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ADVANCED SEMICONDUCTOR MANUFACTURING CORPORATION LIMITED
上海先進半導體製造股份有限公司

(A foreign invested joint stock company incorporated in the People's Republic of China with limited liability)
 (Stock Code: 03355)

2012 FIRST QUARTER RESULTS ANNOUNCEMENT

QUARTERLY RESULTS

The board of directors (the "Board") of Advanced Semiconductor Manufacturing Corporation Limited (the "Company") is pleased to announce the unaudited results of the Company for the three months ended 31 March 2012 together with unaudited comparative figures for the corresponding period of last year as follows:

Condensed Statement of Comprehensive Income

	Notes	For the three months ended 31 March	
		2012 (Unaudited) RMB'000	2011 (Unaudited) RMB'000
Revenue	4	197,280	197,582
Cost of sales		(189,507)	(178,526)
Gross profit		7,773	19,056
Other income and gains	5	11,254	2,545
Operating expenses		(25,000)	(30,498)
Other expenses	5	(567)	(2,007)
Finance costs	6	(546)	(1,109)
Loss before income tax	6	(7,086)	(12,013)
Income tax	7	-	-
Net loss for the period		(7,086)	(12,013)
Other comprehensive income for the period		-	-
Total comprehensive loss for the period attributable to ordinary equity holders of the Company		(7,086)	(12,013)
Loss per share attributable to ordinary equity holders of the Company			
- Basic and diluted	9	(0.46) cents	(0.78) cents

Details of the dividends proposed for the period are disclosed in note 8 to the condensed financial statements.

Condensed Statement of Financial Position

	31 March 2012 (Unaudited) RMB'000	31 December 2011 (Audited) RMB'000
Note		
Non-current assets		
Property, plant and equipment	334,847	346,951
Construction in progress	18,519	30,291
Other non-current assets	38,419	39,215
	<hr/>	<hr/>
Total non-current assets	391,785	416,457
	<hr/>	<hr/>
Current assets		
Inventories	148,165	162,911
Accounts and notes receivables	82,165	77,130
Other current assets	42,875	57,989
Cash and cash equivalents	353,429	371,579
	<hr/>	<hr/>
Total current assets	626,634	669,609
	<hr/>	<hr/>
Total assets	1,018,419	1,086,066
	<hr/>	<hr/>
Current liabilities		
Accounts payable	111,147	152,889
Other current liabilities	44,853	56,468
Government grants	6,764	7,124
Interest-bearing bank borrowings	44,060	50,407
	<hr/>	<hr/>
Total current liabilities	206,824	266,888
	<hr/>	<hr/>
Net current assets	419,810	402,721
	<hr/>	<hr/>
Non-current liabilities		
Government grants	13,218	13,715
	<hr/>	<hr/>
Net assets	798,377	805,463
	<hr/>	<hr/>
Equity attributable to equity holders of the Company		
Share capital	1,534,227	1,534,227
Reserves	(735,850)	(728,764)
	<hr/>	<hr/>
Total equity	798,377	805,463
	<hr/>	<hr/>

Condensed Statement of Changes in Equity

	For the three months ended 31 March	
	2012	2011
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Share capital		
At beginning and end of period	<u>1,534,227</u>	<u>1,534,227</u>
Capital reserve		
At beginning and end of period	<u>205,363</u>	<u>205,363</u>
Statutory surplus reserve		
At beginning and end of period	<u>19,353</u>	<u>19,353</u>
Accumulated losses		
At beginning of period	(953,480)	(1,004,619)
Total comprehensive loss for the period	<u>(7,086)</u>	<u>(12,013)</u>
At end of period	<u>(960,566)</u>	<u>(1,016,632)</u>
Reserves	<u>(735,850)</u>	<u>(791,916)</u>
Total equity attributable to equity holders of the Company	<u>798,377</u>	<u>742,311</u>

Condensed Statement of Cash Flows

	For the three months ended 31 March	
	2012	2011
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Net cash flows from operating activities	10,395	24,426
Net cash flows used in investing activities	(22,038)	(43,378)
Net cash flows used in financing activities	(6,347)	(20,332)
Net change in cash and cash equivalents	(17,990)	(39,284)
Cash and cash equivalents at beginning of period	371,579	403,377
Effect of exchange rate changes on cash and cash equivalents	(160)	(2,008)
Cash and cash equivalents at end of period	353,429	362,085
Analysis of balances of cash and cash equivalents		
Cash and bank balances	69,616	104,393
Non-pledged time deposits with original maturity of less than three months	283,813	257,692
Cash and cash equivalents as stated in the condensed statement of financial position and condensed statement of cash flows	353,429	362,085

1. BASIS OF PREPARATION

The unaudited interim condensed financial statements of the Company for the three months ended 31 March 2012 (the "First Quarter Results") are prepared in accordance with International Accounting Standard ("IAS") 34 "Interim Financial Reporting" promulgated by the International Accounting Standards Board.

The First Quarter Results do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the audited financial statements of the Company for the year ended 31 December 2011 ("2011 financial statements").

2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies used in the preparation of the First Quarter Results are consistent with those used in the 2011 financial statements, except for the adoption of new standards and interpretations as of 1 January 2012, which are set out below.

The Company has adopted the following new and revised IFRSs for the first time in the First Quarter Results:

- IAS 12 Income Taxes: Recovery of Underlying Assets effective 1 January 2012
- IFRS 7 Financial Instruments: Disclosures-Enhanced Derecognition Disclosure Requirements effective 1 July 2011

The adoption of these new and revised IFRSs has had no significant financial effect on the First Quarter Results.

3. SEGMENT INFORMATION

The Company's revenue and profit were mainly derived from the sale of wafers. The Company has only one reportable operating segment.

The principal assets employed by the Company are located in Shanghai, the People's Republic of China (the "PRC"). Therefore, no segment information based on the geographical location of the Company's assets is presented.

The Company's revenue attributed to geographical areas based on the location of customers is presented as follows:

	For the three months ended 31 March	
	2012	2011
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
United States of America	98,695	104,180
Europe	58,480	52,396
Asia	40,105	41,006
	<hr/>	<hr/>
	197,280	197,582
	<hr/>	<hr/>

Information about major customers

Revenue from continuing operations of approximately RMB115,080,000 (Three months ended 31 March 2011: RMB116,359,000) was derived from sales to three customers (Three months ended 31 March 2011: three) which individually accounted for more than 10% of the Company's total revenue during the three months ended 31 March 2012. Sales to a particular customer include sales to a group of entities which are known to be under common control with that customer.

4. REVENUE

Revenue, which is also the Company's turnover, represents the net invoiced value of goods sold, after allowances for returns and trade discounts, and the value of services rendered during the period.

An analysis of revenue is as follows:

	For the three months ended 31 March	
	2012 (Unaudited) RMB'000	2011 (Unaudited) RMB'000
Sale of goods	197,272	197,546
Others	8	36
	<u>197,280</u>	<u>197,582</u>

5. OTHER INCOME AND GAINS AND OTHER EXPENSES

	For the three months ended 31 March	
	2012 (Unaudited) RMB'000	2011 (Unaudited) RMB'000
Other income and gains		
Compensation income arising from a customer's lack of purchase orders	8,049	–
Interest income	2,011	1,367
Subsidy income	857	425
Others	337	753
	<u>11,254</u>	<u>2,545</u>
Other expenses		
Net foreign exchange loss	(567)	(2,007)
	<u>(567)</u>	<u>(2,007)</u>

6. LOSS BEFORE INCOME TAX

Loss before income tax is arrived at after charging/(crediting):

	For the three months ended 31 March	
	2012 (Unaudited) RMB'000	2011 (Unaudited) RMB'000
Cost of inventories sold	189,507	178,526
Depreciation	24,605	29,189
Interest on bank loans	546	1,109
Employee benefits expense:		
– Retirement benefits	4,439	3,431
– Accommodation benefits	1,317	1,087
– Salaries and other staff costs	37,949	35,739
	<u>43,705</u>	<u>40,257</u>
Impairment/(reversal of impairment) for doubtful debts	1	(15)
Allowance for inventories	3,048	3,966

7. INCOME TAX

No provision for Hong Kong profits tax has been made as the Company had no assessable profits arising in Hong Kong for the three months ended 31 March 2011 and 2012.

In accordance with the PRC Corporate Income Tax Law which was approved and became effective on 1 January 2008, the provision for Mainland China current income tax has been based on a statutory rate of 25% of the assessable profits of the Company for the period. However, the Company qualifies as "High and New Technology Enterprise" and thus was granted a preferential rate of 15% from 1 January 2008 to 31 December 2013.

Major components of income tax are as follows:

	For the three months ended 31 March	
	2012 (Unaudited) RMB'000	2011 (Unaudited) RMB'000
Provision for income tax in respect of profit for the period	-	-
Deferred tax credit	-	-
	<hr/>	<hr/>
Income tax expense	<hr/> -	<hr/> -

8. DIVIDENDS

The Board does not recommend the payment of dividend to the ordinary equity holders of the Company for the three months ended 31 March 2012 (31 March 2011: Nil).

9. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

Basic loss per share amount is calculated by dividing the loss for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	For the three months ended 31 March	
	2012 (Unaudited) RMB'000	2011 (Unaudited) RMB'000
Loss attributable to ordinary equity holders of the Company (RMB'000)	(7,086)	(12,013)
	<hr/>	<hr/>
Weighted average number of ordinary shares in issue ('000)	1,534,227	1,534,227
	<hr/>	<hr/>

No adjustment has been made to the basic loss per share amounts presented for the three months ended 31 March 2011 and 2012 in respect of a dilution as the Company had no potentially dilutive ordinary shares in issue during those periods.

10. INTEREST-BEARING BANK BORROWINGS

	31 March 2012		RMB'000 (Unaudited)
	Effective interest rate	Maturity	
Unsecured bank borrowings repayable within one year	4.26%-4.59%	2012	44,060
			<hr/>
		31 December 2011	
	Effective interest rate	Maturity	RMB'000 (Audited)
Unsecured bank borrowings repayable within one year	3.10%-4.26%	2012	50,407
	<hr/>	<hr/>	<hr/>

11. COMMITMENTS

The Company had the following capital commitments at the end of the reporting period:

	31 March 2012 (Unaudited) RMB'000	31 December 2011 (Audited) RMB'000
Capital commitments in respect of property, plant and equipment:		
– contracted, but not provided for	25,349	12,949
– authorised, but not contracted for	154,789	148,391
	180,138	161,340

12. RELATED PARTY TRANSACTIONS

The companies controlled by NXP B.V. are considered to be related to the Company.

The Company had the following material transactions with the companies controlled by NXP B.V. during the period:

		For the three months ended 31 March 2012 (Unaudited) RMB'000	2011 (Unaudited) RMB'000
	Notes		
Sales	(i)	41,817	37,896
Technology transfer fees	(ii)	2,039	1,258
Compensation paid/payable to key management personnel (including directors, supervisors and senior executives)		3,401	3,024

Notes:

- (i) Sales to the related companies were carried out on terms equivalent to those that prevail in arm's length transactions.
- (ii) Royalties in the form of technology transfer fees (including identification licensing fees) paid/payable to a related company were determined at 3% or 10% of the net sales of certain specified products sold by agreement of the parties.

In the opinion of the directors, all transactions above were carried out in the ordinary course of business of the Company.

The above related party transactions set out in Notes (i) and (ii) also constitute continuing connected transactions as defined in Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

OPERATING RESULTS REVIEW

Summary:

(Amount: RMB'000)	1Q'12	4Q'11	1Q'11	QoQ% Change	YoY% Change
Revenue	197,280	225,841	197,582	-13%	0%
Gross profit	7,773	37,824	19,056	-79%	-59%
Other income and gains	11,254	10,670	2,545	—	—
Operating expenses	(25,000)	(36,495)	(30,498)	-31%	-18%
Other expenses	(567)	(1,060)	(2,007)	—	—
Finance costs	(546)	(630)	(1,109)	—	—
Income tax credit/(expense)	—	—	—	—	—
Net income/(loss)	(7,086)	10,309	(12,013)	—	—
EPS/(loss)	(0.46)cents	0.67cents	(0.78)cents	—	—

Sales decreased by 12.6% from RMB225.8 million for the three months ended 31 December 2011 to RMB197.3 million for the three months ended 31 March 2012. This was due primarily to the significant decrease in the sales relating to both 5-inch and 6-inch wafers resulting from the traditional slow season and the planned annual maintenance shutdown, partially offset by the increase in sales of 8-inch wafers.

Gross profit for the three months ended 31 March 2012 was RMB7.8 million, compared to RMB37.8 million for the three months ended 31 December 2011. Gross margin for the three months ended 31 March 2012 was 3.9%, compared to 16.7% for the three months ended 31 December 2011, which was mainly attributable to the significant decrease of production volume in both 5-inch and 6-inch wafers and a less favourable product mix.

For the three months ended 31 March 2012, other income and gains were RMB11.3 million, compared to RMB10.7 million for the three months ended 31 December 2011. Other income and gains in the current quarter were mainly comprised of compensation income from a customer's lack of purchase orders, subsidy income, interest income and others, while other income and gains in the previous quarter were mainly comprised of compensation income for a leakage incident, subsidy income, interest income, sale of scrap materials and others.

Operating expenses amounted to RMB25.0 million for the three months ended 31 March 2012, representing a decrease of 31.5% compared to RMB36.5 million for the three months ended 31 December 2011. Such decrease was due primarily to the decrease in research and development costs, and general and administrative expenses, partially offset by the increase in selling and distribution costs. The decrease in research and development costs in the first quarter of 2012 were primarily attributable to more effective management of research and development activities and some engineering wafer lots being sold to the Company's customers.

Other expenses for the three months ended 31 March 2012 amounted to RMB0.6 million, compared to RMB1.1 million for the three months ended 31 December 2011. Other expenses in the current quarter and the previous quarter were only comprised of net foreign exchange loss.

Finance costs for the three months ended 31 March 2012 were RMB0.5 million, compared to RMB0.6 million for the three months ended 31 December 2011.

As a result, the Company recorded a net loss of RMB7.1 million for the three months ended 31 March 2012, compared to a net income of RMB10.3 million for the three months ended 31 December 2011.

I. Revenue Analysis

By Application

For the three months ended 31 March 2012, sales derived from communication, computer and consumer products accounted for 33%, 33% and 34% of total revenue respectively, which were in line with those in the fourth quarter of 2011.

	1Q'12	4Q'11	1Q'11
Communication	33%	33%	33%
Computer	33%	33%	33%
Consumer	34%	34%	34%

By Geography

For the three months ended 31 March 2012, sales to the USA, Europe and Asia Pacific accounted for 50%, 30% and 20% of total revenue respectively, compared to 48% and 35% and 17% in the fourth quarter of 2011.

	1Q'12	4Q'11	1Q'11
USA	50%	48%	53%
Europe	30%	35%	26%
Asia Pacific	20%	17%	21%

By Customer Type

For the three months ended 31 March 2012, sales to IDM and fabless customers accounted for 37% and 63% of total revenue respectively, compared to 43% and 57% in the fourth quarter of 2011.

	1Q'12	4Q'11	1Q'11
IDM	37%	43%	27%
Fabless	63%	57%	73%

By Product

For the three months ended 31 March 2012, sales as a percentage of total revenue from 5-inch, 6-inch and 8-inch wafers were 14%, 47% and 39% respectively, compared to 22%, 50% and 27% in the fourth quarter of 2011.

	1Q'12	4Q'11	1Q'11
5-inch wafers	14%	22%	22%
6-inch wafers	47%	50%	36%
8-inch wafers	39%	27%	41%
Others ¹	—	1%	1%

Note 1. Consist of probing services and provision of masks

II. Utilization and Capacity (8" equivalent)

II-1. Utilization

Overall capacity utilization for the three months ended 31 March 2012 was 60%, compared to 61% in the fourth quarter of 2011.

Fab	1Q'12	4Q'11	1Q'11
Fab 1/2			
5-inch wafers	43%	69%	54%
6-inch wafers	55%	65%	42%
Fab 3			
8-inch wafers	72%	52%	69%
Overall Capacity Utilization Rate	60%	61%	55%

- Notes:
1. 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.
 2. The capacity utilization rates stated in the table are calculated on the basis of the theoretical capacity of the Company's fabrication facilities, as discussed in note 2 to paragraph II-2 below. In consequence, the utilization rates of actual operating capacity are higher than the figures stated in the above table.
 3. After taking into account 6-inch wafers produced using equipment consigned under arrangement with a customer, the utilization rate of the Company's total 6-inch wafer equipment in 1Q2012 was 50%, compared to 59% in 4Q2011. As a result, the overall capacity utilization rate of the Company's total equipment in 1Q2012 was 57%, compared to 58% in 4Q2011.

II-2. Capacity (8" Equivalent)

The capacity for the three months ended 31 March 2012 was 154,000 8-inch equivalent wafers, which was the same as that of the previous quarter and that of the first quarter of 2011.

Fab (wafers in thousands)	1Q'12	4Q'11	1Q'11
Fab1/2			
5-inch wafers	33	33	33
6-inch wafers	85	85	85
Fab-3			
8-inch wafers	36	36	36
Total Capacity	154	154	154

- Notes:
1. The Company estimated the capacities 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 by 2.56 and 1.78 respectively.
 2. The installed capacity of the Company's fabrication facilities is calculated assuming continuous production of an optimum product mix, which in practice is unlikely ever to be achieved. In consequence, the actual operating capacity is less than the figures stated in the table.
 3. After taking into account the 6-inch wafers equipment consignment arrangement with a customer described above, the installed quarterly capacity of 6-inch wafers of the Company's total equipment for the first quarter of 2012 and fourth quarter of 2011 was 94K 8-inch equivalent wafers. As a result, total installed quarterly capacity of the Company's total equipment of the first quarter of 2012 and fourth quarter of 2011 was 163K 8-inch equivalent wafers accordingly.

III. Profit and Expense Analysis

III-1. Gross Profit Analysis

Gross profit for the three months ended 31 March 2012 was RMB7.8 million, compared to RMB37.8 million for the three months ended 31 December 2011. Gross margin for the three months ended 31 March 2012 was 3.9%, compared to 16.7% for the three months ended 31 December 2011, which was mainly attributable to the significant decrease of production volume in both 5-inch and 6-inch wafers and a less favourable product mix.

(Amount: RMB'000)	1Q'12	4Q'11	1Q'11
Cost of sales	(189,507)	(188,017)	(178,526)
Gross profit	7,773	37,824	19,056
Gross margin	3.9%	16.7%	9.7%

III-2. Other Income and Gains

For the three months ended 31 March 2012, other income and gains were RMB11.3 million, compared to RMB10.7 million for the three months ended 31 December 2011. Other income and gains in the current quarter were mainly comprised of compensation income from a customer's lack of purchase orders, subsidy income, interest income and others, while other income and gains in the previous quarter were mainly comprised of compensation income for a leakage incident, subsidy income, interest income, sale of scrap materials and others.

(Amount: RMB'000)	1Q'12	4Q'11	1Q'11
Other income and gains	11,254	10,670	2,545

III-3. Operating Expenses Analysis

Operating expenses amounted to RMB25.0 million for the three months ended 31 March 2012, representing a decrease of 31.5% compared to RMB36.5 million for the three months ended 31 December 2011. Such decrease was due primarily to the decrease in research and development costs, and general and administrative expenses, partially offset by the increase in selling and distribution costs. The decrease in research and development costs in the first quarter of 2012 were primarily attributable to more effective management of research and development activities and some engineering wafer lots being sold to the Company's customers.

(Amount: RMB'000)	1Q'12	4Q'11	1Q'11
Selling and distribution costs	(1,749)	(1,927)	(972)
General and administrative expenses	(14,933)	(18,497)	(15,285)
Research and development costs	(8,318)	(16,071)	(14,241)

III-4. Other Expenses

Other expenses for the three months ended 31 March 2012 amounted to RMB0.6 million, compared to RMB1.1 million for the three months ended 31 December 2011. Other expenses in the current quarter and the previous quarter were only comprised of net foreign exchange loss.

(Amount: RMB'000)	1Q'12	4Q'11	1Q'11
Other expenses	(567)	(1,060)	(2,007)

III-5. Finance Costs

Finance costs for the three months ended 31 March 2012 were RMB0.5 million, compared to RMB0.6 million for the three months ended 31 December 2011.

(Amount: RMB'000)	1Q'12	4Q'11	1Q'11
Finance costs	(546)	(630)	(1,109)

IV. Financial Condition Review

IV-1. Liquidity Analysis

Total current assets as at 31 March 2012 were RMB626.6 million, a decrease of RMB43.0 million from RMB669.6 million as at 31 December 2011, due mainly to the decrease in cash and cash equivalents, inventory and other current assets by RMB18.2 million, RMB14.7 million and RMB15.1 million respectively from the balances as at 31 December 2011. The decrease in cash and cash equivalents was largely attributable to the repayment of the outstanding bank loan during the quarter. The total current liabilities decreased from RMB266.9 million as at 31 December 2011 to RMB206.8 million as at 31 March 2012, which was due mainly to the decrease in interest-bearing borrowings, accounts payable and other current liabilities by RMB6.3 million, RMB41.7 million and RMB12.0 million respectively. The improvement in current ratio was mainly due to a reduction in certain current liabilities, which ultimately enhanced working capital management and efficiency.

(Amount: RMB'000)	1Q'12	4Q'11	1Q'11
Cash and cash equivalents	353,429	371,579	362,085
Accounts and notes receivables	82,165	77,130	63,444
Inventories	148,165	162,911	159,986
Other current assets	42,875	57,989	35,933
Total current assets	626,634	669,609	621,448
Interest-bearing borrowings	44,060	50,407	95,895
Accounts payable	111,147	152,889	141,011
Other current liabilities	51,617	63,592	51,566
Total current liabilities	206,824	266,888	288,472
Net current assets	419,810	402,721	332,976
Current ratio (x)	3.03	2.51	2.15

IV-2. Receivable/Inventory Turnover

Receivable turnover for the three months ended 31 March 2012 was 46 days, compared to 45 days in the fourth quarter of 2011.

Inventory turnover days decreased to 95 days in the first quarter of 2012 from 98 days in the fourth quarter of 2011.

	1Q'12	4Q'11	1Q'11
Accounts and notes receivable turnover (days)	46	45	39
Inventory turnover (days)	95	98	100

IV-3. Debt Service

Net cash reserve as at 31 March 2012 amounted to RMB309.4 million as compared to RMB321.2 million as at 31 December 2011, representing a sequential decrease of RMB11.8 million. This was due primarily to the decrease in both cash and cash equivalents and interest-bearing borrowings by RMB18.2 million and RMB6.3 million respectively.

(Amount: RMB'000)	1Q'12	4Q'11	1Q'11
Cash and cash equivalents	353,429	371,579	362,085
Interest-bearing borrowings	(44,060)	(50,407)	(95,895)
Net cash reserves	309,369	321,172	266,190

V. Capital Expenditure

The Company's net cash outflow from investing activities was RMB22.0 million for the three months ended 31 March 2012 relating to purchase of property, plant and equipment and construction in progress, compared to net cash outflow of RMB12.0 million for the three months ended 31 December 2011. The amount of capital expenditure for the three months ended 31 March 2012 was RMB0.7 million, compared to RMB29.6 million in the fourth quarter of 2011.

(Amount: RMB'000)	1Q'12	4Q'11	1Q'11
Capex	728	29,649	49,081

VI. Outlook for the Second Quarter of 2012

The global economy remains relatively weak but signs of stabilization are emerging. The semiconductor market is likely to see an improving outlook in the second quarter of 2012, primarily boosted by recent inventory restocking activities and traditional seasonal demand. The Company will continue to focus on enhancing operational management at all levels, improving its productivities and optimizing internal resources, as well as implementing cost-control measures while de-bottlenecking its existing production facilities, in order to take advantage of the recovery in market demand. As the broad-based seasonal inventory replenishment progresses amid the industry, the Company expects its sales in the second quarter of 2012 to increase on a sequential quarter-to-quarter basis.

By order of the Board

Advanced Semiconductor Manufacturing Corporation Limited

Wang Qingyu

Acting President

Shanghai, the PRC, 16 May 2012

As at the date of this announcement, the executive director of the Company is Joseph Xie; the non-executive directors of the Company are Chen Jianming, Shen Qing, Zhu Jian, Li Zhi, Wilhelmus Jacobus Maria Joseph Josquin and Winfried Lodewijk Peeters; and the independent non-executive directors of the Company are Thaddeus Thomas Beczak, Shen Weijia and James Arthur Watkins.