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NEWS RELEASE

SMIC Reports 2013 Fourth Quarter Results

All currency figures stated in this report are in US Dollars unless stated otherwise.

The consolidated financial statements are prepared in accordance with International Financial

Shanghai, China February 17, 2014. Semiconductor Manufacturing International Corporation
4 4 4 LE4 4 4 4 ④ 4 4 4 4 conductor foundries in
the world, today announced its consolidated results of operations for the three months ended
December 31, 2013.

Fourth Quarter 2013 Highlights:

Revenue including wafer shipments from Wuhan Xinxin was \$491.8 million in 4Q13, an increase of 1.2 % year over year, and down 7.9% quarter over quarter.

Non-GAAP revenue excluding wafer shipments from Wuhan Xinxin was \$483.6 million in 4Q13, an increase of 10.6 % year over year, and down 4.0 % quarter over quarter.

Gross margin including wafer shipments from Wuhan Xinxin was 18.9% in 4Q13, compared to 19.9% in 4Q12 and 21.0% in 3Q13.

Non-GAAP gross margin excluding wafer shipments from Wuhan Xinxin was 19.2% in 4Q13, compared to 21.9% in 4Q12 and 22.1% in 3Q13.

First Quarter 2014 Guidance:

The following statements are forward looking statements which are based on current expectations

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Revenue is expected to be down 5% to down 9% quarter over quarter [\$440 million to \$460 million]. This revenue guidance is given in relation to the revenue without wafer shipments from Wuhan Xinxin in 4Q13. There will not be any wafer shipments from Wuhan Xinxin from 1Q14 onwards.

Gross margin is expected to range from 16% to 19%.

Non-GAAP operating expenses excluding the effect of foreign exchange, employee bonus accrual, funding of R&D contracts from the government and gain from the disposal of living quarters are expected to range from \$88 million to \$92 million.

Dr. Tzu- 4 ④ 4 4 4 4 4 ④ ④2013 was another record-breaking year for SMIC. Based on our unaudited financial statements for the full year of 2013, revenue in 2013 reached a record high, of \$2.07B, an annual growth of 21.6% when compared to 2012. If we remove the Wuhan Xinxin revenue contribution, SMIC revenue growth rate was a robust 27%. Our net profit attributable to owners of the Company also reached a historical high of \$173.2 million compared to \$22.8 million in 2012, an increase of 6.6 times. Our monthly capacity at year-end grew 6.7% year over year, to 234 thousand wafers per month compared to the end of 2012.

About SMIC

Semiconductor Manufacturing International Corporation ("SMIC"; NYSE: SMI; SEHK: 981) is one of the leading semiconductor foundries in the world and the largest and most advanced foundry in mainland China, providing integrated circuit (IC) foundry and technology services at 0.35-micron to 40-nanometer. Headquartered in Shanghai, China, SMIC has a 300mm wafer fabrication facility (fab) and a 200mm mega-fab in Shanghai, a 300mm mega-fab in Beijing, a 200mm fab in Tianjin, and a 200mm fab project under development in Shenzhen. SMIC also has customer service and marketing offices in the U.S., Europe, Japan, and Taiwan, and a representative office in Hong Kong.

For more information, please visit www.smics.com.

Safe Harbor Statements

(Under the Private Securities Litigation Reform Act of 1995)

About Non-Generally Accepted Accounting Principles (Non-GAAP) Financial Measures

To supplement SMIC's consolidated financial results presented in accordance with IFRS, SMIC uses in this press release measures of operating results that are adjusted to exclude wafer shipments from Wuhan Xinxin Semiconductor Manufacturing Corporation (Wuhan Xinxin), which SMIC began gradually phasing out in 3Q13. This earnings release includes non-GAAP revenue, non-GAAP cost of sales and non-GAAP gross margin. It also includes first quarter 2014 guidance for non-GAAP operating expenses, which is adjusted to exclude the effect of foreign exchange, employee bonus accrual, funding of R&D contracts from the government and gain from the disposal of living quarters. The presentation of non-GAAP financial measures is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with IFRS.

SMIC believes that use of these non-GAAP financial measures . . . management regularly uses these non-GAAP financial measures to understand, manage and evaluate the Company's business and make financial and operational decisions.

The accompanying table has more information and reconciliations of each non-GAAP financial measure to its most directly comparable GAAP financial measure. A reconciliation of non-GAAP guidance measures to corresponding GAAP measures is not available on a forward-looking basis.

Summary of Fourth Quarter 2013 Operating Results

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

	4Q13	3Q13	QoQ	4Q12	YoY
Revenue	491,797	534,256	-7.9%	485,894	1.2%
Cost of sales	(398,858)	(422,274)	-5.5%	(389,127)	2.5%
Gross profit	92,939	111,982	-17.0%	96,767	-4.0%
Operating expenses	(84,840)	(63,447)	33.7%	(45,079)	88.2%
Profit from operations	8,099	48,535	-83.3%	51,688	-84.3%
Other income (expense), net	7,756	(4,681)	-	(2,591)	-
Profit before tax	15,855	43,854	-63.8%	49,097	-67.7%
Income tax expenses	(170)	(914)	-81.4%	(2,665)	-93.6%
Profit for the period	15,685	42,940	-63.5		

Analysis of Revenue

Revenue Analysis			
By Application	4Q13	3Q13	4Q12
Computer	1.9%	1.8%	1.0%
Communications	39.8%	44.4%	47.4%
Consumer	48.3%	43.9%	42.6%
Others	10.0%	9.9%	9.0%
By Service Type	4Q13	3Q13	4Q12
Wafers	93.2%	93.8%	94.0%
Mask making, testing, others	6.8%	6.2%	6.0%
By Customer Type	4Q13	3Q13	4Q12
Fabless semiconductor companies	86.7%	87.7%	86.6%
Integrated device manufacturers (IDM)	6.0%	5.5%	9.3%
System companies and others	7.3%	6.8%	4.1%
By Geography	4Q13	3Q13	4Q1

Capacity*

Fab / (Wafer Size)	4Q13	3Q13
4 4 4L	90,000	90,000
Shanghai 12- 4 4F	27,000	24,750
Beijing Mega FabBDC 840.94 56.184 14.4		

Operating Expenses (Income) Analysis

<i>Amounts in US\$ thousands</i>	4Q13	3Q13	QoQ	4Q12	YoY
Operating expenses	84,840	63,447	33.7%	45,079	88.2%
Research and development	46,256	37,564	23.1%	26,676	73.4%
General and administrative	36,610	24,718	48.1%	29,437	24.4%
Selling and marketing	8,385	9,324	-10.1%	8,629	-2.8%
Other operating income	(6,411)	(8,159)	-21.4%	(19,663)	-67.4%

R&D expenses increased to \$46.3 million in 4Q13, compared to \$37.6 million in 3Q13. The increase was primarily due to an increase in R&D expenses associated with higher R&D activities from quarter to quarter and a decrease in funding of R&D contracts from the government in 4Q13 of \$4.3 million compared to 3Q13.

General and administrative expenses increased to \$36.6 million in 4Q13, up 48.1 % QoQ from \$24.7 million in 3Q13, mainly due to 1) increased bad debt expense recognized in 4Q13 and 2) a bonus accrual relating to an increase in employee productivity in 4Q13.

Other operating income was \$6.4 million in 4Q13, compared to \$8.2 million in 3Q13. The change was mainly due to 1) a decrease of gain arising from the disposal of part of the Company-owned living quarters in Shanghai, and 2) gain arising from the deconsolidation of Brite Semiconductor Corporation and its subsidiaries due to loss of control.

Other Income (expense), Net

<i>Amounts in US\$ thousands</i>	4Q13	3Q13	QoQ	4Q12	YoY
Other income (expense), net	7,756	(4,681)	-	(2,591)	-
Interest income	2,206	1,394	58.2%	1,276	72.9%
Finance costs	(5,789)	(8,673)	-33.3%	(10,449)	-44.6%
Foreign exchange gains or losses	6,228	2,404	159.1%	4,434	40.5%
Other gains or losses	4,607	(357)	-	2,044	125.4%
Share of profits of associates	504	551	-8.5%	104	384.6%

The change of other gains or losses was mainly due to 1) lower revenue from our schools as a result of summer vacation in 3Q13 and 2) a reversal of impairment loss from an available-for-sale investment which was recognized in 3Q13 due to subsequent recovery of the cost.

Depreciation and Amortization

<i>Amounts in US\$ thousands</i>	4Q13	3Q13	QoQ	4Q12	YoY
Depreciation and amortization	138,721	136,725	1.5%	140,021	-0.9%

Liquidity

<i>Amounts in US\$ thousands</i>	4Q13	3Q13
Cash and bank balances	462,483	473,507
Restricted cash	147,625	195,813
Other financial assets	240,311	2,574
Trade and other receivables	379,361	396,108
Prepaid operating expenses	43,945	48,383
Inventories	286,251	289,954
Assets classified as held-for-sale	3,265	210
Total current assets	1,563,241	1,406,549
Current tax liabilities	158	85
Other financial liabilities	-	10
Promissory notes	-	14,895
Accrued liabilities	127,593	105,497
Deferred government funding	26,349	17,833
Borrowings	390,547	548,385
Trade and other payables	393,890	402,827
Total current liabilities	938,537	1,089,532
Cash Ratio	0.5x	0.4x
Quick Ratio	1.4x	1.0x
Current Ratio	1.7x	1.3x

Capital Structure

<i>Amounts in US\$ thousands</i>	4Q13	3Q13
Cash and bank balances	462,483	473,507
Restricted cash	147,625	195,813
Current portion of promissory notes	-	14,895
Short-term borrowings	390,547	548,385
Long-term borrowings	600,975	553,435
Convertible bonds	180,563	-
Total debt	1,172,085	1,101,820
Equity	2,593,182	2,559,381
Total debt to equity ratio ⁽¹⁾	45.2%	43.1%

Note:

(1) Total debt divided by equity, total debt including short-term and long-term borrowings and convertible bonds..

Other financial assets increased to \$240.3 million in 4Q13 from \$2.6 million in 3Q13, primarily because the Company issued US\$200.0 million zero coupon convertible bonds in 4Q13 and temporarily invested them in short-term investments carried at fair value through profit or loss.

Cash Flow

<i>Amounts in US\$ thousands</i>	4Q13	3Q13
Net cash from operating activities	205,437	269,581
Net cash used in investing activities	(269,147)	(213,133)
Net cash from financing activities	52,749	154,045
Effect of exchange rate changes	(63)	59
Net change in cash	(11,024)	210,552

Capex Summary

Capital expenditures for 4Q13 were \$114.3 million.

Capital expenditures for foundry operations in 2013 were \$651 million. Capital expenditures for non-foundry operations were \$119 million, which were mainly for the construction of living quarters for employees as part of the C 4 4 4 B

The planned 2014 capital expenditure for our foundry operation is approximately \$880 million of which around \$570 million is for our new Beijing project, which is 55% funded by SMIC and 45% funded by the other shareholders of the project.

In addition, we have budgeted 2014 capital expenditures for non-foundry operations of approximately \$110 million mainly for the construction of living quarters.

Recent Highlights and Announcements

ARM and SMIC Broaden IP Partnership with 28nm Process for Mobile and Consumer Applications (2014-02-09)
Circulars - Notification Letter and Request Form to Non-registered Shareholders (2014-01-28)
Circulars - Notification Letter to Registered Shareholders (2014-01-28)
Notice of Extraordinary General Meeting

Semiconductor Manufacturing International Corporation
CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND COMPREHENSIVE INCOME
(In US\$ thousands except share data)

For the three months ended	
December 31, 2013	September 30, 2013
(Unaudited)	(

Semiconductor Manufacturing International Corporation
CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND COMPREHENSIVE INCOME
(In US\$ thousands)

measure in isolation from or as an alternative to revenue, cost of sales and gross margin prepared in accordance with IFRS.

The following table sets forth the reconciliation of each of non-GAAP revenue, non-GAAP cost of sales and non-GAAP gross margin to its most directly comparable financial measure presented in accordance with IFRS, for the periods indicated.

	For the three months ended		
	December 31, 2013 (Unaudited)	September 30, 2013 (Unaudited)	December 31, 2012 (Unaudited)
Revenue	491,797	534,256	485,894
Revenue from Wuhan Xinxin	(8,200)	(30,587)	(48,510)
Non-GAAP revenue	<u>483,597</u>	<u>503,669</u>	<u>437,384</u>
Cost of sales	(398,858)	(422,274)	(389,127)
Cost of sales of Wuhan Xinxin	7,979	29,867	47,370
Non-GAAP cost of sales	<u>(390,879)</u>	<u>(392,407)</u>	<u>(341,757)</u>
Gross margin	<u>18.9%</u>	<u>21.0%</u>	<u>19.9%</u>
Non-GAAP gross margin	<u>19.2%</u>	<u>22.1%</u>	<u>21.9%</u>

Semiconductor Manufacturing International Corporation
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(In US\$ thousands)

	As of	
	December 31, 2013 (Unaudited)	September 30, 2013 (Unaudited)
ASSETS		
<i>Non-current assets</i>		
Property, plant and equipment	2,528,834	2,558,563
Prepaid land use right	136,725	123,974
Intangible assets	215,265	227,380
Investments in associates	29,200	23,758
Deferred tax assets	43,890	43,889
Other assets	6,237	36,969
Total non-current assets	<u>2,960,151</u>	<u>3,014,533</u>
<i>Current assets</i>		
Inventories	286,251	289,954
Prepaid operating expenses	43,945	48,383
Trade and other receivables	379,361	396,108
Other financial assets	240,311	2,574
Restricted cash	147,625	195,813
Cash and bank balances	462,483	473,507
	<u>1,559,976</u>	<u>1,406,339</u>
Assets classified as held-for-sale	3,265	210
Total current assets	<u>1,563,241</u>	<u>1,406,549</u>
TOTAL ASSETS	<u>4,523,392</u>	<u>4,421,082</u>
EQUITY AND LIABILITIES		
<i>Capital and reserves</i>		
Ordinary shares, \$0.0004 par value, 50,000,000,000 shares authorized, 32,112,307,101 and 32,088,989,727 shares issued and outstanding at December 31, 2013 and September 30, 2013, respectively	12,845	12,836
Share premium	4,089,846	4,088,854
Reserves	74,940	56,993
Accumulated deficit	(1,693,859)	(1,708,540)
Equity attributable to owners of the Company	<u>2,483,772</u>	<u>2,450,143</u>
Non-controlling interests	109,410	109,238
Total equity	<u>2,593,182</u>	<u>2,559,381</u>
<i>Non-current liabilities</i>		
Borrowings	600,975	553,435
Convertible bonds	180,563	-
Deferred tax liabilities	167	207
Deferred government funding	209,968	213,098
Long-term financial liabilities	-	5,429
Total non-current liabilities	<u>991,673</u>	<u>772,169</u>
<i>Current liabilities</i>		
Trade and other payables	393,890	402,827
Borrowings	390,547	548,385
Deferred government funding	26,349	17,833
Accrued liabilities	127,593	105,497
Promissory notes	-	14,895
Other financial liabilities	-	10
Current tax liabilities	158	85
Total current liabilities	<u>938,537</u>	<u>1,089,532</u>
Total liabilities	<u>1,930,210</u>	<u>1,861,701</u>
TOTAL EQUITY AND LIABILITIES	<u>4,523,392</u>	<u>4,421,082</u>

Semiconductor Manufacturing International Corporation
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(In \$US thousands)

	<u>For the three months ended</u>	
	December 31, 2013	September 30, 2013
	(Unaudited)	(Unaudited)
Cash flow from operating activities		