Safe Harbor Statements
Under the Private Securities Litigation Reform Act of 1995

This presentation contains, in addition to historical information, “forward-looking statements” within the meaning of the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements, including statements under “Third Quarter 2017 Guidance” and “CapEx Guidance” are based on SMIC’s current assumptions, expectations and projections about future events. SMIC uses words like "believe," "anticipate," "intend," "estimate," "expect," "project," "target" and similar expressions to identify forward looking statements, although not all forward-looking statements contain these words. These forward-looking statements are necessarily estimates reflecting the best judgment of SMIC’s senior management and involve significant risks, both known and unknown, uncertainties and other factors that may cause SMIC’s actual performance, financial condition or results of operations to be materially different from those suggested by the forward-looking statements including, among others, risks associated with cyclicality and market conditions in the semiconductor industry, in tense competition in the semiconductor industry, SMIC’s reliance on a small number of customers, timely wafer acceptance by SMIC’s customers, timely introduction of new technologies, SMIC’s ability to ramp new products into volume, supply and demand for semiconductor foundry services, industry overcapacity, shortages in equipment, components and raw materials, availability of manufacturing capacity, financial stability in end markets, orders or judgments from pending litigation, intensive intellectual property litigation in semiconductor industry, general economic conditions and fluctuations in currency exchange rates.

In addition to the information contained in this presentation, you should also consider the information contained in our other filings with the SEC, including our annual report on Form 20-F filed with the SEC on April 27, 2017, especially in the "Risk Factors" section and such other documents that we may file with the SEC or The Hong Kong Stock Exchange Limited (“SEHK”) from time to time, including current reports on Form 6-K. Other unknown or unpredictable factors also could have material adverse effects on our future results, performance or achievements. In light of these risks, uncertainties, assumptions and factors, the forward-looking events discussed in this presentation may not occur. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date stated or, if no date is stated, as of the date of this presentation. Except as may be required by law, SMIC undertakes no obligation and does not intend to update any forward-looking statement, whether as a result of new information, future events or otherwise.

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

During this presentation, references to financial measures of SMIC will include references to non-GAAP financial measures, including non-GAAP operating expenses and adjusted EBITDA, and EBITDA margin. For an explanation to the most directly comparable GAAP financial measures, see our earnings release.
Introduction

- SMIC Performance
- China Semiconductor Opportunity
- Strategies for Profitable Growth
- Concluding Remarks
SMIC: Largest and Most Advanced IC Foundry in PRC

Company Overview

- Established in 2000, headquartered in Shanghai
- Listed both on HKSE and NYSE
- The leading semiconductor foundry in China and Italy
- 2016 revenue: US$2.9bn
- Target revenue CAGR of 20% from 2016 to 2019

Strong Global Presence

- USA
- Italy
- Germany
- China
- Hong Kong
- Japan
- Taiwan
- Shenzhen
- Beijing
- Tianjin
- Shanghai
- Avezzano
- Germany
- China Headquarters Shanghai
- China Tianjin

Shareholding Structure

<table>
<thead>
<tr>
<th>Shareholding Structure</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Datang Telecom Technology</td>
<td>17.16%</td>
</tr>
<tr>
<td>China IC Industry Investment Fund</td>
<td>15.91%</td>
</tr>
<tr>
<td>Other Global Investors</td>
<td>66.93%</td>
</tr>
</tbody>
</table>

Diversified Revenue Sources

- Revenue by Geography
  - North America: 41.8%
  - China: 45.3%
  - Eurasia: 12.9%

- Revenue by Application
  - Communications: 43.7%
  - Auto/Industrial: 8.1%
  - Computer: 6.0%
  - Others: 4.8%

- Wafer Revenue by Technology
  - 250/350nm: 2.8%
  - 150/180nm: 29.4%
  - 110/130nm: 17.1%
  - 90nm: 1.4%
  - 40/45nm: 19.1%
  - 55/65nm: 23.8%

- Top 10 customers: 4 from China, 4 from US, 2 from Eurasia.

Source: Public Filings: NASDAQ OMX data, July 13, 2017

Source: Company 2017 Q2 results
SMIC’s Milestones

- **Revenue ($M)**
- **Net Profit attributable to SMIC ($M)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue</th>
<th>Net Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>50</td>
<td>(3)</td>
</tr>
<tr>
<td>2001</td>
<td>366</td>
<td>(103)</td>
</tr>
<tr>
<td>2002</td>
<td>975</td>
<td>(66)</td>
</tr>
<tr>
<td>2003</td>
<td>1,171</td>
<td>(112)</td>
</tr>
<tr>
<td>2004</td>
<td>1,465</td>
<td>(44)</td>
</tr>
<tr>
<td>2005</td>
<td>1,550</td>
<td>(19)</td>
</tr>
<tr>
<td>2006</td>
<td>1,354</td>
<td>(440)</td>
</tr>
<tr>
<td>2007</td>
<td>1,070</td>
<td>(962)</td>
</tr>
<tr>
<td>2008</td>
<td>1,555</td>
<td>(247)</td>
</tr>
<tr>
<td>2009</td>
<td>1,702</td>
<td>(2069)</td>
</tr>
<tr>
<td>2010</td>
<td>1,702</td>
<td>(1970)</td>
</tr>
<tr>
<td>2011</td>
<td>1,970</td>
<td>(2,236)</td>
</tr>
<tr>
<td>2012</td>
<td>2,069</td>
<td>(2,914)</td>
</tr>
<tr>
<td>2013</td>
<td>2,069</td>
<td>(2,914)</td>
</tr>
<tr>
<td>2014</td>
<td>2,069</td>
<td>(2,914)</td>
</tr>
<tr>
<td>2015</td>
<td>2,069</td>
<td>(2,914)</td>
</tr>
<tr>
<td>2016</td>
<td>2,069</td>
<td>(2,914)</td>
</tr>
<tr>
<td>2017</td>
<td>2,069</td>
<td>(2,914)</td>
</tr>
</tbody>
</table>

**2000**: Incorporated

**2002**: Started 8” production, Realized revenue

**2004**: IPO in NYSE and HKSE, Achieved profitability

**2005**: Started 12” production

**2009**: Completed exit of DRAM business

**2010**: Turnaround management team on board

**2011**: Established Beijing 12” JV

**2013**: Established bumping JV

**2014**: Strategic partnership with JCET, Merger of LFoundry, New construction start in SH, TJ and SZ

**2016**: Established BEIJING 12” JV

**2017**: CEO transition

**2014**: Exited Wuhan business

**2012**: Net income turnaround

**2016**: Record high rev and profit
Independent and International Board

Executive Directors

Zhou Zixue
Chairman
- 2009–2015: Chief Economist, Ministry of Industry and Information Technology of China (“MIIT”)
- 2008–2009: Director-General, Department of Finance of MIIT
- 2002–2008: Director-General, Ministry of Information Industry

Gao Yonggang
Previous Datang CFO

Non-Executive Directors

Tzu-Yin Chiu
Vice Chairman
Previous SMIC CEO

Tong Guohua
Datang
President and Executive Director

Chen Shanzhi
Datang
SVP and CIO

Lu Jun
Sino IC-Capital
President

Ren Kai
Sino IC-Capital
VP

Zhou Jie
Haitong Securities
Executive Director

Independent Non-Executive Directors

William Tudor Brown
ARM
Founder

Lip-Bu Tan
Cadence
President and CEO

Carmen I-Hua Chang
NEA
Partner

Shang-yi Chiang
Previous TSMC
COO

Jason Jingsheng Cong
UCLA
Chancellor’s Professor
International and Experienced Management Team

CEO
Dr. Haijun Zhao

- 2013-2017: COO, EVP, SMIC
- 2010–2013: VP, SMIC
- 2006–2010: VP, ProMOS
- 2002–2006: Fellow, TECH Semiconductor
- 1999–2002: Director, TECH Semiconductor

CFO
Dr. Yonggang Gao

COO
Dr. Haijun Zhao

Sales & Marketing
Mike Rekuc

Technology
Dr. Haijun Zhao (Acting)

Engineering & Services
Dr. John Liu

Design Service
Dr. Tianshen Tang

Legal Public Affairs/Corp. GA
Jason Li

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2Q17 and 1H17 Financial Highlights

**2Q 2017**
- **Revenue:** $751M, up 9% YoY
- **Gross margin:** 25.8%
- **Profit attributable to SMIC:** $36M
  (21st consecutive profitable quarter)
- **EBITDA:** $287M
- **EBITDA margin:** 38.2%

**1H 2017**
- **Revenue:** $1,544M, up 17% YoY, record high
- **Gross profit:** $415M, up 12% YoY, record high
- **EBITDA:** $599M, up 23% YoY, record high
- **EBITDA margin:** 38.8%
- **Cash & Other Financial Assets:** $1.4B

### 2Q 2017 Financial Highlights (US$mm)

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue</th>
<th>Net profit attributable to SMIC</th>
<th>Gross Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>1,702</td>
<td>23</td>
<td>20%</td>
</tr>
<tr>
<td>2013</td>
<td>2,069</td>
<td>173</td>
<td>21%</td>
</tr>
<tr>
<td>2014</td>
<td>1,970</td>
<td>153</td>
<td>25%</td>
</tr>
<tr>
<td>2015</td>
<td>2,236</td>
<td>253</td>
<td>31%</td>
</tr>
<tr>
<td>2016</td>
<td>2,914</td>
<td>377</td>
<td>29%</td>
</tr>
<tr>
<td>1Q17</td>
<td>793</td>
<td>70</td>
<td>28%</td>
</tr>
<tr>
<td>2Q17</td>
<td>751</td>
<td>36</td>
<td>26%</td>
</tr>
</tbody>
</table>

### 3Q 2017 Guidance

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>flat to +3% QoQ</td>
</tr>
<tr>
<td>$751M~$774M</td>
<td></td>
</tr>
<tr>
<td>Gross Margin</td>
<td>22% to 24%</td>
</tr>
<tr>
<td>Non-GAAP Operating Expenses (1)</td>
<td>$179M to $185M</td>
</tr>
<tr>
<td>Non-controlling interests (2)</td>
<td>$3M to $5M</td>
</tr>
</tbody>
</table>

(1) Exclude the effect of employee bonus accrual, government funding and gain from the disposal of living quarters
(2) Losses to be borne by non-controlling interests
## SMIC Family of IC Manufacturing – Existing Fabs

<table>
<thead>
<tr>
<th>Fab</th>
<th>Technology Node</th>
<th>Monthly Capacity</th>
<th>2017 Year-End Target</th>
<th>Fab Shell Design Capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shanghai 12”</td>
<td>45nm and below</td>
<td>20K</td>
<td>20K</td>
<td>~20K</td>
</tr>
<tr>
<td>Beijing 12”</td>
<td>55-90nm, 0.13um</td>
<td>50K</td>
<td>50K</td>
<td>~50K</td>
</tr>
<tr>
<td>Beijing JV 12”</td>
<td>45nm and below</td>
<td>23K</td>
<td>27K</td>
<td>~35K</td>
</tr>
<tr>
<td>Shenzhen 12”</td>
<td>55-65nm</td>
<td></td>
<td></td>
<td>~40K</td>
</tr>
<tr>
<td>Shanghai 8”</td>
<td>0.11-0.35um</td>
<td>112K</td>
<td>114K</td>
<td>~114K</td>
</tr>
<tr>
<td>Tianjin 8”</td>
<td>0.13-0.35um</td>
<td>45K</td>
<td>47K</td>
<td>~47K</td>
</tr>
<tr>
<td>Shenzhen 8”</td>
<td>0.15-0.35um</td>
<td>32K</td>
<td>32K</td>
<td>~50K</td>
</tr>
<tr>
<td>Italy JV LF 8”</td>
<td>90nm-0.18um</td>
<td>40K</td>
<td>40K</td>
<td>~50K</td>
</tr>
<tr>
<td>Shanghai 8” Fab</td>
<td>112K/mth (0.11-0.35um)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shanghai 12” Fab</td>
<td>20K/mth (28/40/45nm)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shenzhen 8” Fab</td>
<td>32K/mth (0.15-0.35um)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shenzhen 12” Fab</td>
<td>tool installation(55-65nm)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
New Fabs for Future Growth

Expansion Conditions:
• Assured customer demand
• Technological readiness
• Sustained profitability

Tianjin
• 8-inch fab
• Targeting to be the World's Largest Integrated 8-inch IC Production Line

Shanghai
• Advanced 12-inch fab

Shenzhen
• Mature 12-inch fab
• 1st 12-inch line in South China
Introduction

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Efficiency & Profitability

Revenues ($M)

Revenue excl. Wuhan

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>1Q17</th>
<th>2Q17</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>1,541</td>
<td>1,962</td>
<td>1,970</td>
<td>2,236</td>
<td>2,914</td>
<td>793</td>
<td>751</td>
</tr>
</tbody>
</table>

Profit Capabilities ($M)

Net profit

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>1Q17</th>
<th>2Q17</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>23</td>
<td>173</td>
<td>153</td>
<td>253</td>
<td>377</td>
<td>70</td>
<td>36</td>
</tr>
</tbody>
</table>

Utilization Rate

SMIC Utilization

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>1Q17</th>
<th>2Q17</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>88%</td>
<td>91%</td>
<td>91%</td>
<td>101%</td>
<td>98%</td>
<td>92%</td>
<td>86%</td>
</tr>
</tbody>
</table>

Industry Global Utilization*

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>1Q17</th>
<th>2Q17</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>312</td>
<td>36</td>
<td>8%</td>
<td>10%</td>
<td>9%</td>
<td>8%</td>
<td>312</td>
</tr>
</tbody>
</table>

EBITDA(1) ($M) & ROE

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>1Q17</th>
<th>2Q17</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>620</td>
<td>759</td>
<td>735</td>
<td>798</td>
<td>1063</td>
<td>312</td>
<td>287</td>
</tr>
</tbody>
</table>

*(Source: SMIC analysis with third party reference data, 3Q17)

*Note: All figures before 2013 are based on US GAAP, and all figures after 2013 are based on IFRS

(1) EBITDA margin is defined as profit for the period excluding impact of finance costs, depreciation and amortization, income tax benefit and expense divided by revenue.

(2) ROE = Trailing 12 months profit attributable to owners of the Company / average equity attributable to owners of the Company.
Capex, EBITDA, and Cash Levels

2017 Capex Guidance

<table>
<thead>
<tr>
<th>Foundry Operations</th>
<th>Non-foundry operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>$2.3B</td>
<td>$70M</td>
</tr>
</tbody>
</table>

Cash and EBITDA (US$M)

- **Cash in hand**: Includes cash and cash equivalent, plus other financial assets.
- **EBITDA**
- **Gross Debt/Equity**
- **Net Debt/Equity**

Yearly Breakdown:

- **2012**: 358, 620, 18%
- **2013**: 703, 760, 1% 18%
- **2014**: 1,247, 708, 1% 39%
- **2015**: 1,288, 767, 3% 34%
- **2016**: 2,158, 1,063, 16% 56%
- **1Q17**: 2,109, 312, 11%
- **2Q17**: 1,392, 287, 25%

*Cash in hand includes cash and cash equivalent, plus other financial assets.*
Investment Grade Credit Rating

- **S&P investment grade** BBB- long-term corporate credit rating since Oct 2013
- Moody’s **investment grade** Baa3 corporate credit rating in Oct 2015
- China Chengxin International Credit Rating Agency’s **triple A rating** in Nov 2015
- Committed to **Net Debt/EBITDA** less than 2x to maintain rating

### Net Debt/EBITDA

- 1.6
- 2.3
- 2.2
- 1.8
- 1.2
- 0.9
- 1.0
- 0.8
- 0.6
- 0.5
- 0.3
- 0.3
- 0.1
- 0.2
- (0.3)
- (0.2)
- 0.2
- 0.7
- 0.7
- 0.2
- 0.7
- 1.2
- 0.8
- 0.6
- 1.3

### EBITDA/Finance Costs

- 18
- 15
- 13
- 14
- 16
- 17
- 19
- 21
- 23
- 27
- 27
- 35
- 34
- 35
- 47
- 50
- 63
- 58
- 50
- 59
- 46
- 41
- 37
Introduction

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Concluding Remarks
Rising Chinese Brands in Global Markets

Worldwide Shipment Share (Y16)

Mobile Phone ~40% of WW
- HUAWEI
- OPPO
- ZTE
- lenovo
- TCL

LCD TV ~35% of WW
- Hisense
- Skyworth
- Haier
- CHANGHONG
- Konka
- LETV

Tablets ~35% of WW
- Top-3 Chinese Brands 15%
- lenovo
- HUAWEI
- ZTE

PC/Notebook ~25% of WW
- lenovo
- Haier
- HASEE
- Great Wall

Smartphone Brands Shipment (Y14~Y16)

Chinese brands are gaining market share

Data Source: SMIC analysis with 3rd party reference data, 2Q17

Samsung
- Y14: 25%
- Y15: 22%
- Y16: 20%

Apple
- Y14: 15%
- Y15: 16%
- Y16: 14%

Others
- Y14: 31%
- Y15: 29%
- Y16: 29%

TCL
- Y14: 3%
- Y15: 4%
- Y16: 3%

LG
- Y14: 5%
- Y15: 4%
- Y16: 4%

Lenovo
- Y14: 2%
- Y15: 3%
- Y16: 6%

ZTE
- Y14: 5%
- Y15: 2%
- Y16: 9%

Vivo
- Y14: 7%
- Y15: 3%
- Y16: 9%

Huawei
- Y14: 16%
- Y15: 16%
- Y16: 16%

Data Source: SMIC analysis with 3rd party reference data, 2Q17
Rapid Growth of China IC Market

China has become the world’s largest IC market (US$bn)

2000 – China market share: 7%

- USA: $64
- Japan: $41
- China: $16
- Others: $100

2016 – China market share: 43%

- USA: $47
- Japan: $33
- China: $151
- Others: $122

2020F – China market share: 45%

- USA: $62
- Japan: $41
- China: $201
- Others: $147

Chinese fabless market growth (US$bn)

CAGR11-20F: 5%

SMIC sees rapid growth of revenue from China (US$mm)

CAGR11-16: 27%

Source: SMIC analysis with 3rd party reference data, 3Q17

China has become the world’s largest IC market (US$bn)

- 2000 – China market share: 7%
- 2016 – China market share: 43%
- 2020F – China market share: 45%

Chinese fabless market growth (US$bn)

CAGR11-20F: 5%

SMIC sees rapid growth of revenue from China (US$mm)

CAGR11-16: 27%

Source: SMIC analysis with 3rd party reference data, 3Q17
### China IC Market Drives Foundry Growth

#### Total China IC Market, Local Brands & Design Revenue ($B)

<table>
<thead>
<tr>
<th></th>
<th>Local foundries</th>
<th>Local design</th>
<th>Local brands*</th>
<th>Total China IC market</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017F</td>
<td>5</td>
<td>26</td>
<td>83</td>
<td>176</td>
</tr>
<tr>
<td>2008</td>
<td>2.2</td>
<td>4.2</td>
<td>27.0</td>
<td>79.2</td>
</tr>
</tbody>
</table>

*Including local system companies

Source: SMIC analysis with 3rd party reference data, 3Q17.

---

### Large Domestic China IC Consumption

- Domestic China IC consumption accounts for 2/5 of worldwide consumption
- IC purchases by local brands ~ $83B in 2016

*Source: SMIC analysis with 3rd party reference data, 3Q17

---

### China Smartphone Unit Production (M)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>627</td>
<td>870</td>
<td>962</td>
<td>974</td>
<td>1,055</td>
<td>1,158</td>
<td>1,226</td>
<td>1,271</td>
</tr>
</tbody>
</table>

CAGR13-20F: 11%

Source: SMIC analysis with 3rd party reference data, 3Q17.
- Introduction
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Strategy for Sustainable Profitability & Growth

- Fully utilize existing assets

- Differentiate and diversify technology portfolio to address broad market needs and profitable areas of growth

- Advance technology in preparation for the migration of the applications we serve
Growth Drivers & Opportunities

- **IOT**
  - CAGR 15-20F: 10%

- **Auto**
  - CAGR 15-20F: 8%

- **NAND/NOR**
  - CAGR 15-20F: 9%

- **CIS**
  - CAGR 15-20F: 4%
• Industry peers are focused on competing in the advanced Digital Logic segment
• SMIC’s strategy is to lead in selected differentiation technologies while continuing to invest carefully in advanced digital logic technologies

Note: BROWN tech nodes are in production at SMIC.
Investments in Innovation and Performance

**R&D Expense vs Sales (US$mm)**

- **2011**: 191
- **2012**: 194
- **2013**: 145
- **2014**: 190
- **2015**: 237
- **2016**: 318
- **2017**: 1h:219 (unaudited)

**Accumulative Number of Granted Patents**

- **2011**: 2,469
- **2012**: 3,270
- **2013**: 3,974
- **2014**: 4,769
- **2015**: 5,673
- **2016**: 6,512

**Design IP enabled Wafer Shipments vs Total Shipments (000, 8’ equivalent)**

- **2011**: 905
- **2012**: 1,307
- **2013**: 1,689
- **2014**: 1,938
- **2015**: 2,346
- **2016**: 2,919

**R&D Expense vs Sales (%)**

- **2011**: 15%
- **2012**: 11%
- **2013**: 7%
- **2014**: 10%
- **2015**: 11%
- **2016**: 11%
- 1h: 14% (unaudited)

**R&D Expense vs Sales (US$mm)**

- **2011**: 2,469
- **2012**: 3,270
- **2013**: 3,974
- **2014**: 4,769
- **2015**: 5,673
- **2016**: 6,512
- **2017**: 76%

**Design IP enabled Wafer Shipments vs Total Shipments (000, 8’ equivalent)**

- **2011**: 905
- **2012**: 1,307
- **2013**: 1,689
- **2014**: 1,938
- **2015**: 2,346
- **2016**: 2,919

**R&D Expense vs Sales (%)**

- **2011**: 54%
- **2012**: 59%
- **2013**: 66%
- **2014**: 76%
- **2015**: 78%
- **2016**: 76%
Introduction
SMIC Performance
China Semiconductor Opportunity
Strategies for Profitable Growth
Concluding Remarks
Concluding Remarks

- **China is building semi ecosystem**
- **Room to grow our foundry market share**
- **Disruptive innovation: IOT(shared bikes), etc**

**Execution**
- 21 consecutive quarters of profit
- 2016 Rev grew 30% YoY
- 2016-2019 target 20% rev CAGR

**Technology**
- 14nm/28nm/40nm/55nm
- Differentiated technology

**Capacity**
- Existing fabs ramping
- New fabs’ construction

**Positioning**
- Preferred foundry in Mainland China
- Strategic partnership

**Financial**
- Operating cash
- JV & leasing

**SMIC Presentation**
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Thank You

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