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SEMICONDUCTOR MANUFACTURING INTERNATIONAL CORPORATION

(Incorporated in the Cayman Islands with limited liability)

(STOCK CODE: 0981)

GRANT OF OPTIONS

Pursuant to rule 17.06A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") (the "**Listing Rules**"), Semiconductor Manufacturing International Corporation (the "**Company**") announces that on 23 February 2010, an aggregate of 467,157,925 share options ("**Options**") to subscribe for ordinary shares of par value US\$0.0004 each in the capital of the Company (the "**Shares**") were conditionally granted, subject to acceptance of the grantees and compliance with applicable laws and regulations, under its 2004 Stock Option Plan adopted on 18 March 2004 (the "**Share Option Scheme**"). If any grant of the Options as detailed in section B below has not been accepted by any particular grantee or is not otherwise in compliance with any applicable laws and regulations, such grant in respect of the particular grantee would not proceed or be effective for legal and regulatory purposes.

A. Special Options grant

The Company announces that on 23 February 2010, the Company has conditionally granted, subject to acceptance of the grantees and compliance with applicable laws and regulations, (i) an aggregate of 213,593,256 Options to subscribe for Shares under the Share Option Scheme, and (ii) restricted share units ("**Restricted Share Units**") in respect of a total of 114,217,678 Shares under its 2004 Equity Incentive Plan adopted on 18 March 2004 (the "**Equity Incentive Plan**"). The aforesaid Options and Restricted Share Units are intended to replace the 223,388,893 share options purportedly granted at HK\$0.27 per share as of 17 February 2009 as disclosed in the Company's announcement dated 17 February 2009 as such options were improperly granted.

The following are the details of the Options granted:

Date of grant:	23 February 2010
Exercise price of the Options:	the higher of (a) the closing market price of the Shares on the Stock Exchange as stated in the daily quotation sheet of the Stock Exchange (the "Closing Price") on 23 February 2010 and (b) the average Closing Price for the period from 12 February 2010 to 22 February 2010 (both days inclusive), being HK\$0.68

Number of Options granted:	213,593,256 Options
Closing price of the Shares on the date of grant:	HK\$0.77 per Share
Validity period of the Options:	<p>The Options are valid for a period of 10 years commencing on 23 February 2010, subject to earlier termination as provided under the Share Option Scheme and applicable award documents.</p> <p>For the grant of Options to employees of the Company and its subsidiaries,</p> <p>(i) 50% of the Options are exercisable on 1 March 2010 subject to earlier termination and other terms and conditions, as provided under the Share Option Scheme and any other applicable award documents, and</p> <p>(ii) 50% of the Options are exercisable on 1 March 2011 subject to earlier termination and other terms and conditions, as provided under the Share Option Scheme and any other applicable award documents.</p>

No members of the board of directors of the Company (“**Directors**”) received any awards of Options or Restricted Share Units pursuant to this special grant.

B. Ordinary Options grant

The Company announces that on 23 February 2010, an aggregate of 253,564,669 Options to subscribe for Shares were conditionally granted, subject to acceptance of the grantees and compliance with applicable laws and regulations, under the Share Option Scheme. If any grant of the Options as detailed below has not been accepted by any particular grantee or is not otherwise in compliance with any applicable laws and regulations, such grant in respect of the particular grantee would not proceed or be effective for legal and regulatory purposes. The following are the details of the Options granted:

Date of Grant:	23 February 2010
Exercise price of the Options	the higher of (a) the closing market price of the Shares on the Stock Exchange as stated in the daily quotation sheet of the Stock Exchange (the “Closing Price”) on 23 February 2010 and (b) the average Closing Price for the period from 12 February 2010 to 22 February 2010 (both days inclusive), being HK\$0.68

Number of Options granted: 253,564,669 Options

Closing price of the Shares on the date of grant: HK\$0.77 per Share

Validity period of the Options: The Options are valid for a period of 10 years commencing on 23 February 2010, subject to earlier termination as provided under the Share Option Scheme and applicable award documents.

For the grant of Options to non-Director employees of the Company, (i) certain of such employees may exercise their Options on the expiry of 2 years after the respective vesting commencement dates applicable to the employees and (ii) certain of such employees may exercise their Options on the expiry of 1 year after the respective vesting commencement dates applicable to the employees, in each case subject to earlier termination and other terms and conditions, as provided under the Share Option Scheme and any other applicable award documents.

For grant of Options to Directors, the Options are exercisable at the earliest on the expiry of 1 year after 23 February 2010 subject to earlier termination and other terms and conditions, as provided under the Share Option Scheme and any applicable award documents.

Among the total 253,564,669 Options, 84,641,695 Options were conditionally granted to the Directors and Chief Executive, subject to acceptance of the grantees and compliance with applicable laws and regulations, with details as follows:

<u>Name of Directors</u>	<u>Position</u>	<u>Number of Options</u>
Jiang Shang Zhou	Chairman of the Board of Directors and Independent Non-Executive Director	15,674,388
David N. K. Wang	President, Chief Executive Officer and Executive Director	62,697,553
Tsuyoshi Kawanishi	Independent Non-Executive Director	3,134,877
Lip-Bu Tan	Independent Non-Executive Director	3,134,877

As at the date of this announcement, the Directors are Jiang Shang Zhou as Chairman of the Board of Directors and Independent Non-Executive Director of the Company; Dr. David N. K. Wang as President, Chief Executive Officer and Executive Director; Chen Shanzhi, Gao Yonggang and Zhou Jie (Wang Zheng Gang as alternate director to Zhou Jie) as Non-Executive Directors of the Company; and Tsuyoshi Kawanishi and Lip-Bu Tan as the other Independent Non-Executive Directors of the Company.

Semiconductor Manufacturing International Corporation

Dr. David N. K. Wang
President, Chief Executive Officer
Executive Director

Shanghai, PRC
24 February 2010

** For identification only*