



Media Release

(all figures in US\$ unless otherwise stated)

SMIC and UTAC to Establish Semiconductor Assembly and Testing Facility in China

Shanghai, China and Singapore, May 3, 2005 — Semiconductor Manufacturing International Corporation (“SMIC”) (NYSE: SMI; SEHK: 0981) and United Test and Assembly Center Ltd (“UTAC” – SGX: UTAC) today announced that they have entered into joint venture arrangements relating to the provision of assembly and testing services in Chengdu China, and will focus on memory and logic.

SMIC will invest US\$51 million through cash and own 51% of the joint venture company (“JV”) and UTAC will invest US\$30 million through a combination of cash and other considerations including intellectual properties for a 30%-stake. Financial investors and employees will hold the remaining 19% of the JV. Furthermore, UTAC and other investors (except SMIC and employees) will be given a right to require the JV to buyback their shares under certain restricted circumstances from the beginning of 2009, subject to any applicable laws and regulations. None of UTAC, the financial investors and employees are “connected persons” (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) of SMIC.

The assembly and testing facility (“Chengdu Facility”) is located in an approximately 40,668 square meter plot of land in Chengdu’s Special Export Manufacturing Zone. Construction is now underway and when completed, the Chengdu Facility will have a total built-up area of approximately 11,000 square meters. Mass production is expected to commence in the fourth quarter of 2005. The total investment for the Chengdu Facility will be US\$175 million for the first phase of this project.

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As the top semiconductor company in China and one of the leading semiconductor foundries in the world, SMIC will leverage on its market position, experience and excellent connections to accelerate the development of the JV. As one of the leading semiconductor assembly and test companies worldwide, UTAC will contribute its expertise to maximize the growth of the JV.

The Chengdu Facility will serve as an additional assembly and testing service provider to SMIC. The establishment of the Chengdu Facility will allow UTAC, which has an existing facility in Shanghai focusing on mixed signal and advanced memory chips, and the JV to offer a comprehensive suite of test and assembly services catering to the broad spectrum of semiconductor activities in China, which is emerging as a major world leader in the chip sector.

The JV will initially focus on SMIC's existing customers, thus enhancing a ready flow of business immediately upon the completion of the Chengdu Facility.

Dr. Richard R. Chang, Chairman of SMIC, said, "We are pleased to find a solid partner in UTAC which has been a strategic supplier to SMIC shortly after they first set-up their Shanghai facility. UTAC established their technical and services credentials very quickly and is an ideal partner for us."

Mr Lee Joon Chung, President and CEO of UTAC, said: "We are excited with this development. Having been working with SMIC for over a year, we have seen first hand the strength and the determination of the company to make a success of its endeavours. SMIC has been a key customer to UTAC and this JV takes the relationship to another level."

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About Semiconductor Manufacturing International Corporation (SMIC)

SMIC (NYSE: SMI, SEHK: 0981.HK) is one of the leading semiconductor foundries in the world, providing integrated circuit (“IC”) manufacturing at 0.35-micron to 0.13-micron and finer line technologies to customers worldwide. Established in 2000, SMIC has four 8-inch wafer fabrication facilities in volume production in Shanghai and Tianjin. In addition, SMIC recently commenced pilot production at its 12-inch wafer fabrication facility in Beijing. SMIC also maintains customer service and marketing offices in the U.S., Europe, and Japan. As part of its dedication towards providing high-quality services, SMIC strives to comply with or exceed international standards and has achieved ISO9001, ISO/TS16949, OHSAS18001, TL9000 and ISO14001 certifications. For additional information, please visit <http://www.smics.com/>.

About United Test and Assembly Center Ltd (UTAC)

Established in 1997 and listed on the Main Board of the Singapore Exchange, UTAC is a leading independent provider of semiconductor assembly and testing services to its customers, which comprise Integrated Device Manufacturers (“IDMs”), fabless companies and wafer foundries. UTAC provides wafer probing and final testing services on a diverse selection of test platforms for a range of semiconductors including memory, logic, mixed-signal and radio-frequency ICs. Besides testing services, UTAC also provides assembly services for a broad range of leadframe and array packages.

Headquartered in Singapore where it houses its manufacturing, test engineering and package design facilities, UTAC has established a global network of sales offices in the United States, Europe, Japan, Korea and China. It also has wholly-owned subsidiaries in China and Taiwan to provide wafer probing and testing services. For more information, visit www.utac.com.sg

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