



# **2006 Interim Results Announcement**

**10 August, 2006**

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Advanced Semiconductor Manufacturing  
Corporation Limited

# Agenda

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❖ Welcome

❖ 2006 Interim financial results

Ms. Cheng Jianyu  
Executive Director & CFO

❖ 2006 Q3 guidance

Dr. Tony Liu  
Executive Director & President

❖ Q&A

# 2006 Interim Key Highlights

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- Successfully listed on the Main Board of SEHK on April 7th, 2006;
- Revenue increased by 52% from 1H05;
- Gross margin improved significantly to 16%;
- Operating margin improved significantly to 7%;
- Net income amounting to RMB22.1 million.

# 2006 Interim Result Overview

Amount: RMB Million

	2006 Interim		2005 Interim		Change
	Amount	%	Amount	%	%
<b>Net Sales</b>	<b>653.8</b>	<b>100%</b>	430.7	100%	52%
<b>Cost of Goods Sold (COGS)</b>	<b>(547.3)</b>	<b>-84%</b>	(401.2)	-93%	36%
<b>Gross Profit</b>	<b>106.5</b>	<b>16%</b>	29.5	7%	261%
<b>Total Operating Expenses</b>	<b>(61.1)</b>	<b>-9%</b>	(77.9)	-18%	-22%
<b>Operating Income/(Loss)</b>	<b>45.4</b>	<b>7%</b>	(48.4)	-11%	-
Financing Cost	(32.4)	-5%	(10.9)	-3%	197%
Other Income/(Expenses), Net	11.0	2%	12.8	3%	-14%
<b>Income/(Loss) Before Tax</b>	<b>24.0</b>	<b>4%</b>	(46.5)	-11%	-
<b>Income Taxes/(Credit)</b>	<b>(1.9)</b>	<b>0%</b>	7.1	2%	-
<b>Net Income/(Loss)</b>	<b>22.1</b>	<b>3%</b>	(39.4)	-9%	-



# Q2' 2006 Income Statement

## (QoQ Comparison)

Amount: RMB Million

	Q2'2006		Q1'2006		QoQ
	Amount	%	Amount	%	%
<b>Net Sales</b>	<b>335.0</b>	<b>100%</b>	318.8	100%	5%
<b>Cost of Goods Sold (COGS)</b>	<b>(276.6)</b>	<b>-83%</b>	(270.7)	-85%	2%
<b>Gross Profit</b>	<b>58.4</b>	<b>17%</b>	48.2	15%	21%
<b>Total Operating Expenses</b>	<b>(33.1)</b>	<b>-10%</b>	(28.0)	-9%	18%
<b>Operating Income/(Loss)</b>	<b>25.3</b>	<b>8%</b>	20.1	6%	26%
Financing Cost	(17.4)	-5%	(15.0)	-5%	16%
Other Income/(Expenses), Net	3.1	1%	7.9	2%	-61%
<b>Income/(Loss) Before Tax</b>	<b>10.9</b>	<b>3%</b>	13.1	4%	-17%
<b>Income Taxes/(Credit)</b>	<b>0.9</b>	<b>0%</b>	1.0	0%	-9%
<b>Net Income/(Loss)</b>	<b>10.0</b>	<b>3%</b>	12.1	4%	-17%



# Q2' 2006 Income Statement

## (YoY Comparison)

Amount: RMB Million

	Q2'2006		Q2'2005		YoY
	Amount	%	Amount	%	%
<b>Net Sales</b>	<b>335.0</b>	<b>100%</b>	226.7	100%	48%
<b>Cost of Goods Sold (COGS)</b>	<b>(276.6)</b>	<b>-83%</b>	(221.6)	-98%	25%
<b>Gross Profit</b>	<b>58.4</b>	<b>17%</b>	5.1	2%	1039%
<b>Total Operating Expenses</b>	<b>(33.1)</b>	<b>-10%</b>	(33.5)	-15%	-1%
<b>Operating Income/(Loss)</b>	<b>25.3</b>	<b>8%</b>	(28.4)	-13%	-
Financing Cost	(17.4)	-5%	(6.7)	-3%	161%
Other Income/(Expenses), Net	3.1	1%	4.7	2%	-34%
<b>Income/(Loss) Before Tax</b>	<b>10.9</b>	<b>3%</b>	(30.4)	-13%	-
<b>Income Taxes/(Credit)</b>	<b>0.9</b>	<b>0%</b>	(7.2)	-3%	-
<b>Net Income/(Loss)</b>	<b>10.0</b>	<b>3%</b>	(23.1)	-10%	-



# 2006 Interim Balance Sheet

Amount: RMB Million	As at 06/30/2006		As at 12/31/2005	
Selected Items from Balance Sheet	Amount	%	Amount	%
<b>Total Assets</b>	<b>3020.3</b>	100%	<b>2641.9</b>	100%
Cash & Cash Equivalent	400.8	13%	105.9	4%
Accounts Receivables & Others	210.5	7%	179.2	7%
Inventory	225.8	7%	171.8	7%
<b>Total Current Assets</b>	<b>837.1</b>	28%	<b>456.9</b>	17%
Accounts Payable	270.4	9%	210.5	8%
Current Portion of Loans	175.0	6%	1186.3	45%
Accrued Liabilities & Others	149.3	5%	64.7	2%
<b>Total Current Liabilities</b>	<b>594.8</b>	20%	<b>1461.6</b>	55%
<b>Long Term Debt</b>	<b>592.6</b>	20%	-	-
<b>Total Equity</b>	<b>1832.9</b>	61%	<b>1180.3</b>	45%
<b>Current Ratio</b>	1.41		0.31	
<b>Net Working Capital</b>	242.3		(1,004.7)	



# 2006 Interim Cash Flow

Amount: RMB Million

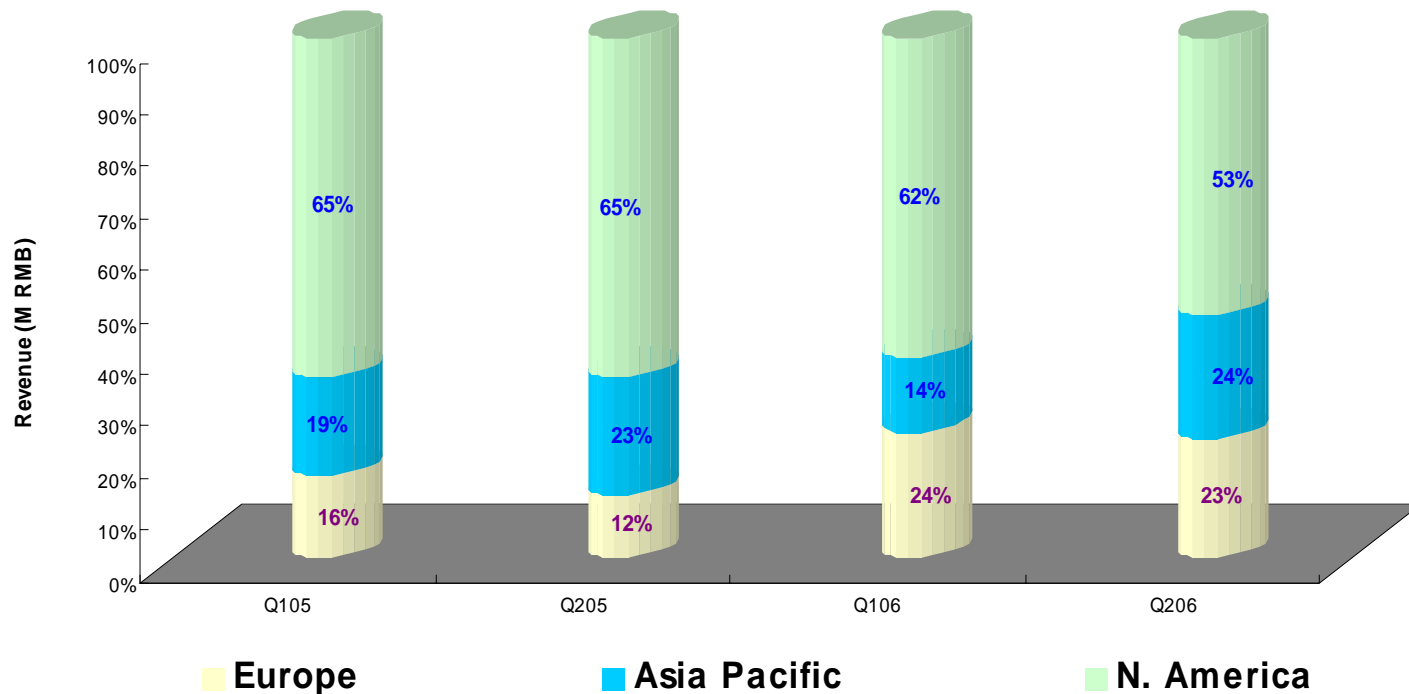
	<b>2006 Interim</b>	<b>2005 Interim</b>
	<b>Amount</b>	<b>Amount</b>
<b>From Operating Activities</b>	198.8	73.5
Net Profit	22.1	(39.4)
Depreciation & Amortization	186.8	134.4
Change in Working Capital	(20.8)	(42.7)
<b>From Investing Activities</b>	190.0	643.2
Capital Expenditures (Net)	190.0	643.2
<b>Other Investment Sources/(Uses)</b>		
<b>From Financing Activities</b>	286.1	545.9

# Q2' 2006 Capital Expenditures

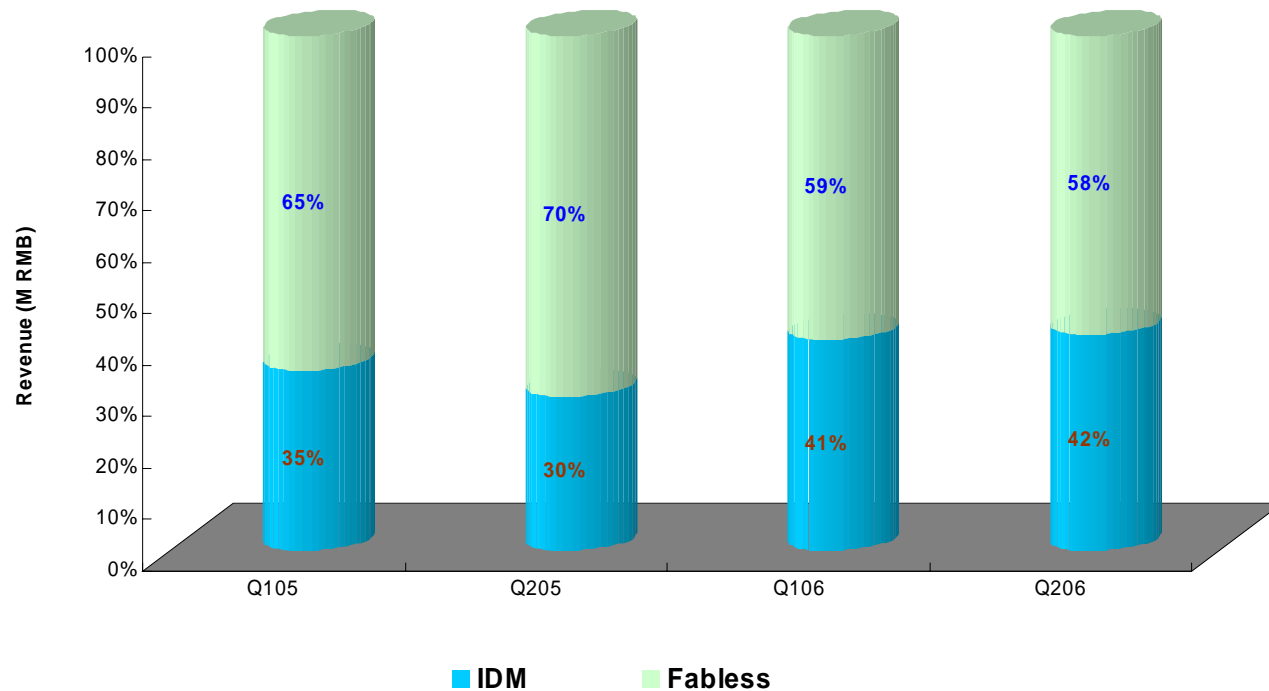
Amount: RMB Million

	Q2'06	Q1'06	Q2'05
<b>CAPEX</b>	<b>Amount</b>	<b>Amount</b>	<b>Amount</b>
	32.9	157.1	190.7

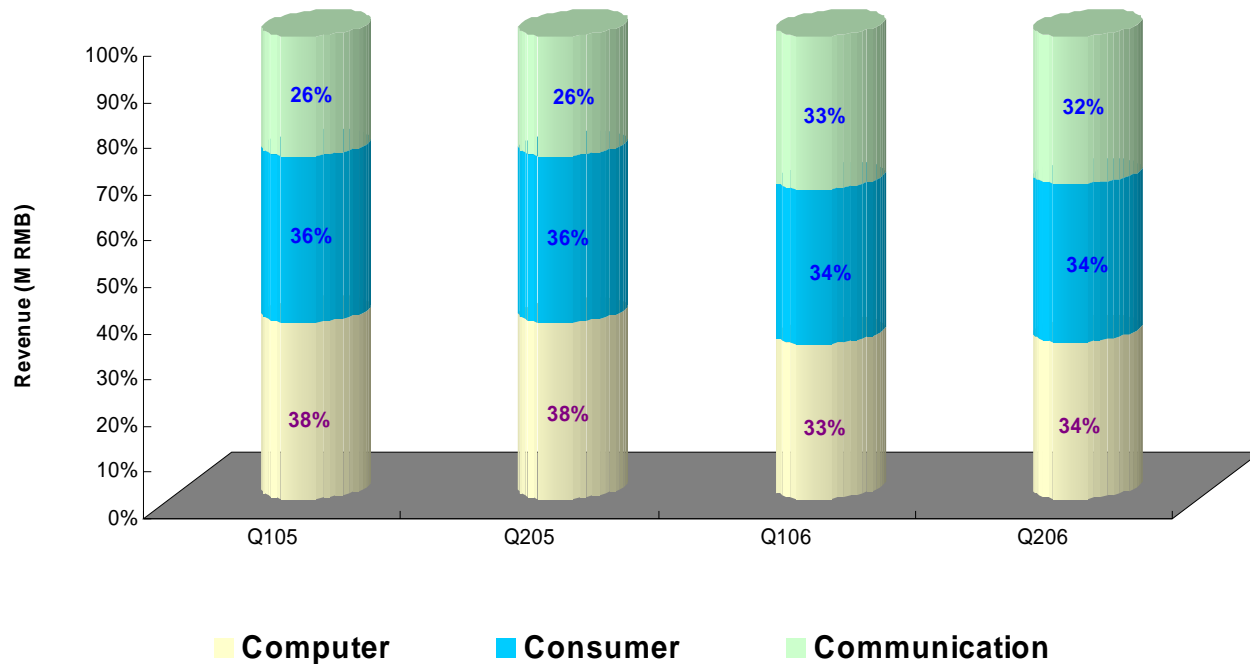
# Sales Breakdown by Geography



# Sales Breakdown by Customer Type



# Sales Breakdown by Application



# FAB Capacity & Utilization

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	Q2' 2006	Q1' 2006	Q2' 2005
<b>Capacity</b> * (wafers in thousand)	154	154	133
<b>FAB Utilization %</b>	69%	62%	59%

\* 5" and 6" wafers converted to blended 8" equivalent wafers (22 mask steps) by dividing wafer numbers by 2.56 and 1.78 respectively

# 2006 Q3 Guidance

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- Revenue growth in line with industry leaders;
- Cost structure in line with Q206.

# Q&A

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