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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)

SMIC BEIJING SECURES FINANCING FOR EXPANSION

Semiconductor Manufacturing International Corporation ("SMIC") (NYSE: SMI; SEHK: 0981) today announced that its wholly-owned subsidiary, Semiconductor Manufacturing International (Beijing) Corporation ("SMIC Beijing"), has entered into a US\$600 million 5-year loan facility from a group of banks based in the People's Republic of China.

This announcement is made pursuant to the disclosure obligations under Rule 13.09(1) of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as SMIC made the press release, reproduced below, on May 26, 2005.

Set out below is a copy of the press release made by SMIC on May 26, 2005.

BEIJING – May 26, 2005 – Semiconductor Manufacturing International Corporation ("SMIC") (NYSE: SMI; SEHK: 0981) today announced that its wholly-owned subsidiary, Semiconductor Manufacturing International (Beijing) Corporation ("SMIC Beijing"), has entered into a US\$600 million 5-year loan facility from a group of banks based in the People's Republic of China (the "Loan"). China Development Bank and China Construction Bank co-led the arrangement of the Loan with other participants which include Bank of China, Agricultural Bank of China, China Merchants Bank, HuaXia Bank, China MingSheng Bank, Bank of Communications, Bank of Beijing, Industrial and Commercial Bank of China (Asia) and CITIC Ka Wah Bank. The proceeds of the Loan will help to expand the capacity at SMIC's three 300-mm fabs located in Beijing. SMIC will guarantee SMIC Beijing's obligations under the Loan.

Dr. Richard R. Chang, Chief Executive Officer of SMIC, said, "We are pleased to receive the support of our Chinese banking partners to finance a portion of SMIC Beijing's ongoing capital requirements for its expansion plans. We plan to fund our future expansion by both internally generated cashflow and additional loans to be obtained from financial institutions."

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

Semiconductor Manufacturing International Corporation
Richard R. Chang
Chairman

Beijing, PRC
26 May, 2005

* for identification only.