



上海實業控股有限公司

SHANGHAI INDUSTRIAL HOLDINGS LIMITED

上海實業集團成員 A Member of SIIC

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CHINA'S FIRST ADVANCED OPEN-IC FOUNDRY OPENS FOR BUSINESS

(November 22, 2001-Shanghai) Semiconductor Manufacturing International Corporation ("SMIC "), China's first advanced open-IC foundry, today celebrated their formal entry into business operations.

Shanghai Industrial Holdings Limited has recently increased its investment in SMIC and became the foundry's largest shareholder.

In the span of 13 months, SMIC completed construction of Fab 1, which will reach full capacity of producing 42,500 8-inch wafers per month by the end of 2003. Construction of back-end Fab 3b, as well as the structure and framework of Fab 2 were also completed.

Entering test production on September 25th, 2001, SMIC became China's most advanced open-IC foundry. As the company's test production was progressing smoothly, SMIC is receiving orders from integrated device manufacturers (IDMs) and IC design houses in the United States, Japan, and other countries. Mass production will begin early next year.

SMIC devices in the initial production phase include SRAM, ASIC RAM, LOGIC, MASK ROM and other types of chips, with applications in digital TV, VCD/DVD players, mobile phones, smart IC cards, and other applications.

SMIC is China's first advanced open-IC foundry producing 8-inch wafers at 0.25 micron (and below) technology. Industry talents from all over the world have been assembled to develop its technology and development team. Altogether more than 400 engineers have come from the United States, Taiwan, Italy, Singapore, Japan, and Korea to join SMIC. They are committed to help develop China's IC industry by introducing the latest technologies and by training the next generation of IC talents for China. SMIC Vice President of Technology and Development Dr Simon Yang had expressed the objective of his development team as raising SMIC's technology standard to within one year of the world's best IC company by 2005.

SMIC President and CEO Dr Richard Chang stated that the company's successful development can be attributed to the support of its investors. Said Dr Chang, "As of September 25th, we successfully completed our first round of investments, totaling over \$1 billion U.S. dollars. Furthermore, the tremendous support of the Shanghai government, Pudong New Area District government and Zhangjiang development offices have helped us to overcome numerous obstacles and difficulties. In addition, we are tremendously grateful to those involved in the construction of our fabs, together with our equipment vendors, technology partners, Shanghai BaoSteel, Samsung, BOVIS, and other international partners."

"The company's sales order list for next year is close to being filled, and the prices are equal to those of other foundries worldwide," added Dr Chang.

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