



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)

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 are based on SMIC’s current assumptions, expectations and projections about future events. SMIC uses words like “believe,” “anticipate,” “intend,” “estimate,” “expect,” “project” and similar expressions to identify forward-looking statements, although not all forward-looking statements contain these words. These forward-looking statements are necessarily estimates reflecting the best judgment of SMIC’s senior management and 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 cyclical and market conditions in the semiconductor industry, the downturn in the global economy and the impact on China’s economy, intense competition, timely wafer acceptance by SMIC’s customers, timely introduction of new technologies, SMIC’s ability to capture growth opportunities in China, SMIC’s ability to strengthen its product portfolio, supply and demand for semiconductor foundry services, industry overcapacity, shortages in equipment, components and raw materials, orders or judgments from pending litigation, availability of manufacturing capacity and financial stability in end markets.

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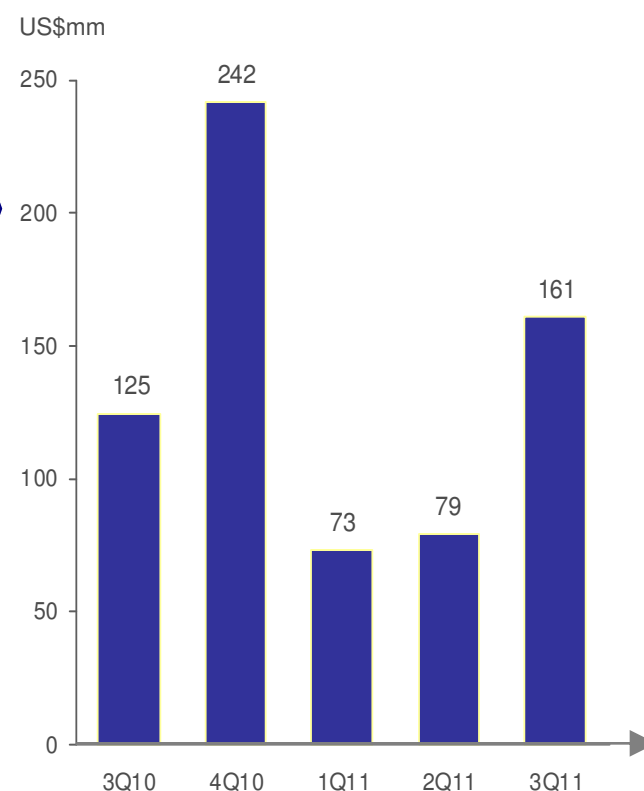
Cash Flow



Summary Cash Flow Statement

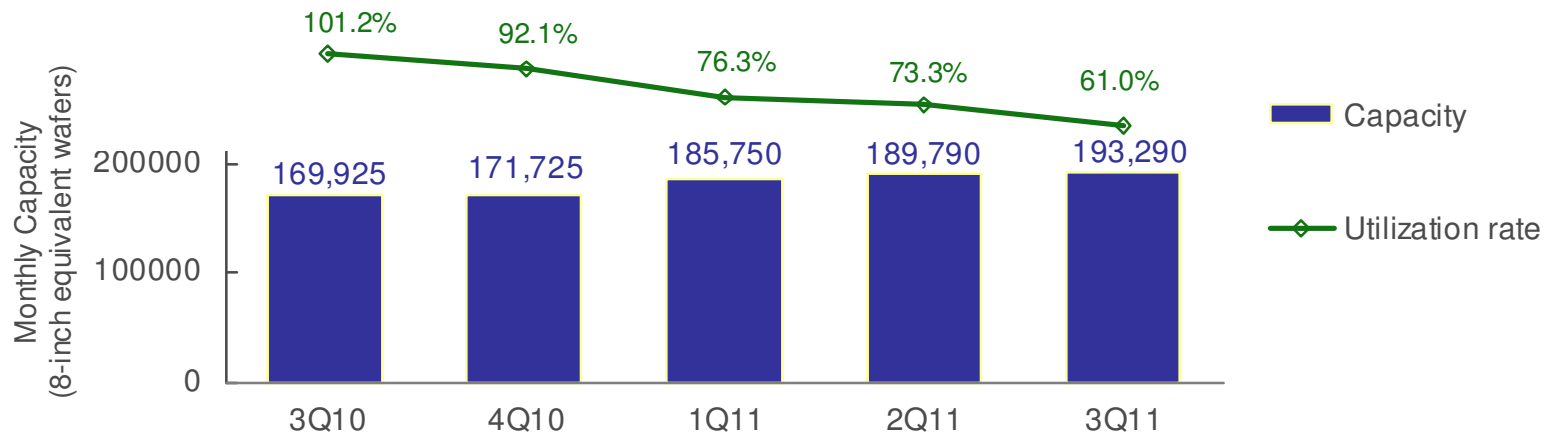
<i>(in US\$ thousands)</i>	For the three months ended	
	Sept 30, 2011	June 30, 2011
Net Profit (loss)	(87,856)	(3,621)
Net cash provided by operating activities	160,885	79,371
Net cash used in investing activities	(190,376)	(356,711)
Net cash used in financing activities	(65,869)	294,125
Effect of exchange 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





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

(2) 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

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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.



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