



2006 1st Quarter Results Investor Conference

10 May 2006

**Advanced Semiconductor Manufacturing
Corporation Limited**

Agenda

❖ Welcome

❖ 2006 Q1 financial results

Ms. Cheng Jianyu
Executive Director & CFO

❖ 2006 Q2 guidance

Dr. Tony Liu
Executive Director & President

❖ Q&A

Q1' 2006 Results Highlights

Amount: RMB Million	Q1'06	Q4'05	Q1'05
Net Sales	318.8	275.7	204.0
Net Income	12.1	(21.4)	(16.2)
Cash & Cash Equivalent	65.6	105.9	11.9
Interest-Bearing Loans	1158.5	1186.3	584.5
Shareholders' Equity	1192.4	1180.3	1240.6
FAB Utilization (%)	62%	59%	65%
ROE (%)	4.1%	-7.3%	-5.2%

Q1' 2006 Income Statement

(QoQ Comparison)

Amount: RMB Million

	Q1'2006 Actual		Q4'2005 Actual		QoQ
	Amount	%	Amount	%	%
Net Sales	318.8	100%	275.7	100%	16%
Cost of Goods Sold (COGS)	(270.7)	-85%	(249.4)	-90%	9%
Gross Profit	48.2	15%	26.3	10%	83%
Total Operating Expenses	(28.0)	-9%	(46.5)	-17%	-40%
Operating Income/(Loss)	20.1	6%	(20.2)	-7%	-
Financing Cost	(15.0)	-5%	(12.8)	-5%	17%
Other Income/(Expenses), Net	7.9	2%	6.9	2%	15%
Income/(Loss) Before Tax	13.1	4%	(26.1)	-9%	-
Income Taxes/(Credit)	1.0	0%	(4.7)	-2%	-
Net Income/(Loss)	12.1	4%	(21.4)	-8%	-

Q1' 2006 Income Statement

(YoY Comparison)

Amount: RMB Million

	Q1'2006 Actual		Q1'2005 Actual		YoY
	Amount	%	Amount	%	%
Net Sales	318.8	100%	204.0	100%	56%
Cost of Goods Sold (COGS)	(270.7)	-85%	(179.6)	-88%	51%
Gross Profit	48.2	15%	24.4	12%	97%
Total Operating Expenses	(28.0)	-9%	(44.4)	-22%	-37%
Operating Income/(Loss)	20.1	6%	(20.0)	-10%	-
Financing Cost	(15.0)	-5%	(4.2)	-2%	254%
Other Income/(Expenses), Net	7.9	2%	8.1	4%	-2%
Income/(Loss) Before Tax	13.1	4%	(16.1)	-8%	-
Income Taxes/(Credit)	(1.0)	0%	(0.1)	0%	-
Net Income/(Loss)	12.1	4%	(16.2)	-8%	-

Q1' 2006 Balance Sheet

Amount: RMB Million	Q1 06		Q4 05		Q1 05	
Selected Items from Balance Sheet	Amount	%	Amount	%	Amount	%
Total Assets	2725.4	100%	2641.9	100%	2364.8	100%
Cash & Cash Equivalent	65.6	2%	105.9	4%	11.9	1%
Accounts Receivables & Other	211.5	8%	179.2	7%	145.6	6%
Inventory	198.3	7%	171.8	7%	143.5	6%
Total Current Assets	475.4	17%	456.9	17%	301.0	13%
Accounts Payable	294.0	11%	196.2	7%	471.6	20%
Current Portion of Loans	531.5	20%	1186.3	45%	584.5	25%
Accrued Liabilities & Others	80.5	3%	79.1	3%	69.7	3%
Total Current Liabilities	906.0	33%	1461.6	55%	1125.7	48%
Long Term Debt	626.9	23%				
Total Equity	1192.4	44%	1180.3	45%	1239.1	52%
Accounts Receivable Turnover	49		55		40	
Inventory Turnover	61		62		70	
Current Ratio	0.52		0.31		0.27	
Net Working Capital	(430.6)		(1,004.7)		(824.7)	

Q1' 2006 Cash Flow

Amount: RMB Million

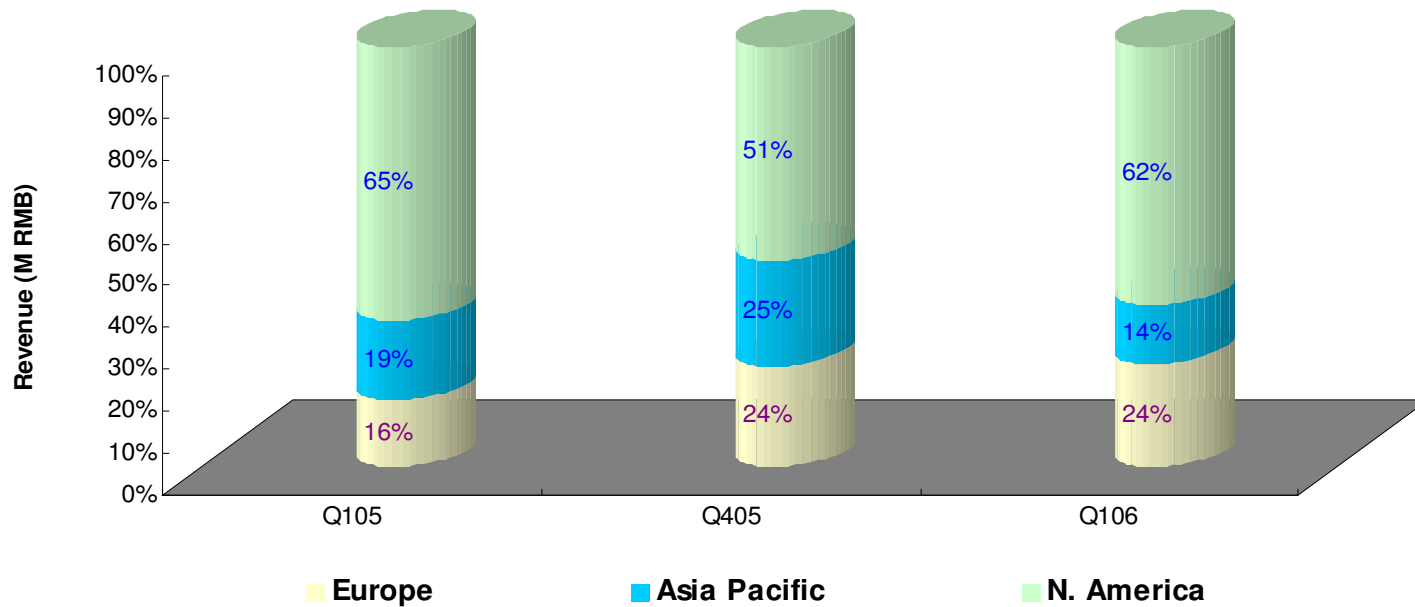
	Q1'06	Q1'05
	Amount	Amount
From Operation	144.6	222.9
Net Profit	12.1	(16.2)
Depreciation & Amortization	90.4	65.2
Change in Working Capital	42.1	173.9
From Investment	(157.1)	(452.5)
Capital Expenditures (Net)	(157.1)	(452.5)
Other Investment Sources/(Uses)		
From Financing	(27.9)	195.5

Q1' 2006 Capital Expenditures

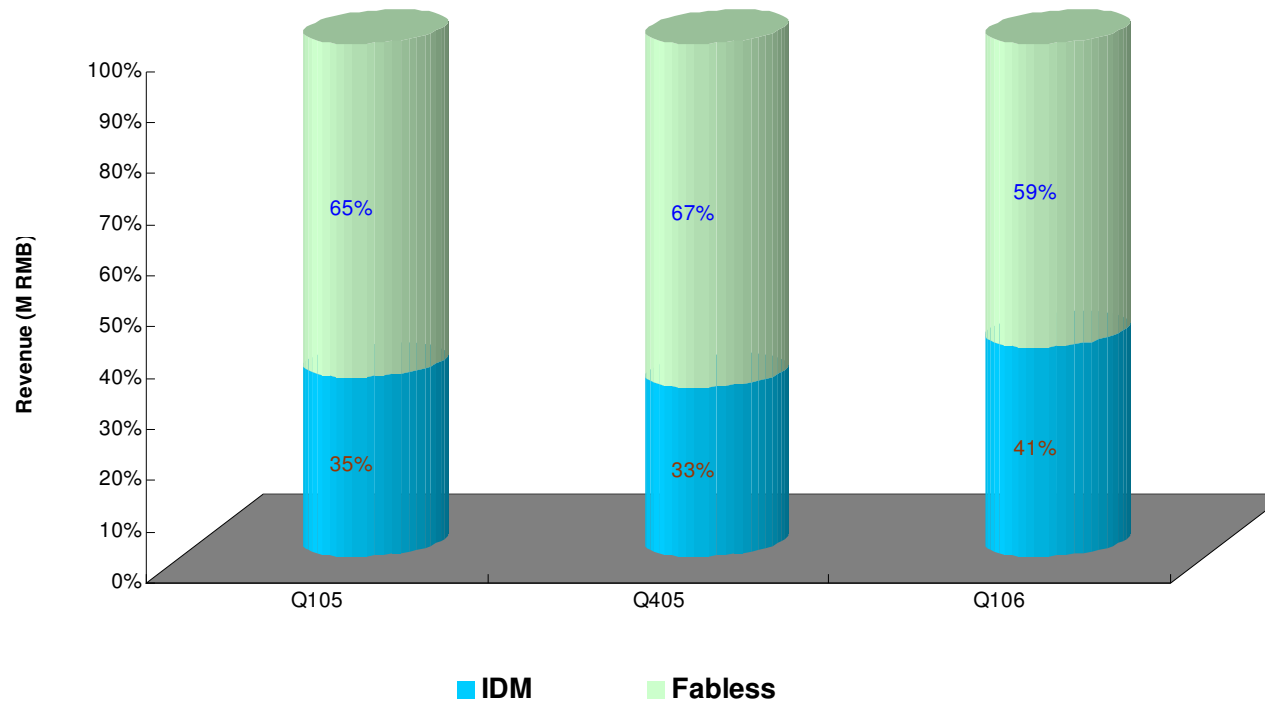
Amount: RMB Million

	Q1'06	Q4'05	Q1'05
CAPEX	Amount	Amount	Amount
	157.1	59.9	452.5

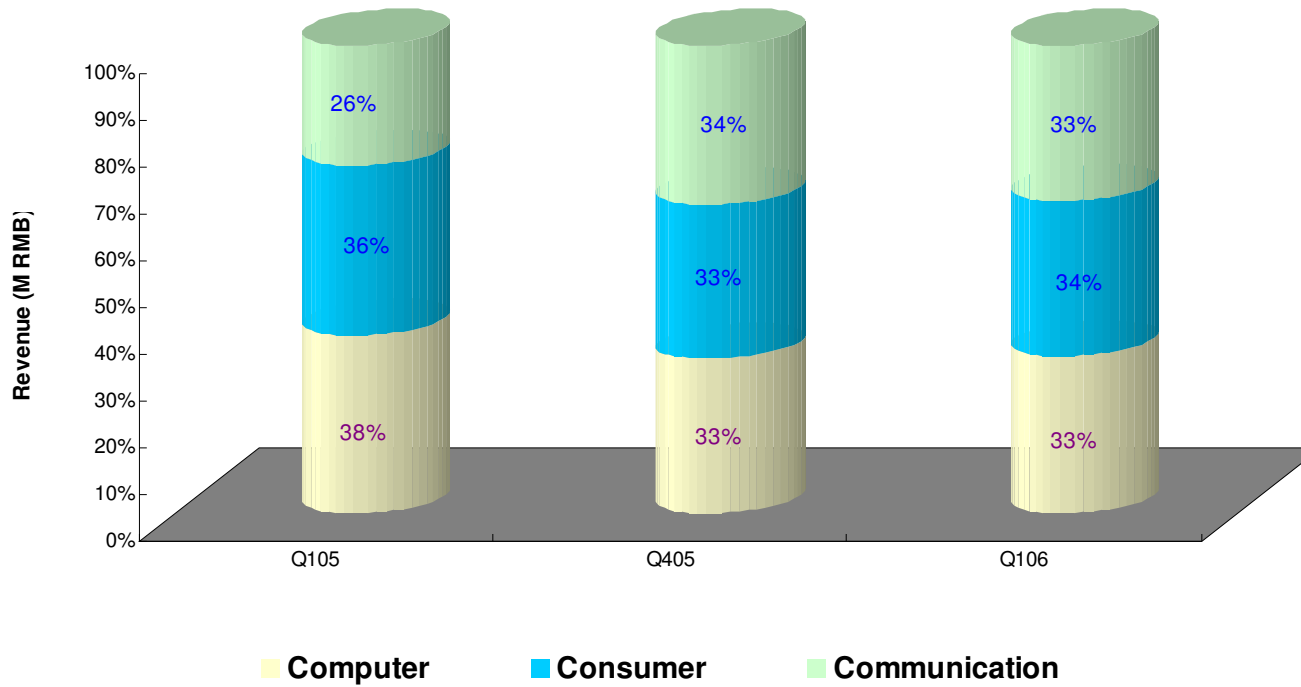
Sales Breakdown by Geography



Sales Breakdown by Customer



Sales Breakdown by Application



FAB Installed Capacity

FAB / (Wafer size)	Q1 06	Q4 05
8" Equivalent Kpcs	154	154

1. Figures represent number of 5" wafers. Conversion to 8"-equivalent wafers is by dividing this number by 2.56.
2. Figures represent number of 6" wafers. Conversion to 8"-equivalent wafers is by dividing this number by 1.78

Recap of Recent Major Events

- ASMC was successfully listed on SEHK in early April 2006 and raised approximately HK\$748.3 million;
- ASMC has arranged a repayment of approximately Rmb388.8 million revolving working capital facility in May 2006.

2006 Q2 Guidance

- Revenue growth in line with industry leaders;
- Cost structure in line with Q1 06.

Q&A

<http://www.asmc.com>

ir@asmc.com.cn