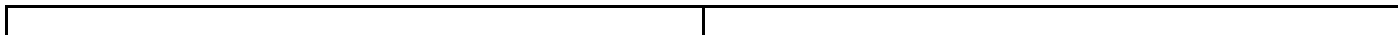


SEMICONDUCTOR MANUFACTURING INTERNATIONAL CORP

Form 20-F

April 15, 2013

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 20-F

REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2012

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission file number 1-31994

Semiconductor Manufacturing International Corporation
(Exact name of Registrant as specified in its charter)

Not Applicable

(Translation of Registrant's name into English)

Cayman Islands

(Jurisdiction of incorporation or organization)

18 Zhangjiang Road, Pudong New Area, Shanghai, China 201203

(Address of principal executive offices)

Mr. Gareth Kung, Chief Financial Officer

Telephone: (8621) 3861-0000

Facsimile: (8621) 3895-3568

18 Zhangjiang Road, Pudong New Area, Shanghai, China 201203

(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act.

Title of each class	Name of each exchange on which registered
Ordinary Shares, par value US\$0.0004	The Stock Exchange of Hong Kong Limited*
American Depositary Shares	The New York Stock Exchange, Inc.

Securities registered or to be registered pursuant to Section 12(g) of the Act. **None**

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Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act. **None**

Indicate the number of outstanding shares of each of the issuer's classes of capital or ordinary shares as of the close of the period covered by the annual report.

As of December 31, 2012, there were 32,000,139,623 ordinary shares, par value US\$0.0004 per share, outstanding, of which 1,621,168,800 ordinary shares were held in the form of 32,423,376 American Depositary Shares (ADSs). Each ADS represents 50 ordinary shares.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15 (d) of the Securities Exchange Act of 1934.

Yes No

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Securities Exchange Act of 1934 (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer

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Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP

International Financial Reporting Standards as issued
by the International Accounting Standards Board

Other

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Securities Exchange Act of 1934).

Yes No

* Not for trading, but only in connection with the listing of American Depositary Shares on the New York Stock Exchange, Inc.

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INTRODUCTION

In this annual report, except where the context otherwise requires and for purposes of this annual report only:

- ADSs refers to American Depositary Shares;
- Average selling price of wafers refers to simplified average selling price which is calculated as total revenue divided by total shipments;
- China or the PRC refers to the People's Republic of China, excluding for the purpose of this annual report, Hong Kong, Macau and Taiwan;
- Company, SMIC, Registrant, we, our and us refers to Semiconductor Manufacturing International Corporation, a Cayman Islands company;
- Directors refers to the members of our board of directors;
- EUR refers to Euros;
- Global Offering refers to the initial public offering of our ADSs and our ordinary shares, which was completed on March 18, 2004;
- Group refers to SMIC and all of its subsidiaries;
- HK\$ refers to Hong Kong dollars;

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- IFRS refers to International Financial Reporting Standards as issued by the International Accounting Standards Board;
- Rmb, rmb or RMB refers to Renminbi, the legal currency of China;
- NYSE or New York Stock Exchange are to the New York Stock Exchange, Inc.;
- SEC refers to the U.S. Securities and Exchange Commission;
- SEHK, HKSE or Hong Kong Stock Exchange refers to The Stock Exchange of Hong Kong Limited;
- U.S. GAAP refers to generally accepted accounting principles in the United States; and
- US\$ or USD refers to U.S. dollars.
- The Glossary of Technical Terms contained in Annex A of this annual report sets forth the description of certain technical terms and definitions used in this annual report.

All references in this annual report to silicon wafer quantities are to 8-inch wafer equivalents, unless otherwise specified. Conversion of quantities of 12-inch wafers to 8-inch wafer equivalents is achieved by multiplying the number of 12-inch wafers by 2.25. When we refer to the capacity of wafer fabrication facilities, we are referring to the installed capacity based on specifications established by the manufacturers of the equipment used in those facilities. References to key process technology nodes, such as 0.35 micron, 0.25 micron, 0.18 micron, 0.15 micron, 0.13 micron, 90 nanometer, 65 nanometer and 45 nanometer include the stated resolution of the process technology, as well as intermediate resolutions down to but not including the next key process technology node of finer resolution. For example, when we state 0.25 micron process technology, that also includes 0.22 micron, 0.21 micron, 0.20 micron and 0.19 micron technologies and 0.18 micron process technology also includes 0.17 micron and 0.16 micron technologies.

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All references to our ordinary shares in this annual report gives effect to the 10-for-1 share split we effected in the form of a share dividend immediately prior to the completion of the Global Offering on March 18, 2004. All references to price per ordinary share and price per preference share reflect the share split referenced above

We prepare our consolidated financial statements in accordance with IFRS. These are our first annual consolidated financial statements that were prepared in accordance with IFRS and IFRS 1, First Time Adoption of International Financial Reporting Standards. Until and including our financial statements at and for the year ended December 31, 2011, we prepared our consolidated financial statements in accordance with generally accepted accounting principles in the United States (U.S. GAAP).

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FORWARD-LOOKING STATEMENTS

This annual report contains, in addition to historical information, forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on our current assumptions, expectations and projections about future events. We use words like believe, anticipate, intend, estimate, expect, project 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 judgment of our senior management and involve significant risks, both known and unknown, uncertainties and other factors that may cause our 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 cyclical and market conditions in the semiconductor industry;
- intense competition;
- timely wafer acceptance by our customers;
- timely introduction of new technologies;
- our 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;

- our anticipated capital expenditures;
- our anticipated investments in research and development, anticipated changes to our liability for unrecognized tax benefits; and
- financial stability in end markets.

Except as required by law, we undertake no obligation and do not intend to update any forward- looking statement, whether as a result of new information, future events or otherwise.

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Part I

Item 1. Identity of Directors, Senior Management and Advisors

Not applicable.

Item 2. Offer Statistics and Expected Timetable

Not applicable.

Item 3. Key Information

A. Selected Consolidated Financial Data

We started to prepare our annual consolidated financial statements in accordance with IFRS as of and for the year ended December 31, 2012. As disclosed in Note 1 to the consolidated financial statements, these consolidated financial statements represent our initial presentation of the financial results of operations and financial position under IFRS as of and for the year ended December 31, 2012. As a result, these consolidated financial statements have been prepared in accordance with IFRS 1, First-time Adoption of International Financial Reporting Standards . Previously, we prepared our annual consolidated financial statements in accordance with U.S. GAAP. Further, we have adjusted our consolidated financial information as of and for the year ended December 31, 2011 in accordance with IFRS and therefore, financial information set forth in this annual report as of and for the year ended December 31, 2011 may differ from information previously published.

IFRS differs in certain significant respects from U.S. GAAP. For a discussion of the major differences between IFRS and U.S. GAAP, as they related to us, and a reconciliation of comprehensive income (loss) and shareholders' equity to U.S. GAAP and information concerning the use of exceptions permitted or required by IFRS 1, see Note 4 to Consolidated Financial Statements.

The selected consolidated financial data presented below as of and for the years ended December 31, 2011 and 2012 have been prepared in accordance with IFRS and are derived from, and should be read in conjunction with our audited consolidated financial statements, including the related notes, included elsewhere in this annual report. The selected consolidated financial data presented below as of and for the years ended December 31, 2008, 2009 and 2010 have been prepared in accordance with U.S.

GAAP and are derived from our audited consolidated financial statements not included in this annual report.

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	For the year ended December 31,	
	2011	2012
	(in US\$ thousands, except for earnings per share)	
Continuing operations		
Revenue	1,319,466	1,701,598
Cost of sales	(1,217,525)	(1,352,835)
Gross profit	101,941	348,763
Research and development	(191,473)	(193,569)
Sales and marketing expenses	(32,559)	(31,485)
General and administration expenses	(57,435)	(107,313)
Impairment loss on property, plant and equipment	(17,691)	
Finance costs	(21,903)	(39,460)
Interest income	4,724	5,390
Other income	13,718	6,190
Other gains or losses	17,081	23,220
Share of profits of associates	4,479	1,703
Profit (loss) before tax	(179,118)	13,439
Income tax benefit (expense)	(82,503)	9,102