	399,416
Convertible bonds- non current	391,541	-
Corporate bonds	494,474	494,048
Total debt	2,908,733	2,531,757
Net debt <sup>(2)</sup>	1,132,899	641,365
Equity	5,315,556	4,973,441
Total debt to equity ratio <sup>(3)</sup>	54.7%	50.9%
Net debt to equity ratio <sup>(4)</sup>	21.3%	12.9%

Note:

(1) Other financial assets mainly contain financial products sold by bank and bank deposits over 3 months.

(2) Net debt is total debt minus cash and cash equivalent, and other financial assets.

(3) Total debt divided by equity.

(4) Net debt divided by equity.

## Cash Flow

<i>Amounts in US\$ thousands</i>	<b>3Q16</b>	<b>2Q16</b>
Net cash from operating activities	199,532	245,764
Net cash used in investing activities	(687,808)	(1,211,425)
Net cash from financing activities	539,193	1,521,195
Effect of exchange rate changes	(2,836)	(3,818)
Net change in cash and cash equivalent	48,081	551,716

## **Capex Summary**

Capital expenditures were \$670.9 million in 3Q16, compared to \$792.4 million in 2Q16.

The planned 2016 capital expenditures for foundry operations are approximately \$2.6 billion, an increase from \$2.5 billion based on the earlier estimate in 2Q16. The increase is mainly for the acquisition of used equipment for Shenzhen new 12-inch fab.

The planned 2016 capital expenditures for non-foundry operations are approximately \$50 million, mainly for the construction of living quarters.

## **Recent Highlights and Announcements**

SMIC Shenzhen Launches Construction of the First 12-Inch IC Production Line in South China (2016-11-03)  
Delay in Despatch of Circular (2016-11-02)  
Notification of Board Meeting (2016-10-18)  
SMIC TianJin Launches Capacity Expansion Project; Expected to Become the World's Largest Integrated 8-Inch IC Production Line (2016-10-17)  
SMIC Shanghai Starts Construction of a New 12-Inch Wafer Fab (2016-10-13)  
Continuing Connected Transactions in Relation to Framework Agreement (2016-09-30)  
(1) Proposed Share Consolidation; and (2) Proposed Change in Board Lot Size (2016-09-30)  
Circulars - Notification Letter and Request Form for Non-registered Shareholders (2016-09-20)  
Circulars - Notification Letter for Registered Shareholders (2016-09-20)  
Circulars - Notification Letter and Change Request Form to Registered Shareholders (2016-09-20)  
Circulars - Letter and Reply Form to New Registered Shareholders - Election of Means of Receipt and Language of Corporate Communication (2016-09-20)  
(1) Grant of Share Options and (2) Non-exempt Connected Transactions - Proposed Grant of Restricted Share Units to Directors and Chief Executive Officer (2016-09-12)  
Grant of Options (2016-09-12)  
Announcement of Unaudited Interim Results for the Six Months Ended June 30, 2016 (2016-08-31)  
Notification of Board Meeting (2016)

Semiconductor Manufacturing International Corporation  
**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
(In US\$ thousands except share data)

	<b>For the three months ended</b>	
	<b>September 30, 2016</b>	<b>June 30, 2016</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Revenue	774,845	690,221
Cost of sales	(542,742)	(472,407)
Gross profit	<u>232,103</u>	<u>217,814</u>
Research and development expenses, net	(81,898)	(64,526)
General and administration expenses	(35,449)	(33,496)
Sales and marketing expenses	(8,009)	(8,228)
Other operating income, net	1,885	3,856
Operating expenses	<u>(123,471)</u>	<u>(102,394)</u>
Profit from operation	108,632	115,420
Other income (expense), net	4,471	(20,632)
Profit before tax	113,103	94,788
Income tax expense	<u>(960)</u>	<u>(297)</u>
<b>Profit for the period</b>	<b><u>112,143</u></b>	<b><u>94,491</u></b>
<b>Other comprehensive income</b>		
<i>Item that may be reclassified subsequently to profit or loss</i>		
Exchange differences on translating foreign operations	445	(6,907)
Change in value of available-for-sale financial assets	653	(92)
Others	364	(4)
<b>Total comprehensive income for the period</b>	<b><u>113,605</u></b>	<b><u>87,488</u></b>
Profit for the period attributable to:		
Owners of the Company	113,561	97,643
Non-controlling interests	<u>(1,418)</u>	<u>(3,152)</u>
	<b><u>112,143</u></b>	<b><u>94,491</u></b>
Total comprehensive income for the period attributable to:		
Owners of the Company	115,016	90,640
Non-controlling interests	<u>(1,411)</u>	<u>(3,152)</u>
	<b><u>113,605</u></b>	<b><u>87,488</u></b>
Earnings per share attributable to Semiconductor Manufacturing International Corporation ordinary shareholders		
Basic	0.00	0.00
Diluted	0.00	0.00
Earnings per ADS attributable to Semiconductor Manufacturing International Corporation ordinary ADS holders		
Basic	0.13	0.12
Diluted	0.12	0.11
<b>Shares used in calculating basic earnings per share</b>	<b>42,214,327,575</b>	<b>42,178,115,201</b>
<b>Shares used in calculating diluted earnings per share</b>	<b><u>50,271,070,930</u></b>	<b><u>46,350,183,330</u></b>

**Reconciliations of Non-GAAP Financial Measures to Comparable GAAP Measures**

Non-GAAP operating expenses <sup>(1)</sup>	<u>(121,068)</u>	<u>(113,411)</u>
EBITDA margin <sup>(2)</sup>	<u>38.7%</u>	<u>39.1%</u>

**Note:**

(1) Non-GAAP operating expenses are defined as operating expenses adjusted to exclude the effect of employee bonus accrual, government funding and gain from the disposal of living quarters. SMIC reviews non-GAAP operating expenses together with operating expenses to understand, manage and evaluate its business and make financial and operational decisions. The Group also believes it is useful supplemental information for investors and analysts to assess its operating performance. However, the use of non-GAAP financial measures has material

Semiconductor Manufacturing International Corporation  
CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
(In US\$ thousands except share data)

limitations as an analytical tool. One of the limitations of using non-GAAP financial measures is that they do not include all items that impact our net profit for the period. In addition, because non-GAAP financial measures are not calculated in the same manner by all companies, they may not be comparable to other similarly

Semiconductor Manufacturing International Corporation  
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
(In US\$ thousands)

	As of	
	September 30, 2016 (Unaudited)	June 30, 2016 (Unaudited)
<b>ASSETS</b>		
<i>Non-current assets</i>		
Property, plant and equipment	5,718,786	5,120,105
Land use right	90,169	90,681
Intangible assets	225,109	218,254
Investments in associates	247,980	228,580
Investments in joint ventures	15,203	19,685
Deferred tax assets	45,649	45,432
Derivative financial instrument	27,931	24,551
Restricted cash	21,359	-
Other assets	44,634	31,723
Total non-current assets	<u>6,436,820</u>	<u>5,779,011</u>
<i>Current assets</i>		
Inventories	459,299	404,265
Prepayment and prepaid operating expenses	35,878	51,493
Trade and other receivables	754,140	657,406
Other financial assets	141,082	303,721
Restricted cash	493,031	228,381
Cash and cash equivalent	1,634,752	1,586,671
	<u>3,518,182</u>	<u>3,231,937</u>
Assets classified as held-for-sale	53,379	57,333
Total current assets	<u>3,571,561</u>	<u>3,289,270</u>
<b>TOTAL ASSETS</b>	<b><u>10,008,381</u></b>	<b><u>9,068,281</u></b>
<b>EQUITY AND LIABILITIES</b>		
<i>Capital and reserves</i>		
Ordinary shares, \$0.0004 par value, 500,000,000 shares authorized, 42,275,097,240 and 42,190,317,456 shares issued and outstanding at September 30, 2016 and June 30, 2016, respectively	16,910	16,876
Share premium	4,923,459	4,914,385
Reserves	141,119	86,908
Accumulated deficit	(1,014,857)	(1,128,418)
Equity attributable to owners of the Company	<u>4,066,631</u>	<u>3,889,751</u>
Non-controlling interests	1,248,925	1,083,690
Total equity	<u>5,315,556</u>	<u>4,973,441</u>
<i>Non-current liabilities</i>		
Borrowings	1,240,343	1,232,457
Convertible bonds	391,541	-
Bonds payable	494,474	494,048
Medium-term notes	222,911	223,996
Deferred tax liabilities	24,541	8,126
Deferred government funding	290,894	164,861
Other financial liabilities	15,724	17,747
Other liabilities	70,693	41,364
Total non-current liabilities	<u>2,751,121</u>	<u>2,182,599</u>
<i>Current liabilities</i>		
Trade and other payables	1,099,528	1,097,743
Borrowings	66,655	91,375
Short-term notes	89,955	90,465
Convertible bonds	402,854	399,416
Deferred government funding	118,361	83,973
Accrued liabilities	163,663	148,555
Other financial liabilities	443	422
Current tax liabilities	245	292
Total current liabilities	<u>1,941,704</u>	<u>1,912,241</u>
Total liabilities	<u>4,692,825</u>	<u>4,094,840</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>10,008,381</u></b>	<b><u>9,068,281</u></b>

Semiconductor Manufacturing International Corporation  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
(In \$US thousands)

	<b>For the three months ended</b>	
	<b>September 30, 2016</b>	<b>June 30, 2016</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Cash flow from operating activities</b>		
Profit for the period	112,143	94,491
Depreciation and amortization	185,688	168,908
Share of loss of investment using equity method	2,874	3,963
Changes in working capital and others	(101,173)	(21,598)
<b>Net cash from operating activities</b>	<b>199,532</b>	<b>245,764</b>
<b>Cash flow from investing activities:</b>		
Payments for property, plant and equipment	(756,317)	(933,138)
Payments for intangible assets	(13,545)	(15,843)
Net proceeds after netting off land appreciation tax from disposal of property, plant and equipment and assets classified as held for sale	4,271	2,422
Changes in restricted cash relating to investing activities	1,499	341
Payments to acquire financial assets	(504,852)	(348,960)
Proceeds on sale of financial assets	669,489	151,794
Proceeds from disposal of investment in joint ventures	2,440	-
Payment to acquire long-term investment	(22,995)	(64,650)
Payment for business combination, net of cash acquired	(69,825)	(3,391)
Dividends received from investment in joint ventures	2,027	-
<b>Net cash used in investing activities</b>	<b>(687,808)</b>	<b>(1,211,425)</b>
<b>Cash flow from financing activities:</b>		
Proceeds from borrowings	-	642,135
Repayment of borrowings	(50,643)	(73,898)
Proceeds from (payment for) issuance of short-term and medium-term notes	(2,205)	316,627
Proceeds from issuance of convertible bonds	441,155	-
Proceeds from exercise of employee stock options	5,886	331
Proceeds from non-controlling interest ± capital contribution	145,000	636,000
<b>Net cash from financing activities</b>	<b>539,193</b>	<b>1,521,195</b>
<b>Effects of exchange rate changes on the balance of cash held in foreign currencies</b>	<b>(2,836)</b>	<b>(3,818)</b>
<b>Net increase in cash and cash equivalent</b>	<b>48,081</b>	<b>551,716</b>
<b>Cash and cash equivalent, beginning of period</b>	<b>1,586,671</b>	<b>1,034,955</b>
<b>Cash and cash equivalent, end of period</b>	<b>1,634,752</b>	<b>1,586,671</b>