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SEMICONDUCTOR MANUFACTURING INTERNATIONAL CORPORATION

中 芯 國 際 集 成 電 路 製 造 有 限 公 司 *

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0981)

CLARIFICATION ANNOUNCEMENT

Semiconductor Manufacturing International Corporation (the “Company”) wishes to refer to its published announcement regarding its unaudited financial results for the three months ended 31 December, 2005 made on Tuesday 7 February, 2006. The Company wishes to clarify two matters reported in the press in connection with statements made by the Company at a media telephone conference held on Tuesday 7 February, 2006.

The Company would like to clarify:

1. that the Company is committed to overcoming its depreciation expenses. Because the Company is a new foundry with only four years of commercial operations and continues to expand its capacity to meet the increased demands of its customers, its depreciation expenses as a percentage of revenues remains one of the highest in the foundry industry; and
2. that despite these high depreciation expenses, the Company aims to become profitable through the improvement in the Company’s product mix, thereby increasing its average selling price. The Company aims to begin commercial production of its first 90 nanometer product in March 2006 and aims to achieve meaningful 90 nanometer revenues beginning in the second quarter of 2006. The Company has also noticed that some of its fabless and IDM customers are migrating a significant portion of their products to the 0.13 micron and below technology nodes.

This announcement is made pursuant to Listing Rule 13.09.

As at the date of this announcement, the directors of the Company are Yang Yuan Wang as Chairman and independent non-executive director of the Company; Richard R. Chang as executive director of the Company; Fang Yao as non-executive director of the Company; and Ta-Lin Hsu, Yen-Pong Jou, Tsuyoshi Kawanishi, Henry Shaw and Lip-Bu Tan as independent non-executive directors of the Company.

Semiconductor Manufacturing International Corporation

Richard R. Chang

Chief Executive Officer

Shanghai, PRC
February 8, 2006

* *for identification only.*

“Please also refer to the published version of this announcement in The Standard”