



2008 1st Quarter Results Investor Conference

23 May, 2008

**Advanced Semiconductor Manufacturing
Corporation Limited**

Agenda

❖ Welcome

❖ 2008 Q1 financial results

Ms. Cheng Jianyu
Executive Director & CFO

❖ Outlook for 2Q 2008

Mr.Hsueh Cheng Lu
Executive Director, President and CEO

❖ Q&A

2008 Q1 Overview (QoQ)

- Revenue sequentially decreased by 4% to RMB 258.3 million in 1Q08
- Owing to the traditional low seasonality, overall capacity utilization rate was 59%, remained almost flat compared to 4Q07
- The project of 6-inch wafer capacity expansion between ASMC and NXP was officially signed, and is well under way
- The debt level was further reduced with repayment of outstanding bank loan in installments
- The Company's net profit amounted to negative RMB26.5 million, its EBITDA was positive at around RMB36.4million

Q1' 2008 Results Review

Amount: RMB Million	Q1'08	Q4'07	Q1'07
Sales	258.3	270.2	308.3
Net Income	(26.5)	(744.3)	(37.5)
Cash & Cash Equivalent	135.5	207.0	327.7
Interest-Bearing Loans	272.9	350.3	661.4
Shareholders' Equity	948.1	974.5	1777.2
FAB Utilization (%)	59%	60%	68%
ROE (%)	-11.2%	-305.5%	-8.4%

Q1' 2008 Income Statement

(QoQ Comparison)

Amount: RMB Million

	Q1'2008 Actual		Q4'2007 Actual		QoQ
	Amount	%	Amount	%	%
Net Sales	258.3	100%	270.2	100%	-4%
Cost of Goods Sold (COGS)	(247.1)	-96%	(273.2)	-101%	-10%
Gross Profit	11.2	4%	(3.0)	-1%	-467%
Total Operating Expenses	(27.8)	-11%	(39.4)	-15%	-30%
Operating Income/(Loss)	(16.6)	-6%	(42.5)	-16%	-
Finance Costs	(5.9)	-2%	(4.1)	-2%	43%
Other Expenses	(8.3)	-3%	(674.2)	-250%	-99%
Other Income/(Expenses)	4.3	2%	6.4	2%	-32%
Income/(Loss) Before Tax	(26.5)	-10%	(714.3)	-264%	-
Income Taxes Credit/ (expense)	-	-	(30.0)	-11%	-
Net Income/(Loss)	(26.5)	-10%	(744.3)	-275%	-

Q1' 2008 Income Statement

(YoY Comparison)

Amount: RMB Million

	Q1'2008 Actual		Q1'2007 Actual		YoY
	Amount	%	Amount	%	%
Net Sales	258.3	100%	308.3	100%	-16%
Cost of Goods Sold (COGS)	(247.1)	-96%	(312.1)	-101%	-21%
Gross Profit	11.2	4%	-3.8	-1%	-395%
Total Operating Expenses	(27.8)	-11%	(29.4)	-10%	-6%
Operating Income/(Loss)	(16.6)	-6%	(33.2)	-11%	-
Finance Costs	(5.9)	-2%	(13.6)	-4%	-57%
Other Expenses	(8.3)	-3%	0.0	0%	-
Other Income/(Expenses), Net	4.3	2%	7.5	2%	-42%
Income/(Loss) Before Tax	(26.5)	-10%	(39.3)	-13%	-
Income Taxes Credit /(Expense)	-	-	1.7	1%	-
Net Income/(Loss)	(26.5)	-10%	(37.5)	-12%	-

Note: The loss of RMB0.5 million on “Fair value loss on interest rate swap” was recorded in Other Income instead Other Expenses in the first quarter of 2007

Q1' 2008 Balance Sheet

Amount: RMB Million Selected Items from Balance Sheet	Q1 08		Q407		Q1 07	
	Amount	%	Amount	%	Amount	%
Total Assets	1415.2	100%	1581.9	100%	2664.4	100%
Cash & Cash Equivalent	135.5	10%	207.0	13%	327.7	12%
Accounts Receivables & Other	155.4	11%	161.7	10%	187.0	7%
Inventory	204.0	14%	234.5	15%	242.8	9%
Total Current Assets	494.9	35%	603.2	38%	757.5	28%
Accounts Payable	113.0	8%	171.7	11%	133.9	5%
Current Portion of Loans	272.9	19%	350.3	22%	570.9	21%
Accrued Liabilities & Others	81.1	6%	85.2	5%	91.9	3%
Total Current Liabilities	466.9	33%	607.2	38%	796.7	30%
Long Term Debt	0.0	0%	0.0	0%	90.5	3%
Total Equity	948.3	67%	974.7	62%	1777.2	67%
Accounts Receivable Turnover (days)	39		42		46	
Inventory Turnover (days)	80		75		73	
Current Ratio	1.06		0.99		0.95	
Net Working Capital	28.0		(4.0)		(39.2)	

Q1' 2008 Cash Flow

Amount: RMB Million

	Q1'08	Q1'07
	Amount	Amount
From Operation	6.3	11.8
Profit Before Tax	(26.5)	(39.3)
Depreciation & Amortization	58.5	98.2
Change in Working Capital	(15.9)	(51.4)
Other Operating activities	(9.8)	4.2
From Investment	(0.4)	(0.6)
Capital Expenditures (Net)	(0.4)	(0.6)
Other Investment Sources/(Uses)		
From Financing	(77.4)	(80.4)
Repayment of -L	(77.4)	(80.4)

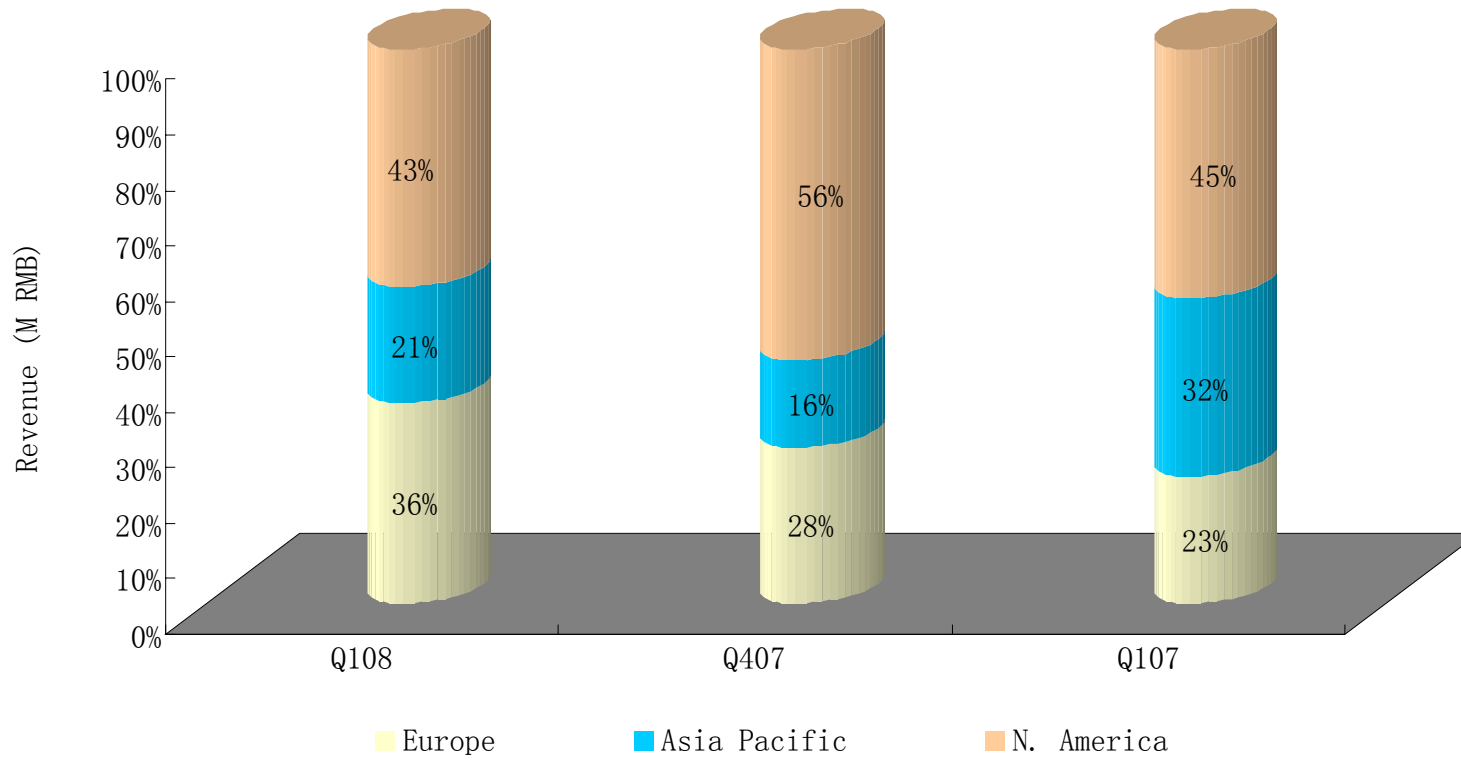
Q1' 2008 Capital Expenditures

Amount: RMB Million

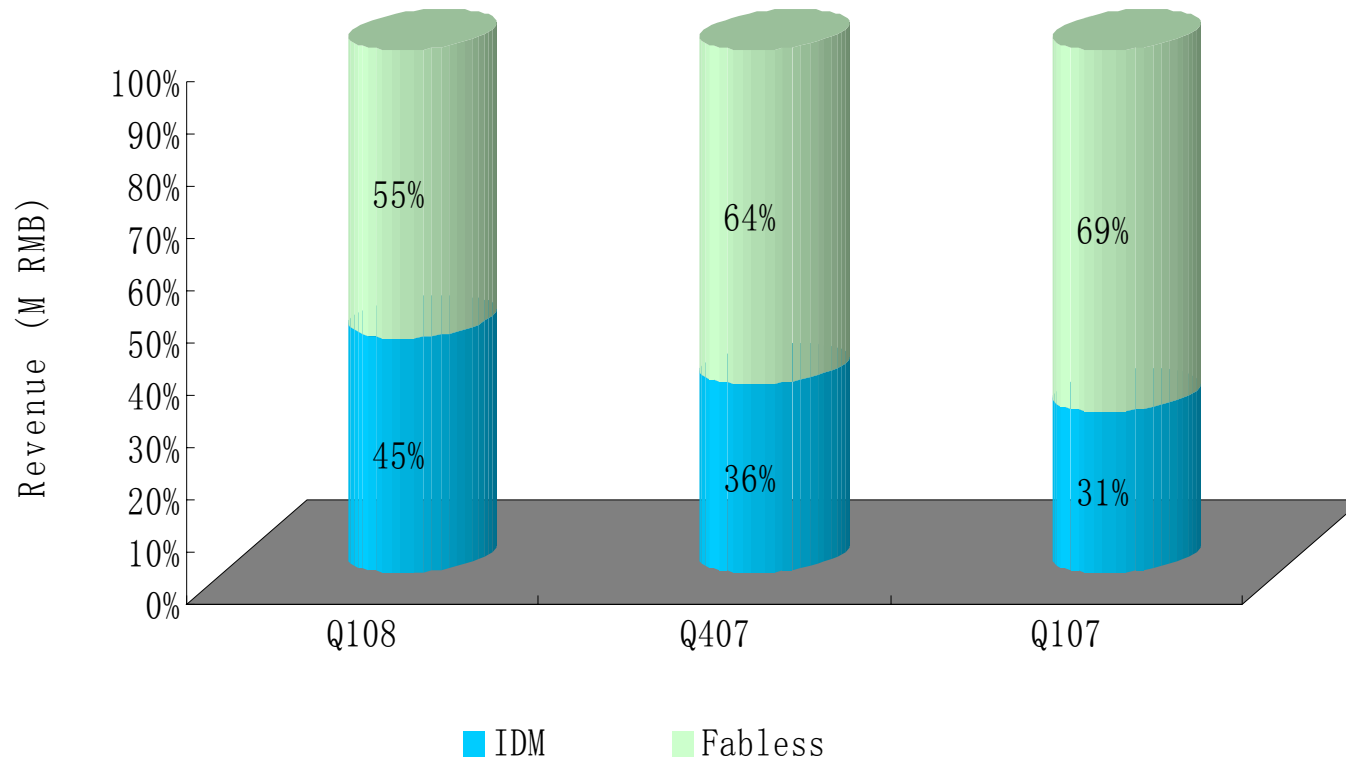
CAPEX

Q1'08	Q4'07	Q1'07
Amount	Amount	Amount
0.4	4.2	0.6

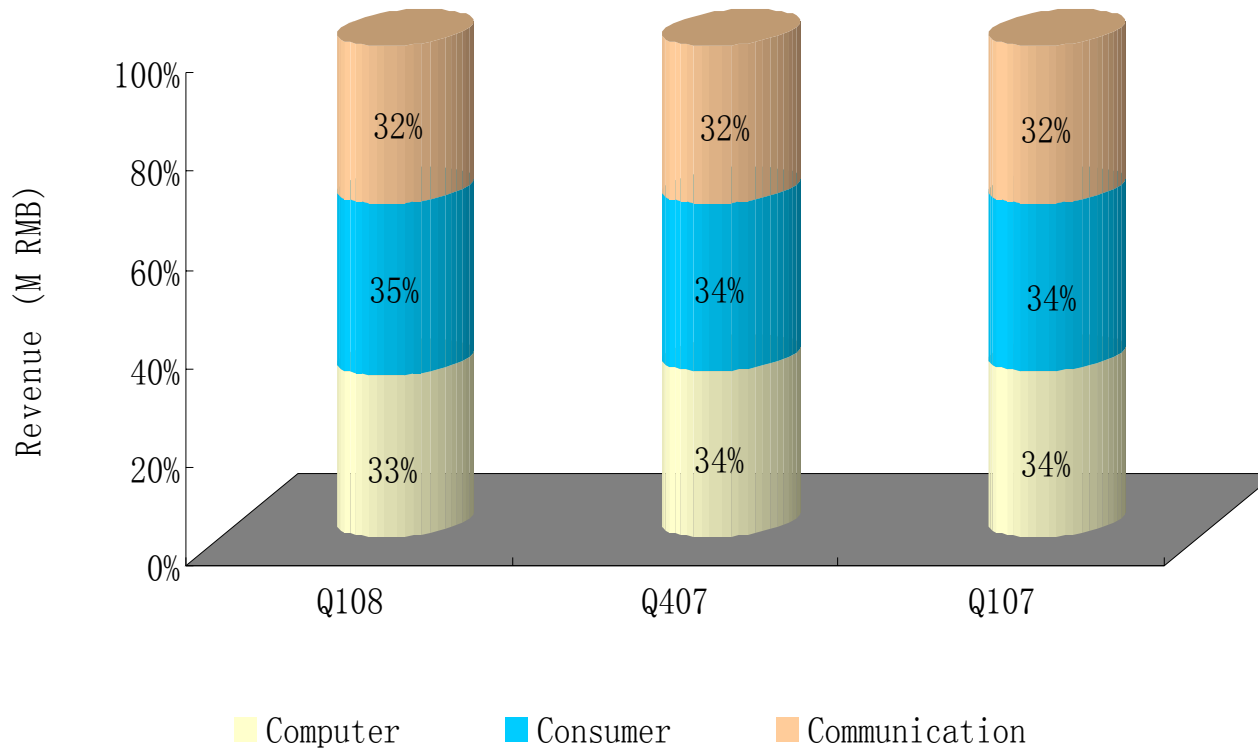
Sales Breakdown by Geography



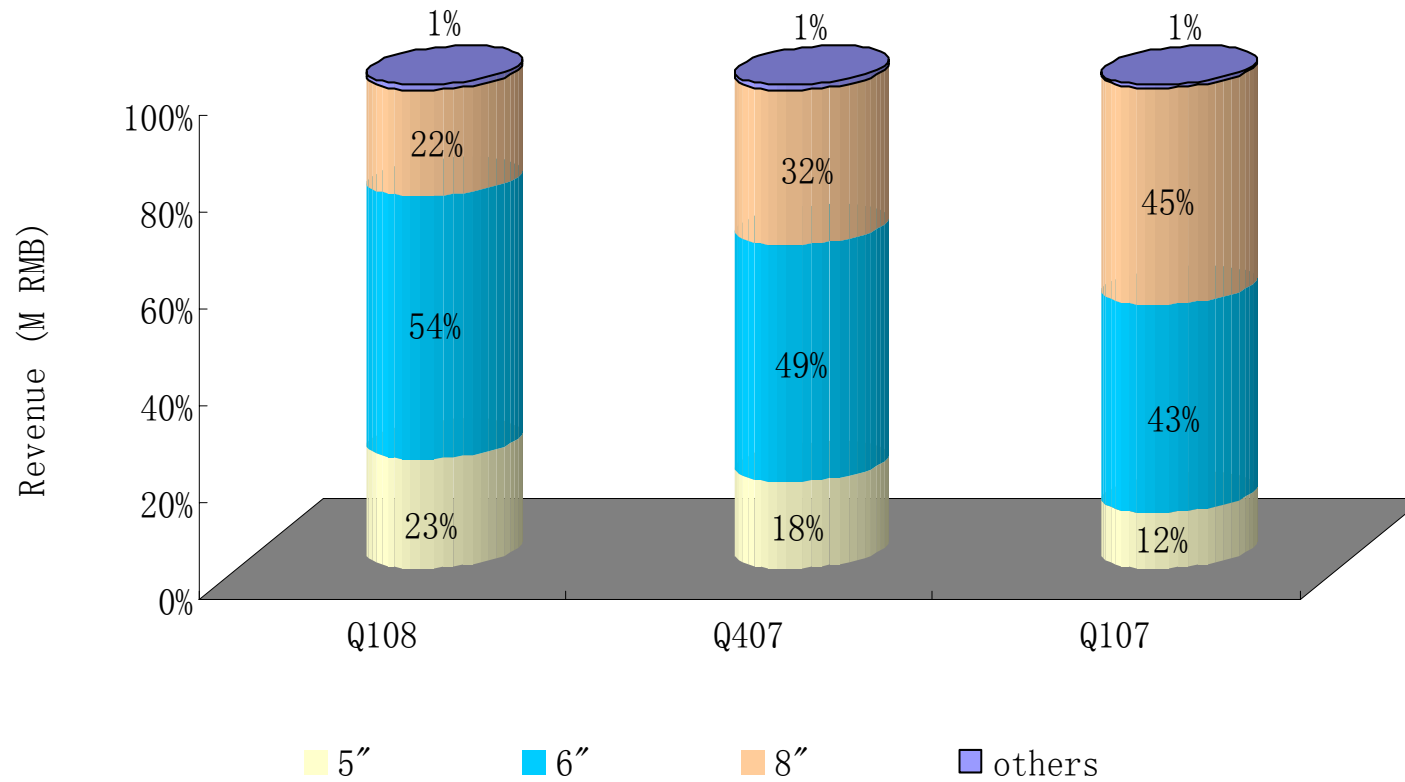
Sales Breakdown by Customer



Sales Breakdown by Application



Sales Breakdown by 5", 6" and 8"



FAB Installed Capacity (8" Equivalent)

FAB / (Wafers in thousand)	Q1 08	Q4 07	Q1 07
Fab 1/2			
5-inch wafers	33	33	33
6-inch wafers	85	85	85
Fab 3			
8-inch wafers	36	36	36
Total 8" Equivalent	154	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.

Capacity Utilization Rate by Fab

FAB	Q1 08	Q4 07	Q1 07
Fab 1/2			
5-inch wafers	75%	67%	47%
6-inch wafers	73%	67%	67%
Fab 3			
8-inch wafers	37%	49%	78%
Overall Capacity Utilization Rate	59%	60%	68%

Note: The capacity utilization rate represents the percentage of the actual number of processing steps (measured by the number of masks used) for the number of semiconductor wafers shipped in the reporting period divided by the total number of processing steps a fab is capable to produce during the corresponding period.

Outlook for the second quarter of 2008

- As a result of the slowdown of global economy, there would become more cautious approach in the short-term demand for Semiconductor related products
- A planned one-week shut down for annual maintenance will be executed in the second quarter of 2008, and the related facilities and equipment for supporting 6-inch capacity expansion will be installed accordingly during the period
- Despite these unfavourable factors, its revenue in the second quarter of 2008 expected to be relatively flat on a sequential basis

For further information

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