
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your Shares in Advanced Semiconductor Manufacturing Corporation Limited, you should at once hand this circular and the accompanying proxy form to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



Advanced Semiconductor Manufacturing Corporation Limited

上海先進半導體製造股份有限公司

(A foreign invested joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 03355)

ELECTION OF NON-EXECUTIVE DIRECTORS AND SUPERVISOR

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

A notice convening an EGM of the Company to be held at 10:00 a.m. on 30 September 2008 at Digital Conference Room, 2nd Floor, Ramada Shanghai Caohejing Hotel, No.509, Caobao Road, Shanghai, the People's Republic of China is set out in this circular.

If you intend to appoint a proxy to attend the EGM, you are required to complete and return the accompanying proxy form in accordance with the instructions printed thereon. For holder of H-Shares, the proxy form should be returned to Computershare Hong Kong Investor Services Limited and for holder of non-H-shares, the proxy form should be returned to the Company's Board Secretariat in person or by post not less than 24 hours before the time appointed for holding the EGM or any adjourned meeting thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or at any adjourned meeting should you so wish.

If you intend to attend the EGM in person or by proxy, you are required to complete and return the reply slip to Computershare Hong Kong Investor Services Limited for holder of H-shares or to the Company's Board Secretariat for holder of non-H-shares on or before 10 September 2008.

14 August 2008

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:-

“Board or Board of Directors”	the Board of Directors of the Company
“Company”	Advanced Semiconductor Manufacturing Corporation Limited, a foreign invested joint stock limited company incorporated in the People’s Republic of China with limited liability, the H-shares of which are listed on the Stock Exchange
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be held at 10:00 a.m. on 30 September 2008 at Digital Conference Room, 2nd Floor, Ramada Shanghai Caohejing Hotel, No.509, Caobao Road, Shanghai, the People’s Republic of China
“EGM Notice”	the notice of the EGM
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong Special Administrative Region of the People’s Republic of China
“H-share(s)”	the Share(s) which have been admitted for listing on the Stock Exchange, for the purpose of this circular, including those held by NXP B.V. and SCIP (HK) Limited
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“non-H-share(s)”	the Share(s) other than H-share(s) as defined above
“RMB”	Renminbi, the lawful currency of the People’s Republic of China
“Service Contract for Non-executive Director”	the service contract to be entered into between the Non-executive Director and the Company for his term of office from the date of the EGM to 1 March 2010
“Service Contract for Shareholders Representative Supervisor”	the service contract to be entered into between the Supervisor and the Company for his term of office from the date of the EGM to 1 March 2010
“Shareholder(s)”	holder(s) of the Shares in the registers of members of the Company as from time to time
“Shareholders Representative Supervisor”	the Supervisor representing the Shareholders

DEFINITIONS

“Share(s)”	ordinary share(s) of RMB one (1) yuan each in the share capital of the Company, including both the H-shares and the non-H-shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the supervisor(s) of the Company
“Supervisory Committee”	the supervisory committee of the Company

LETTER FROM THE BOARD



Advanced Semiconductor Manufacturing Corporation Limited
上海先進半導體製造股份有限公司

(A foreign invested joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 03355)

Executive Directors:

Mr. LU Hsueh Cheng
Ms. CHENG Jianyu

Registered Office:

385 Hong Cao Road, Shanghai, PRC

Non-executive Directors:

Mr. CHEN Jianming (*Chairman*)
Mr. ZHU Jian
Mr. Petrus Antonius Maria VAN BOMMEL
Dr. Hendricus Cornelis Maria VAN DER ZEEUW
Mr. ZHU Peiyi
Mr. XIAO Yongji

*Principal Place of Business
in Hong Kong:*

8th Floor, Gloucester Tower
The Landmark
15 Queen's Road Central
Hong Kong

Independent Non-executive Directors:

Mr. Thaddeus Thomas BECZAK
Mr. James Arthur WATKINS
Mr. SHEN Weijia

14 August 2008

To the Shareholders

Dear Sir or Madam,

**ELECTION OF NON-EXECUTIVE DIRECTORS AND SUPERVISOR
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to give you the EGM Notice, and information regarding resolutions to be proposed at the EGM relating to the election of two Non-executive Directors and one Supervisor, the application of Service Contract for Non-executive Directors, Service Contract for Shareholders Representative Supervisor and their remuneration.

LETTER FROM THE BOARD

ELECTION OF NON-EXECUTIVE DIRECTORS AND SUPERVISOR

Mr. Petrus Antonius Maria VAN BOMMEL has resigned as a Non-executive Director and a vice chairman of the Board and a member of the Audit Committee of the Company with effect from 30 September 2008 due to his decision to step down as the Chief Financial Officer and a member of the board of management of NXP B.V., which is a substantial shareholder of the Company and to leave NXP B.V. for personal reasons. Dr. Hendricus Cornelis Maria VAN DER ZEEUW has resigned as a Non-executive Director of the Company with effect from 30 September 2008 due to his decision to step down as the Chief Operations and a member of the board of management of NXP B.V. and to leave NXP B.V. for personal reasons. According to the provisions of the Listing Rules, their resignation has been announced on the websites of the Stock Exchange and the Company with the approval of the Board.

Pursuant to relevant provisions of the Company's Articles of Association, the Board of Directors shall consist of eleven (11) Directors. The minimum length of the period, during which notice to the Company of the intention to propose a person for election as a Director, and during which notice to the Company by such person of his willingness to be elected may be given, will be at least 7 days and the period for lodgment of the notices to the Company of the intention to propose a person for election as a Director will commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than 7 days prior to the date of such meeting.

Mr. YEH Yi Liang has resigned as a supervisor and the Chairman of the Supervisory Committee of the Company with effect from 30 September 2008 due to the intention of NXP B.V. to propose him and his willingness to offer himself for election of a Non-executive Director of the Company. According to the provisions of the Listing Rules, his resignation has been announced in the websites of the Stock Exchange and the Company with the approval of the Board.

Pursuant to relevant provisions of the Company's Articles of Association, the Supervisory Committee shall consist of seven (7) Supervisors. Outside Supervisors, i.e. Supervisors who do not hold office in the Company, shall account for more than one half of the total Supervisors. The Supervisory Committee shall include six (6) Supervisors who shall represent the Shareholders and one (1) Supervisor who shall represent the employees. Supervisors who represent the Shareholders shall be elected or removed by the Shareholders in general meetings, and the Supervisor who represents employees shall be elected or removed by the employees democratically.

Therefore, the Board resolved to convene the EGM to elect (1) two Non-executive Directors to fill the vacancies caused by the resignation of Mr. Petrus Antonius Maria VAN BOMMEL and Dr. Hendricus Cornelis Maria VAN DER ZEEUW, whose tenure will end at 1 March 2010, and to consider the application of the Service Contract for Non-executive Directors to them and their remuneration; and (2) one Supervisor to fill the vacancy caused by the resignation of Mr. YEH Yi Liang, whose tenure will end at 1 March 2010, and to consider the application of the Service Contract for Shareholders Representative Supervisor to him and his remuneration.

Having due regard to the need for a balance of skills and experience required for promoting the success of the Company and for directing the Company's affairs, the Board hereby recommends Mr. Chris BELDEN and Mr. YEH Yi Liang as Non-executive Directors of the second session of the Board

LETTER FROM THE BOARD

of Directors, and Mr. David Siu Kee KIANG as a Supervisor of the second session of the Supervisory Committee. Their biographies are set out in detail in Appendix II; the proposed Service Contract for Non-executive Directors and Service Contract for Shareholders Representative Supervisor are set out in Appendix III; the proposed remuneration for Non-executive Directors and Supervisor are set out in Appendix IV.

FORMS OF PROXY

Any Shareholder who is entitled to attend and vote at a general meeting of the Company shall be entitled to appoint one (1) or more persons (whether such person is a Shareholder or not) as his proxies to attend and vote on his behalf.

The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorized in writing, or if the appointor is a legal entity, either under seal or under the hand of a director or an authorized person or a duly authorised attorney of the legal entity. The letter of authorisation shall contain the number of the Shares to be represented by the proxy. If several persons are authorised as the proxies of the Shareholder, the letter of authorisation shall specify the number of Shares to be represented by each proxy.

The instrument appointing a voting proxy and, if such instrument is signed by a person under a power of attorney or other authority on behalf of the appointor, a notarially certified copy of that power of attorney or other authority shall be deposited at Computershare Hong Kong Investor Services Limited (in respect of holders of H-shares) or at the Company's Board Secretariat (in respect of holders of non-H-shares) in person or by post not less than 24 hours before the time fixed for holding the EGM or any adjournment thereof (as the case may be). The address of Computershare Hong Kong Investor Services Limited is Rooms 1806-1807, 18th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong. The address of the Company's Board Secretariat is 385 Hong Cao Road, Shanghai, PRC.

REPLY SLIP

If you intend to attend the EGM in person or by proxy, you are required to complete and return the reply slip to Computershare Hong Kong Investor Services Limited for holder of H-shares or to the Company's Board Secretariat for holder of non-H-shares on or before 10 September 2008.

RIGHT TO DEMAND A POLL

Pursuant to the Company's Articles of Association, at any Shareholders' general meeting, a resolution shall be decided on a show of hands unless a poll is demanded:

- (1) by the chairman of the meeting;
- (2) by at least two (2) Shareholders present in person or by proxy entitled to vote thereat;

LETTER FROM THE BOARD

- (3) by one (1) or more Shareholders (including proxies) representing 10% or more of Shares (held solely or in combination) carrying the right to vote at the meeting, before or after a vote is carried out by a show of hands.

Unless a poll is demanded, a declaration by the chairman that a resolution has been passed on a show of hands and the record of such in the minutes of the meeting shall be conclusive evidence of the fact that such resolution has been passed. There is no need to provide evidence of the number or proportion of votes in favour of or against such resolution.

The demand for a poll may be withdrawn by the person who demands the same.

RECOMMENDATION

The Board considers that appointing the proposed candidates as Non-executive Directors and Supervisor, entering into the relevant service contracts and approving the recommended remuneration are in the best interests of the Company and its Shareholders. Accordingly, the Board recommends the Shareholders to vote in favour of the resolutions which will be proposed at the EGM.

Yours faithfully,

By order of the Board

Advanced Semiconductor Manufacturing Corporation Limited

CHEN Jianming

Chairman



Advanced Semiconductor Manufacturing Corporation Limited
上海先進半導體製造股份有限公司

(A foreign invested joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 03355)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (“EGM”) of Advanced Semiconductor Manufacturing Corporation Limited (the “Company”) will be held at 10:00 a.m. on 30 September 2008 at Digital Conference Room, 2nd Floor, Ramada Shanghai Caohejing Hotel, No.509, Caobao Road, Shanghai, the People’s Republic of China to consider and, if thought fit, to pass the following resolutions. Unless otherwise indicated, capitalised terms used herein shall have the same meaning as those defined in the circular of the Company dated 14 August 2008 (the “Circular”).

Ordinary Resolutions:

- 1 The election of two Non-executive Directors of the second session of the Board of Directors of the Company:
 - 1A “**THAT** the appointment of Mr. Chris BELDEN as a Non-executive Director of the second session of the Board of Directors with a term of office from the date of the EGM to 1 March 2010 be and is hereby approved.”
 - 1B “**THAT** the appointment of Mr. YEH Yi Liang as a Non-executive Director of the second session of the Board of Directors with a term of office from the date of the EGM to 1 March 2010 be and is hereby approved.”
- 2 The election of a Supervisor of the second session of the Supervisory Committee of the Company:
 - 2A “**THAT** the appointment of Mr. David Siu Kee KIANG as a Shareholders Representative Supervisor of the second session of the Supervisory Committee with a term of office from the date of the EGM to 1 March 2010 be and is hereby approved.”
- 3 The application of Service Contracts:
 - 3A “**THAT** the application of Service Contract for Non-executive Director (as set out in Appendix III of the Circular) between the Company and Mr. Chris BELDEN be and is hereby approved.”

- 3B “**THAT** the application of Service Contract for Non-executive Director (as set out in Appendix III of the Circular) between the Company and Mr. YEH Yi Liang be and is hereby approved.”
- 3C “**THAT** the application of Service Contract for Shareholders Representative Supervisor (as set out in Appendix III of the Circular) between the Company and Mr. David Siu Kee KIANG be and is hereby approved.”
- 4 “**THAT** the proposed remuneration (as set out in Appendix IV of the Circular) for the Non-executive Directors and Shareholders Representative Supervisor be and is hereby approved.”

By order of the Board
Advanced Semiconductor Manufacturing Corporation Limited
CHEN Jianming
Chairman

Shanghai, the PRC, 14 August 2008

Notes:

- (1) **Biographies** (Please refer to Appendix II of the Circular).
- (2) **Closure of register of members and eligibility for attending the EGM**

To determine the list of Shareholders who have the right to attend the EGM, the register of members will be closed from 30 August 2008 to 30 September 2008 (both days inclusive) during which period, no transfer of Share will be effected. Shareholders whose names appear on the register of members of the Company on 30 September 2008 are entitled to attend the EGM.

Holders of H-shares who wish to attend the EGM but have not registered the transfer documents are required to deposit the transfer document together with the relevant share certificates at the H-share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Rooms 1712-16, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong no later than 4:30 p.m. on 29 August 2008.

- (3) **Proxy**

Any Shareholder who is entitled to attend and vote at a general meeting of the Company shall be entitled to appoint one (1) or more persons (whether such person is a Shareholder or not) as his proxies to attend and vote on his behalf.

The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorized in writing, or if the appointor is a legal entity, either under seal or under the hand of a director or an authorized person or a duly authorised attorney of the legal entity. The letter of authorisation shall contain the number of the Shares to be represented by the proxy. If several persons are authorised as the proxies of the Shareholder, the letter of authorisation shall specify the number of Shares to be represented by each proxy.

The instrument appointing a voting proxy and, if such instrument is signed by a person under a power of attorney or other authority on behalf of the appointor, a notarially certified copy of that power of attorney or other authority shall be deposited at Computershare Hong Kong Investor Services Limited (in respect of holders of H-shares) or at the Company's Board Secretariat (in respect of holders of non-H-shares) in person or by post not less than 24 hours before the time fixed for holding the EGM or any adjournment thereof (as the case may be). The address of Computershare Hong Kong Investor Services Limited is Rooms 1807-1807, 18th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong. The address of the Company's Board Secretariat is 385 Hong Cao Road, Shanghai, PRC.

(4) Reply Slip

If you intend to attend the EGM in person or by proxy, you are required to complete and return the reply slip to Computershare Hong Kong Investor Services Limited for holder of H-shares or to the Company's Board Secretariat for holder of non-H-shares on or before 10 September 2008.

(5) Other business

The EGM is expected to last for half a day. Shareholders (in person or by proxy) attending the EGM are responsible for their own transportation and accommodation expenses. Shareholders or their proxies attending the EGM shall produce their identity documents.

Subject to the Shareholders' approval at the EGM, each of the following Non-executive Directors and Supervisor will enter into a Service Contract for Non-executive Director or Service Contract for Shareholders Representative Supervisor, as set out in Appendix III of the Circular with the Company for a term from the date of the EGM to 1 March 2010 and will be entitled to a remuneration as set out in Appendix IV of the Circular.

As at the date of the Circular, each of the following Non-executive Directors and Supervisor does not have any interest in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed herein, each of the following Non-executive Directors and Supervisor has no relationship with any Directors, Supervisors, senior management, substantial or controlling Shareholders of the Company and did not hold any directorship with any listed companies in the last three years.

In addition, there is no other matter that needs to be brought to the attention of the Shareholders of the Company and there is no information relating to the following Non-executive Directors and Supervisor which is required to be disclosed pursuant to any of the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

Non-executive Director Candidates:

Mr. Chris BELDEN, age 48, is a candidate for Non-executive Director of the second session of the Company's Board of Directors.

Mr. BELDEN has over twenty-five years of experience in semiconductor manufacturing and operations. From February 2005 to February 2007, he was Group Vice President of Global Operations for Applied Materials, Inc., a global leader in nano-manufacturing technology solutions for the electronics industry, where he was responsible for volume manufacturing, supply chain management, reliability, quality and worldwide facilities. Mr. BELDEN was also the executive sponsor for the Applied Materials China Initiative which included the design and construction of an engineering design center and cleanroom in Xi'an, China. Prior to joining Applied Materials, Mr. BELDEN had a 23-year career at Motorola with increasing levels of responsibility in wafer fab management, including 3 fab start-ups. His last role in Motorola was Senior Vice President of Global Manufacturing and Operations where he was responsible for all manufacturing, facilities, and supply chain management including internal wafer fabs, assembly and test sites in the US, Scotland, France, Japan, Malaysia and Tianjin, China as well as foundry and subcontract partnerships worldwide.

Mr. BELDEN is currently Senior Vice President Operations for NXP, the independent semiconductor company founded by Philips. He is responsible for all of NXP's Operations, including Front End and Back End manufacturing, Purchasing, Supply Chain and Quality. In this role, he is part of the NXP executive management team.

Mr. BELDEN graduated from Alfred University with a bachelor degree in Ceramic Engineering.

Mr. YEH Yi Liang, age 53, is a candidate for Non-executive Director of the second session of the Company's Board of Directors.

Mr. YEH joined Philips Taiwan in 1982 as a System Analyst. When Philips began IC design in 1987, Mr. YEH was appointed as the IC Design Centre Manager. In 1988, Mr. YEH participated in a joint venture project between Philips and Taiwan Semiconductors Manufacturing Company ("TSMC") by setting up a technical team, transferring process from Philips European fab to TSMC. During 1989 to 1990, Mr. YEH was transferred to Hamburg Germany, where he took up jobs both in Engineer and Marketing.

In 1991, Mr. YEH returned to Philips Taipei and with the role of Asia Regional Product Sales Support Manager. He established a System Application team of 40 members providing technical and application support to customers in Asian regions. In 1993, Mr. YEH was promoted to Product Group Manager, CICT Philips Semiconductors handling business with major clients such as Sony etc. Under the leadership of Mr. YEH, the business tripled in 1997 and contributed significantly to the company's profit and growth. In 1998, Mr. YEH was transferred to a Philips' joint-venture to grow the ODM notebook computers business for famous brands. From 1999 to 2001, Mr. YEH was the president of AMtek Semiconductors Taiwan, which is one of the analog IC design in houses in Taiwan.

In the end of 2002, Mr. YEH rejoined Philips Semiconductors as the Business Line General Manager and set up the operation in Shanghai. In April 2007, he was appointed as the Country Manager of NXP China/Hong Kong on the top of Business Line General Manager role. In October same year, Mr. YEH was appointed as Country Manager Greater China. In April 2008, he was promoted to the current capacity of Senior Vice President and Regional Executive of NXP Semiconductors Greater China.

Mr. YEH holds a master degree in Systems Engineering at University of Virginia, USA.

Supervisor Candidate:

Mr. David Siu Kee KIANG, age 54, is a candidate for Supervisor of the second session of the Company's Supervisory Committee.

Mr. KIANG began his career in the field of Information Technology, Auditing & Finance Management in Australia. In 1978, he was appointed as System Analyst of Computer Science of America (Australia) and subsequently was appointed as EDP Audit Manager with N.S.W. State Building Society of Australia in 1982 and Senior Finance & System Manager of Telstra, Australia (formerly Overseas Telecommunication Commission, Australia) in 1984.

After his return to Hong Kong in 1989, Mr. KIANG was appointed as General Manager of Inchcape Pacific Ltd. for three of its subsidiary companies (Gliman Business Systems, Dodwell Business Systems & Repromac Office Systems) managing its Hong Kong & China joint venture operations.

Mr. KIANG joined Philips Semiconductors Hong Kong in 1998 as Financial Controller. In 2000, he was appointed as Global Sales Operations Controller (Asia) and was posted in Taipei. In 2003, Mr. KIANG was promoted to his current position, the Regional Controller (Greater China) of NXP Semiconductors China, formerly the semiconductors product division of Philips Group and held local general management positions covering Finance, Accounting, Treasury and Information Technology functions.

Mr. KIANG received a bachelor degree in Information Systems & Accounting and a master degree in Economics & Financial Management from Macquarie University of Australia. He is a fellow member of both the Hong Kong Institute of Certified Public Accountants and Australian Institute of Certified Practicing Accountant and is a member of the Australian Computer Society.

_____, 2008

ADVANCED SEMICONDUCTOR MANUFACTURING CORPORATION LIMITED

And

SERVICE CONTRACT FOR
NON-EXECUTIVE DIRECTOR

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Service Contract for Non-executive Director

THIS CONTRACT is made on _____:

Between:

Advanced Semiconductor Manufacturing Corporation Limited (the *Company*) of 385 Hong Cao Road, Shanghai, PRC; and

_____ (the *Non-executive Director*) of _____.

IT IS AGREED THAT:

1. APPOINTMENT AND DUTIES

- 1.1 The Company has appointed the Non-executive Director as a non-executive director of the Company's second session of the Board of Directors at its Extraordinary General Meeting held on _____. The Non-executive Director undertakes that during the term of this contract (the *Contract*), the Non-executive Director shall do his best to perform the duties to be assigned to him by the Company pursuant to the Contract.
- 1.2 The Non-executive Director shall make himself readily available in connection with his role as a non-executive director of the Company, including attendance of meetings of the directors of the Company in Shanghai in the People's Republic of China or in such other places as the Company may from time to time determine.

2. TERM OF THE CONTRACT

- 2.1 The term of the Contract shall start from _____ and end on 1 March 2010 (the *Term*), subject to the early termination of the Contract in accordance with the provisions of Clause 6 of the Contract. At the expiry of the Term, the Company and the Non-executive Director may renew the employment in accordance with the Articles of Association. The Company may forthwith terminate the Contract pursuant to Article 95 of the Articles of Association and Clause 6 of the Contract and the Non-executive Director may terminate the Contract by providing the Company a written notice three months in advance.

3. RESTRICTIONS ON OTHER ACTIVITIES OF THE NON-EXECUTIVE DIRECTOR

- 3.1 During the Term, save for matters disclosed in his Form H (as defined below) dated _____, the Non-executive Director shall promptly inform the Company in writing as to any other business which may from time to time compete with, or tend to compete with, the businesses carried out by the Company, its subsidiaries or any other entity in which the Company has a direct or indirect interest (together with the Company, the **Group**), (i) in which the Non-executive Director is engaged, (ii) the conduct of which he is concerned, or (iii) by which he is employed, directly or indirectly. For the avoidance of doubt, the Non-executive Director shall not be restricted from owning (directly or through any agent) not more than five per cent of the shares of any company listed on a stock exchange which competes, or intends to compete, with the Company's businesses.
- 3.2 The Non-executive Director, during the Term and for a period of five years after the termination of the Non-executive Director's employment, shall not disclose (unless otherwise specified by this Clause and by the Articles of Association):
- (a) information related with the transactions, businesses, products, expertise, science and technology, accounts, finance, clients or any other secret or internal information on other issues of any member of the Group; or
 - (b) any secret or internal information on the procedures or inventions found or made by the Non-executive Director during the term of the employment or used by any member of the Group; or
 - (c) any secret or internal information any member of the Group is required to keep confidential by any third party (during the confidentiality term as being agreed by any member of the Group and the third party),
 - (i) to any other person, except for such persons who have a right to know any of the above information; or
 - (ii) make use of any of the above information for private purpose; or
 - (iii) disclose any of the above information without proper authorisation in a manner that fails to take into account any necessary prudence and care.

However, the above restrictions shall not apply to information or knowledge accessible or obtainable by the public (not including information that is accessible or obtainable due to the error of the Non-executive Director).

- 3.3 During the Term and for a period of two years after the termination of the employment, the Non-executive Director shall not:
- (a) solicit any client or supplier of any member of the Group or endeavour to entice any of them away from any member of the Group; or
 - (b) solicit any director or senior employee of any member of the Group to leave his post or endeavour to entice any of them away from any member of the Group.
- 3.4 Any note, memo, record and document made by the Non-executive Director in relation with any business of any member of the Group shall remain the property of the relevant member of the Group and the Company may at any time request the Non-executive Director to provide to, or hand over to, the Company any such note, memo, record or document. When leaving his post due to any reason, the Non-executive Director must return all the above documents to the Company as soon as possible.

4. REMUNERATION

- 4.1 During the Term, the Company shall reimburse the Non-executive Director for all reasonable out-of-pocket expenses incurred in relation to the Non-executive Director's attendance at any of the Company's board meetings, including any travelling, transportation and accommodation expenses. In addition, the Company shall pay, monthly in 12 equal instalments, the Non-executive Director an amount of HK\$[●] per annum as administrative subsidies, [which, for PRC residents, shall be paid in Renminbi at the middle exchange rate announced by State Administration of Foreign Exchange on the payment date]. For the avoidance of doubt, the administrative subsidies for any year with less than 12 months shall be calculated on a pro rata basis.

5. UNDERTAKINGS

- 5.1 The Non-executive Director undertakes to the Company (and, in the case of (b) below, to the Company as agent for each shareholder of the Company) that during the Term, the Non-executive Director shall:
- (a) perform the duties required by the PRC Company Law;
 - (b) observe and comply with his obligations to shareholders stipulated in the Articles of Association;
 - (c) perform the duties pursuant to the terms specified on the Declaration and Undertaking (*Form H*) to be submitted to The Stock Exchange of Hong Kong Limited (the *Stock Exchange*) and ensure that all of the statements contained in the Form H are true and accurate without any omission of any key information;

- (d) observe and comply with the provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited promulgated from time to time by the Stock Exchange (the *Listing Rules*), as well as the Articles of Association, the provisions of the Company Law, the Regulations and other Chinese or local laws, regulations and rules in relation to the governance, operation, activities or supervision of listed companies (as defined in the Listing Rules);
- (e) procure the Company to comply with the Hong Kong Codes on Takeovers and Mergers and Share Repurchases;
- (f) during his term of service as a director of the Company (and for a period of 12 months thereafter), promptly inform the Stock Exchange in writing upon the receipt of any notice issued by any administrative or governmental authorities, or upon litigation being brought against, or accusation made against, the Company or any of its affiliates or any of its directors with respect to breaches of the provisions of the Company Law, the Regulations and other laws, regulations and rules in relation with the governance, operation, activities or supervision of listed companies (as defined in the Listing Rules);
- (g) observe and comply with the Hong Kong Codes on Takeovers and Mergers and Share Repurchases and any other securities related laws and regulations; exercise his powers and carry out his duties as the Company's director and procure the Company to comply with the above regulations, as well as other related laws and regulations; and
- (h) faithfully and diligently provide his services to the Company, as well as endeavour to promote the Company's businesses and interests and protect the Company's assets.

5.2 The Non-executive Director agrees that the Company shall have the remedies provided under the Articles of Association.

5.3 The Non-executive Director agrees that neither the Contract nor his position as non-executive director of the Company is capable of assignment.

6. TERMINATION

6.1 In the event of the occurrence of any of the following, the Company shall have the right to dismiss the Non-executive Director from his position as non-executive director, in accordance with the Articles of Association, and the Non-executive Director shall not be entitled to receive any compensation:

- (a) the Non-executive Director, for no proper reason, is unable to, or fails to, or refuses to, efficiently and diligently perform his duties as non-executive director;
- (b) the Non-executive Director becomes incapacitated or bankrupt;

- (c) the Non-executive Director is convicted of any criminal offence, negligence, or neglect of duties;
 - (d) the number of days on which the Non-executive Director fails to perform his duties during any period of 12 consecutive months due to poor health, accident or any other reason (except for circumstances under (b) above) is more than 180; or
 - (e) the Non-executive Director breaches any provision of the Contract.
- 6.2 In the event that the Non-executive Director is dismissed as the Company's non-executive director by the shareholders of the Company in general meeting, in accordance with the Company's Articles of Association, the Contract shall be terminated automatically.

7. ARBITRATION

- 7.1 Whenever any disputes or claims arise from the contract, the Company's Articles of Association or any rights or obligations conferred or imposed by the Company Law or other relevant laws and administrative regulations concerning the affairs of the Company between (i) the Company and the Non-executive Director; and (ii) a holder of overseas listed foreign shares in the Company and the Non-executive Director, the parties concerned shall resolve such disputes and claims through arbitration.
- 7.2 Where a dispute or claim described above is referred to arbitration, the entire dispute or claim shall be resolved through arbitration; all persons who have a cause of action based on the same facts giving rise to the dispute or claim or whose participation is necessary for the resolution of such dispute or claim, if they are shareholders, directors, supervisors, manager or other officers of the Company or the Company, shall submit to arbitration.
- 7.3 Disputes over who is a shareholder and over the share register do not have to be resolved through arbitration.
- 7.4 The party seeking arbitration may elect to have the dispute or claim arbitrated either by the China International Economic and Trade Arbitration Commission in accordance with its arbitration rules or by the Hong Kong International Arbitration Centre in accordance with its securities arbitration rules. Once the party seeking arbitration submits a dispute or claim to arbitration, the other party must submit to the arbitral body selected by the party seeking the arbitration.
- 7.5 If the party seeking arbitration elects to arbitrate the dispute or claim at the Hong Kong International Arbitration Centre, then either party may apply to have such arbitration conducted in Shenzhen according to the securities arbitration rules of the Hong Kong International Arbitration Centre.

7.6 The laws of the People's Republic of China shall govern the arbitration of disputes or claims described in Clause 7.1 above, unless otherwise provided by law or administrative regulations.

7.7 The award of the arbitral body is final and shall be binding on the parties thereto.

7.8 This agreement to arbitrate is made by the Non-executive Director with the Company on its own behalf and on behalf of each shareholder.

7.9 Any reference to arbitration shall be deemed to authorise the arbitral tribunal to conduct hearings in open session and to publish its award.

8. NON-TRANSFERABLE

8.1 The Non-executive Director shall not transfer the Contract or his position to any other person.

9. MISCELLANEOUS

9.1 The expiry or termination of the Contract (regardless of the reason) shall not have any effect on the effectiveness of the provisions that are stipulated to survive such expiry or termination as specified in the Contract.

9.2 Each notice, demand or any other communication sent out in connection with the Contract shall be in writing and sent by hand or mail to the concerned parties at the addresses specified at the beginning of the Contract (or any other address as being notified by the recipient to the other party five days in advance).

Any notice, demand or any other communication sent to the address of the concerned party in the above form shall be deemed to be received on the arrival date.

10. EFFECTIVENESS OF THE CONTRACT

10.1 The Contract shall have four originals with each party holding two copies. Upon the execution by both parties and the affixation of the company seal by the Company, the Contract shall come into effect from the day on which the Non-executive Director's Term begins. Both the English and Chinese versions of the Contract shall be equally authentic and valid.

11. GOVERNING LAW

11.1 The Contract shall be governed by Chinese laws and regulations.

SIGNED BY)
ADVANCED SEMICONDUCTOR)
MANUFACTURING)
CORPORATION LIMITED)
in the presence of:-)

Date: _____

SIGNED BY _____)
in the presence of:-)

Date: _____

_____, 2008

ADVANCED SEMICONDUCTOR MANUFACTURING CORPORATION LIMITED

And

SERVICE CONTRACT FOR
SHAREHOLDERS REPRESENTATIVE SUPERVISOR

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Service Contract for Shareholders Representative Supervisor

THIS CONTRACT is made on _____:

Between:

Advanced Semiconductor Manufacturing Corporation Limited (the *Company*) of 385 Hong Cao Road, Shanghai, PRC; and

_____ (the *Supervisor*) of _____.

IT IS AGREED THAT:

1. APPOINTMENT AND DUTIES

- 1.1 The Company has appointed the Supervisor as a shareholder nominee supervisor of the Company's second session of the Supervisory Committee at its Extraordinary General Meeting held on _____. The Supervisor undertakes that during the term of this contract (the *Contract*), the Supervisor shall do his best to perform the duties to be assigned to him/her by the Company pursuant to the Contract.
- 1.2 The Supervisor shall make himself readily available in connection with his role as a supervisor of the Company, including attendance of meetings of the supervisors and meetings of the directors of the Company in Shanghai in the People's Republic of China or in such other places as the Company may from time to time determine.

2. TERM OF THE CONTRACT

- 2.1 The term of the Contract shall start from _____ and end on 1 March 2010 (the *Term*), subject to the early termination of the Contract in accordance with the provisions of Clause 5 of the Contract. At the expiry of the Term, the Company and the Supervisor may renew the employment in accordance with the Company's Articles of Association (the **Articles of Association**). The Company may forthwith terminate the Contract pursuant to Article 118 of the Articles of Association and Clause 5 of the Contract and the Supervisor may terminate the Contract by providing the Company a written notice three months in advance.

3. REMUNERATION

3.1 During the Term, the Company shall reimburse the Supervisor for all reasonable out-of-pocket expenses incurred in relation to the Supervisor's attendance at any of the Company's meetings of the Supervisory Board and the Board of Directors, including any travelling, transportation and accommodation expenses. In addition, the Company shall pay, monthly in 12 equal instalments, the Supervisor an amount of _____ per annum as administrative subsidies, [which, for PRC residents, shall be paid in Renminbi at the middle exchange rate announced by State Administration of Foreign Exchange on the payment date.] For the avoidance of doubt, the administrative subsidies for any year with less than 12 months shall be calculated on a pro rata basis.

4. UNDERTAKINGS

4.1 The Supervisor undertakes to the Company (and, in the case of (c) below, to the Company as agent for each shareholder of the Company) that during the Term, the Supervisor shall:

- (a) as a supervisor of the Company, perform the duties required by the PRC Company Law;
- (b) faithfully and diligently provide his services to the Company, as well as endeavour to promote the Company's businesses and interests and protect the Company's assets;
- (c) observe and comply with his obligations to shareholders stipulated in the Articles of Association;
- (d) perform the duties pursuant to the terms specified on the Declaration and Undertaking (**Form I**) submitted to The Stock Exchange of Hong Kong Limited (the **Stock Exchange**) on [date] _____ and ensure that all of the statements contained in the Form I are true and accurate without any omission of any key information;
- (e) observe and comply with the provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited promulgated from time to time by the Stock Exchange (the **Listing Rules**), as well as the Articles of Association, the provisions of the Company Law, the Regulations and other Chinese or local laws, regulations and rules in relation to the governance, operation, activities or supervision of listed companies (as defined in the Listing Rules)
- (f) procure the Company to comply with the Hong Kong Codes on Takeovers and Mergers and Share Repurchases;

- (g) during his term of service as a supervisor of the Company (and for a period of 12 months thereafter), promptly inform the Stock Exchange in writing upon the receipt of any notice issued by any administrative or governmental authorities, or upon litigation being brought against, or accusation made against, the Company or any of its affiliates or any of its directors with respect to breaches of the provisions of the Company Law, the Regulations and other laws, regulations and rules in relation with the governance, operation, activities or supervision of listed companies (as defined in the Listing Rules); and
- (h) observe and comply with the Hong Kong Codes on Takeovers and Mergers and Share Repurchases and any other securities related laws and regulations; exercise his powers and carry out his duties as the Company's supervisor and procure the Company to comply with the above regulations, as well as other related laws and regulations.

4.2 The Supervisor agrees that the Company shall have the remedies provided in the Articles of Association.

4.3 The Supervisor agrees that neither the Contract nor his position as supervisor of the Company is capable of assignment.

5. TERMINATION

5.1 In the event of the occurrence of any of the following, the Company shall have the right to dismiss the Supervisor from his position as Supervisor, in accordance with the Articles of Association, and the Supervisor shall not be entitled to receive any compensation:

- (a) the Supervisor, for no proper reason, is unable to, or fails to, or refuses to, efficiently and diligently perform his duties as Supervisor;
- (b) the Supervisor becomes incapacitated or bankrupt;
- (c) the Supervisor is convicted of any criminal offence, negligence, or neglect of duties;
- (d) the number of days on which the Supervisor fails to perform his duties during any period of 12 consecutive months due to poor health, accident or any other reason (except for circumstances under (b) above) is more than 180;
- (e) the Supervisor breaches any provision of the Contract.

5.2 The Supervisor is dismissed as the Company's supervisor by the shareholders of the Company in general meetings, in accordance with the Company's Article of Association.

- 5.3 The Supervisor, during the Term and for a period of five years after the termination of the Supervisor's employment, shall not disclose (unless otherwise specified by this Clause and the Articles of Association):
- (a) information related with the transactions, businesses, products, expertise, science and technology, accounts, finance, clients or any other secret or internal information on other issues of the Company, its subsidiaries or any other entity in which the Company has direct or indirect interest (together with the Company, the Group); or
 - (b) any secret or internal information on the procedures or inventions found or made by the Supervisor during the term of the employment or used by any member of the Group; or
 - (c) any secret or internal information any member of the Group is required to keep confidential by any third party (during the confidentiality term as being agreed by any member of the Group and the third party),
 - (i) to any other person, except for such persons who have a right to know any of the above information; or
 - (ii) make use of any of the above information for private purpose; or
 - (iii) disclose any of the above information without proper authorisation in a manner that fails to take into account any necessary prudence and care.

However, the above restrictions shall not apply to information or knowledge accessible or obtainable by the public (not including information that is accessible or obtainable due to the error of the Supervisor).

- 5.4 During the Term and for a period of two years after the termination of the employment, the Supervisor shall not:
- (a) solicit any client or supplier of any member of the Group or endeavour to entice any of them away from any member of the Group; or
 - (b) solicit any director or senior employee of any member of the Group to leave his post or endeavour to entice any of them away from any member of the Group.
- 5.5 Any note, memo, record and document made by the Supervisor in relation with any business of any member of the Group shall remain the property of the relevant member of the Group and the Company may at any time request the Supervisor to provide to, or hand over to, the Company any such note, memo, record or document. When leaving his post due to any reason, the Supervisor must return all the above documents to the Company as soon as possible.

6. ARBITRATION

- 6.1 Whenever any disputes or claims arises from the contract, the Company's Articles of Association or any rights or obligations conferred or imposed by the Company Law or other relevant laws and administrative regulations concerning the affairs of the Company between (i) the Company and the Supervisor; and (ii) a holder of overseas listed foreign shares in the Company and the Supervisor, the parties concerned shall resolve such disputes and claims through arbitration.
- 6.2 Where a dispute or claim described above is referred to arbitration, the entire dispute or claim shall be resolved through arbitration; all persons who have a cause of action based on the same facts giving rise to the dispute or claim or whose participation is necessary for the resolution of such dispute or claim, if they are shareholders, directors, supervisors, manager or other officers of the Company or the Company, shall submit to arbitration.
- 6.3 Disputes over who is a shareholder and over the share register do not have to be resolved through arbitration.
- 6.4 The party seeking arbitration may elect to have the dispute or claim arbitrated either by the China International Economic and Trade Arbitration Commission in accordance with its arbitration rules or by the Hong Kong International Arbitration Centre in accordance with its securities arbitration rules. Once the party seeking arbitration submits a dispute or claim to arbitration, the other party must submit to the arbitral body selected by the party seeking the arbitration.
- 6.5 If the party seeking arbitration elects to arbitrate the dispute or claim at the Hong Kong International Arbitration Centre, then either party may apply to have such arbitration conducted in Shenzhen according to the securities arbitration rules of the Hong Kong International Arbitration Centre.
- 6.6 The laws of the People's Republic of China shall govern the arbitration of disputes or claims described in Clause 6.1 above, unless otherwise provided by law or administrative regulations.
- 6.7 The award of the arbitral body is final and shall be binding on the parties thereto.
- 6.8 This agreement to arbitrate is made by the Supervisor with the Company on its own behalf and on behalf of each shareholder.
- 6.9 Any reference to arbitration shall be deemed to authorise the arbitral tribunal to conduct hearings in open session and to publish its award.

7. NON-TRANSFERABLE

7.1 The Supervisor shall not transfer the Contract or his position to any other person.

8. MISCELLANEOUS

8.1 The expiry or termination of the Contract (regardless of the reason) shall not have any effect on the effectiveness of the provisions that are stipulated to survive such expiry or termination as specified in the Contract.

8.2 Each notice, demand or any other communication sent out in connection with the Contract shall be in writing and sent by hand or mail to the concerned parties at the addresses specified at the beginning of the Contract (or any other address as being notified by the recipient to the other party five days in advance).

Any notice, demand or any other communication sent to the address of the concerned party in the above form shall be deemed to be received on the arrival date.

9. EFFECTIVENESS OF THE CONTRACT

9.1 The Contract shall have four originals with each party holding two copies. Upon the execution by both parties and the affixation of the company seal by the Company, the Contract shall come into effect from the day on which the Supervisor's Term begins. Both the English and Chinese versions of the Contract shall be equally authentic and valid.

10. GOVERNING LAW

10.1 The Contract shall be governed by Chinese laws and regulations.

SIGNED BY)
ADVANCED SEMICONDUCTOR)
MANUFACTURING)
CORPORATION LIMITED)
in the presence of:-)

Date: _____

SIGNED BY _____)
in the presence of:-)

Date: _____

**APPENDIX IV PROPOSED REMUNERATION FOR NON-EXECUTIVE DIRECTORS
AND SHAREHOLDERS REPRESENTATIVE SUPERVISOR**

The following remuneration has been proposed for the candidates of Non-executive Directors and Shareholder Representative Supervisors: (a) remuneration for each of the Non-executive Director will consist of administrative subsidies only, at an amount of HK\$200,000 per annum; (b) remuneration for Shareholders Representative Supervisor will consist of administrative subsidies only, at an amount of HK\$200,000 per annum. The above remuneration is determined at a market rate.