



2009 Annual Results Investor Conference

11 March, 2010

Advanced Semiconductor Manufacturing
Corporation Limited

Agenda

❖ Welcome

❖ 2009 financial results

Ms. Cheng Jianyu
Executive Director, Vice President & CFO

❖ 2010 outlook

Mr. Zhou Weiping
Executive Director, President and CEO

❖ Q&A

2009 Overview

- Owing to overall weak market demand amid the global economic recession, sales declined by 30.8% to RMB645.6 million in 2009 from RMB932.6 million in 2008
- The 8 inch equivalent wafers shipment amounted to 284,486 pieces in 2009, a decrease of 29.0% from 400,505 pieces in 2008
- The overall utilization rate was 43% in 2009, compared to 57% in 2008
- The Company exercised process auditing of VDA6.3 quality system and has been qualified as an “A” rated supplier, and also signed a strategic cooperation agreement with leading players in the supply chain for establishing an automotive chip manufacturing platform
- Despite extremely challenging market conditions, the Company has maintained relatively a healthy financial position with cash and cash equivalent of RMB318.0 million as at 31 December 2009
- The Company’s net loss was RMB102.8 million, EBITDA of RMB68.6 million in 2009, compared to a net loss of RMB237.1 million, EBITDA of RMB7.3 million in 2008

2009 Annual Results Overview

Amount: RMB Million

	2009		2008		Change
	Amount	%	Amount	%	%
Net Sales	645.6	100%	932.6	100%	-31%
Cost of Goods Sold (COGS)	(630.1)	-98%	(955.0)	-102%	-34%
Gross Profit / (Loss)	15.5	2%	(22.4)	-2%	-169%
Selling and distribution costs	(5.4)	-1%	(6.8)	-1%	-20%
General and administrative expenses	(51.1)	-8%	(61.0)	-7%	-16%
Research and development costs	(41.8)	-6%	(32.3)	-3%	30%
Other income and gains	5.1	1%	48.6	5%	-90%
Other expenses	(15.9)	-2%	(146.4)	-16%	-89%
Finance costs	(9.3)	-1%	(17.0)	-2%	-45%
Income/(Loss) Before Tax	(102.9)	-16%	(237.2)	-25%	
Income Taxes Credit/(Expenses)	0.1	0%	0.1	0%	-
Net Income/(Loss)	(102.8)	-16%	(237.1)	-25%	-
Earnings/(Loss) Per Share	(6.70) cents	-	(15.45) cents	-	-

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Q4' 2009 Income Statement (QoQ)

Amount: RMB Million

	Q4'2009 Actual		Q3'2009 Actual		QoQ
	Amount	%	Amount	%	%
Net Sales	171.0	100%	178.9	100%	-4%
Cost of Goods Sold (COGS)	(161.0)	-94%	(165.2)	-92%	-3%
Gross Profit /(Loss)	9.9	6%	13.6	8%	-27%
Selling and distribution costs	(1.4)	-1%	(1.4)	-1%	
General and administrative expenses	(15.2)	-9%	(15.3)	-9%	-1%
Research and development costs	(9.9)	-6%	(11.8)	-7%	-
Other income and gains	0.2	0%	2.4	1%	-93%
Other expenses	6.8	4%	(20.4)	-11%	-
Finance costs	(2.2)	-1%	(2.2)	-1%	-3%
Income/(Loss) Before Tax	(11.6)	-7%	(35.1)	-20%	-
Income Taxes Credit/ (Expenses)	-	-	-	-	-
Net Income/(Loss)	(11.6)	-7%	(35.1)	-20%	-

Q4' 2009 Income Statement (YoY)

Amount: RMB Million

	Q4'2009 Actual		Q4'2008 Actual		YoY
	Amount	%	Amount	%	%
Net Sales	171.0	100%	158.7	100%	8%
Cost of Goods Sold (COGS)	(161.0)	-94%	(216.4)	-136%	-26%
Gross Profit (Loss)	9.9	6%	(57.8)	-36%	-117%
Selling and distribution costs	(1.4)	-1%	(1.7)	-1%	-19%
General and administrative expenses	(15.2)	-9%	(2.7)	-2%	457%
Research and development costs	(9.9)	-6%	(11.2)	-7%	-12%
Other income and gains	0.2	0%	4.3	3%	-96%
Other expenses	6.8	4%	(146.4)	-92%	-
Finance costs	(2.2)	-1%	(3.1)	-2%	-30.4%
Income/(Loss) Before Tax	(11.6)	-7%	(218.5)	-138%	-
Income Taxes Credit/ (Expenses)	-	-	0.1	0%	-
Net Income/(Loss)	(11.6)	-7%	(218.3)	-138%	-

2009 Balance Sheet

Amount: RMB Million Selected Items from Balance Sheet	As at 12/31/2009		As at 12/31/2008	
	Amount	%	Amount	%
Total Assets	983.3	100%	1139.2	100%
Cash & Cash Equivalent	318.0	32%	261.9	23%
Accounts Receivables & Others	91.9	9%	96.0	8%
Inventory	92.7	9%	156.2	14%
Total Current Assets	502.6	51%	514.1	45%
Accounts Payable	86.3	9%	122.1	11%
Current Portion of Loans	178.3	18%	188.6	17%
Accrued Liabilities & Others	84.0	9%	91.0	8%
Total Current Liabilities	348.6	35%	401.7	35%
Long Term Debt	-	-	0.1	0%
Total Equity	634.6	65%	737.4	65%
Accounts Receivable Turnover (Days)	45		51	
Inventory Turnover (Days)	75		89	
Current Ratio	1.44		1.28	
Net Working Capital	153.9		112.4	

2009 Cash Flow

Amount: RMB Million

	Year 2009	Year 2008
	Amount	Amount
From Operations	61.1	246.5
Profit Before Tax	(102.9)	(237.2)
Depreciation & Amortization	161.4	227.6
Changes in Working Capital	31.9	87.3
Other Operating activities	(29.4)	168.9
From Investment	5.3	(30.0)
Capital Expenditures (Net)	(17.8)	(20.0)
Decrease/(increase) in other financial asset	10.0	(10.0)
Receipt of government grants	13.1	-
From Financing	(10.3)	(161.7)
Repayment of -L	(10.3)	(161.7)

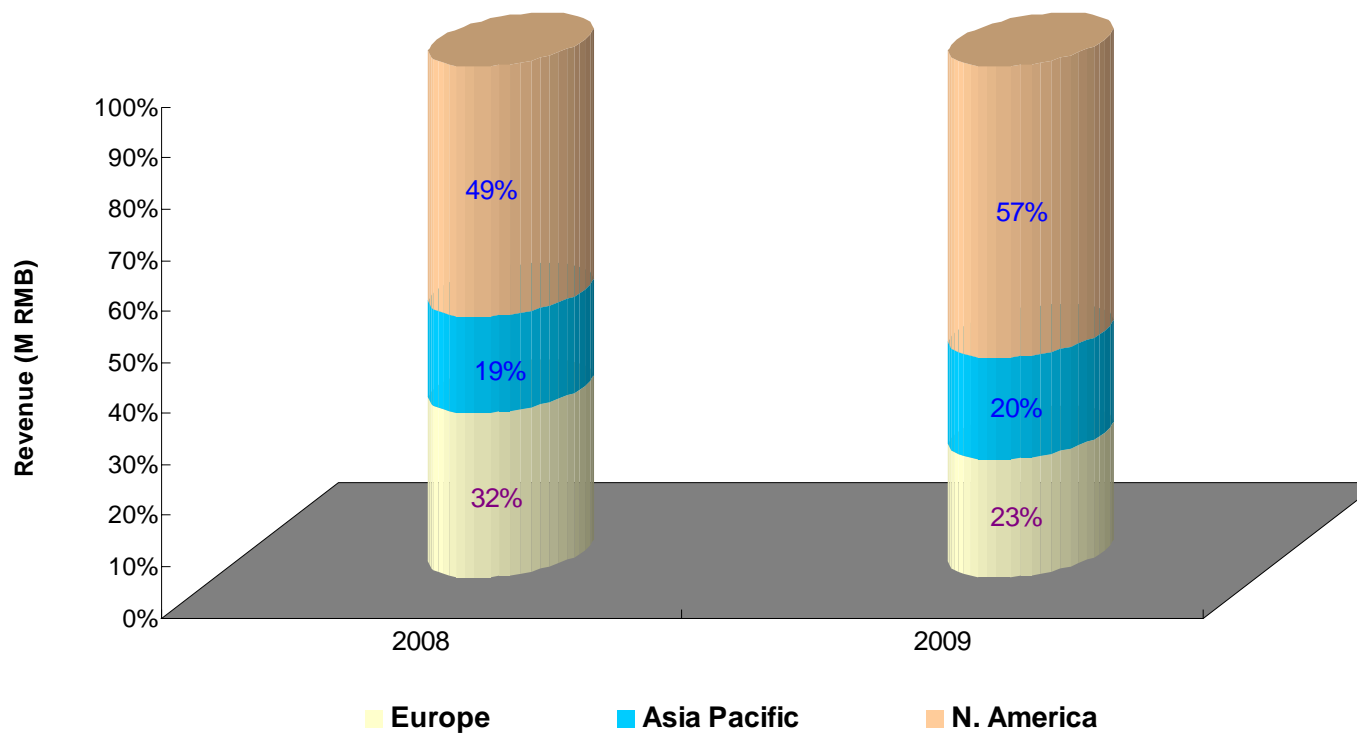
4Q 2009 Capital Expenditures

Amount: RMB Million

CAPEX

Q4'09	Q3'09	Q4'08
Amount	Amount	Amount
4.1	2.3	1.0

Sales Breakdown by Geography (YoY)

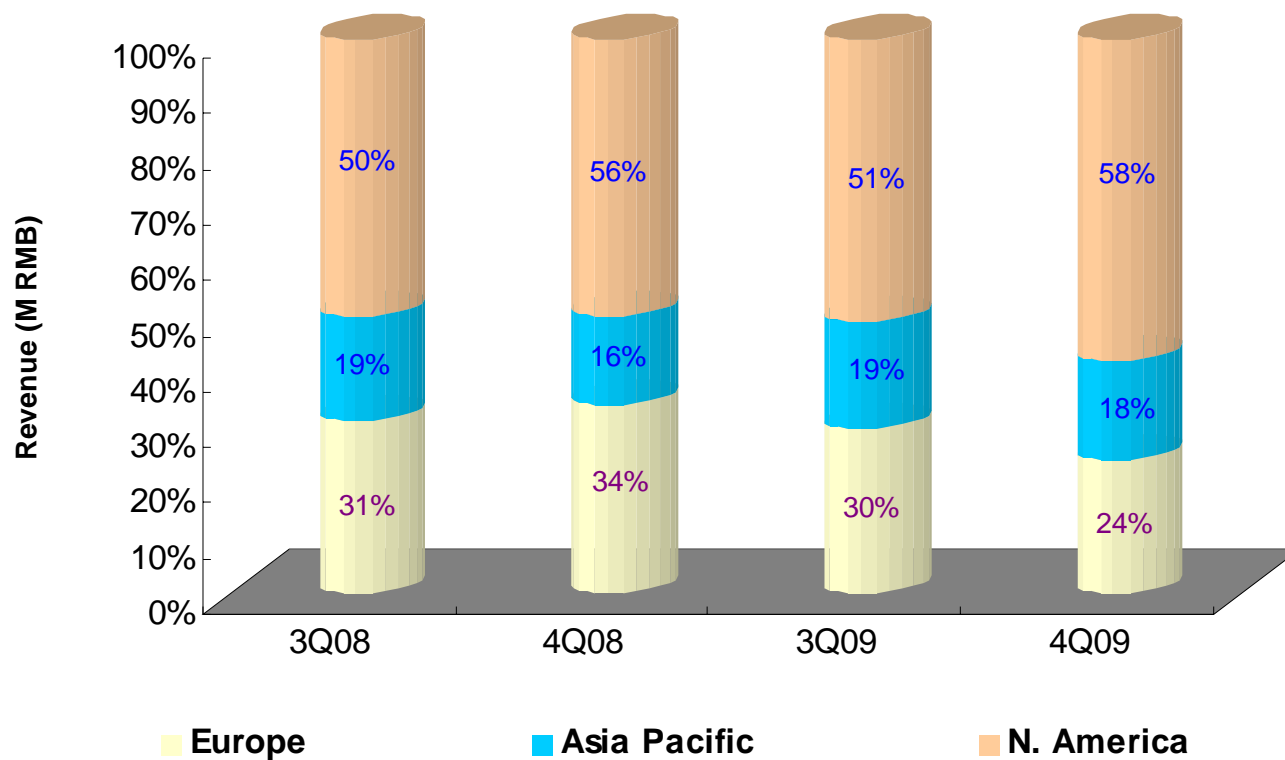


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Sales Breakdown by Geography (QoQ)

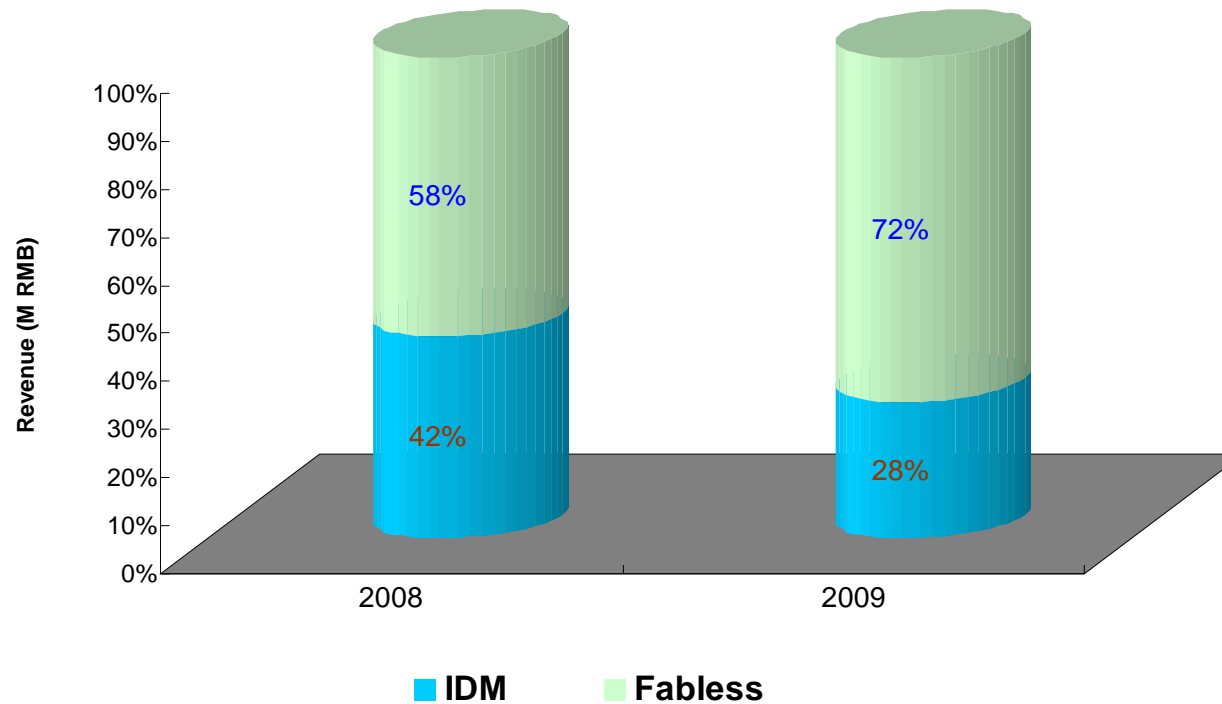


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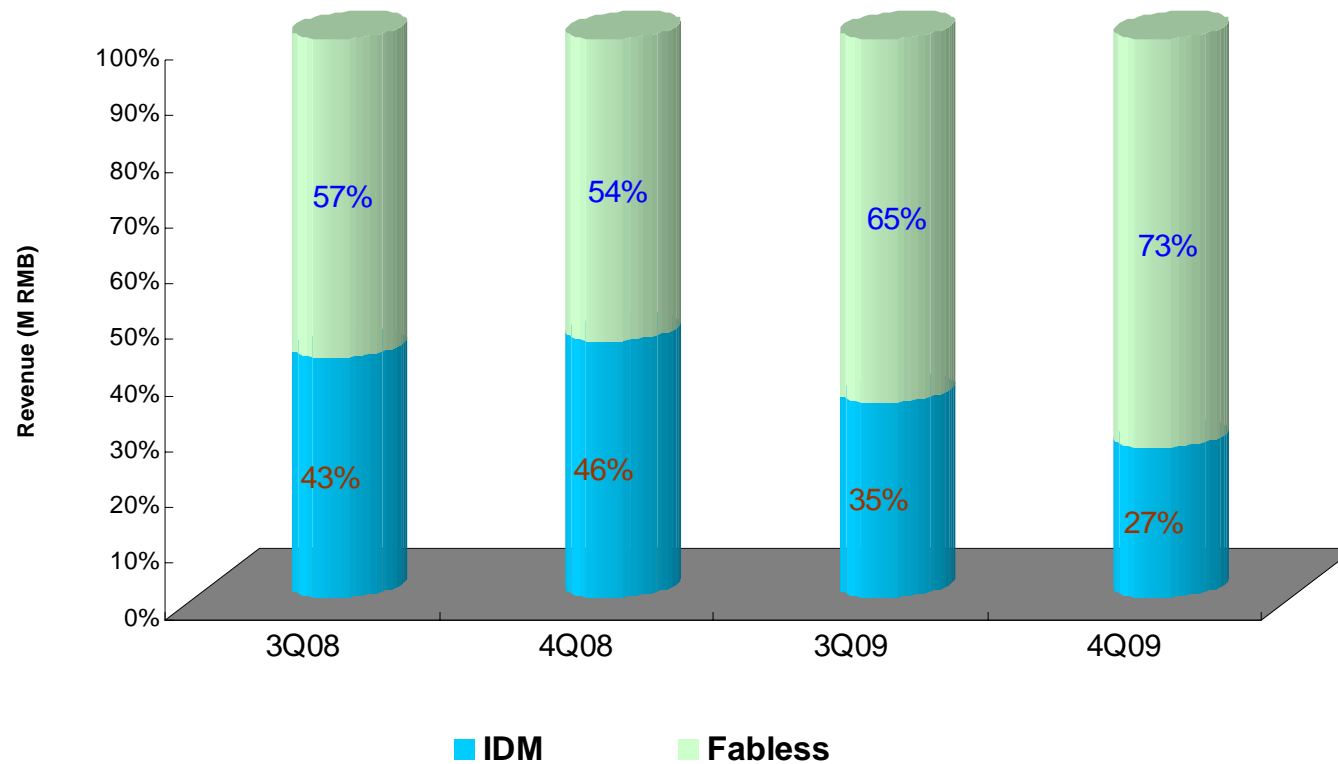
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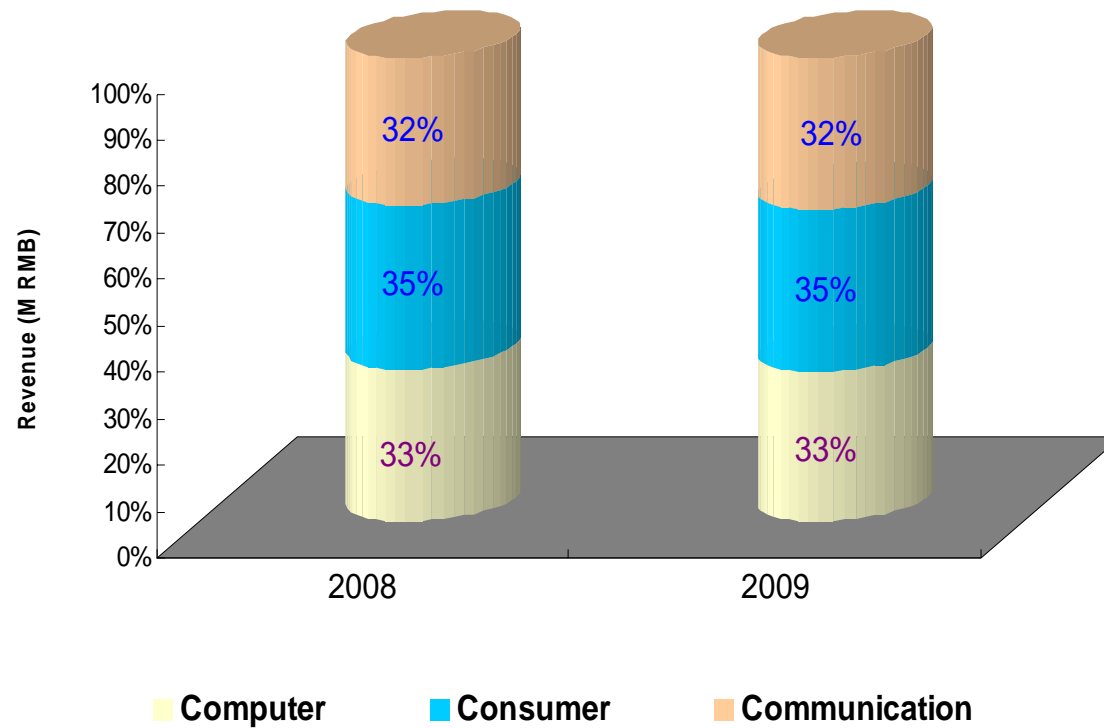
Sales Breakdown by Customer Type (YoY)



Sales Breakdown by Customer (QoQ)



Sales Breakdown by Application (YoY)

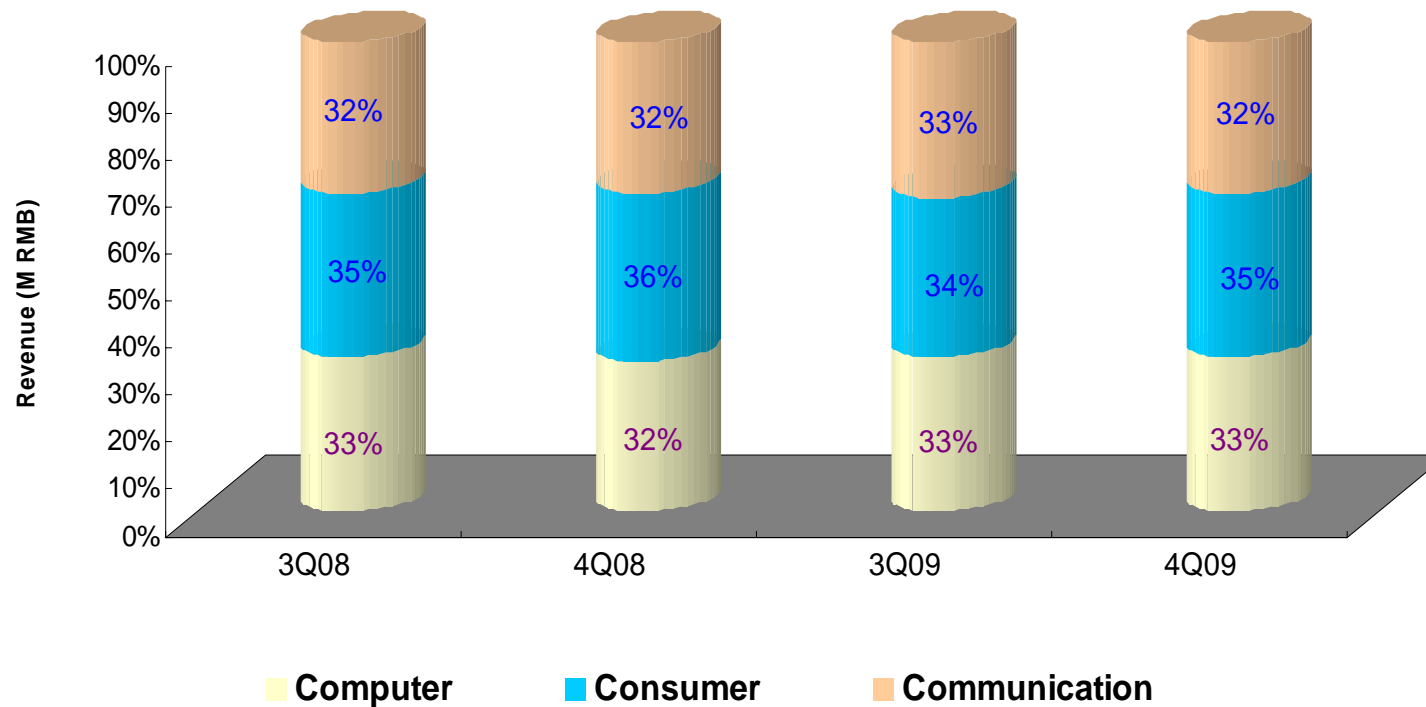


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Sales Breakdown by Application (QoQ)

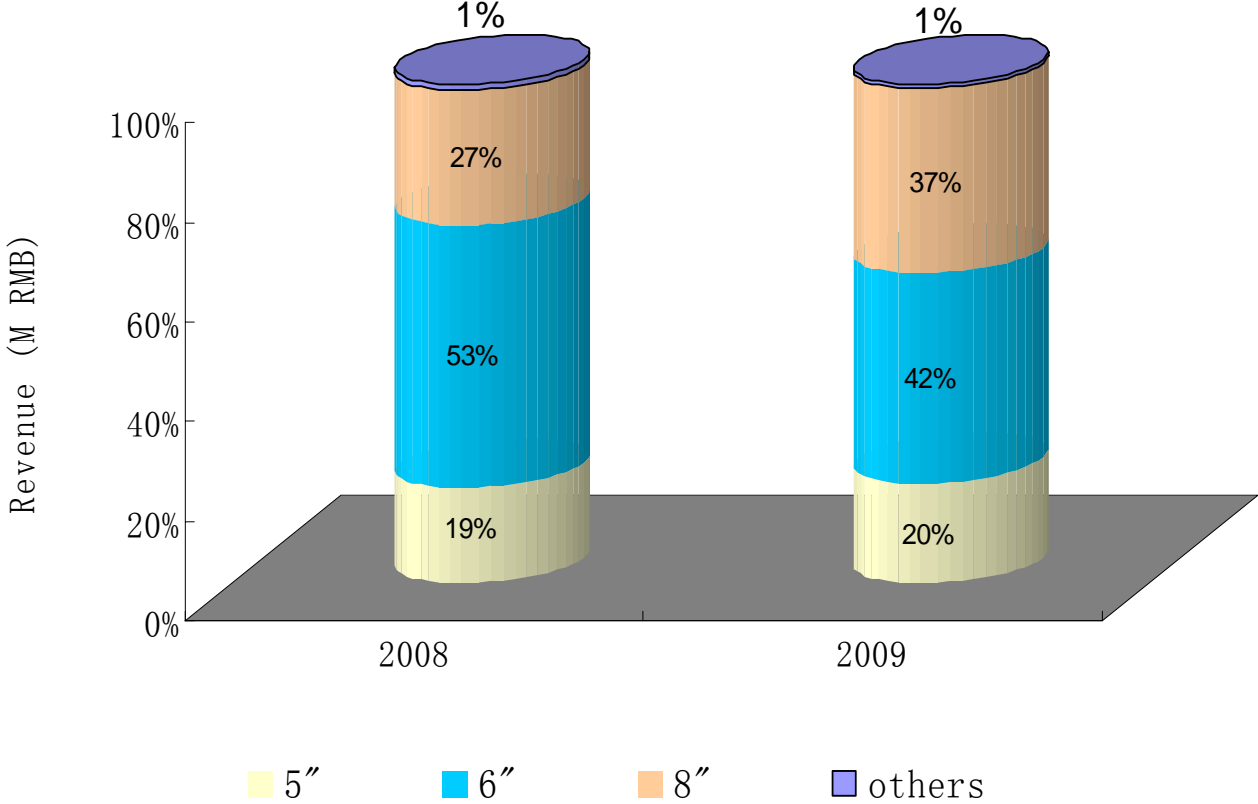


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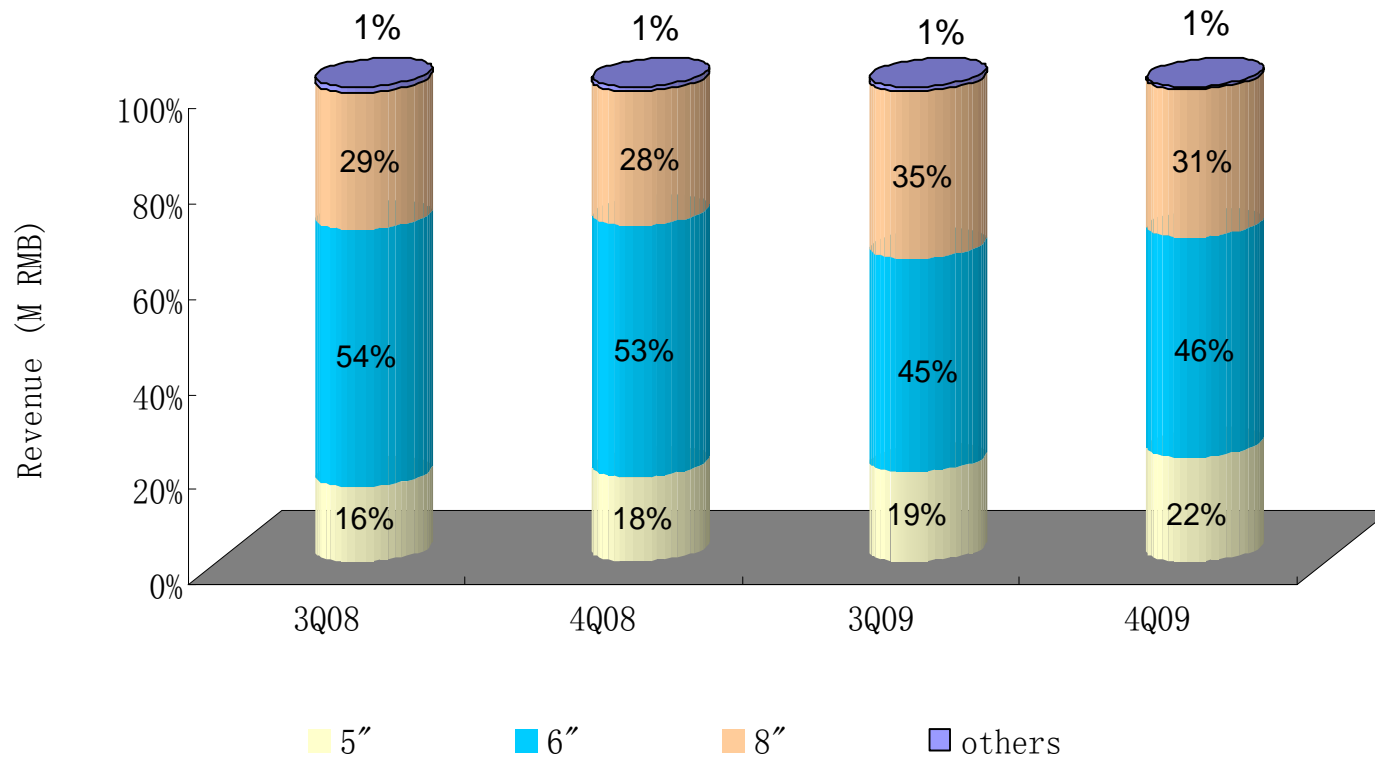
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Sales Breakdown by 5", 6" and 8" (YoY)



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



FAB Installed Capacity (8" Equivalent)

FAB / (Wafers in thousand)	Q4'09	Q3'09	Q4' 08
Fab 1/2			
5-inch wafers	33	33	33
6-inch wafers	85	85	85
Fab 3			
8-inch wafers	36	36	36
Total 8" Equivalent	154	154	154

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

Capacity Utilization Rate by Fab

FAB	Q4' 09	Q3' 09	Q4' 08
Fab 1/2			
5-inch wafers	47%	43%	39%
6-inch wafers	37%	42%	46%
Fab 3			
8-inch wafers	51%	52%	34%
Overall Capacity Utilization Rate	44%	46%	40%

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

2010 Outlook

- The overall semiconductor industry is anticipated to witness modest growth as the global economic recovery will continue through 2010
- The Company is relatively optimistic about the prospects in light of a continuing gradual improvement in business fundamentals
- Continuously streamline business operations and maximise its productivities 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 drive automotive chip business as the primary growth driver
- Capitalize on the growing domestic market by 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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