



Contact:

## NEWS RELEASE

### SMIC Reports 2012 Third Quarter Results

*All currency figures stated in this report are in US Dollars unless stated otherwise.  
The financial statement amounts in this report are determined in accordance with US GAAP.*

SMIC (NYSE: SMIC) announced today its third quarter 2012 results. The company reported a net loss of \$10.5 million for the third quarter of 2012, compared to a net loss of \$10.5 million for the third quarter of 2011. The loss was primarily due to a decrease in sales volume and an increase in operating expenses.

#### Third Quarter 2012 Highlights:

- Revenue decreased 25% to \$100 million for the third quarter of 2012, compared to \$133 million for the third quarter of 2011.
- Operating loss increased 10% to \$10.5 million for the third quarter of 2012, compared to \$9.5 million for the third quarter of 2011.
- Net loss increased 10% to \$10.5 million for the third quarter of 2012, compared to \$9.5 million for the third quarter of 2011.
- Adjusted EBITDA decreased 10% to \$10 million for the third quarter of 2012, compared to \$11 million for the third quarter of 2011.

“ u d u e o c noo y d n a on on a c , a a dy n u o o  
n a u

“ And a on a c ou on o c o con nu a da nc d c noo y d o n o  
x a nd n d a nd o a o n a a d n n ou a on  
a d n cu o ou a ya nd c

“ a n c a a o o o ou a u n a y a a u o ou 5 n and  
u n d a d d a M n a and n n o a d  
o o co u n e on a nd con u co n a B e u o M , n  
co a n o a n and a cu n y n n o ood x o u  
o a u on a on a nd a

---

### Conference Call / Webcast Announcement

a No 2 2  
a n nu a nd a cod

n d a 5 2 5 2 a cod M  
on on 5 2 5 2 a cod M  
a a n 2 2 5 2 5 a cod M  
a cod M

a e a a ud o a c co n n o n a on o  
a d a co x n y

Ana c d on o a a on a n c on c co y o n a  
a a a on M o a o d o 2 on o o n a

---

### About SMIC

conduc o M n a c u n n a o a o o a on “ M NY M on o  
a d n conduc o ound n o d a nd a a nd o a da nc d ound y n  
M a nd a o d n n a d c cu ound ya nd c noo y c a e on a c y a  
a nd 2 a a a n a n a a a o a a n B n a a  
a 2 a a n a n a n d a 2 a und con uc on n nz n M a o a  
cu o c a nd a n o c n u o a n a n d a a n a n d a n a  
o c n on on n a d d on M a a a nd o a a a a n u a n o n d  
y u a n X n x n conduc o M n a c u n o o a on

o o n o a on a c co

---

### Safe Harbor Statements

nd a cu L a on o Ac o 5  
a con a n n a d d on o o e n o a on “ o a d oo n a n n  
6 a n n o “ a a o o on o a cu L a on o Ac o  
o a d oo n a n n c u d n a n und “ ou a 2 2 u d n c  
“ x a on a 2 2 a n a y a o cod n u a nd “ a y n on a c o con nu  
d o n a da nc d c noo y o n c a n d a nd o a a o n a

a a d on M , cu na u on x ca on and o c on a ou uu n M  
u od " ) " a n c a c n cc dd 5 d d 2 5 d c d n 5



## Summary of Third Quarter 2012 Operating Results

*Amounts in US\$ thousands, except for EPS and operating data*

	3Q12	2Q12	QoQ	3Q11	YoY
Revenue	2,222	2,222	2%	2,222	5%
Cost of sales	2,222	2,222	2%	2,222	2%
Gross profit	5	5	2%	5	22%
Operating expenses	5	5	5%	5	5%
Operating income	222	222	2%	222	2%
Net income	222	222	2%	222	5%



## Analysis of Revenue

Revenue Analysis			
<b>By Application</b>	<b>3Q12</b>	<b>2Q12</b>	<b>3Q11</b>
Other	5	2	
Other applications			5
Other		5	
<b>By Service Type</b>	<b>3Q12</b>	<b>2Q12</b>	<b>3Q11</b>
Other	5	5	2
<b>By Customer Type</b>	<b>3Q12</b>	<b>2Q12</b>	<b>3Q11</b>
Other conductor			2
Other conductor		2	
<b>By Geography</b>	<b>3Q12</b>	<b>2Q12</b>	<b>3Q11</b>
Other	5	5	5
Other	5	2	
Other	5		
Wafer Revenue Analysis			
<b>By Technology (logic, memory &amp; copper interconnect only)</b>	<b>3Q12</b>	<b>2Q12</b>	<b>3Q11</b>
Other		2	
Other		2	
Other		5	2
Other	5	5	5
Other	2	5	

Note:

- (1) Including 0.13  $\mu$ m copper interconnects
- (2) Including Hong Kong, but excluding Taiwan
- (3) Excluding China

## Capacity\*

	3Q12	2Q12
Annual Capacity	5	5
Monthly Capacity	2.5	2.5

Note:

\* Wafers per month at the end of the period in 8" equivalent wafers, calculated on a 30-day basis for comparison purposes

- Capacity is based on the number of wafers processed per month at the end of the period in 8" equivalent wafers, calculated on a 30-day basis for comparison purposes. Annual capacity is based on the number of wafers processed per month at the end of the period in 8" equivalent wafers, calculated on a 30-day basis for comparison purposes. Monthly capacity is based on the number of wafers processed per month at the end of the period in 8" equivalent wafers, calculated on a 30-day basis for comparison purposes.

## Shipment and Utilization

8" equivalent wafers	3Q12	2Q12	QoQ	3Q11	YoY
Annual Shipment	5				

### Operating Expense (Income) Analysis

Amounts in US\$ thousands	3Q12	2Q12	QoQ	3Q11	YoY
Operating expenses	52	52	2	5	
and	25	2			5
and	25	2		2	5
and			5		
Operating income	2		5		

- Operating income increased 2 units over 2Q12 due to 5 units of operating expense.
- Operating income decreased 2 units over 3Q11 due to 5 units of operating expense.

### Total Other Loss, Net

Amounts in US\$ thousands	3Q12	2Q12	QoQ	3Q11	YoY
Other income				22	
and	5	2	5		22
and	5	2		2	52
Other loss	5	25	-7m 4		

- Other income increased 2 units over 2Q12 due to 5 units of other income.
- Other income decreased 2 units over 3Q11 due to 5 units of other income.

### Depreciation and Amortization

- Depreciation and amortization increased 2 units over 2Q12 due to 2 units of depreciation and amortization.

### Liquidity

Amounts in US\$ thousands	3Q12	2Q12
Accounts payable	25	2
and	25	22
Accounts receivable	2	25
and	2222	252
Accounts receivable		2
Accounts payable		225
and	2	5
Accounts receivable		

### Capital Structure

Amounts in US\$ thousands	3Q12	2Q12
Equity	2,522	2,222
Debt	2,522	2,222
Non-current debt	2,522	2,222
Current debt	2,522	2,222
Total debt	2,522	2,222
Debt to equity ratio	1.00	1.00

Note:

(1) Including portion of noncontrolling interest.

(2) Total debt divided by equity, total debt including short-term borrowings, current portion of long-term debt and long-term debt.

### Cash Flow

Amounts in US\$ thousands	3Q12	2Q12
Net operating activities	2,522	2,222
Net investing activities	2,522	2,222
Net financing activities	2,522	2,222
Change in cash	5,566	4,666
Free cash flow	5,566	4,666

### Capex Summary

■ Capital expenditures

## Recent Highlights and Announcements

- M n μ 2 Lo o d d d M a o 2 2
- M 2 2 c n o y y o u t c n a n a 2 2
- a n o on 2 2 2
- c a L a n d y o o N d a o d c on o M a n o
- c a n d b n a o o o a o t u n a on 2 2
- c a No a on L a n d a n t u o t o d o d 2 2
- c a No a on L a n d u o t o Non d o d 2 2
- Announc t n o a u d d n t u o x Mon nd d a n 2 2
- 2 2
- M n u ou o n o a 2 2
- a n o t o a n y c a y a n d Au o d n a 2 2 2
- No a on o B a d M n 2 2
- M o u o Mon nd d a n 2 2 2 2
- M a cond a 2 2 nu a n d o M n u a n c 2 2 2
- No a on o B a d M n 2 2
- A on t n o a n c c 2 2

Please visit SMIC's website at [http://www.smics.com/eng/press/press\\_releases.php](http://www.smics.com/eng/press/press_releases.php) and [http://www.smics.com/eng/investors/ir\\_filings.php](http://www.smics.com/eng/investors/ir_filings.php) for further details regarding the recent announcements.

conduc o M n u c u n n o o o o on  
N N N L A A M N M N M  
n oua nd xc a a

BALANCE SHEET  
 N L A BALAN  
 n ouand

As of

**ASSETS**

	September 30, 2012 (Unaudited)	June 30, 2012 (Unaudited)
u na		
a a nde u a n	2 5	2
c d e	2 5	22
Accoun c a n o a o a n c o 5 a nd 5 a	2	2 5
n n o	2 2 2 2	2 5 2
a d x n a ndo cu na	5	2
o a cu na	<b>1,133,168</b>	<b>1,114,267</b>
a d a nd u	5 5	
a n a nd u n n	2 5	2 5
Ac u d n a n a n	2 55	2 2
on a		
<b>TOTAL ASSETS</b>	<b>3,978,794</b>	<b>3,974,836</b>

**LIABILITIES, NONCONTROLLING INTEREST AND EQUITY**

u na		
Accoun a y		2 2
Acc u d x n a ndo cu n a	5	5 2
o o o n		5
u n o on o o y no	2 5 2	2 2

	For the three months ended	
	September 30, 2012 (Unaudited)	June 30, 2012 (Unaudited)
<b>Cash flow from operating activities</b>		
Net income	22	
Change in receivables	2	
Change in payables		
Change in non-current assets	52	2
<b>Net cash provided by operating activities</b>	<b>119,023</b>	<b>109,425</b>
<b>Cash flow from Investing activities:</b>		
Acquisition of property and equipment		25
Net change in investments	2	5
Change in non-current liabilities	2	
Change in current assets	25	2
	2	2
<b>Net cash used in investing activities</b>	<b>(128,349)</b>	<b>(126,293)</b>
<b>Financing activities:</b>		
Proceeds from operations	22	
Change in operations	25	25
Proceeds from debt		25
Change in operations		2
Change in operations		5
<b>Net cash provided by (used in) financing activities</b>	<b>(49,712)</b>	<b>6,999</b>
Change in cash and cash equivalents	2	
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(58,909)</b>	<b>(9,947)</b>
<b>CASH AND CASH EQUIVALENTS, beginning of period</b>	<b>290,694</b>	<b>300,641</b>
<b>CASH AND CASH EQUIVALENTS, end of period</b>	<b>231,785</b>	<b>290,694</b>