



2010 Annual Results Investor Conference

10 March, 2011

**Advanced Semiconductor Manufacturing
Corporation Limited**

Agenda

- ❖ **Welcome**
- ❖ **2010 financial results**
- ❖ **2011 outlook**
- ❖ **Q&A**

2010 Overview

- Sales grew by 51.6% to RMB978.5 million in 2010 from RMB645.6 million in 2009, thanks to growing demand for semiconductor products as a result of the continued recovery of worldwide economy
- The 8 inch equivalent wafers shipment amounted to 442,147 pieces in 2010, an increase of 55.4% from 284,486 pieces in 2009
- The overall utilization rate was 65% in 2010, compared to 43% in 2009
- The revenue contribution from automotive-chip business has been incrementally improved after some newly developed products being put into mass production
- The Company still maintains relatively a healthy financial position with cash and cash equivalent of RMB403.4 million as at 31 December 2010
- Net profit attributable to ordinary equity holders improved from a net loss of RMB102.8 million and net loss of RMB0.07 per share in 2009 to a net income of RMB119.7 million and earnings per share of RMB0.08 in 2010

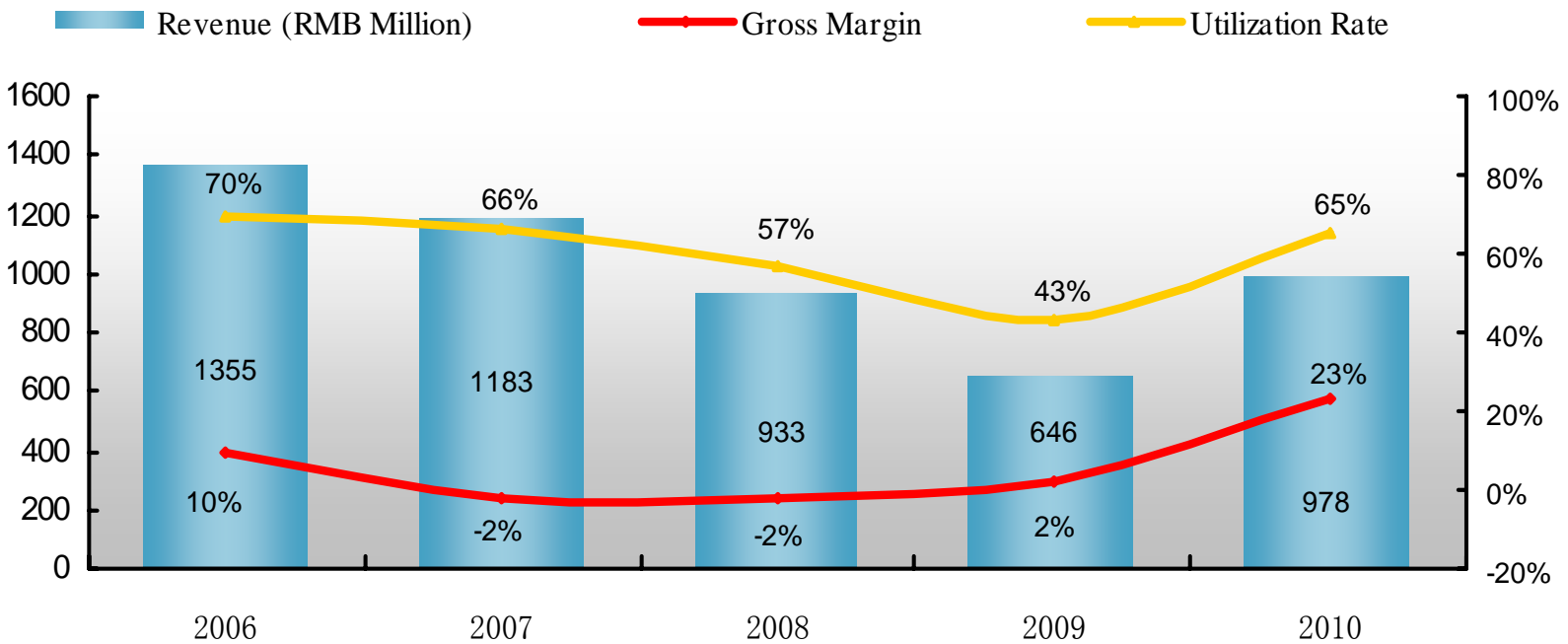
2010 Annual Results Overview

Amount: RMB Million

	2010		2009		Change
	Amount	%	Amount	%	%
Net Sales	978.5	100%	645.6	100%	52%
Cost of Goods Sold (COGS)	(758.1)	-77%	(630.1)	-98%	20%
Gross Profit / (Loss)	220.4	23%	15.5	2%	1318%
Other income and gains	12.9	1%	5.1	1%	154%
Selling and distribution costs	(4.9)	0%	(5.4)	-1%	-10%
General and administrative expenses	(62.0)	-6%	(51.1)	-8%	21%
Research and development costs	(29.2)	-3%	(41.8)	-6%	-30%
Other expenses	(10.7)	-1%	(15.9)	-2%	-33%
Finance costs	(6.8)	-1%	(9.3)	-1%	-26%
Income/(Loss) Before Tax	119.7	12%	(102.9)	-16%	-
Income Taxes Credit/(Expenses)	-	-	0.1	0%	-
Net Income/(Loss)	119.7	12%	(102.8)	-16%	-
Earnings/(Loss) Per Share	7.80 cents	-	(6.70) cents	-	-

Historical Revenue, Gross Margin and UT

Revenue, Gross Margin & Utilization Rate



Q4' 2010 Income Statement (QoQ)

Amount: RMB Million

	Q4'2010 Actual		Q3'2010 Actual		QoQ
	Amount	%	Amount	%	%
Net Sales	270.1	100%	276.5	100%	-2%
Cost of Goods Sold (COGS)	(211.8)	-78%	(202.7)	-73%	4%
Gross Profit /(Loss)	58.3	22%	73.7	27%	-21%
Other income and gains	3.5	1%	5.7	2%	-39%
Selling and distribution costs	(1.3)	0%	(1.0)	0%	-
General and administrative expenses	(20.2)	-7%	(16.0)	-6%	26%
Research and development costs	(8.6)	-3%	(6.2)	-2%	-
Other expenses	(3.7)	-1%	(5.4)	-2%	-
Finance costs	(1.3)	0%	(1.8)	-1%	-28%
Income/(Loss) Before Tax	26.7	10%	49.1	18%	-46%
Income Taxes Credit/ (Expenses)	-	-	-	-	-
Net Income/(Loss)	26.7	10%	49.1	18%	-46%

Q4' 2010 Income Statement (YoY)

Amount: RMB Million

	Q4'2010 Actual		Q4'2009 Actual		YoY
	Amount	%	Amount	%	%
Net Sales	270.1	100%	171.0	100%	58%
Cost of Goods Sold (COGS)	(211.8)	-78%	(161.0)	-94%	32%
Gross Profit (Loss)	58.3	22%	9.9	6%	487%
Other income and gains	3.5	1%	0.2	0%	1984%
Selling and distribution costs	(1.3)	0%	(1.4)	-1%	-1%
General and administrative expenses	(20.2)	-7%	(15.2)	-9%	33%
Research and development costs	(8.6)	-3%	(9.9)	-6%	-13%
Other expenses	(3.7)	-1%	6.8	4%	-
Finance costs	(1.3)	0%	(2.2)	-1%	-40.3%
Income/(Loss) Before Tax	26.7	10%	(11.6)	-7%	-
Income Taxes Credit/ (Expenses)	-	-	-	-	-
Net Income/(Loss)	26.7	10%	(11.6)	-7%	-

2010 Balance Sheet

Amount: RMB Million Selected Items from Balance Sheet	As at 12/31/2010		As at 12/31/2009	
	Amount	%	Amount	%
Total Assets	1098.3	100%	983.3	100%
Cash & Cash Equivalent	403.4	37%	318.0	32%
Accounts Receivables & Others	129.5	12%	91.9	9%
Inventory	161.8	15%	92.7	9%
Total Current Assets	694.7	63%	502.6	51%
Accounts Payable	157.3	14%	86.3	9%
Current Portion of Loans	116.2	11%	178.3	18%
Accrued Liabilities & Others	56.5	5%	84.0	9%
Total Current Liabilities	330.0	30%	348.6	35%
Long Term Debt	14.0	1%	-	-
Total Equity	754.3	69%	634.6	65%
Accounts Receivable Turnover (Days)	35		45	
Inventory Turnover (Days)	84		75	
Current Ratio	2.11		1.44	
Net Working Capital	364.8		153.9	

2010 Cash Flow

Amount: RMB Million

	Year 2010	Year 2009
	Amount	Amount
From Operations	185.8	61.1
Profit Before Tax	119.7	(102.9)
Depreciation & Amortization	140.1	162.2
Changes in Working Capital	(75.8)	31.9
Other Operating activities	1.8	(30.1)
From Investment	(28.1)	5.3
Purchase of items of property, plant and equipment, construction in progress and intangible assets	(35.4)	(17.8)
Decrease/(increase) in other financial asset	–	10.0
Receipt of government grants	7.3	13.1
From Financing	(62.1)	(10.3)
Repayment of -L	(62.1)	(10.3)

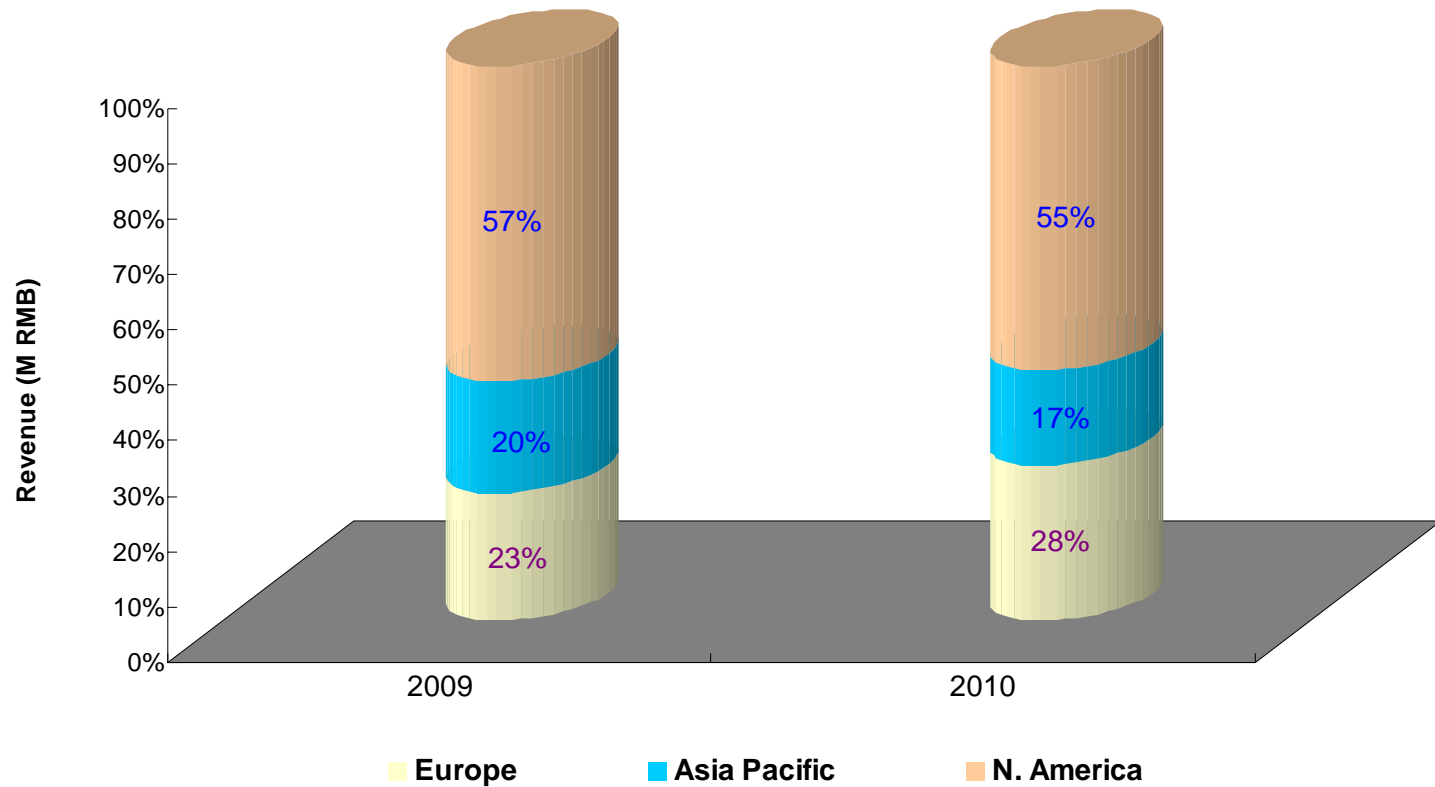
Q4' 2010 Capital Expenditures

Amount: RMB Million

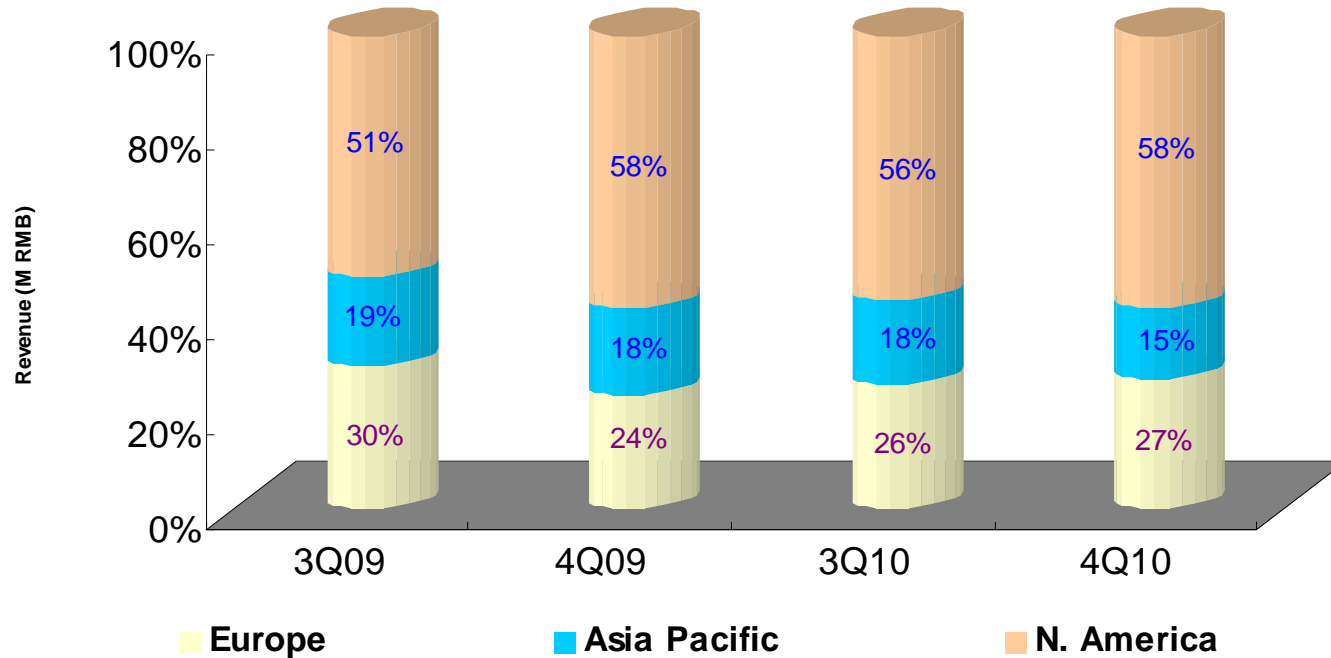
CAPEX

Q4'10	Q3'10	Q4'09
Amount	Amount	Amount
35.1	11.4	4.1

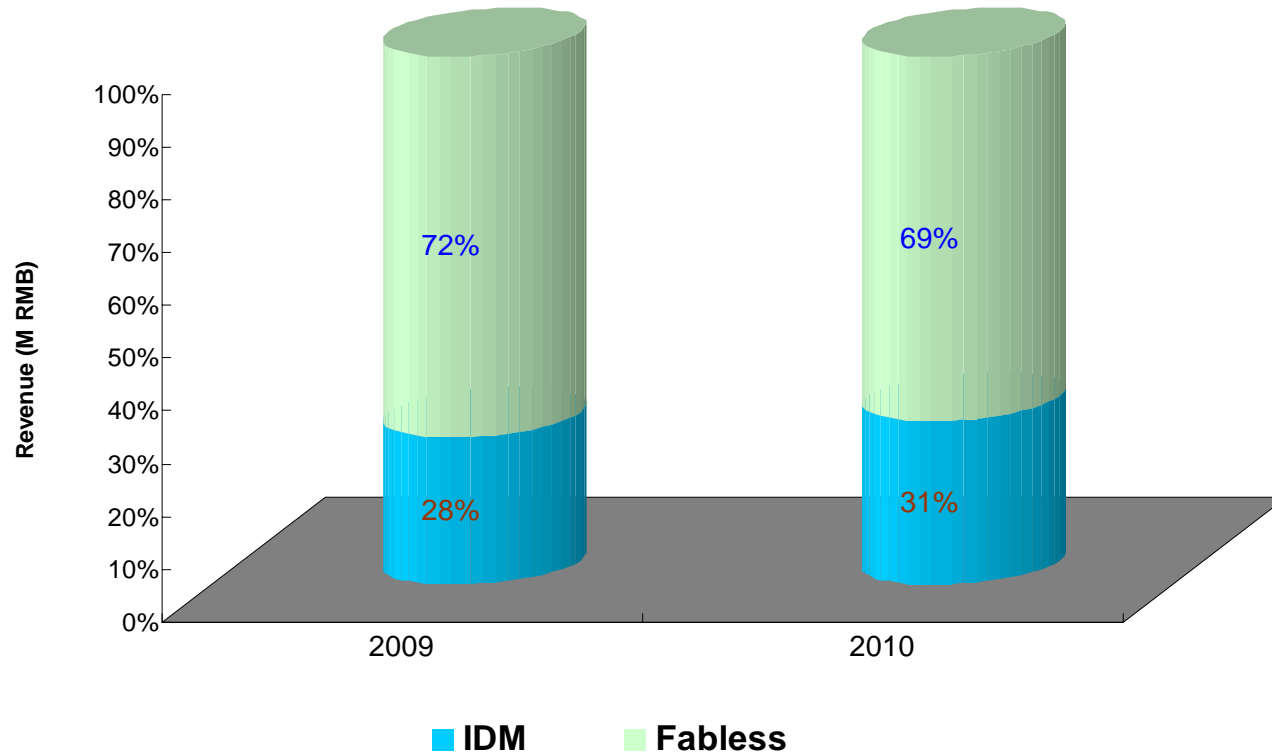
Sales Breakdown by Geography (YoY)



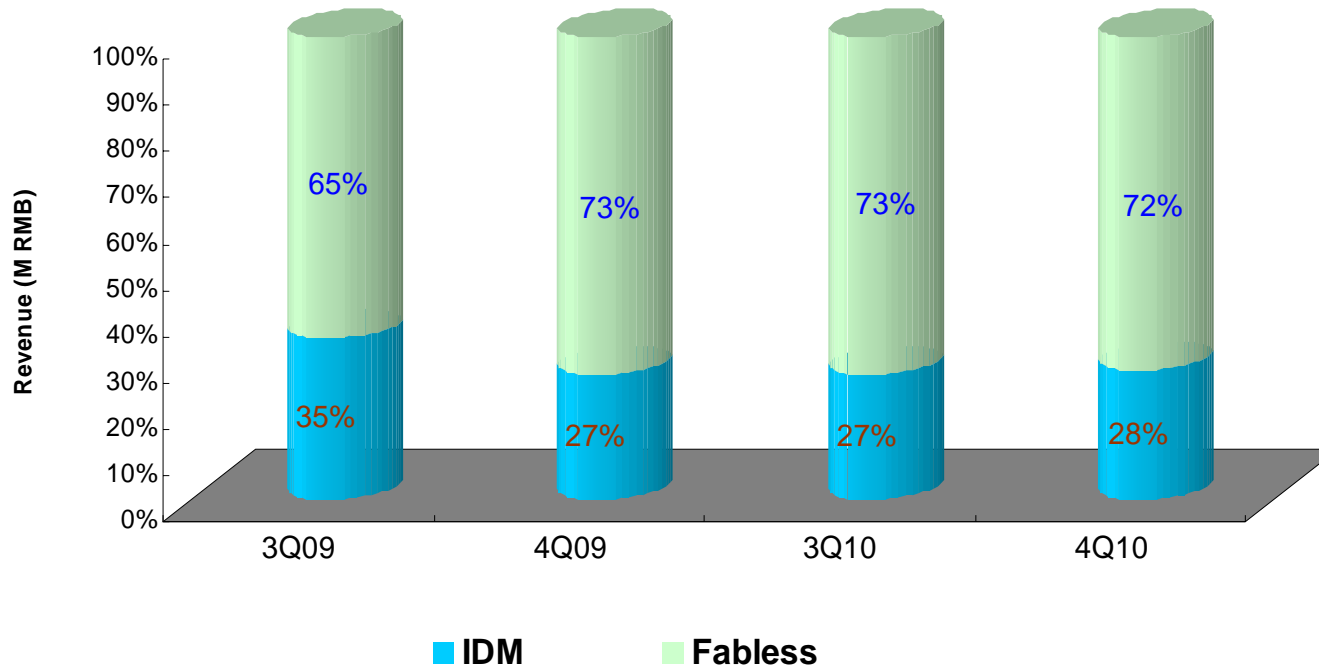
Sales Breakdown by Geography (QoQ)



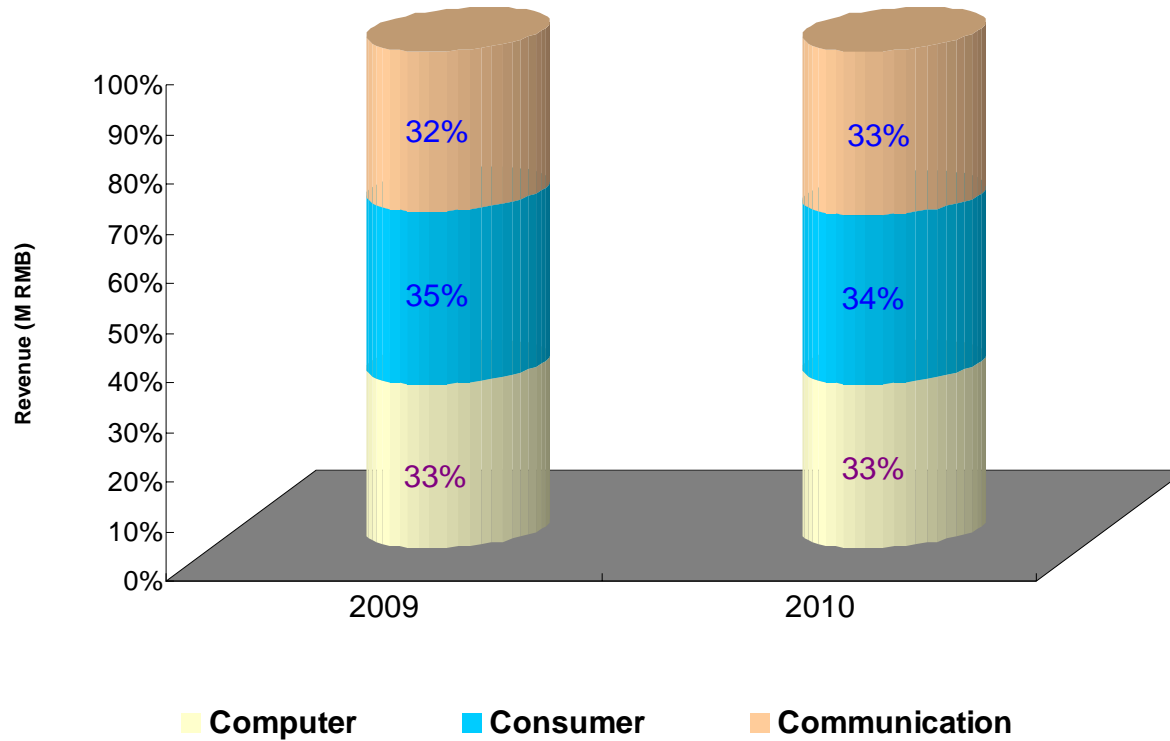
Sales Breakdown by Customer Type (YoY)



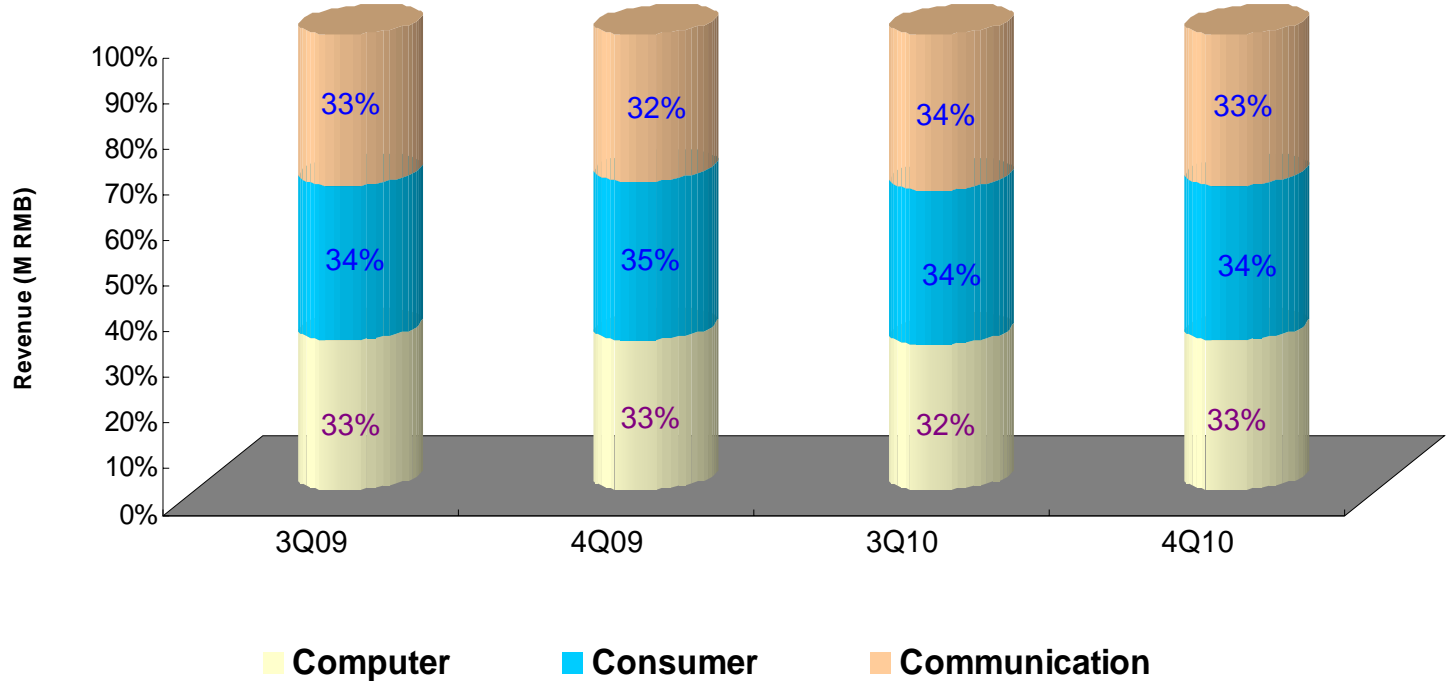
Sales Breakdown by Customer (QoQ)



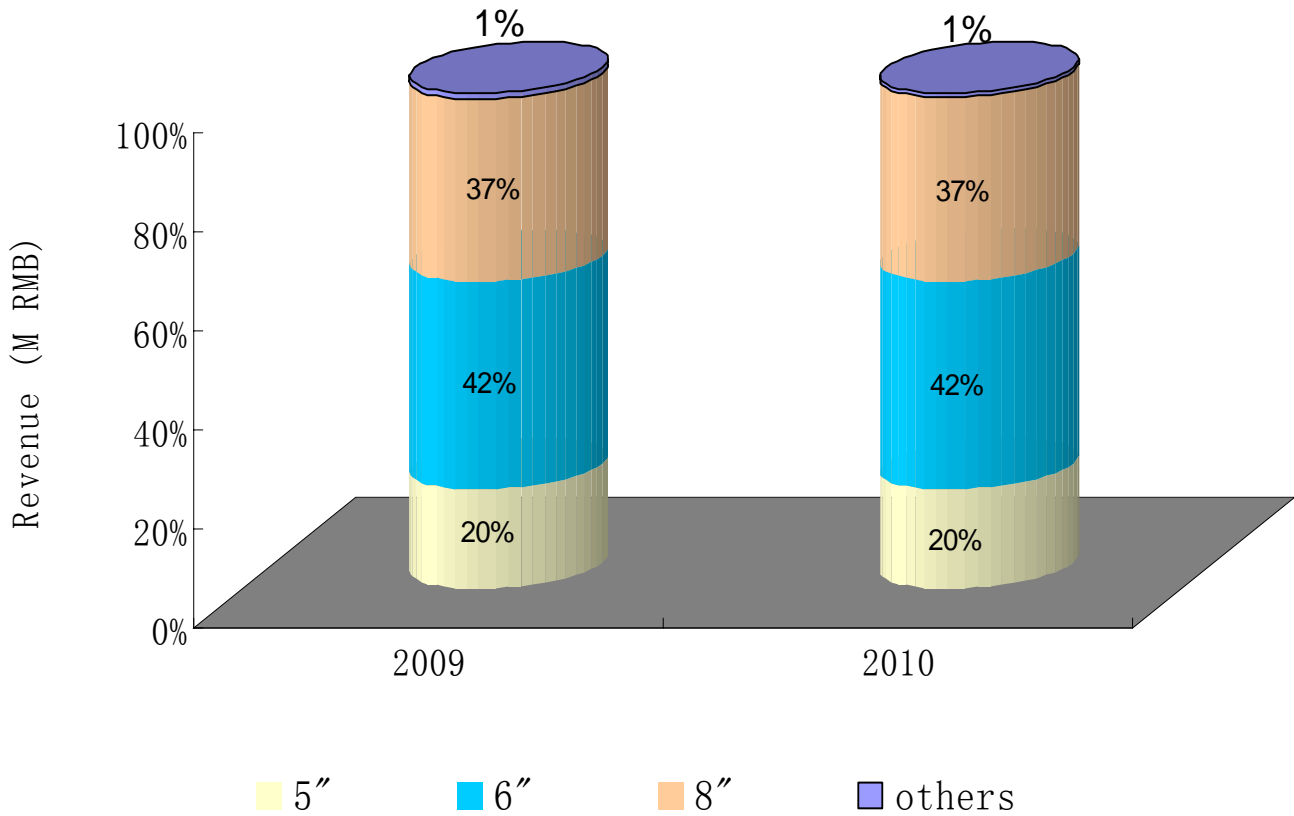
Sales Breakdown by Application (YoY)



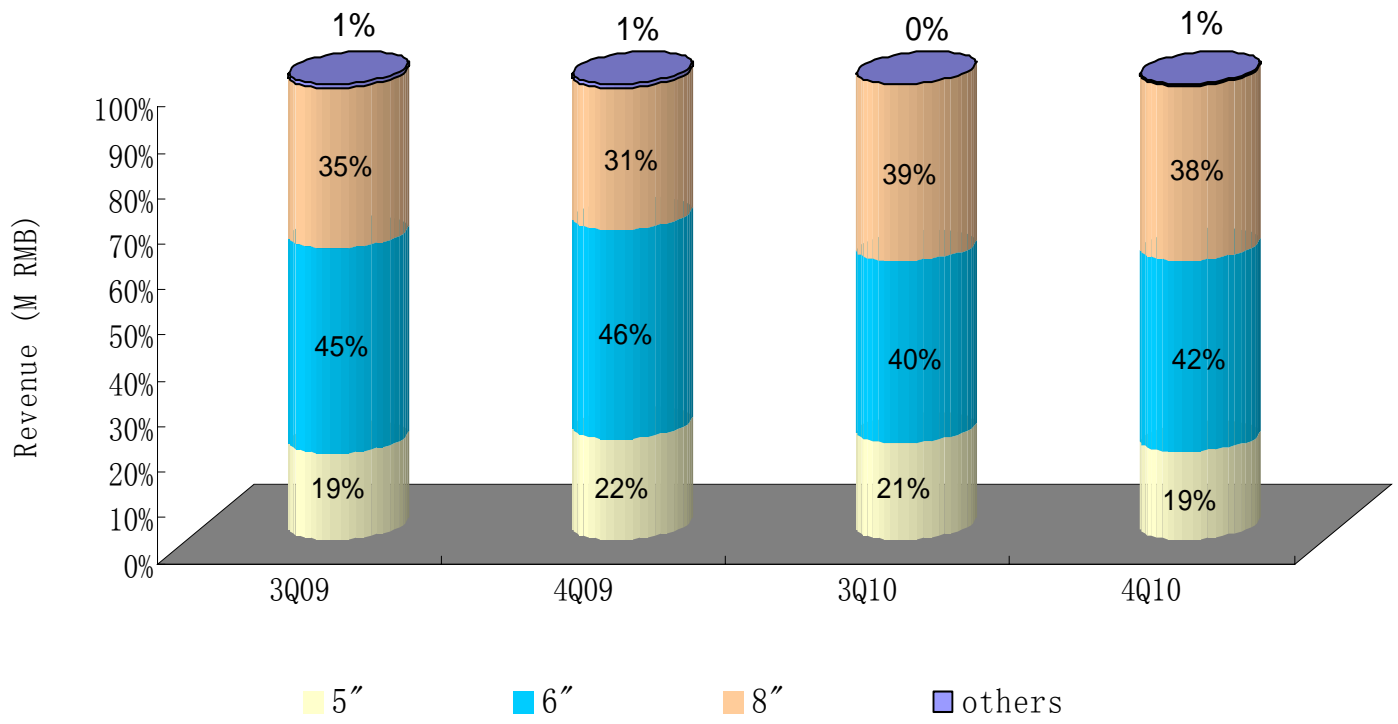
Sales Breakdown by Application (QoQ)



Sales Breakdown by 5", 6" and 8" (YoY)



Sales Breakdown by 5", 6" and 8" (QoQ)



FAB Installed Capacity (8" Equivalent)

FAB / (Wafers in thousand)	Q4'10	Q3'10	Q4' 09
Fab 1/2			
5-inch wafers	33	33	33
6-inch wafers	85	85	85
Fab 3			
8-inch wafers	36	36	36
Total 8" Equivalent	154	154	154

Notes:

1. The Company estimated the capacities 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.
2. The installed capacity of the Company's fabrication facilities is calculated assuming continuous production of an optimum product mix, which in practice is unlikely ever to be achieved. In consequence, the actual operating capacity is less than the figures stated in the table.
3. After taking into account the 6-inch wafers equipments consignment arrangement with a customer described above, the installed quarterly capacity of 6-inch wafers of the Company's total equipment for the third quarter and second quarter of 2010 was 94K 8-inch equivalent wafers respectively. As a result, total installed quarterly capacity of the Company's total equipment of the third and fourth quarter of 2010 was 163K 8-inch equivalent wafers accordingly.

Capacity Utilization Rate by Fab

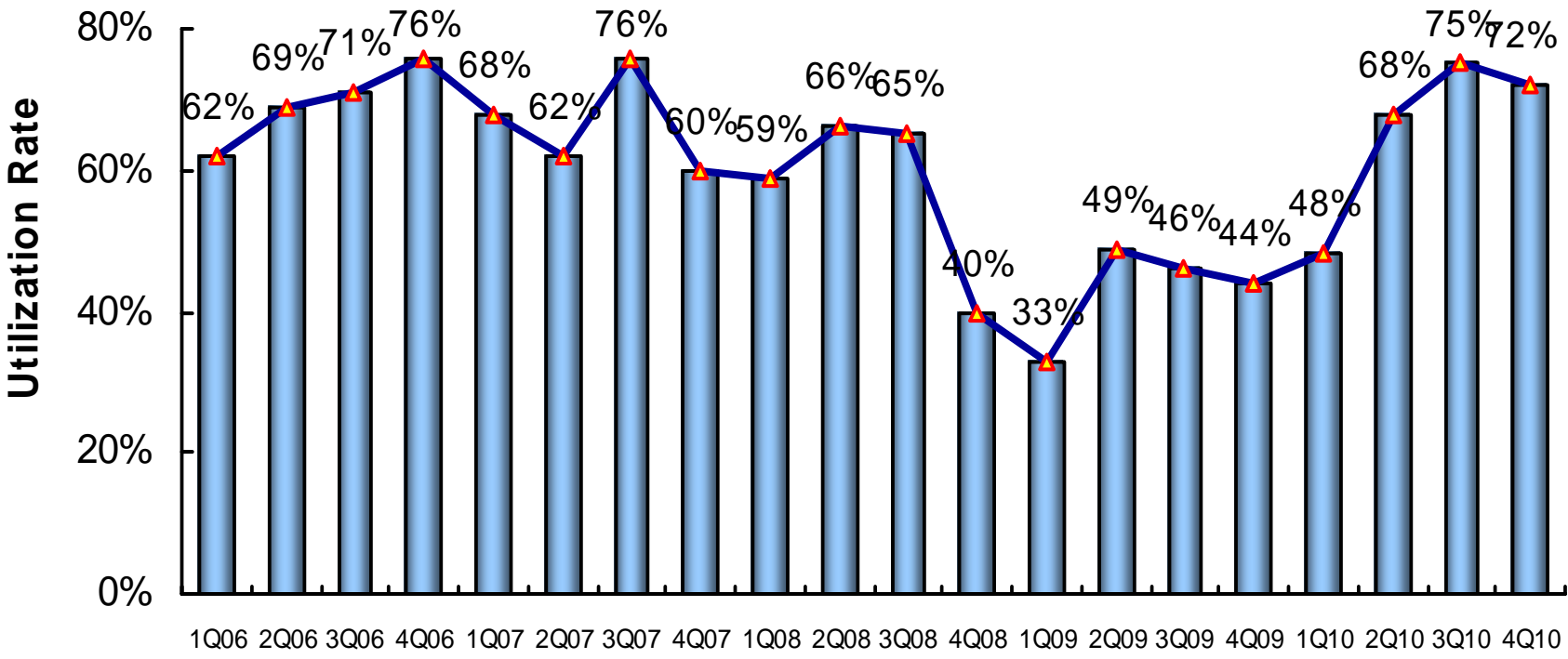
FAB	Q4' 10	Q3' 10	Q4' 09
Fab 1/2			
5-inch wafers	63%	73%	47%
6-inch wafers	65%	67%	37%
Fab 3			
8-inch wafers	83%	84%	51%
Overall Capacity Utilization Rate	72%	75%	44%

Notes:

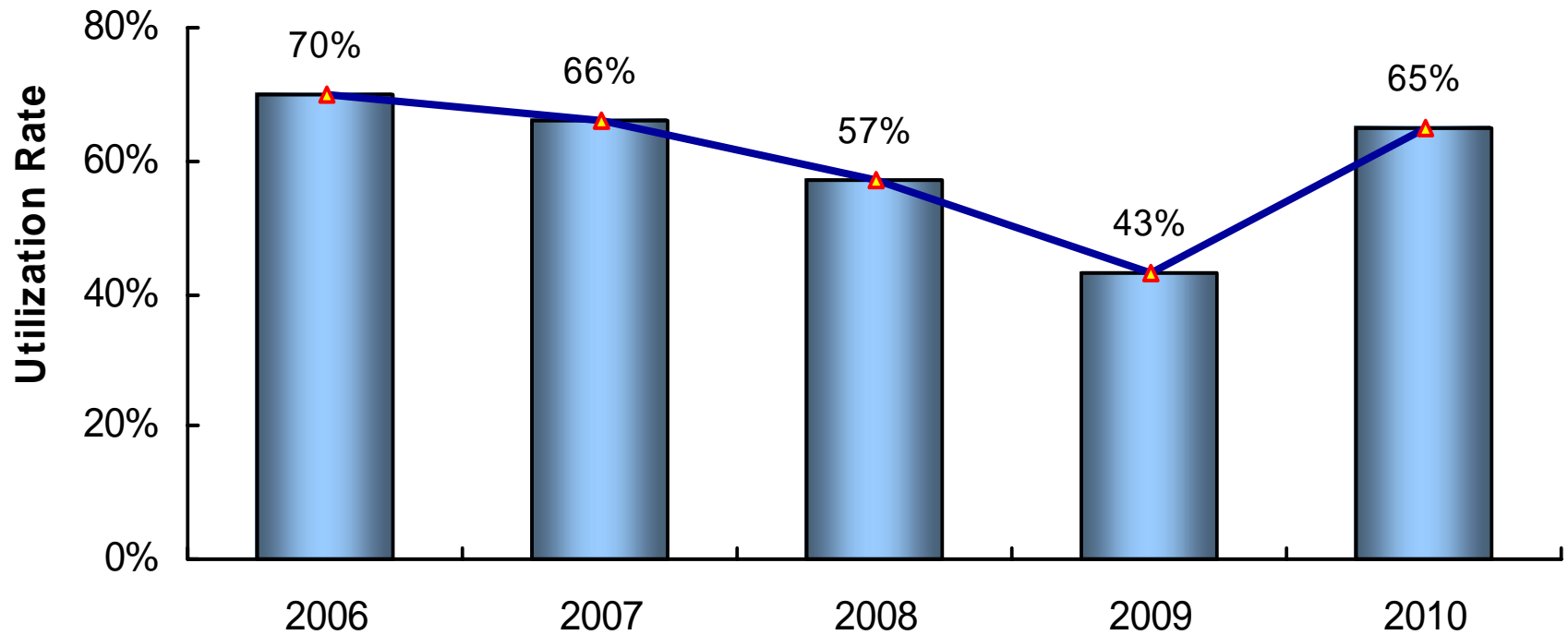
1. The capacity utilization rate represents the percentage of the actual number of processing steps (measured by the number of masks used) for the number of semiconductor wafers shipped in the reporting period divided by the total number of processing steps a fab is capable to produce during the corresponding period.
2. The Capacity utilization rates stated in the table are calculated on the basis of the theoretical capacity of the Company's fabrication facilities, as discussed in note 2 to slide 19. In consequence, the utilization rates of actual operating capacity are higher than the figures stated in the above table
3. After taking into account 6-inch wafers produced using equipment consigned under arrangement with a customer, the utilization rate of the Company's total 6-inch wafer equipment in 4Q2010 was 59%, compared to 61% in 3Q2010. As a result, the overall capacity utilization rate of the Company total equipment in 4Q2010 was 69%, compared to 72% in 3Q2010.



Overall Capacity Utilization Rate (QoQ)



Overall Capacity Utilization Rate (YoY)



2011 Outlook

- The overall semiconductor industry is anticipated to witness modest growth as the global economic recovery will continue through 2011
- The Company is relatively optimistic about prospects ahead in light of a continuing gradual improvement in business fundamentals
- Continuously streamline business operations and maximise its productivity through improving key operational indices i.e. line yield and cycle time and etc.
- Further accelerate technology/process transfer from both existing and new customers to extend business activities in the automotive segment as being the primary growth driver
- Capitalizing on the growth opportunities, the Company will be aggressively developing new business to expand its presence in Greater China market
- The Company, leveraging its ability to offer customer-driven foundry solutions, combined with the government's strong support, will strive to establish an automotive chip manufacturing platform with its own intellectual property right

For further information

Thank You

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