
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 (the “Company”), 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.

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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 EXECUTIVE DIRECTOR,
PROPOSED CHANGE IN BOARD STRUCTURE,
GENERAL MANDATE TO ISSUE SHARES,
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of the Company to be held at 11 a.m. on 17 May 2011 at VIP Hall, 3rd Floor, B Building, Ramada Shanghai Caohejing Hotel, No. 509, Caobao Road, Shanghai, the People's Republic of China (the “AGM”) is set out in this circular.

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

If you intend to attend the AGM in person or by proxy, you are required to complete and return the reply slip to Computershare Hong Kong Investor Services Limited for holders of H-Shares or to the Company's Board Secretariat for holders of non-H-Shares on or before 27 April 2011.

1 April 2011

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at 11 a.m. on 17 May 2011 at VIP Hall, 3rd Floor, B Building, Ramada Shanghai Caohejing Hotel, No. 509, Caobao Road, Shanghai, the People’s Republic of China
“AGM Notice”	the notice of the AGM
“Articles of Association”	the articles of association of the Company, as amended, modified or otherwise supplemented from time to time
“Company”	Advanced Semiconductor Manufacturing Corporation Limited, a foreign invested joint stock 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)” or “Board”	the director(s) of the Company
“Domestic Share(s)”	the Shares which are subscribed for and/or credited as paid up in RMB by the PRC nationals and/or the PRC corporate entities
“Executive Director(s)”	the executive director(s) of the Company
“General Mandate”	a general mandate proposed to be granted to the Directors at the AGM to issue Domestic Shares and H-Shares representing up to the limit of 20% of each of the aggregate nominal values of the Domestic Shares and H-Shares respectively in issue on the date of passing the related resolution
“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 of Hong Kong Limited
“non-H-Share(s)”	the Share(s) other than the H-Share(s)
“PRC”	the People’s Republic of China, but for the purposes of this circular only, excludes Hong Kong, Macau and Taiwan
“Proposed Amendments to the Articles of Association”	the amendment proposed to be made to the Articles of Association as mentioned in page 5 of this circular
“Proposed Change in Board Structure”	the proposed change in the number of Directors from 11 to 10

DEFINITIONS

“Proposed Corresponding Amendment to the Articles of Association”	the amendment proposed to be made to the Articles of Association as mentioned in page 4 of this circular
“RMB”	Renminbi, the lawful currency of the PRC
“Service Contract for Executive Director”	the service contract to be entered into between the Executive Director and the Company for a term from the date of the AGM to 1 March 2013
“Shareholder(s)”	holder(s) of the Shares registered at the registers of members of the Company from time to time
“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

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. ZHOU Weiping
Ms. CHENG Jianyu

Registered Office:

385 Hong Cao Road
Shanghai 200233
The People's Republic of China

Non-executive Directors:

Dr. CHEN Jianming
Mr. ZHU Jian
Mr. Wilhelmus Jacobus Maria Joseph JOSQUIN
Mr. Winfried Lodewijk PEETERS
Ms. SHEN Qing
Mr. LI Zhi

Principal Office 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
Dr. SHEN Weijia

1 April 2011

To the Shareholders

Dear Sir or Madam,

**ELECTION OF EXECUTIVE DIRECTOR,
PROPOSED CHANGE IN BOARD STRUCTURE,
GENERAL MANDATE TO ISSUE SHARES,
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with the information regarding the following proposals which, together with other ordinary business, will be proposed at the AGM for the Shareholders' consideration and, where appropriate, approval: (i) the proposed appointment of Executive Director; (ii) the Proposed Change in Board Structure, and the Proposed Corresponding Amendment to the Articles of Association; (iii) the Proposed Amendments to the Articles of Association; and (iv) the General Mandate to issue Shares.

The Notice of the AGM is set out on pages 20 to 24 of this circular.

LETTER FROM THE BOARD

ELECTION OF EXECUTIVE DIRECTOR

Reference is made to the announcement of the Company dated 28 March 2011. Mr. ZHOU Weiping and Ms. CHENG Jianyu have tendered their resignations as an Executive Director of the Company with effect from 17 May 2011 due to the change of the Company's management structure. Pursuant to the Articles of Association, the Board shall consist of eleven directors. However, the Company will propose a resolution to shareholders at the AGM to reduce such number to ten. Therefore, the Company will propose a director candidate to fill the vacancy which will then exist by reason of the resignations of Mr. ZHOU Weiping and Ms. CHENG Jianyu.

On 9 March 2011, the Board appointed Dr. Joseph XIE as the President of the Company upon the recommendation made by the Nomination Committee. On 30 March 2011, the Board resolved to propose Dr. Joseph XIE as a candidate for Executive Director of the third session of the Board with a term commencing on the date of the AGM and ending on 1 March 2013. The biography of Dr. Joseph XIE is set out in details in Appendix I; the proposed Service Contract for Executive Director is set out in Appendix II; and the proposed remuneration for Executive Director is set out in Appendix III.

Pursuant to Article 60 of the Articles of Association, the Shareholders holding 5% or more of the total voting shares of the Company shall have the right to nominate candidate for Executive Director. The eligible Shareholders who intend to make such nomination shall give a notice to the Company of the intention to propose a person for election as a director and the person proposed shall give a notice to the Company of his willingness to be elected on or before 7 May 2011.

PROPOSED CHANGE IN BOARD STRUCTURE AND PROPOSED CORRESPONDING AMENDMENT TO THE ARTICLES OF ASSOICATION

On 9 March 2011, the Board resolved to change the number of Executive Director from two to one (the "**Proposed Change in Board Structure**") in order to streamline the Board structure while the existing numbers of Non-Executive Directors (six) and Independent Non-Executive Directors (three) remain unchanged.

Pursuant to Article 94 of the Articles of Association, the composition of the Board shall consist of 11 Directors. Under the Proposed Change in Board Structure, the number of Directors will change from 11 to 10. Therefore, amendments to the Articles of Association shall be made accordingly as a result of the Proposed Change in Board Structure.

Pursuant to Article 56(12) of the Articles of Association, Shareholders' approval is required for amending the Articles of Association. Accordingly, the Board proposes to seek the approval of the Shareholders in respect of the Proposed Change in Board Structure and the corresponding proposed amendment to the Articles of Association (the "**Proposed Corresponding Amendment to the Articles of Association**") by way of a special resolution to be proposed at the AGM.

Details of the Proposed Corresponding Amendment to the Articles of Association are as follows: By deleting the second sentence of the first paragraph of Article 94 in its entirety and substituting it by the following: "The board of directors shall consist of ten (10) directors."

LETTER FROM THE BOARD

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Articles of Association was adopted by the Company with the Shareholders' approval by way of a special resolution at the 2005 annual general meeting of the Company. Since Article 56(13) and Article 60 of the Articles of Association, which were adopted in accordance with Provision 50 and Provision 54 of the 1994 Mandatory Provisions for Companies Listing Overseas respectively, are not in line with Article 103 of the Company Law of the PRC (which came into effect on 1 January 2006) and Article 53 of the 2006 Guidelines for Articles of Association of Chinese Listed Companies (which came into effect on 16 March 2006), the Board proposes to amend Article 56(13) and Article 60 of the Articles of Association.

Details of the proposed amendments to the Articles of Association (the “**Proposed Amendments to the Articles of Association**”) are as follows:

- (i) By deleting Article 56(13) in its entirety and substituting it by the following:

“to consider motions raised by shareholders who represent 3% or more of the total number of voting shares of the Company.”

- (ii) By deleting Article 60 in its entirety and substituting it by the following:

“The board of directors, the supervisory committee, and shareholder(s) holding in aggregate 3% or above of the total issued share capital of the Company shall have the right to propose resolutions to the agenda of general meetings.

Shareholder(s) holding in aggregate 3% or above of the total issued share capital of the Company shall in writing propose resolutions to the agenda of the general meetings to the convener of the general meetings 10 days before the date of the general meetings. The convener shall despatch circular and announcement setting out the proposed resolutions to all the shareholders within two days after the date on which the written proposal is received by the convener and shall place the proposed resolutions on the agenda for such general meeting for shareholders' consideration.”

GENERAL MANDATE TO ISSUE SHARES

To ensure flexibility and discretion to the Directors to issue new Shares when it becomes desirable, the Company proposes to grant the General Mandate to the Directors to allot, issue and otherwise deal with additional Domestic Shares and H-Shares up to the limit of 20% of each of the aggregate nominal values of the Domestic Shares and the H-Shares respectively in issue on the date of passing such resolution. As at the date of this circular, the issued share capital of the Company comprised 390,250,016 Domestic Shares and 1,131,333,472 H-Shares. Subject to the passing of the resolution related to the granting of the General Mandate and on the basis that no further Shares are issued before the AGM, the Company will be allowed to issue a maximum of 78,050,003 Domestic

LETTER FROM THE BOARD

Shares and 226,266,694 H-Shares. The mandate shall be effective until the earliest of: (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or other applicable laws to be held; or (iii) the revocation or variation of the authority given under this resolution by a special resolution of the Company in general meeting. Any exercise of the power by the Directors under the General Mandate shall comply with the relevant requirements of the Listing Rules, the Articles of Association and the applicable laws and regulations of the PRC. The Board has no plan to issue new Shares pursuant to the General Mandate at present.

FORMS OF PROXY

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 proxy/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 authorised in writing, or if the appointor is a legal entity, either under seal or under the hand of a director or an authorised 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 a 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 the H-Shares) or at the Company's Board Secretariat (in respect of holders of the non-H-Shares) in person or by post not less than 24 hours before the time fixed for holding the AGM or any adjournment thereof (as the case may be). The address of Computershare Hong Kong Investor Services Limited is 17M 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 200233, the People's Republic of China.

REPLY SLIP

If you intend to attend the AGM in person or by proxy, you are required to complete and return the reply slip to Computershare Hong Kong Investor Services Limited for holders of the H-Shares or to the Company's Board Secretariat for holders of the non-H-Shares on or before 27 April 2011.

VOTING BY POLL

Pursuant to Rule 13.39 of the Listing Rules, all votes of the Shareholders at the general meetings must be taken by poll. The Chairman of the meeting will therefore demand a poll for every resolution put to the vote of the AGM pursuant to Article 73 of the Articles of Association.

LETTER FROM THE BOARD

RECOMMENDATION

The Board considers that (i) appointing Dr. Joseph Xie as the Executive Director, entering into the Service Contract for the Executive Director and adopting the recommended remuneration for the Executive Director; (ii) adopting the Proposed Change in Board Structure and the Proposed Corresponding Amendment to the Articles of Association; (iii) adopting the Proposed Amendments to the Articles of Association; (iv) granting the General Mandate to the Board; and (v) granting approval for other ordinary business are all in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the resolutions to be proposed at the AGM as set out in the AGM Notice.

Yours Faithfully,
By Order of the Board
Advanced Semiconductor Manufacturing Corporation Limited
Chen Jianming
Chairman

APPENDIX I BIOGRAPHY OF THE CANDIDATE FOR THE EXECUTIVE DIRECTOR

Subject to the Shareholders' approval at the AGM, Dr. Joseph XIE will enter into a Service Contract for Executive Director as set out in Appendix II to this circular with the Company for a term from the date of the AGM to 1 March 2013 and will be entitled to the remuneration set out in Appendix III to this circular.

As at the date of this circular, Dr. Joseph XIE 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, Dr. Joseph XIE 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 and there is no information relating to Dr. Joseph XIE which is required to be disclosed pursuant to any of the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

Executive Director Candidate:

Dr. Joseph XIE, aged 51, candidate for Executive Director of the third session of the Board. Dr. XIE has been the President of the Company since 9 March 2011. Dr. XIE was the Corporate Vice President and General Manager of Eurasia Business Unit of Semiconductor Manufacturing International Corporation ("SMIC") prior to joining the Company.

Dr. XIE started his career as a researcher at Intel Corporation, Portland Technology Development Center, USA in 1988. Dr. XIE contributed to a solution to CMOS P-channel transistor-related instability from 1988 to 1995 and received an Intel Corporate Achievement Award and an Intel Best Conference Paper Award in 1990 with his team. From 1995 to 1998, Dr. XIE took various roles as Department Manager of Customer Engineering and Technology Development Department and Marketing Director of Sales and Marketing Department in Chartered, Singapore. From 1998 to 2001, Dr. XIE served as R&D Manager of Singapore MIT Alliance and was also the Fellow and Adjunct Professor of Singapore MIT Alliance Graduate Program. In June 2001, Dr. XIE joined SMIC, and took various management positions including Senior Director responsible for customer engineering, Special Assistant to CEO, Corporate Vice President of Business Development Center, Corporate Vice President for Sales and Marketing, Corporate Vice President of System on Chip Technology Development Center and Corporate Vice President and General Manager of Eurasia Business Unit during the period from June 2001 to March 2011. Dr. XIE has also been the Adjunct Professor of Microelectronics Department of Fudan University since 2001.

Dr. XIE received a Bachelor's degree in Applied Physics from Shanghai Jiao Tong University in 1983. Dr. XIE received a Master's degree in Applied Physics, a Master's degree in Materials Engineering and a Doctor's degree in Solid State Physics from Rensselaer Polytechnic Institute in USA in 1988. Dr. XIE also received an Executive Master of Business Administration degree from China Europe International Business School in 2007.

APPENDIX II PROPOSED SERVICE CONTRACT FOR THE EXECUTIVE DIRECTOR

[DATE]

ADVANCED SEMICONDUCTOR MANUFACTURING CORPORATION LIMITED

And

SERVICE CONTRACT FOR EXECUTIVE DIRECTOR

APPENDIX II PROPOSED SERVICE CONTRACT FOR THE EXECUTIVE DIRECTOR

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APPENDIX II PROPOSED SERVICE CONTRACT FOR THE EXECUTIVE DIRECTOR

Service Contract for Executive Director

THIS CONTRACT is made on _____:

Between:

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

_____ (the *Executive Director*)

of _____.

IT IS AGREED THAT:

1. APPOINTMENT AND DUTIES

- 1.1 The Company has appointed the Executive Director as an executive director of the Company's third session of the Board of Directors at its Annual General Meeting held on 17 May 2011. The Executive Director undertakes that during the term of this contract (the *Contract*), the Executive Director shall do his best to perform the duties to be assigned to him by the Company pursuant to the Contract.
- 1.2 Except in the event of illness or accident, the Executive Director shall devote himself to the promotion of the Company's businesses in the Company's best interests, and during the normal business hours and any other hour reasonably required by the Company shall personally handle the Company's businesses and related issues. At the request of the Company's board of directors (the *Board*), the Executive Director shall submit evidence in relation to any illness or accident.
- 1.3 The Executive Director's normal place of work shall be in Shanghai in the People's Republic of China, or at 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 17 May 2011 and end on 1 March 2013 (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 Executive Director may renew the employment in accordance with the Company's articles of association (the *Articles of Association*). The Company may forthwith terminate the Contract earlier pursuant to Article 95 of the Articles of Association and Clause 6 of the Contract and the Executive Director may terminate the Contract by providing the Company a written notice three months in advance.

3. RESTRICTIONS ON OTHER ACTIVITIES OF THE EXECUTIVE DIRECTOR

- 3.1 During the Term, the Executive Director shall not, without obtaining the prior approval of the shareholders of the Company in general meeting, be directly or indirectly engaged in, or concerned in the conduct of, or employed by, 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 direct or indirect interest (together with the Company, the **Group**). However, the 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 Executive Director, during the Term and for a period of five years after the termination of the 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 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 Executive Director).

- 3.3 During the Term and for a period of two years after the termination of the employment, the 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

APPENDIX II PROPOSED SERVICE CONTRACT FOR THE EXECUTIVE DIRECTOR

(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 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 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 Executive Director must return all the above documents to the Company as soon as possible.

4. REMUNERATION

4.1 During the Term, the Executive Director shall be entitled to salaries, bonus, other remuneration and benefits (including paid holiday leaves and pensions) set out in his contract of employment entered into with the Company in respect of his senior management post (e.g. President or Vice President), which has been reproduced in Schedule 1 to the Contract for ease of reference.

4.2 The Company shall reimburse the Executive Director for any reasonable out of pocket expenses incurred by the Executive Director in the performance of his duties as an executive director of the Company.

4.3 The remuneration that an Executive Director is entitled to under Schedule 1 of the Contract has included all such remuneration as he would have entitled to in the event of taking up other positions in the Company. If an Executive Director is re-elected upon expiration of his term of office, his remuneration entitlement during the new term of office shall be determined or approved at a shareholders' general meeting on the basis of the Company's Articles of Association.

4.4 The paid holiday leaves that an Executive Director is entitled to shall take into consideration of the business needs of the Company and shall be subject to the approval of the Company.

5. UNDERTAKINGS

5.1 The Executive Director undertakes to the Company (and, in the case of (f) below, to the Company as agent for each shareholder of the Company) that during the Term, the Executive Director shall:

(a) as an executive director of the Company, and a holder of any other senior management posts assigned to him by the Company, perform the duties and exercise the powers assigned to him from time to time by the Board;

(b) observe and comply with all legally valid instructions or guidance the Board may from time to time make or give in relation to the operation of the Company's businesses, 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;

APPENDIX II PROPOSED SERVICE CONTRACT FOR THE EXECUTIVE DIRECTOR

- (c) diligently devote most of his time, knowledge, technology, expertise and attention to the Company's businesses and interests and personally handle the Company's businesses and interests during normal business hours and at any other time reasonably required by the Company, except in the event of illness or accident which has caused him to be incapable, in which case he shall immediately inform the Company's company secretary and provide the Board with any evidence it may require;
- (d) work on the dates and at the times required by the Company's businesses;
- (e) perform the duties required by the PRC Company Law;
- (f) observe and comply with his obligations to shareholders stipulated in the Articles of Association;
- (g) 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**) on [date] and ensure that all of the statements contained in the Form H are true and accurate without any omission of any key information;
- (h) 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);
- (i) procure the Company to comply with the Hong Kong Codes on Takeovers and Mergers and Share Repurchases;
- (j) 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);
- (k) 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

5.2 The Executive Director agrees that the Company shall have the remedies provided in the Articles of Association.

APPENDIX II PROPOSED SERVICE CONTRACT FOR THE EXECUTIVE DIRECTOR

5.3 The Executive Director agrees that neither the Contract nor his position as executive director 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 Executive Director from his position as executive director in accordance with the Company's Articles of Association, and the Executive Director shall not be entitled to receive any compensation (but without affecting any rights, compensation or benefits the Executive Director is entitled to as an employee and an officer of the Company):

- (a) the Executive Director, for no proper reason, unable to, or fails, or refuses to, efficiently and diligently perform his duties as an executive director or any other senior management post appointed by the Company;
- (b) the Executive Director becomes incapacitated or bankrupt;
- (c) the Executive Director is convicted of any criminal offence, negligence, or neglect of duties;
- (d) the number of days on which the 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 Executive Director breaches any provision of the Contract.

6.2 In the event that the Executive Director is dismissed as the Company's executive director by the shareholders of the Company in general meeting in accordance with the Company's Articles of Association or his contract of employment entered into with the Company in respect of his senior management post expires without being renewed or is otherwise terminated, the Contract shall be terminated automatically.

7. ARBITRATION

7.1 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 Executive Director; and (ii) a holder of overseas listed foreign shares in the Company and the 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.

APPENDIX II PROPOSED SERVICE CONTRACT FOR THE EXECUTIVE DIRECTOR

- 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 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 Executive Director shall not transfer this 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.

APPENDIX II PROPOSED SERVICE CONTRACT FOR THE EXECUTIVE DIRECTOR

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 Executive Director's Term begins. Both the English and Chinese versions 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: _____

APPENDIX II PROPOSED SERVICE CONTRACT FOR THE EXECUTIVE DIRECTOR

SCHEDULE 1

	RMB (per annum)
1. Salary	[●]
2. Bonus (maximum)	[●]
3. Other remuneration	[●]
4. Benefits and annual leave	[●]
5. Pension	[●]

APPENDIX III PROPOSED REMUNERATION FOR THE EXECUTIVE DIRECTOR

The following remuneration has been proposed for the candidate of Executive Director: the Executive Director will be entitled to salaries, bonuses, other remuneration and benefits as provided in his original contract of employment entered into with the Company, but will not be entitled to any administrative subsidies or any additional remuneration for his position of Executive Director. The above remuneration is determined at a market rate.

NOTICE OF ANNUAL GENERAL MEETING



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 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting of Advanced Semiconductor Manufacturing Corporation Limited (the "Company") for the year ended 31 December 2010 will be held at VIP Hall, 3rd Floor, B Building, Ramada Shanghai Caohejing Hotel, No. 509, Caobao Road, Shanghai, the People's Republic of China (the "PRC") at 11 a.m. on 17 May 2011 (the "AGM") to consider and, if thought fit, pass the following resolutions. Unless otherwise indicated, capitalised terms used herein shall have the same meanings as those defined in the circular of the Company dated 1 April 2011 (the "Circular").

ORDINARY RESOLUTIONS

1. To consider and approve the report of the Directors for the year ended 31 December 2010.
2. To consider and approve the report of the Supervisory Committee of the Company for the year ended 31 December 2010.
3. To consider and approve the audited financial statements of the Company and the report of the auditors for the year ended 31 December 2010.
4. To consider and approve the profit distribution proposal of the Company (i.e. no dividend being proposed) for the year ended 31 December 2010.
5. To consider and approve the appointment of Ernst & Young Hua Ming and Ernst & Young as the PRC and international auditors of the Company respectively, to hold office until the conclusion of the next annual general meeting, and to authorise the Board to fix their remunerations.
6. To consider and approve the appointment of Dr. Joseph Xie as the Executive Director of the third session of the Board with a term commencing on the date of the AGM and ending on 1 March 2013, the execution of the Service Contract for Executive Director (as set out in Appendix II to the Circular) between the Company and Dr. Joseph Xie and his proposed remuneration (as set out in Appendix III to the Circular).

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL RESOLUTIONS

7. To consider and approve the Proposed Change in Board Structure and the Proposed Corresponding Amendment to the Articles of Association:

THAT the Articles of Association be and hereby amended in the following manner:

By deleting the second sentence of the first paragraph of Article 94 in its entirety and substituting it by the following:

“The board of directors shall consist of ten (10) directors.”

8. To consider and approve the Proposed Amendments to the Articles of Association:

THAT the Articles of Association be and hereby amended in the following manner:

- (i) By deleting article 56(13) in its entirety and substituting it by the following:

“to consider motions raised by shareholders who represent 3% or more of the total number of voting shares of the Company.”

- (ii) By deleting Article 60 in its entirety and substituting it by the following:

“The board of directors, the supervisory committee, and shareholder(s) holding in aggregate 3% or above of the total issued share capital of the Company shall have the right to propose resolutions to the agenda of general meetings.

Shareholder(s) holding in aggregate 3% or above of the total issued share capital of the Company shall in writing propose resolutions to the agenda of the general meetings to the convener of the general meetings 10 days before the date of the general meetings. The convener shall despatch circular and announcement setting out the proposed resolutions to all the shareholders within two days after the date on which the written proposal is received by the convener and shall place the proposed resolutions on the agenda for such general meeting for shareholders’ consideration.”

NOTICE OF ANNUAL GENERAL MEETING

9. To give a general mandate to the Board to issue, allot and deal with additional Domestic Shares not exceeding 20% of the Domestic Shares in issue and additional H-Shares not exceeding 20% of the H-Shares in issue and authorise the Board to make corresponding amendments to the Articles of Association as it thinks fit so as to reflect the new capital structure upon the allotment or issuance of shares:

“THAT

- (A) (a) subject to paragraph (c) and in accordance with the relevant requirements of the Listing Rules, the Articles of Association and the applicable laws and regulations of the PRC, the exercise by the Board during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with, either separately or concurrently, additional Domestic Shares and H-Shares and to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers be hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall authorise the Board during the Relevant Period (as hereinafter defined) to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers after the end of the Relevant Period;
- (c) each of the aggregate nominal amounts of the Domestic Shares and the H-Shares authorized to be allotted, issued and dealt with or agreed conditionally or unconditionally to be allotted, issued and dealt with (whether pursuant to an option or otherwise) by the Board pursuant to the approval granted in paragraph (a) shall not exceed 20% of each of the aggregate nominal amounts of the Domestic Shares and the H-Shares respectively in issue at the date of passing this resolution, otherwise than pursuant to (i) a Rights Issue or (ii) any scrip dividend or similar arrangement providing for allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Articles of Association; and
- (d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or other applicable laws to be held; or

NOTICE OF ANNUAL GENERAL MEETING

- (iii) the revocation or variation of the authority given to the Board under this resolution by passing of a special resolution of the Company in a general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong) and an offer, allotment or issue of shares by way of rights shall be construed accordingly.

- (B) The Board be authorised to make corresponding amendments to the Articles of Association as it thinks fit so as to reflect the new capital structure upon the allotment or issuance of shares as provided in sub-paragraph (a) of paragraph (A) of this resolution.”

By Order of the Board
Advanced Semiconductor Manufacturing Corporation Limited
Chen Jianming
Chairman

Shanghai, the PRC, 1 April 2011

Notes:

(1) Closure of register of members and eligibility for attending the AGM

To determine the list of Shareholders who have the right to attend the AGM, the register of members will be closed from 17 April 2011 to 17 May 2011 (both days inclusive) during which period, no transfer of Shares will be effected. Shareholders whose names appear on the register of members of the Company on 17 May 2011 are entitled to attend the AGM.

Holders of the H-Shares who wish to attend the AGM 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 15 April 2011.

(2) 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 proxy/proxies to attend and vote on his behalf.

NOTICE OF ANNUAL GENERAL MEETING

The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing, or if the appointor is a legal entity, either under seal or under the hand of a director or an authorised person or a duly authorised attorney of the legal entity. The letter of authorization shall contain the number of the shares to be represented by the proxy. If several persons are authorised as the proxies of a Shareholder, the letter of authorization 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 the H-Shares) or at the Company's Board Secretariat (in respect of holders of the non-H-Shares) in person or by post not less than 24 hours before the time fixed for holding the AGM or any adjournment thereof (as the case may be). The address of Computershare Hong Kong Investor Services Limited is 17M 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 200233, the PRC.

(3) **Reply slip**

If you intend to attend the AGM in person or by proxy, you are required to complete and return the reply slip to Computershare Hong Kong Investor Services Limited for holders of the H-Shares or to the Company's Board Secretariat for holders of the non-H-Shares on or before 27 April 2011.

(4) **Other business**

The AGM is expected to last for half a day. Shareholders (in person or by proxy) attending the AGM are responsible for their own transportation and accommodation expenses. Shareholders or their proxies attending the AGM shall produce their identity documents. The Company is entitled to deny attendance by any Shareholders or their proxies who fail to produce their identity documents.