



2007 1st Quarter Results Investor Conference

17 May, 2007

**Advanced Semiconductor Manufacturing
Corporation Limited**

Agenda

❖ Welcome

❖ 2007 Q1 financial results

Ms. Cheng Jianyu
Executive Director & CFO

❖ Outlook

Dr. Tony Liu
Executive Director & President

❖ Q&A

2007 Q1 Overview (QoQ)

- Revenue was RMB308.3 million in 1Q07, compared to RMB 350.9 in 4Q06
- Despite a decrease of 12% in revenue sequentially, gross margin remain the same owing to further improving operating efficiency of 8-inch fab
- Key operational indices including line yield and utilization rate of 8-inch fab further improved
- Long-term debt further reduced with planned advance repayment of bank loan
- Positive cash flow continued to be achieved
- Net income amounted to negative RMB 37.5 million

Q1' 2007 Results Review

Amount: RMB Million	Q1'07	Q4'06	Q1'06
Sales	308.3	350.9	318.8
Net Income	(37.5)	(27.6)	12.1
Cash & Cash Equivalent	327.7	397.0	65.6
Interest-Bearing Loans	661.4	741.7	1158.5
Shareholders' Equity	1777.2	1814.9	1192.4
FAB Utilization (%)	68%	77%	62%
ROE (%)	-8.4%	-6.1%	4.1%

Q1' 2007 Income Statement

(QoQ Comparison)

Amount: RMB Million

	Q1'2007 Actual		Q4'2006 Actual		QoQ
	Amount	%	Amount	%	%
Net Sales	308.3	100%	350.9	100%	-12%
Cost of Goods Sold (COGS)	(312.1)	-101%	(356.0)	-101%	-12%
Gross Profit	(3.8)	-1%	(5.1)	-1%	-26%
Total Operating Expenses	(29.4)	-10%	(32.3)	-9%	-9%
Operating Income/(Loss)	(33.2)	-11%	(37.4)	-11%	-
Financing Cost	(13.6)	-4%	(13.3)	-4%	2%
Other Income/(Expenses), Net	7.5	2%	19.5	6%	-61%
Income/(Loss) Before Tax	(39.3)	-13%	(31.3)	-9%	-
Income Taxes Credit/(Expense)	1.7	1%	3.6	1%	-
Net Income/(Loss)	(37.5)	-12%	(27.6)	-8%	-

Q1' 2007 Income Statement

(YoY Comparison)

Amount: RMB Million

	Q1'2007 Actual		Q1'2006 Actual		YoY
	Amount	%	Amount	%	%
Net Sales	308.3	100%	318.8	100%	-3%
Cost of Goods Sold (COGS)	(312.1)	-101%	(270.7)	-85%	15%
Gross Profit	(3.8)	-1%	48.2	15%	-108%
Total Operating Expenses	(29.4)	-10%	(28.0)	-9%	5%
Operating Income/(Loss)	(33.2)	-11%	20.1	6%	-
Financing Cost	(13.6)	-4%	(15.0)	-5%	-9%
Other Income/(Expenses), Net	7.5	2%	7.9	2%	-5%
Income/(Loss) Before Tax	(39.3)	-13%	13.1	4%	-
Income Taxes Credit/ (Expense)	1.7	1%	(1.0)	0%	-
Net Income/(Loss)	(37.5)	-12%	12.1	4%	-

Q1' 2007 Balance Sheet

Amount: RMB Million	Q1 07		Q406		Q1 06	
Selected Items from Balance Sheet	Amount	%	Amount	%	Amount	%
Total Assets	2664.4	100%	2858.8	100%	2725.4	100%
Cash & Cash Equivalent	327.7	12%	397.0	14%	65.6	2%
Accounts Receivables & Other	187.0	7%	195.4	7%	211.5	8%
Inventory	242.8	9%	261.8	9%	198.3	7%
Total Current Assets	757.5	28%	854.2	30%	475.4	17%
Accounts Payable	133.9	5%	194.3	7%	294.0	11%
Current Portion of Loans	570.9	21%	286.4	10%	531.5	20%
Accrued Liabilities & Others	91.9	3%	107.9	4%	80.5	3%
Total Current Liabilities	796.7	30%	588.7	21%	906.0	33%
Long Term Debt	90.5	3%	455.3	16%	626.9	23%
Total Equity	1777.2	67%	1814.9	63%	1192.4	44%
Accounts Receivable Turnover	46		44		49	
Inventory Turnover	73		67		61	
Current Ratio	0.95		1.45		0.52	
Net Working Capital	(39.2)		265.6		(430.6)	

Q1' 2007 Cash Flow

Amount: RMB Million	Q1'07	Q1'06
	Amount	Amount
From Operation	11.8	144.7
Profit Before Tax	(39.3)	13.1
Depreciation & Amortization	98.2	90.2
Change in Working Capital	(51.4)	40.5
Other Operating activities	4.2	0.9
From Investment	(0.6)	(157.1)
Capital Expenditures (Net)	(0.6)	(157.1)
Other Investment Sources/(Uses)		
From Financing	(80.4)	(27.9)
Repayment of -L	(80.4)	(27.9)

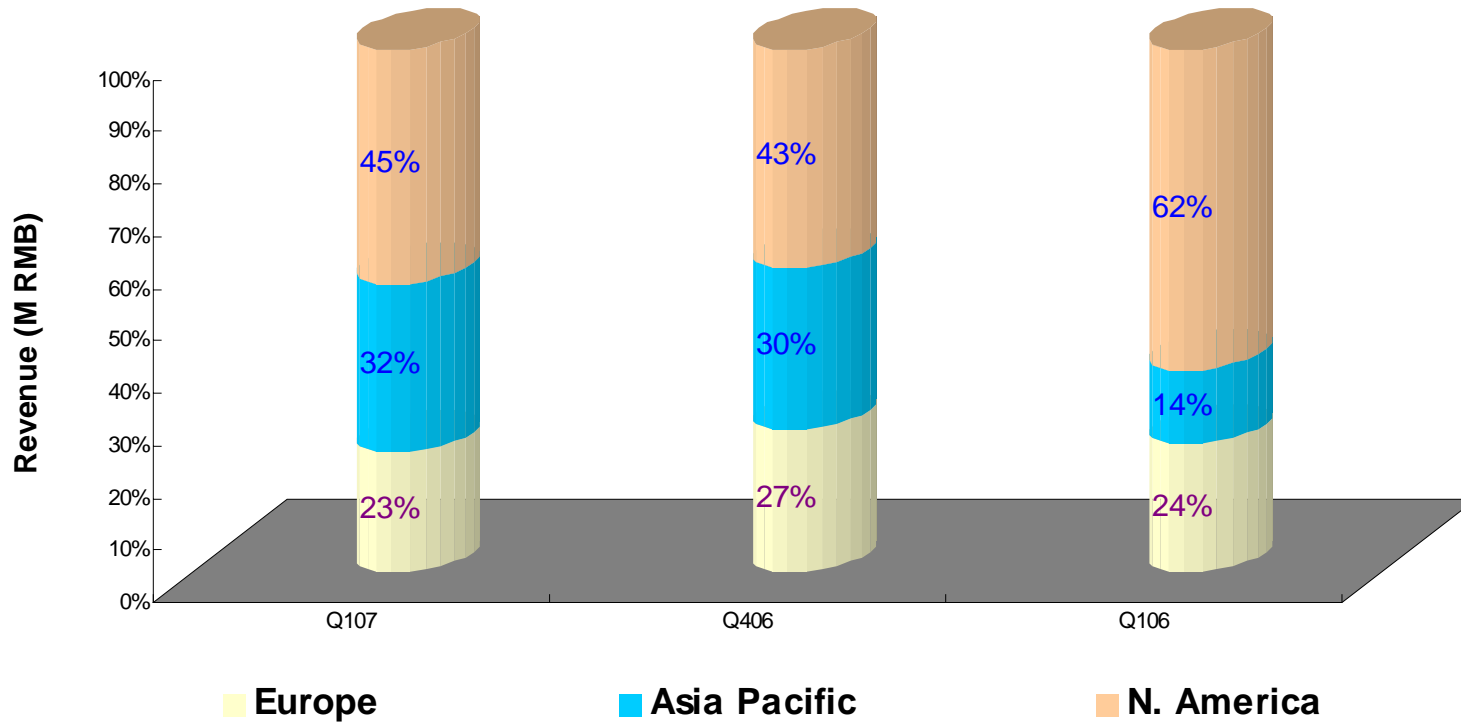
Q1' 2007 Capital Expenditures

Amount: RMB Million

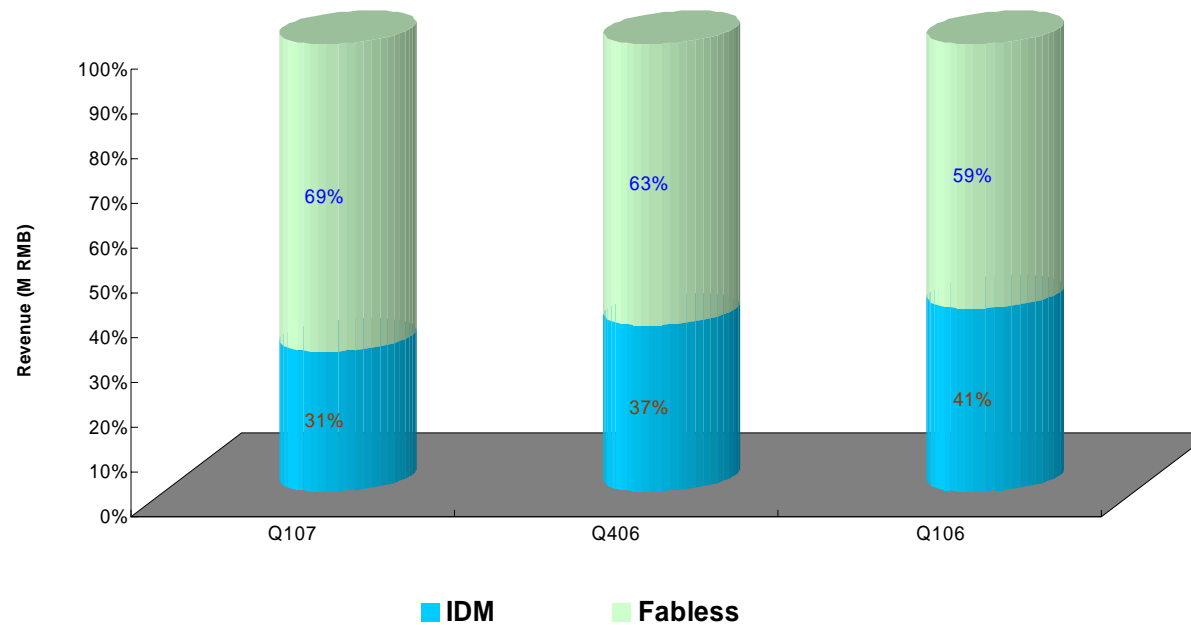
CAPEX

Q1'07	Q4'06	Q1'06
Amount	Amount	Amount
0.6	11.1	157.1

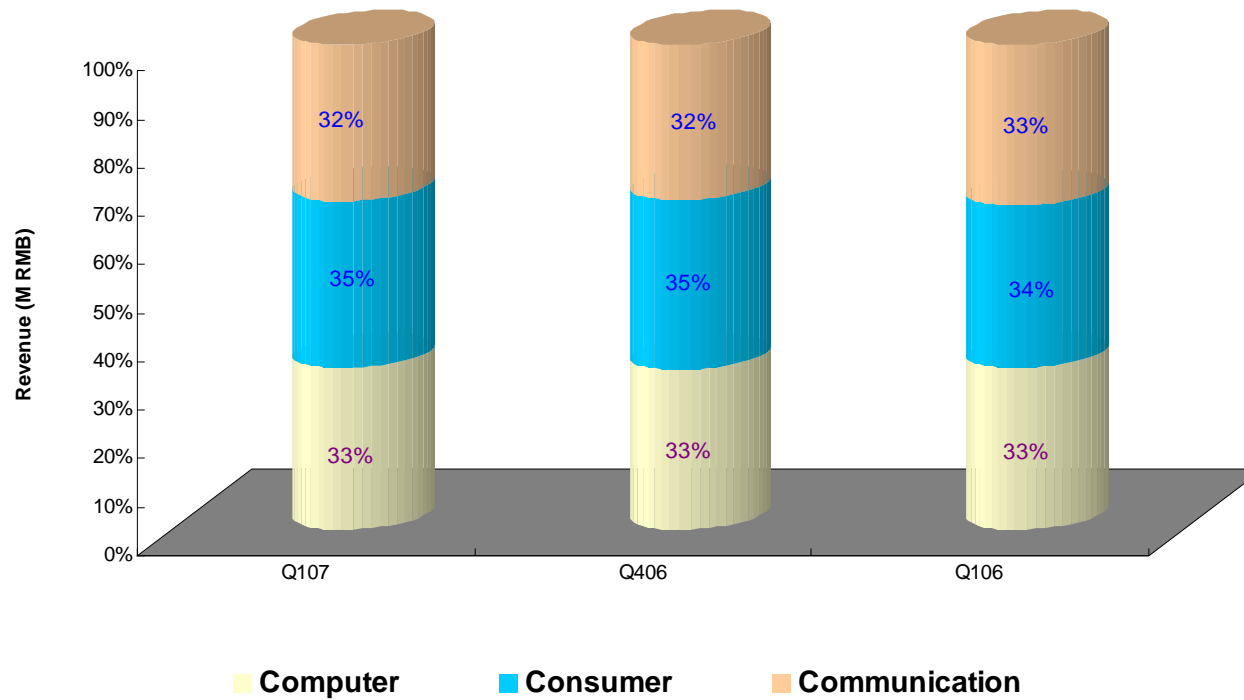
Sales Breakdown by Geography



Sales Breakdown by Customer



Sales Breakdown by Application



FAB Installed Capacity

FAB / (Wafer size)	Q1 07	Q4 06
8" Equivalent Kpcs	154	154

Note: The Company estimated the capacity of its 5-inch, 6-inch and 8-inch on the basis of 9,10 and 22 mask steps per wafer respectively and 5-inch, 6-inch wafers were converted to 8-inch equivalent wafers by dividing their wafer number using 2.56 and 1.78 respectively.

2Q07 Outlook

- The market conditions for the Company's portfolios remains challenging for the second quarter of 2007. The Company's management expects mid single digit decrease of its sales on a sequential quarter to quarter basis

For further information

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