



# **2009 1st Quarter Results Investor Conference**

**22 May, 2009**

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**Advanced Semiconductor Manufacturing  
Corporation Limited**

# Agenda

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❖ Welcome

❖ 1Q 2009 financial results

Ms. Cheng Jianyu  
Executive Director, Vice President & CFO

❖ Outlook for 2Q 2009

Mr. Zhou Weiping  
Executive Director, President and CEO

❖ Q&A

## Q1' 2009 Overview (QoQ)

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- Revenue was RMB117.3 million in 1Q09, representing a 26.1% sequential decline from 4Q08
- Owing to the significant decrease in end-market demand, overall capacity utilization rate was 33% in 1Q09, compared to 40% in 4Q08
- The 8-inch equivalent wafers shipment was 55,539 pieces in 1Q09, down 22.0% from 71,180 pieces in 4Q08
- The debt level was further reduced after repayment of outstanding bank loan
- The Company recorded a net loss of RMB74.0 million, its EBITDA was negative RMB28.5 million

# Q1' 2009 Results Review

Amount: RMB Million	Q1'09	Q4'08	Q1'08
<b>Sales</b>	117.3	158.7	258.3
<b>Net Income</b>	(74.0)	(218.3)	(26.5)
<b>Cash &amp; Cash Equivalent</b>	254.6	261.9	135.5
<b>Interest-Bearing Loans</b>	178.4	188.6	272.9
<b>Shareholders' Equity</b>	663.5	737.4	948.1
<b>FAB Utilization (%)</b>	33%	40%	59%
<b>ROE (%)</b>	-44.6%	-118.4%	-11.2%

# Q1' 2009 Income Statement (QoQ Comparison)

Amount: RMB Million

	Q1'2009 Actual		Q4'2008 Actual		QoQ
	Amount	%	Amount	%	%
<b>Net Sales</b>	117.3	100%	158.7	100%	-26%
<b>Cost of Goods Sold (COGS)</b>	(167.8)	-143%	(216.4)	-136%	-22%
<b>Gross Profit</b>	(50.5)	-43%	(57.8)	-36%	-13%
<b>Total Operating Expenses</b>	(21.2)	-18%	(15.6)	-10%	36%
<b>Operating Income/(Loss)</b>	(71.7)	-61%	(73.3)	-46%	-
Finance Costs	(2.5)	-2%	(3.1)	-2%	-19%
Other Expenses	(2.2)	-2%	(146.4)	-92%	-
Other Income/(Expenses), Net	2.3	2%	4.3	3%	-47%
<b>Income/(Loss) Before Tax</b>	(74.1)	-63%	(218.5)	-138%	-
<b>Income Taxes Credit/ (Expense)</b>	0.1	-	0.1	0%	-
<b>Net Income/(Loss)</b>	(74.0)	-63%	(218.3)	-138%	-

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# Q1' 2009 Income Statement (YoY Comparison)

Amount: RMB Million

	Q1'2009 Actual		Q1'2008 Actual		YoY
	Amount	%	Amount	%	%
<b>Net Sales</b>	117.3	100%	258.3	100%	-55%
<b>Cost of Goods Sold (COGS)</b>	(167.8)	-143%	(247.1)	-96%	-32%
<b>Gross Profit</b>	(50.5)	-43%	11.2	4%	-552%
<b>Total Operating Expenses</b>	(21.2)	-18%	(27.8)	-11%	-24%
<b>Operating Income/(Loss)</b>	(71.7)	-61%	(16.6)	-6%	-
Finance Costs	(2.5)	-2%	(5.9)	-2%	-57%
Other Expenses	(2.2)	-	(8.3)	-3%	-
Other Income/(Expenses), Net	2.3	2%	4.3	2%	-47%
<b>Income/(Loss) Before Tax</b>	(74.1)	-63%	(26.5)	-10%	-
<b>Income Taxes Credit /(Expense)</b>	0.1	-	-	-	-
<b>Net Income/(Loss)</b>	(74.0)	-63%	(26.5)	-10%	-

# Q1' 2009 Balance Sheet

Amount: RMB Million Selected Items from Balance Sheet	Q1 09		Q408		Q1 08	
	Amount	%	Amount	%	Amount	%
<b>Total Assets</b>	<b>1005.8</b>	100%	<b>1139.2</b>	100%	<b>1415.2</b>	100%
Cash & Cash Equivalent	254.6	25%	261.9	23%	135.5	10%
Accounts Receivables & Other	67.2	7%	96.0	8%	155.4	11%
Inventory	97.8	10%	156.2	14%	204.0	14%
<b>Total Current Assets</b>	<b>419.6</b>	42%	<b>514.1</b>	45%	<b>494.9</b>	35%
Accounts Payable	70.4	7%	122.1	11%	113.0	8%
Current Portion of Loans	178.4	18%	188.6	17%	272.9	19%
Accrued Liabilities & Others	93.5	9%	91.0	8%	81.1	6%
<b>Total Current Liabilities</b>	<b>342.3</b>	34%	<b>401.7</b>	35%	<b>466.9</b>	33%
<b>Long Term Debt</b>	<b>0.0</b>	0%	<b>0.1</b>	0%	<b>0.0</b>	0%
<b>Total Equity</b>	<b>663.5</b>	66%	<b>737.4</b>	65%	<b>948.3</b>	67%
<b>Accounts Receivable Turnover (Days)</b>	42		51		39	
<b>Inventory Turnover (Days)</b>	96		89		80	
<b>Current Ratio</b>	1.23		1.28		1.06	
<b>Net Working Capital</b>	77.3		112.4		28.0	

# Q1' 2009 Cash Flow

Amount: RMB Million

	<b>Q1'09</b>	<b>Q1'08</b>
	<b>Amount</b>	<b>Amount</b>
<b>From Operation</b>	7.1	6.3
<b>Profit Before Tax</b>	(74.1)	(26.5)
<b>Depreciation &amp; Amortization</b>	43.1	58.5
<b>Change in Working Capital</b>	46.7	(15.9)
<b>Other Operating activities</b>	(8.7)	(9.8)
<b>From Investment</b>	(4.1)	(0.4)
<b>Capital Expenditures (Net)</b>	(4.1)	(0.4)
<b>Other Investment Sources/(Uses)</b>		
<b>From Financing</b>	(10.2)	(77.4)
<b>Repayment of -L</b>	(10.2)	(77.4)

# Q1' 2009 Capital Expenditures

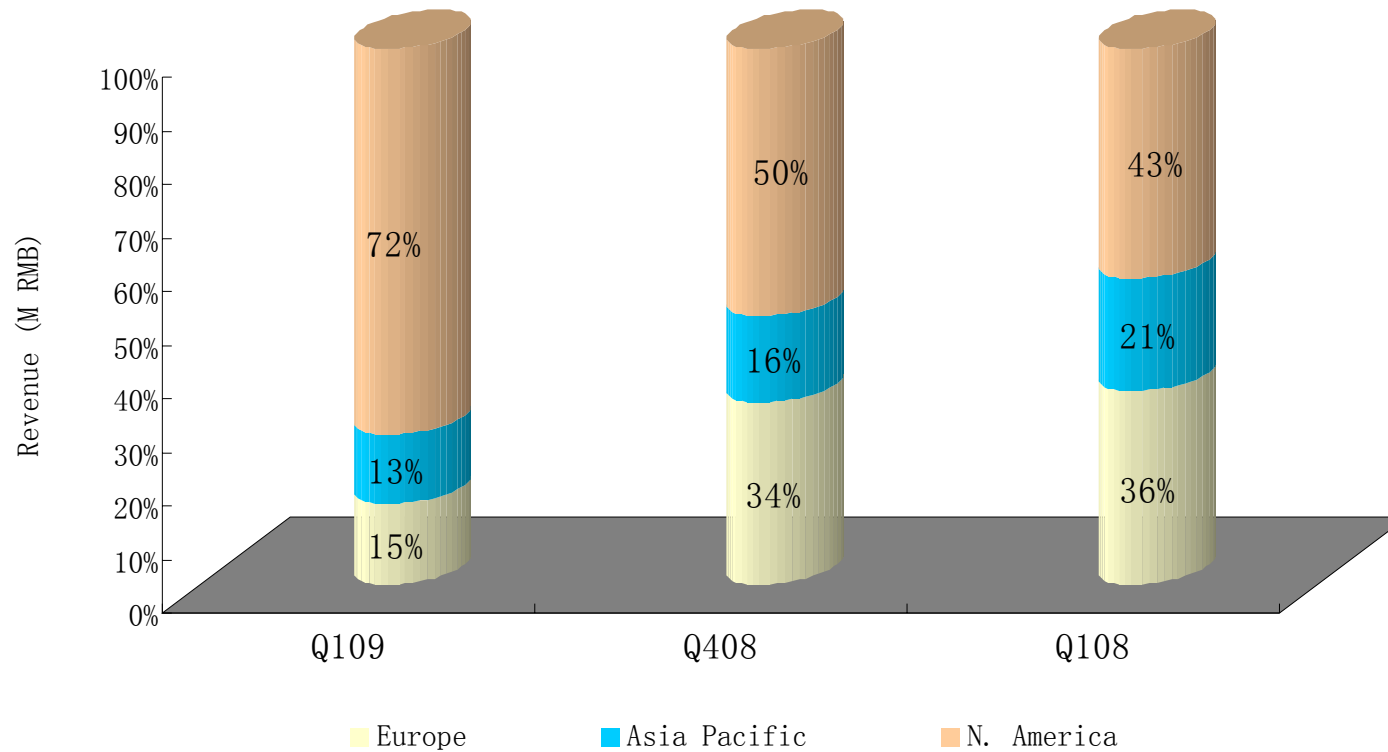
Amount: RMB Million

**CAPEX**

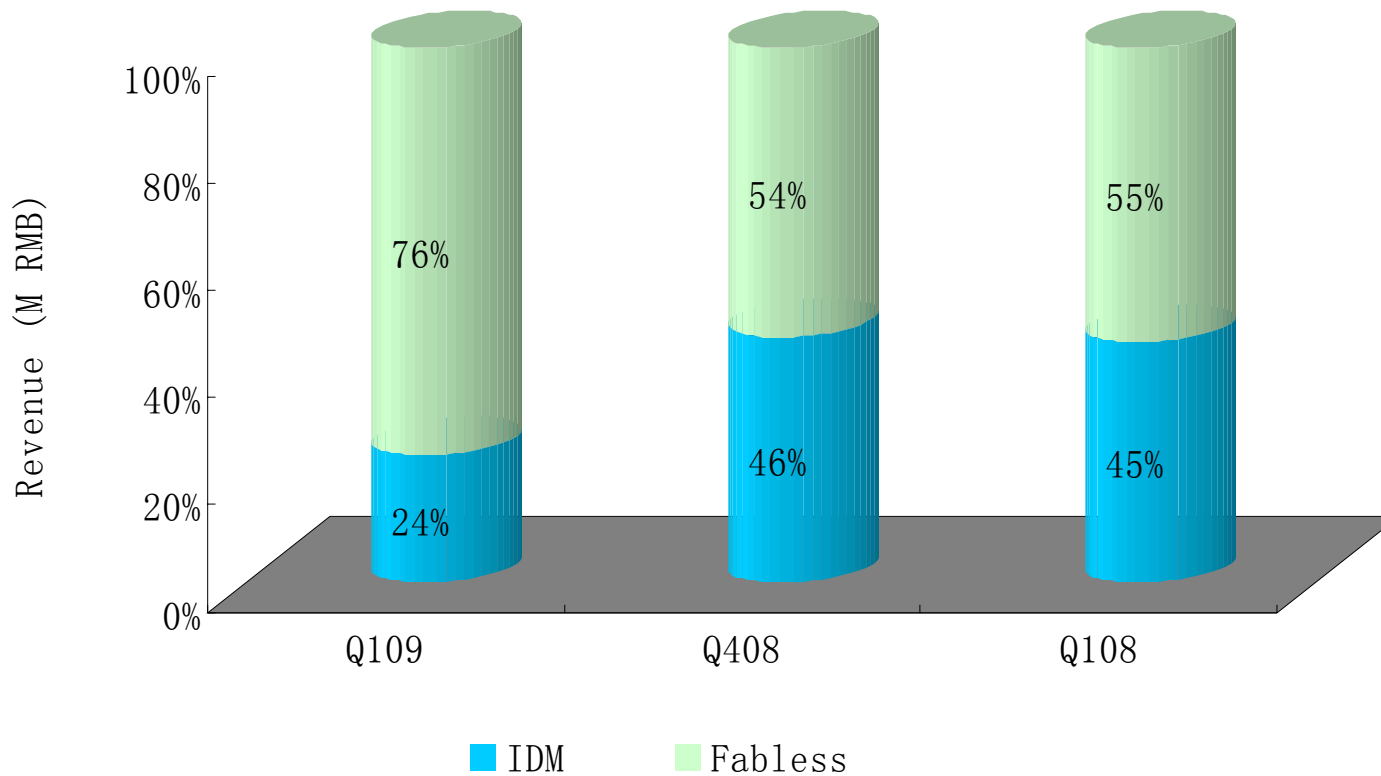
Q1'09	Q4'08	Q1'08
<b>Amount</b>	<b>Amount</b>	<b>Amount</b>
4.1	1.0	0.4



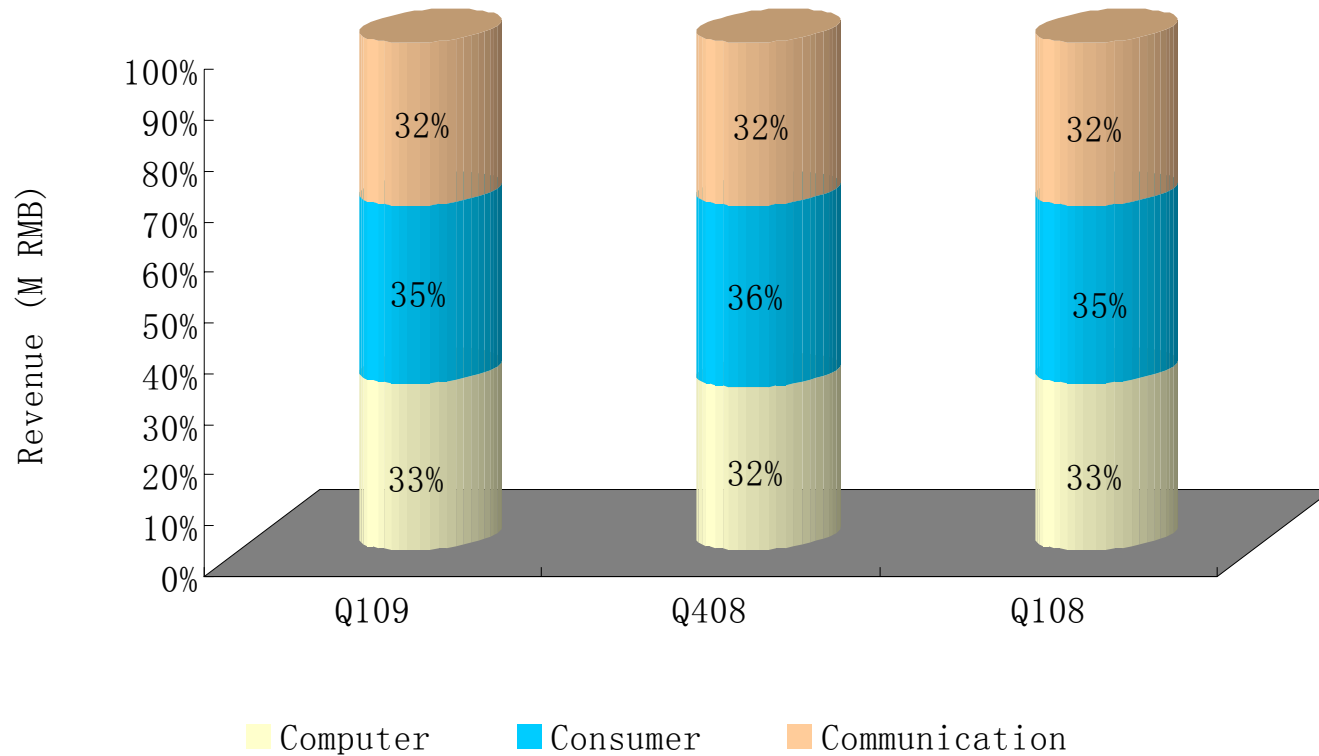
# Sales Breakdown by Geography



# Sales Breakdown by Customer



# Sales Breakdown by Application

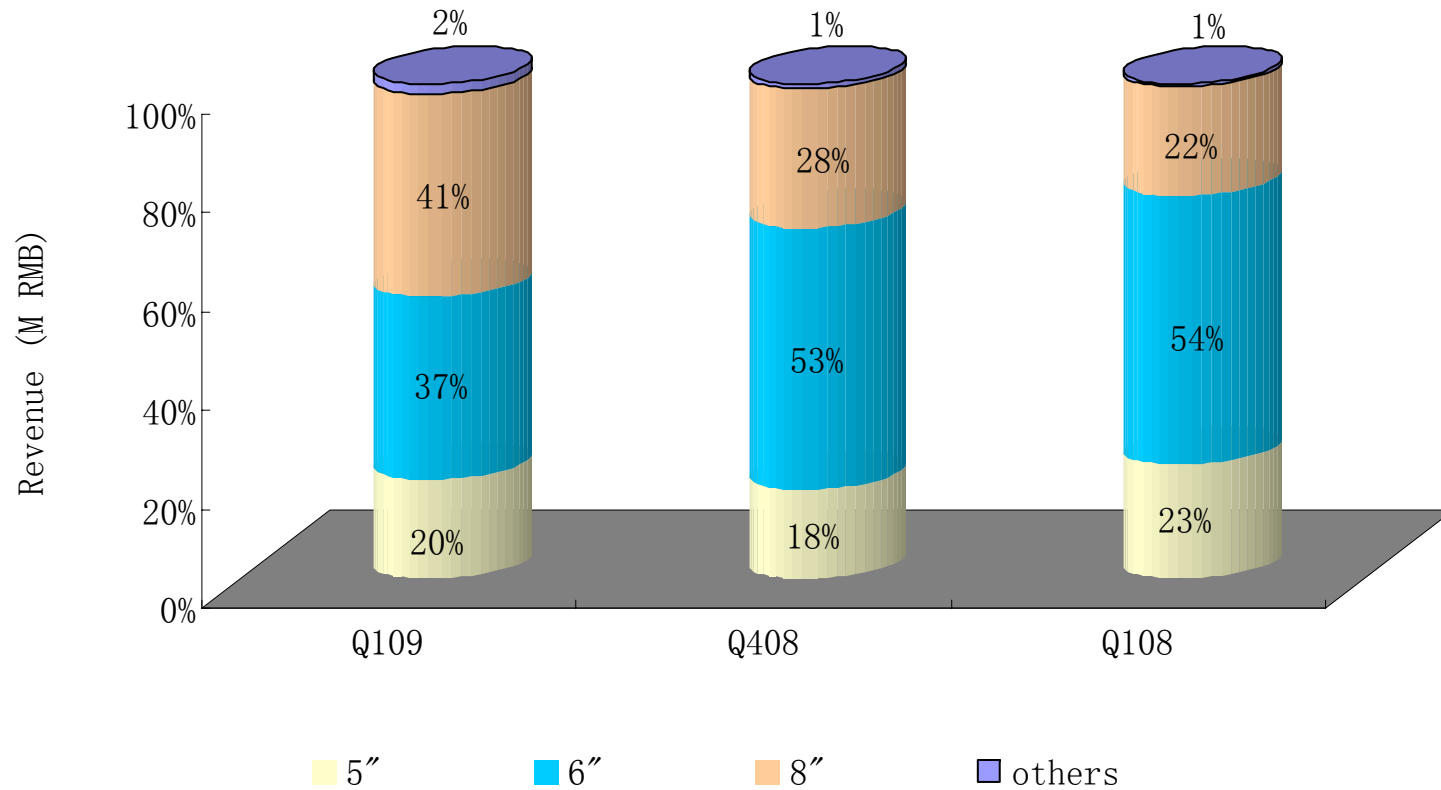


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# Sales Breakdown by 5", 6" and 8"



## FAB Installed Capacity (8" Equivalent)

FAB / (Wafers in thousand)	Q1 09	Q4 08	Q1 08
<b>Fab 1/2</b>			
<b>5-inch wafers</b>	<b>33</b>	<b>33</b>	<b>33</b>
<b>6-inch wafers</b>	<b>85</b>	<b>85</b>	<b>85</b>
<b>Fab 3</b>			
<b>8-inch wafers</b>	<b>36</b>	<b>36</b>	<b>36</b>
<b>Total 8" Equivalent</b>	<b>154</b>	<b>154</b>	<b>154</b>

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

# Capacity Utilization Rate by Fab

<b>FAB</b>	<b>Q1 09</b>	<b>Q4 08</b>	<b>Q1 08</b>
<b>Fab 1/2</b>			
<b>5-inch wafers</b>	<b>33%</b>	<b>39%</b>	<b>75%</b>
<b>6-inch wafers</b>	<b>24%</b>	<b>46%</b>	<b>73%</b>
<b>Fab 3</b>			
<b>8-inch wafers</b>	<b>43%</b>	<b>34%</b>	<b>37%</b>
<b>Overall Capacity Utilization Rate</b>	<b>33%</b>	<b>40%</b>	<b>59%</b>

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

## Outlook for the Second Quarter of 2009

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- Owing to the global economic uncertainties and limited visibilities across end-markets, a return of normal order pattern within the industry is unlikely in the near term
- Boosted by inventory restocking and rush orders starting from February 09 as a result of strong fiscal stimulus measures from emerging markets, the shipments of semi-related products have been improving to some extent
- The Company's 6-inch wafer production will benefit from the ongoing recovery of customer demand
- With sales growth and cost structure improvement in 2Q09, this will help the Company strengthen its financial position
- The Company's sales in 2Q09 is likely to increase significantly on a sequential quarter-to-quarter basis

For further information

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