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Advanced Semiconductor Manufacturing Corporation Limited

(a foreign invested joint stock company incorporated in the
People's Republic of China with limited liability)

(Stock Code: 03355)



2015
INTERIM REPORT

CONTENTS

CORPORATE INFORMATION	2
INDEPENDENT AUDITORS' REVIEW REPORT	4
INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	6
INTERIM STATEMENT OF FINANCIAL POSITION	7
INTERIM STATEMENT OF CHANGES IN EQUITY	8
INTERIM STATEMENT OF CASH FLOWS	9
NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS	11
MANAGEMENT DISCUSSION AND ANALYSIS	23
PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES	31
DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS	31
SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS	32
SHARE OPTION SCHEME	33
CORPORATE GOVERNANCE	33

CORPORATE INFORMATION

DIRECTORS

Executive Director

Dr. WANG Qingyu

Non-executive Directors

Dr. CHEN Jianming (*Chairman*)

Mr. David Damian FRENCH (*Vice Chairman*)

Ms. SHEN Qing (*Vice Chairman*)

Mr. Johannes AE van den BROEK

Mr. ZHU Jian

Mr. XU Ding

Independent Non-executive Directors

Mr. James Arthur WATKINS

Dr. CHEN Enhua

Dr. JIANG Qingtang

Mr. PU Hanhu

BOARD COMMITTEES

Audit Committee

Mr. James Arthur WATKINS (*Chairman*)

Dr. CHEN Enhua

Dr. JIANG Qingtang

Mr. Johannes AE van den BROEK

Ms. SHEN Qing

Remuneration Committee

Mr. PU Hanhu (*Chairman*)

Mr. James Arthur WATKINS

Mr. ZHU Jian

Nomination Committee

Dr. CHEN Jianming (*Chairman*)

Mr. David Damian FRENCH

Dr. CHEN Enhua

Mr. PU Hanhu

Mr. James Arthur WATKINS

Strategic Development Committee

Mr. XU Ding (*Chairman*)

Mr. David Damian FRENCH

Mr. ZHU Jian

Ms. SHEN Qing

Dr. JIANG Qingtang

SUPERVISORS

Mr. Eric WANG (*Chairman*)

Mr. YANG Yanhui

Mr. SUN Biyuan

Ms. CHEN Yan

Mr. ZHOU Chengjie

Mr. SHEN Zhongyi

JOINT COMPANY SECRETARIES

Mr. XIAO Weiming

Ms. MOK Mingwai

AUTHORIZED REPRESENTATIVES

Dr. WANG Qingyu

Mr. XIAO Weiming

EXTERNAL AUDITORS

Ernst & Young

INVESTORS AND MEDIA RELATIONS CONSULTANT

Hill+Knowlton Strategies

REGISTERED OFFICE

Registered Office and Principal Place of Business in the PRC

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Shanghai 200233
PRC

Principal Place of Business in Hong Kong

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Times Square
1 Matheson Street
Causeway Bay, Hong Kong

SHAREHOLDERS' ENQUIRIES

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Services Limited
Shops 1712-1716
17th Floor, Hopewell Centre
183 Queen's Road East
Wan Chai, Hong Kong

SHARE INFORMATION

Listing Place

Main Board of The Stock Exchange of
Hong Kong Limited (the "Stock Exchange")

Listing Date

7 April 2006

Stock Code

03355

Number of H-shares Issued

1,131,333,472 H-shares

Year-end Date

31 December

INDEPENDENT AUDITORS' REVIEW REPORT



To the Board of Directors of
Advanced Semiconductor Manufacturing Corporation Limited
(Established in the People's Republic of China with limited liability)

INTRODUCTION

We have reviewed the accompanying interim condensed financial statements of Advanced Semiconductor Manufacturing Corporation Limited (the "Company") set out on pages 6 to 22, which comprise the interim statement of financial position as at 30 June 2015 and the interim statement of profit or loss and other comprehensive income, the interim statement of changes in equity and the interim statement of cash flows for the six months then ended and certain explanatory notes. The Main Board Listing Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") require the preparation of interim financial statements to be in compliance with the relevant provisions thereof and International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") issued by International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of these interim condensed financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on these interim condensed financial statements based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements ("HKSRE") 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. A review of interim condensed financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing. Consequently, it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial statements of the Company are not prepared, in all material respects, in accordance with IAS 34.

Without qualifying our conclusion above, we draw attention to the fact that the unaudited interim statements of profit or loss and other comprehensive income of the Company for the three months ended 30 June 2014 and 30 June 2015 and the relevant notes were presented for management purpose. We have not audited or reviewed such financial information and accordingly express no assurance thereon.

Ernst & Young

Certified Public Accountants

22nd Floor

CITIC Tower

1 Tim Mei Avenue, Central

Hong Kong

5 August 2015

INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the six months ended 30 June 2015

		3 months ended 30 June 2015 (Unaudited and unreviewed) RMB'000	6 months ended 30 June 2015 (Unaudited) RMB'000	3 months ended 30 June 2014 (Unaudited and unreviewed) RMB'000	6 months ended 30 June 2014 (Unaudited) RMB'000
	<i>Notes</i>				
Revenue	5	212,212	385,899	224,566	385,406
Cost of sales		(169,865)	(327,049)	(177,173)	(323,065)
Gross profit		42,347	58,850	47,393	62,341
Other income and gains	6	4,499	10,947	5,415	11,066
Selling and distribution expenses		(1,805)	(3,818)	(1,709)	(3,226)
General and administrative expenses		(16,576)	(32,821)	(17,471)	(31,981)
Research and development costs		(5,701)	(11,218)	(6,679)	(17,252)
Finance costs	7	—	—	(178)	(388)
Profit before tax	7	22,764	21,940	26,771	20,560
Income tax	8	—	—	—	—
Profit for the period		22,764	21,940	26,771	20,560
Other comprehensive income for the period		—	—	—	—
Total comprehensive income for the period attributable to ordinary equity holders of the Company		22,764	21,940	26,771	20,560
Earnings per share attributable to ordinary equity holders of the Company					
– Basic and diluted	10	1.48 cents	1.43 cents	1.74 cents	1.34 cents

No dividends are proposed for the six months ended 30 June 2015 (the “Reporting Period”) as disclosed in note 9 to the interim condensed financial statements.

INTERIM STATEMENT OF FINANCIAL POSITION

30 June 2015

	<i>Notes</i>	30 June 2015 (Unaudited) RMB'000	31 December 2014 (Audited) RMB'000
Non-current assets			
Property, plant and equipment	11	333,140	341,922
Construction in progress		21,210	17,999
Prepaid land lease payments		29,310	29,695
Intangible assets		5,945	7,269
Total non-current assets		<u>389,605</u>	<u>396,885</u>
Current assets			
Inventories		107,310	97,919
Accounts and note receivables	12	73,394	66,322
Prepayments, deposits and other receivables		13,838	15,197
Due from related companies		21,598	15,932
Cash and cash equivalents		495,112	479,630
Total current assets		<u>711,252</u>	<u>675,000</u>
Total assets		<u>1,100,857</u>	<u>1,071,885</u>
Current liabilities			
Accounts payable	13	109,167	99,363
Other payables and accruals		44,633	48,123
Due to related companies		4,467	2,451
Government grants		3,186	3,310
Total current liabilities		<u>161,453</u>	<u>153,247</u>
Net current assets		<u>549,799</u>	<u>521,753</u>
Total assets less current liabilities		<u>939,404</u>	<u>918,638</u>
Non-current liabilities			
Government grants		6,299	7,473
Net assets		<u>933,105</u>	<u>911,165</u>
Equity attributable to equity holders of the Company			
Share capital		1,534,227	1,534,227
Reserves		(601,122)	(623,062)
Total equity		<u>933,105</u>	<u>911,165</u>

The interim condensed financial statements on pages 6 to 22 were approved and signed on behalf of the Board of Directors (the "Board") by:

Chen Jianming
Director

Wang Qingyu
Director

INTERIM STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 June 2015

	For the six months ended 30 June	
	2015 (Unaudited) RMB'000	2014 (Unaudited) RMB'000
Share capital		
<i>Ordinary shares of RMB1.00 each:</i>		
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	<u>(847,778)</u>	<u>(896,413)</u>
Total comprehensive income for the period	<u>21,940</u>	<u>20,560</u>
At end of period	<u>(825,838)</u>	<u>(875,853)</u>
Reserves	<u>(601,122)</u>	<u>(651,137)</u>
Total equity attributable to equity holders of the Company	<u><u>933,105</u></u>	<u><u>883,090</u></u>

INTERIM STATEMENT OF CASH FLOWS

for the six months ended 30 June 2015

	For the six months ended 30 June	
	2015 (Unaudited) RMB'000	2014 (Unaudited) RMB'000
Cash flows from operating activities		
Profit before tax	21,940	20,560
Adjustments for:		
Depreciation	31,764	32,128
Amortisation of intangible assets	1,324	1,645
Amortisation of prepaid land lease payments	385	385
Loss on disposal of property, plant and equipment	47	127
Reversal of write-down of bad and doubtful debts to net realisable value	(1)	(31)
Reversal of write-down of inventories to net realisable value	(657)	(3,108)
Finance costs	—	388
Exchange loss/(gain)	115	(917)
Government grants	(1,388)	(2,072)
Interest income	(4,904)	(5,325)
	<hr/>	<hr/>
Operating profit before working capital changes	48,625	43,780
Increase in accounts and note receivables	(7,071)	(27,850)
(Increase)/Decrease in inventories	(8,734)	2,478
Decrease in prepayments, deposits and other receivables	1,044	2,605
Increase in balances with related companies	(3,650)	(5,966)
Increase in accounts payable	12,201	18,306
(Decrease)/Increase in other payables and accruals	(3,490)	8,531
	<hr/>	<hr/>
Cash generated from operations	38,925	41,884
Interest paid	—	(390)
Interest received	5,219	6,290
Government grants received	90	760
	<hr/>	<hr/>
Net cash flows from operating activities	<u>44,234</u>	<u>48,544</u>

INTERIM STATEMENT OF CASH FLOWS (Continued)

for the six months ended 30 June 2015

	For the six months ended 30 June	
	2015	2014
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Cash flows from investing activities		
Purchases of items of property, plant and equipment, construction in progress and intangible assets	<u>(28,637)</u>	<u>(29,011)</u>
Net cash flows used in investing activities	<u>(28,637)</u>	<u>(29,011)</u>
Net increase in cash and cash equivalents	15,597	19,533
Cash and cash equivalents at beginning of period	479,630	393,961
Effect of exchange rate changes on cash and cash equivalents	<u>(115)</u>	<u>1,084</u>
Cash and cash equivalents at end of period	<u>495,112</u>	<u>414,578</u>
Analysis of balances of cash and cash equivalents		
Cash and bank balances	185,492	129,640
Non-pledged time deposits	<u>309,620</u>	<u>284,938</u>
Cash and cash equivalents as stated in the interim statement of financial position and statement of cash flows	<u>495,112</u>	<u>414,578</u>
Investing activities affecting both cash and non-cash items		
Addition of items of property, plant and equipment, construction in progress and intangible assets	(26,240)	(21,608)
Decrease in the balance of payables for purchases of items of property, plant and equipment, construction in progress and intangible assets	<u>(2,397)</u>	<u>(7,403)</u>
Cash flows used in purchases of items of property, plant and equipment, construction in progress and intangible	<u>(28,637)</u>	<u>(29,011)</u>

NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS

30 June 2015

1. CORPORATE INFORMATION

Advanced Semiconductor Manufacturing Corporation Limited (the “Company”) was initially established in the People’s Republic of China (the “PRC”) on 4 October 1988 as a Sino-foreign joint venture company with limited liability under the Law of the PRC on Joint Ventures Using Chinese and Foreign Investment with a tenure of operation of 30 years from 4 October 1988 to 3 October 2019.

On 2 March 2004, the Company was re-registered as a foreign invested joint stock company with limited liability. The tenure of operation of the Company was revised to infinite. On 7 April 2006, the Company’s H shares were successfully listed on the Stock Exchange.

The registered office and principal place of business of the Company is located at 385 Hongcao Road, Shanghai 200233, the PRC.

The Company is principally engaged in the manufacture and sale of 5-inch, 6-inch and 8-inch wafers.

2. BASIS OF PREPARATION

The interim condensed financial statements of the Company for the six months ended 30 June 2015 are prepared in accordance with International Accounting Standard (“IAS”) 34 “Interim Financial Reporting” promulgated by the International Accounting Standards Board.

The interim condensed financial statements 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 2014 (“2014 financial statements”) dated 11 March 2015.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies used in the preparation of these interim condensed financial statements are consistent with those used in the 2014 financial statements, except for the adoption of new standards and interpretations as of 1 January 2015, which are set out below.

The Company has adopted the following new and revised IFRSs for the first time in these interim condensed financial statements.

- Amendments to IAS 19 Defined Benefit Plans: Employee Contributions
- Amendments under Annual Improvements to IFRSs 2010-2012 Cycle: IFRS 2 Share-based Payment, IFRS 3 Business Combinations, IFRS 8 Operating Segments, IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets, IAS 24 Related Party Disclosures
- Amendments under Annual Improvements to IFRSs 2011-2013 Cycle: IFRS 3 Business Combinations, IFRS 13 Fair Value Measurement and IAS 40 Investment Property

The adoption of these new and revised IFRSs has had no significant financial effect on these interim condensed financial statements and there have been no significant changes to the accounting policies applied in these interim condensed financial statements.

NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS (Continued)

30 June 2015

4. 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 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:

	3 months ended 30 June 2015 (Unaudited and unreviewed) RMB'000	6 months ended 30 June 2015 (Unaudited) RMB'000	3 months ended 30 June 2014 (Unaudited and unreviewed) RMB'000	6 months ended 30 June 2014 (Unaudited) RMB'000
United States of America	108,922	203,341	106,692	184,110
Europe	38,422	66,293	45,881	70,756
Asia	64,868	116,265	71,993	130,540
	<u>212,212</u>	<u>385,899</u>	<u>224,566</u>	<u>385,406</u>

Information about major customers

Revenue of approximately RMB220,979,000 (30 June 2014: RMB198,934,000) was derived from sales to three customers (30 June 2014: three) which individually accounted for more than 10% of the Company's total revenue during the six months ended 30 June 2015. Sales to a particular customer include sales to a group of entities which are known to be under common control with that customer.

NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS (Continued)

30 June 2015

5. REVENUE

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

An analysis of revenue is as follows:

	3 months ended 30 June 2015 (Unaudited and unreviewed) RMB'000	6 months ended 30 June 2015 (Unaudited) RMB'000	3 months ended 30 June 2014 (Unaudited and unreviewed) RMB'000	6 months ended 30 June 2014 (Unaudited) RMB'000
Sale of goods	<u>212,212</u>	<u>385,899</u>	<u>224,566</u>	<u>385,406</u>

6. OTHER INCOME AND GAINS

	3 months ended 30 June 2015 (Unaudited and unreviewed) RMB'000	6 months ended 30 June 2015 (Unaudited) RMB'000	3 months ended 30 June 2014 (Unaudited and unreviewed) RMB'000	6 months ended 30 June 2014 (Unaudited) RMB'000
Other income and gains				
Government grants	690	1,388	766	2,072
Interest income	2,439	4,904	2,720	5,325
Sale of scrap materials	357	1,616	1,053	1,939
Net foreign exchange gain	1,011	3,032	876	1,515
Others	<u>2</u>	<u>7</u>	<u>—</u>	<u>215</u>
	<u>4,499</u>	<u>10,947</u>	<u>5,415</u>	<u>11,066</u>

NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS (Continued)

30 June 2015

7. PROFIT BEFORE TAX

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

	3 months ended 30 June 2015 (Unaudited and unreviewed) RMB'000	6 months ended 30 June 2015 (Unaudited) RMB'000	3 months ended 30 June 2014 (Unaudited and unreviewed) RMB'000	6 months ended 30 June 2014 (Unaudited) RMB'000
Cost of inventories sold	169,865	327,049	177,173	323,065
Depreciation	15,934	31,764	16,247	32,128
Amortisation of intangible assets	659	1,324	865	1,645
Amortisation of prepaid land lease payments	192	385	192	385
Research and development costs	5,701	11,218	6,679	17,252
Auditors' remuneration	345	690	345	690
Employee benefits expense (including directors', supervisors' and senior executives' remuneration):				
Retirement benefits – defined contribution fund	5,263	9,810	4,427	8,746
Accommodation benefits – defined contribution fund	1,552	3,068	1,308	2,638
Early retirement and termination benefits	49	95	494	1,667
Salaries and other staff costs	43,204	84,310	39,123	74,861
	<u>50,068</u>	<u>97,283</u>	<u>45,352</u>	<u>87,912</u>
Interest on bank borrowings	—	—	178	388
Reversal of impairment of doubtful debts	—	(1)	(165)	(31)
Reversal of write-down of inventories to net realisable value	<u>(1,732)</u>	<u>(657)</u>	<u>(3,849)</u>	<u>(3,108)</u>

NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS (Continued)

30 June 2015

8. INCOME TAX

No provision for Hong Kong profits tax has been made as the Company had no assessable profits arising in Hong Kong during the three months and the six months ended 30 June 2013 and 2014.

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 year. However, the Company obtained the renewal of "High and New Technology Enterprise" ("HNTE") status with a valid period from 1 January 2014 to 31 December 2016 and was recognized by the in-charge tax authority to enjoy the preferential Corporate Income Tax rate at 15%, which shall also be subject to the fulfillment on conditions required for HNTE on yearly basis.

Major components of income tax are as follows:

	3 months ended 30 June 2015 (Unaudited and unreviewed) RMB'000	6 months ended 30 June 2015 (Unaudited) RMB'000	3 months ended 30 June 2014 (Unaudited and unreviewed) RMB'000	6 months ended 30 June 2014 (Unaudited) RMB'000
Provision for income tax in respect of profit for the period	—	—	—	—
Deferred tax credit	—	—	—	—
Income tax expense	—	—	—	—

No income tax is provided as the Company does not have taxable profits in the reporting period.

Deferred tax assets have not been recognised in respect of the deductible temporary differences, including tax losses, as it is not considered probable that sufficient taxable profits will be available against which these deductible temporary differences can be utilised.

9. DIVIDENDS

The Board does not recommend the payment of an interim dividend to the ordinary equity holders of the Company for the six months ended 30 June 2015 (30 June 2014: Nil).

NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS (Continued)

30 June 2015

10. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The basic earnings per share amount is calculated by dividing the profit for the reporting period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the reporting period.

	3 months ended 30 June 2015 (Unaudited and unreviewed)	6 months ended 30 June 2015 (Unaudited)	3 months ended 30 June 2014 (Unaudited and unreviewed)	6 months ended 30 June 2014 (Unaudited)
Profit attributable to ordinary equity holders of the Company (RMB'000)	<u>22,764</u>	<u>21,940</u>	<u>26,771</u>	<u>20,560</u>
Weighted average number of ordinary shares in issue ('000)	<u>1,534,227</u>	<u>1,534,227</u>	<u>1,534,227</u>	<u>1,534,227</u>

No adjustment has been made to the basic earnings per share amounts presented for the three months and the six months ended 30 June 2015 and 2014 as the Company had no potentially dilutive ordinary shares in issue during those periods.

NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS (Continued)

30 June 2015

11. PROPERTY, PLANT AND EQUIPMENT

	Buildings (Unaudited) <i>RMB'000</i>	Plant and machinery (Unaudited) <i>RMB'000</i>	Office equipment (Unaudited) <i>RMB'000</i>	Motor vehicles (Unaudited) <i>RMB'000</i>	Total (Unaudited) <i>RMB'000</i>
Cost:					
At 1 January 2015	163,675	3,866,957	78,520	2,764	4,111,916
Transferred from construction in progress	—	21,747	1,282	—	23,029
Disposals	—	(47,787)	(144)	(594)	(48,525)
At 30 June 2015	<u>163,675</u>	<u>3,840,917</u>	<u>79,658</u>	<u>2,170</u>	<u>4,086,420</u>
Accumulated depreciation:					
At 1 January 2015	70,737	2,830,928	72,963	2,247	2,976,875
Charge for the period	6,220	24,332	1,122	90	31,764
Disposals	—	(39,695)	(144)	(594)	(40,433)
At 30 June 2015	<u>76,957</u>	<u>2,815,565</u>	<u>73,941</u>	<u>1,743</u>	<u>2,968,206</u>
Impairment losses:					
At 1 January 2015	—	793,119	—	—	793,119
Disposals	—	(8,045)	—	—	(8,045)
At 30 June 2015	<u>—</u>	<u>785,074</u>	<u>—</u>	<u>—</u>	<u>785,074</u>
Net book value:					
At 30 June 2015	<u><u>86,718</u></u>	<u><u>240,278</u></u>	<u><u>5,717</u></u>	<u><u>427</u></u>	<u><u>333,140</u></u>

As at 30 June 2015, the Company has not obtained certificates of real estate ownership from the relevant PRC government authorities for certain buildings with a carrying amount of RMB16,209,000 (31 December 2014: RMB16,984,000). Until the receipt of the certificates, the Company has no right to assign or pledge these buildings. The Company believes that it is entitled to lawfully and validly occupy and use the above-mentioned buildings, and therefore the aforesaid matters did not have any significant impact on the Company's financial position as at 30 June 2015.

NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS (Continued)

30 June 2015

11. PROPERTY, PLANT AND EQUIPMENT (Continued)

	Buildings (Unaudited) <i>RMB'000</i>	Plant and machinery (Unaudited) <i>RMB'000</i>	Office equipment (Unaudited) <i>RMB'000</i>	Motor vehicles (Unaudited) <i>RMB'000</i>	Total (Unaudited) <i>RMB'000</i>
Cost:					
At 1 January 2014	163,740	3,847,053	78,920	2,910	4,092,623
Transferred from construction in progress	—	41,516	1,785	3	43,304
Disposals	(65)	(21,612)	(2,185)	(149)	(24,011)
At 31 December 2014	<u>163,675</u>	<u>3,866,957</u>	<u>78,520</u>	<u>2,764</u>	<u>4,111,916</u>
Accumulated depreciation:					
At 1 January 2014	65,298	2,795,409	72,945	2,212	2,935,864
Charge for the period	5,464	56,257	2,198	184	64,103
Disposals	(26)	(20,738)	(2,180)	(149)	(23,093)
At 31 December 2014	<u>70,736</u>	<u>2,830,928</u>	<u>72,963</u>	<u>2,247</u>	<u>2,967,874</u>
Impairment losses:					
At 1 January 2014	—	793,889	—	—	793,889
Disposals	—	(770)	—	—	(770)
At 31 December 2014	<u>—</u>	<u>793,119</u>	<u>—</u>	<u>—</u>	<u>793,119</u>
Net book value:					
At 31 December 2014	<u>92,938</u>	<u>242,910</u>	<u>5,557</u>	<u>517</u>	<u>341,922</u>

NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS (Continued)

30 June 2015

12. ACCOUNTS AND NOTE RECEIVABLES

	30 June 2015 (Unaudited) RMB'000	31 December 2014 (Audited) RMB'000
Accounts receivable	65,904	57,225
Note receivables	7,490	9,098
	<u>73,394</u>	<u>66,323</u>
Impairment	—	(1)
	<u><u>73,394</u></u>	<u><u>66,322</u></u>

The Company's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. Credit terms granted by the Company to its customers generally range from 30 to 60 days. The Company seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management of the Company. Accounts and note receivables are non-interest-bearing.

An aged analysis of the accounts and notes receivables at the end of the reporting period, based on the invoice date and net of impairment, was as follows:

	30 June 2015 (Unaudited) RMB'000	31 December 2014 (Audited) RMB'000
Outstanding balances with ageing:		
Within 30 days	54,635	50,812
Between 31 days and 90 days	15,512	12,514
Between 91 days and 180 days	3,198	2,871
Between 181 days and 365 days	49	125
Over 365 days	—	—
	<u>73,394</u>	<u>66,322</u>

The movements in the impairment for accounts receivable are as follows:

	30 June 2015 (Unaudited) RMB'000	31 December 2014 (Audited) RMB'000
At beginning of period/year	1	40
Reversed impairment losses provided	(1)	(39)
At end of period/year	<u><u>—</u></u>	<u><u>1</u></u>

NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS (Continued)

30 June 2015

12. ACCOUNTS AND NOTES RECEIVABLES (Continued)

The analysis of accounts and notes receivables that were not impaired at the end of the reporting period was as follows:

	Total RMB'000	Neither past due nor impaired RMB'000	Past due but not impaired			
			<60 days RMB'000	60-180 days RMB'000	181-365 days RMB'000	>365 days RMB'000
30 June 2015 (unaudited)	73,394	67,207	5,711	476	—	—
31 December 2014 (audited)	66,322	59,318	6,827	51	126	—

Receivables that were neither past due nor impaired relate to a large number of diversified customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Company. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in the credit quality of those customers and that the balances are still considered fully recoverable. The Company does not hold any collateral or other credit enhancements over these balances.

13. ACCOUNTS PAYABLE

An aged analysis of the accounts payable at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2015 (Unaudited) RMB'000	31 December 2014 (Audited) RMB'000
Outstanding balances with ageing:		
Within 30 days	92,825	90,295
Between 31 days and 90 days	13,401	7,070
Between 91 days and 180 days	1,580	1,656
Between 181 days and 365 days	1,334	264
Over 365 days	27	78
	109,167	99,363

NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS (Continued)

30 June 2015

14. COMMITMENTS

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

	30 June 2015 (Unaudited) RMB'000	31 December 2014 (Audited) RMB'000
Capital commitments in respect of property, plant and equipment:		
– contracted, but not provided for	15,403	6,727
– authorised, but not contracted for	55,397	79,026
	70,800	85,753

15. RELATED PARTY TRANSACTIONS

The Company is under the significant influence of NXP B.V., which holds 27.47% of the equity interest of the Company. The companies controlled by NXP B.V. are considered to be related to the Company.

The Company had the following material transactions with related parties during the reporting period:

		3 months ended 30 June 2015 (Unaudited and unreviewed) RMB'000	6 months ended 30 June 2015 (Unaudited) RMB'000	3 months ended 30 June 2014 (Unaudited and unreviewed) RMB'000	6 months ended 30 June 2014 (Unaudited) RMB'000
	<i>Notes</i>				
Sales	(i)	27,000	43,216	33,722	52,374
Purchase of equipment	(ii)	—	—	—	6,097
Compensation paid/payable to key management personnel (including directors, supervisors and senior executives)		1,127	2,280	1,132	2,246
Technology transfer fees	(iii)	936	2,240	1,502	2,773

NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS (Continued)

30 June 2015

15. RELATED PARTY TRANSACTIONS (Continued)

Notes:

- (i) Sales to related companies were carried out on terms equivalent to those in arm's length transactions.
- (ii) Purchase of equipment from related companies was made at prices determined according to the agreement signed by both parties.
- (iii) 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 according to the agreement signed by both parties.

In the opinion of the directors (including the independent non-executive directors), all transactions above were carried out in the ordinary course of business of the Company.

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

16. FINANCIAL INSTRUMENTS

The Company has various financial assets and liabilities such as accounts and note receivables, other receivables, current accounts with related companies, cash and cash equivalents, accounts payable and other payables. The fair values of the financial assets and liabilities of the Company at the end of the reporting period approximated to their carrying amounts.

17. APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

The interim condensed financial statements were approved and authorised for issue by the Board on 5 August 2015.

MANAGEMENT DISCUSSION AND ANALYSIS

SIX MONTHS ENDED 30 JUNE 2015 COMPARED TO SIX MONTHS ENDED 30 JUNE 2014

Sales

The traditional slow season in the early part of 2015, combined with some softness in demand from one of the Company's major overseas customers, negatively impacted the Company's operating results and financial performance in the first half of the year. As a result, the Company recorded sales of RMB385.9 million for the six months ended 30 June 2015, which remained flat from the six months ended 30 June 2014. During the reporting period, wafer shipments increased by 1.2% to 223,096 units of 8-inch equivalent wafers from 220,539 units of 8-inch equivalent wafers for the six months ended 30 June 2014.

Gross profit

Gross profit for the six months ended 30 June 2015 was RMB58.9 million, compared to RMB62.3 million for the six months ended 30 June 2014. Gross margin for the six months ended 30 June 2015 was 15.3%, compared to 16.2% over the same period of last year, largely attributable to a decrease in the average selling price and an unfavorable product mix, partially offset by a higher utilisation rate and variable costs savings, i.e. raw materials and others.

Other income and gains

Other income and gains for the six months ended 30 June 2015 were RMB10.9 million, compared to RMB11.1 million for the six months ended 30 June 2014. Other income and gains in the first half of 2015 were primarily generated by government grants, interest income, net foreign exchange gains, the sale of scrap materials and others.

Selling and distribution expenses

Selling and distribution expenses increased from RMB3.2 million for the six months ended 30 June 2014 to RMB3.8 million for the six months ended 30 June 2015, mainly due to higher payroll-related expenses.

General and administrative expenses

General and administrative expenses amounted to RMB32.8 million for the six months ended 30 June 2015, up 2.5% from RMB32.0 million for the six months ended 30 June 2014, due mainly to the increase in payroll-related expenses.

Research and development costs

Research and development costs for the six months ended 30 June 2015 were RMB11.2 million, representing a decrease of 35.3% from RMB17.3 million for the six months ended 30 June 2014, the improvement in sales of some engineering lots and around RMB3.1 million write-off of the government supported project.

Finance costs

No finance costs for the six months ended 30 June 2015 were recorded compared to RMB0.4 million of finance costs for the six months ended 30 June 2014, due to the repayment of bank loans in 2014.

Net income

As a result of the factors listed above, the Company recorded net income of RMB21.9 million for the six months ended 30 June 2015, compared to net income of RMB20.6 million for the six months ended 30 June 2014.

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

SIX MONTHS ENDED 30 JUNE 2015 COMPARED TO SIX MONTHS ENDED 30 JUNE 2014 (Continued)

Liquidity and capital resources

Cash and cash equivalents as at 30 June 2015 amounted to RMB495.1 million compared to RMB479.6 million as at 31 December 2014. Net cash inflow from operating activities was RMB44.2 million for the six months ended 30 June 2015, compared to RMB48.5 million in the corresponding period of 2014.

Net cash outflow from investing activities was RMB28.6 million for the six months ended 30 June 2015, primarily for the purchase of items of property, plant and equipment, and construction in progress and intangible assets, compared to net cash outflow of RMB29.0 million from investing activities for the six months ended 30 June 2014. Total capital expenditures amounted to RMB26.2 million for the six months ended 30 June 2015, compared to RMB21.6 million for the six months ended 30 June 2014. The capital expenditures incurred in the first half of 2015 were mostly spent in improving 8-inch wafer capacity and projects related to the strategic industrial alliance with major IC producers in the semiconductor supply chain.

There was no cash inflow from financing activities recorded for the first six months ended 30 June 2015, which remained the same compared to the corresponding period of last year.

No short-term interest-bearing borrowings were recorded as at 30 June 2015 compared to RMB18.5 million of short-term interest-bearing borrowings for the six months ended 30 June 2014.

As at 30 June 2015, the Company's current ratio was 4.41, compared to 4.40 as at 31 December 2014. The Company's debt-to-equity ratio as at 30 June 2015 was 18.0%, compared to 17.6% as at 31 December 2014. (Debt to equity ratio is calculated as the sum of total current liabilities and non-current liabilities divided by total shareholders' equity).

Employees

As at 30 June 2015, the Company had 1,301 employees, an increase of 2.5% from 1,269 employees as at 31 December 2014. During the reporting period, remuneration and employment benefits were provided for and paid in accordance with PRC laws and regulations.

RMB fluctuation risks

RMB is the Company's functional and reporting currency. A large amount of the Company's revenue and expenditures is now denominated in foreign currencies. In the event that the Company's RMB revenue is not sufficient to meet its RMB expenditure, the Company will be required to meet the difference by conversion of its foreign currencies deposits into RMB, which might result in exchange loss, ultimately leading to a negative impact on its cash flow.

Capital commitments

As at 30 June 2015, the Company had capital commitments for property, plant and equipment amounting to RMB70.8 million, of which RMB15.4 million was contracted but not provided for, while the remaining RMB55.4 million was authorised but not contracted for.

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

OPERATING RESULTS FOR THE THREE MONTHS ENDED 30 JUNE 2015

Sales for the three months ended 30 June 2015 were RMB212.2 million, an increase of RMB38.5 million or 22.2% from RMB173.7 million for the three months ended 31 March 2015. Such increase was primarily due to substantial increases in the sales of both 6-inch and 8-inch wafers and, to a lesser extent, in the sales of 5-inch wafers.

Gross profit for the three months ended 30 June 2015 was RMB42.3 million, an increase of RMB25.8 million or 156.4% from RMB16.5 million for the three months ended 31 March 2015. Gross margin for the three months ended 30 June 2015 was 19.9% compared to 9.5% for the three months ended 31 March 2015, primarily attributable to a higher level of capacity utilisation rate.

Other income and gains for the three months ended 30 June 2015 were RMB4.5 million, compared to RMB6.4 million for the three months ended 31 March 2015. Other income and gains in the first quarter and second quarter of 2015 mainly comprised government grants, interest income, net foreign exchange gains, the sale of scrap materials and others.

Operating expenses for the three months ended 30 June 2015 amounted to RMB24.1 million compared to RMB23.8 million for the three months ended 31 March 2015. This was largely attributable to the increase in general and administrative expenses and research and development costs, partially offset by a decline in selling and distribution expenses.

As a result, the Company achieved net income of RMB22.8 million for the three months ended 30 June 2015, compared to a net loss of RMB0.8 million for the three months ended 31 March 2015.

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

OPERATING RESULTS FOR THE THREE MONTHS ENDED 30 JUNE 2015

(Continued)

1. Revenue Analysis

By Application

Sales for the three months ended 30 June 2015 from communication, computer and consumer products accounted for 33%, 33% and 34% of total revenue respectively, which were basically in line with the previous quarter.

	2Q2015	1Q2015	2Q2014
Communication	33%	34%	33%
Computer	33%	33%	33%
Consumer	34%	33%	34%

By Geography

For the three months ended 30 June 2015 sales to the USA, Europe and Asia Pacific accounted for 51%, 18% and 31% of total revenue, respectively, compared to 54%, 16% and 30% in the previous quarter.

	2Q2015	1Q2015	2Q2014
USA	51%	54%	48%
Europe	18%	16%	20%
Asia Pacific	31%	30%	32%

By Customer Type

For the three months ended 30 June 2015, sales to IDM and fabless customers accounted for 29% and 71% of total revenue, respectively, compared to 24% and 76% in the previous quarter.

	2Q2015	1Q2015	2Q2014
IDM	29%	24%	34%
Fabless	71%	76%	66%

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

OPERATING RESULTS FOR THE THREE MONTHS ENDED 30 JUNE 2015

(Continued)

1. Revenue Analysis (Continued)

By Product

For the three months ended 30 June 2015, sales as a percentage of total revenue from 5-inch, 6-inch and 8-inch wafers were 7%, 43% and 50% respectively, compared to 7%, 39% and 54% in the previous quarter.

	2Q2015	1Q2015	2Q2014
5-inch wafers	7%	7%	7%
6-inch wafers	43%	39%	46%
8-inch wafers	50%	54%	46%
Others ¹	0%	0%	1%

Note 1: Consist of probing services and provision of masks

2. Utilization and Capacity (8" equivalent)

2.1 Utilization

Overall capacity utilization for the three months ended 30 June 2015 was 81%, compared to 69% for the three months ended 31 March 2015.

Fab	2Q2015	1Q2015	2Q2014
Fab 1/2			
5-inch wafers	78%	59%	86%
6-inch wafers	80%	61%	86%
Fab 3			
8-inch wafers	82%	75%	78%
Overall Capacity Utilization Rate	81%	69%	81%

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

OPERATING RESULTS FOR THE THREE MONTHS ENDED 30 JUNE 2015

(Continued)

2. Utilization and Capacity (8" equivalent) (Continued)

2.1 Utilization (Continued)

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 of producing 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 Notes 2 to paragraph 2.2 below. In consequence, the utilization rates of actual operating capacity are higher than the figures stated in the table above.
3. The utilization rate of the Company's 8-inch wafers in Fab3 was calculated on the basis of 325,000 marks per month which became effective on 1 July 2013.
4. The installed capacity of the Company's 5-inch wafers changed from 252,000 masks per month to 66,000 masks per month, which became effective on 1 January 2014.
5. The installed capacity of the Company's 6-inch wafers changed from 510,000 masks per month to 420,000 masks per month, which became effective on 1 January 2014.

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)**OPERATING RESULTS FOR THE THREE MONTHS ENDED 30 JUNE 2015**

(Continued)

2. Utilization and Capacity (8" equivalent) (Continued)**2.2 Capacity (8" Equivalent)**

The capacity for the three months ended 30 June 2015 was 150,000 8-inch equivalent wafers, which was the same as that of the previous quarter and that of the second quarter of 2014.

Fab (wafers in thousands)	2Q2015	1Q2015	2Q2014
Fab 1/2			
5-inch wafers	9	9	9
6-inch wafers	71	71	71
Fab 3			
8-inch wafers	70	70	70
Total Capacity	150	150	150

Notes:

1. The Company estimated the capacities of its 5-inch and 6-inch on the basis of 9 and 10 mask steps per wafer respectively and 5-inch and 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. The basis on which the capacity of the Company's 8-inch wafers was estimated changed from 22 mask steps per wafer to 14 mask steps per wafer, which became effective on 1 January 2014.

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)**OPERATING RESULTS FOR THE THREE MONTHS ENDED 30 JUNE 2015**

(Continued)

3. Receivables/Inventory Turnover

Receivables turnover for the three months ended 30 June 2015 was 38 days, compared to 43 days for the three months ended 31 March 2015.

Inventory turnover was 78 days for the three months ended 30 June 2015, compared to 82 days for the three months ended 31 March 2015.

	2Q2015	1Q2015	2Q2014
Trade and notes receivables turnover (days)	38	43	46
Inventory turnover (days)	78	82	78

4. Capital Expenditures

Capital expenditures for the three months ended 30 June 2015 amounted to RMB20.7 million, compared to RMB5.5 million for the three months ended 31 March 2015.

	2Q2015	1Q2015	2Q2014
(Amount: RMB'000) Capex	20,721	5,515	4,956

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

PROSPECTS AND FUTURE PLANS

Although the global economic recovery is likely to remain unchanged, the growth prospects are diverging across regions. China's economy has been entering into the "new normal state" growth rate. The slowing of key market drivers such as smart phone and tablets is likely to limit the growth rate of the semiconductor market in 2015. Those factors will continue to have a dampening effect on the Company's results for the remainder of the year.

However, the Company remains determined to meet these challenges proactively. During the first half of 2015, the Company continued to aggressively progress a number of the projects relative to the establishment of the domestic strategic industrial alliances and sparing no efforts to explore the domestic market while deepening the exploration of the international market. As part of its ongoing efforts to build up new drivers of growth and development, a number of projects are well under way and expected to run risk production and volume production either in the second half of the year or early next year, eventually enabling the Company to create incremental new revenue. Internally, the Company continued to improve its overall efficiency and enhance its service capabilities in areas such as operations, sales and marketing, and technology development so as to offer more cost-effective manufacturing solutions to both existing and potential customers.

Moving forward, the Company will proactively adapt to the "new normal" situation of the macro economy in China, and lower-than-expected growth momentum of the semiconductor market in 2015, and will continue to improve its strength and competitiveness by enhancing its overall service capabilities to both domestic and international customers and creating more value-added services in analog IC specialty processes and designated markets. The Company is committed to pursuing its development through seeking more extensive cooperation with major IC producers in the semiconductor supply chain both at home and abroad, and maintaining its core products development strategy, and thereby ultimately realizing its vision for ASMC.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the six months ended 30 June 2015, there was no purchase, sale or redemption by the Company of its listed securities.

DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS

As at 30 June 2015, none of the directors, supervisors and chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) as recorded in the register maintained under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS

As at 30 June 2015, the interests and short positions of the following persons (not being a director, supervisor or chief executive of the Company) in the shares or underlying shares of the Company (within the meaning of Part XV of the SFO) were recorded in the register kept by the Company pursuant to section 336 of the SFO.

Name of shareholders	Class of shares	Number of shares	Capacity	Percentage in the relevant class of issued share capital	Percentage in the total issued share capital
NXP B.V. (Note 1)	H-shares	408,806,888 (Long position)	Beneficial owner	36.13%	26.65%
	Unlisted foreign shares	12,643,512 (Long position)	Beneficial owner	100%	0.82%
SCIP (HK) Limited ("SCIP (HK)") (Note 2)	H-shares	222,574,584 (Long position)	Beneficial owner	19.67%	14.51%
Shanghai Chemical Industrial Park Investment Enterprise Company Limited ("SCIPI") (Note 2)	Domestic shares	122,220,616 (Long position)	Beneficial owner	31.32%	7.97%
China Orient Asset Management Corporation	Domestic shares	179,303,000 (Long position)	Beneficial owner	45.95%	11.69%
Shanghai Belling Co., Limited	Domestic shares	88,726,400 (Long position)	Beneficial owner	22.74%	5.78%

Notes:

1. NXP B.V. is a wholly-owned subsidiary of NXP Semiconductors N.V. (formerly known as Kaslion Acquisition B.V.). Accordingly, NXP Semiconductors N.V. is taken as having interests in the 408,806,888 H-shares and the 12,643,512 unlisted foreign shares of the Company which are beneficially held by NXP B.V.
2. SCIP (HK) is a wholly-owned subsidiary of SCIPI which in turn is 100% controlled by Shanghai Chemical Industrial Park Development Co., Ltd. ("SCIPD"). Accordingly, SCIPI and SCIPD are taken as having interests in the 222,574,584 H-shares of the Company which are beneficially held by SCIP (HK), and SCIPD is taken as having interests in the 122,220,616 domestic shares of the Company which are beneficially held by SCIPI.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS (Continued)

Pursuant to Section 336 of the SFO, the shareholders of the Company are required to file disclosure of interests forms when certain criteria are fulfilled. When a shareholding in the Company changes, it is not necessary for the shareholder to notify the Company and the Stock Exchange unless a specific threshold is passed, therefore a substantial shareholder's latest shareholding in the Company may be different from the shareholding filed with the Company and the Stock Exchange.

SHARE OPTION SCHEME

As at 30 June 2015, the Company had no share option scheme within the meaning of Chapter 17 of the Listing Rules.

CORPORATE GOVERNANCE

Compliance with the Corporate Governance Code

The Company is committed to maintaining high standards of corporate governance so as to ensure better transparency and protection of shareholders' interests. The Company has fully complied with the code provisions of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules for the six months ended 30 June 2015.

Model Code

The Company has adopted the Model Code as the Company's code of conduct regarding securities transactions by the directors and supervisors.

The Company, having made specific enquiry of all its directors and supervisors, confirms that its directors and supervisors have complied with the required standards set out in the Model Code throughout the six months ended 30 June 2015.

Changes in Information of Directors and Supervisors

Pursuant to Rule 13.51B of the Listing Rules, the changes in the Company's directors' and supervisors' information are set out below.

Ms. XU Chunlei resigned as a supervisor and the Chairman of the the Supervisory Committee of the Company (the "Supervisory Committee") with effect from 30 April 2015.

Mr. Eric WANG was elected as as a Shareholders Representative Supervisor and the Chairman of the Supervisory Committee with effect from 4 August 2015.

Mr. Wang Qingyu shall resign as the Executive Director of the Company with effect from 8 August 2015.

Save as disclosed above, as at the date of the interim report, there were no changes to information which are required to be disclosed and have been disclosed by the Directors and Supervisors pursuant to paragraphs (a) to (e) and (g) of rule 13.51(2) of the Listing Rules.

CORPORATE GOVERNANCE (Continued)

Audit Committee Review

The audit committee of the Company consists of three independent non-executive directors, namely Mr. James Arthur Watkins (Chairman), Dr. Chen Enhua and Dr. Jiang Qingtang, and two non-executive directors, namely Mr. Johannes AE van den Broek and Ms. Shen Qing. The interim results for the six months ended 30 June 2015 are unaudited, but have been reviewed by the Audit Committee and Ernst & Young, the Company's external auditor.

By Order of the Board

ADVANCED SEMICONDUCTOR MANUFACTURING CORPORATION LIMITED

Chen Jianming

Chairman

Shanghai, the PRC, 5 August 2015

As at the date of this interim report, the executive director of the Company is Wang Qingyu, the non-executive directors of the Company are Chen Jianming, David Damian French, Shen Qing, Johannes AE van den Broek, Zhu Jian and Xu Ding; and the independent non-executive directors of the Company are James Arthur Watkins, Chen Enhua, Jiang Qingtang and Pu Hanhu.