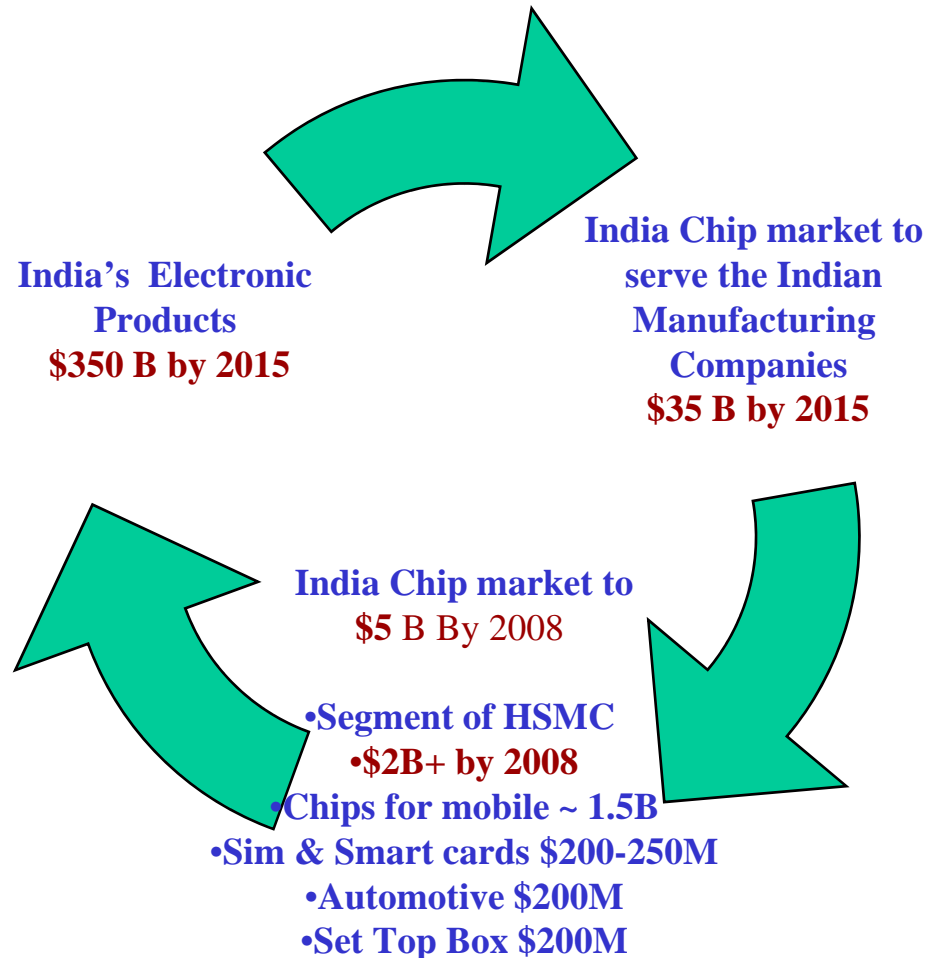


HSMC Semiconductor Manufacturing Corporation

**Dr. Deven Verma, Ph.D
Chairman & Acting CEO, HSMC
4 April 2007**

The Indian Market

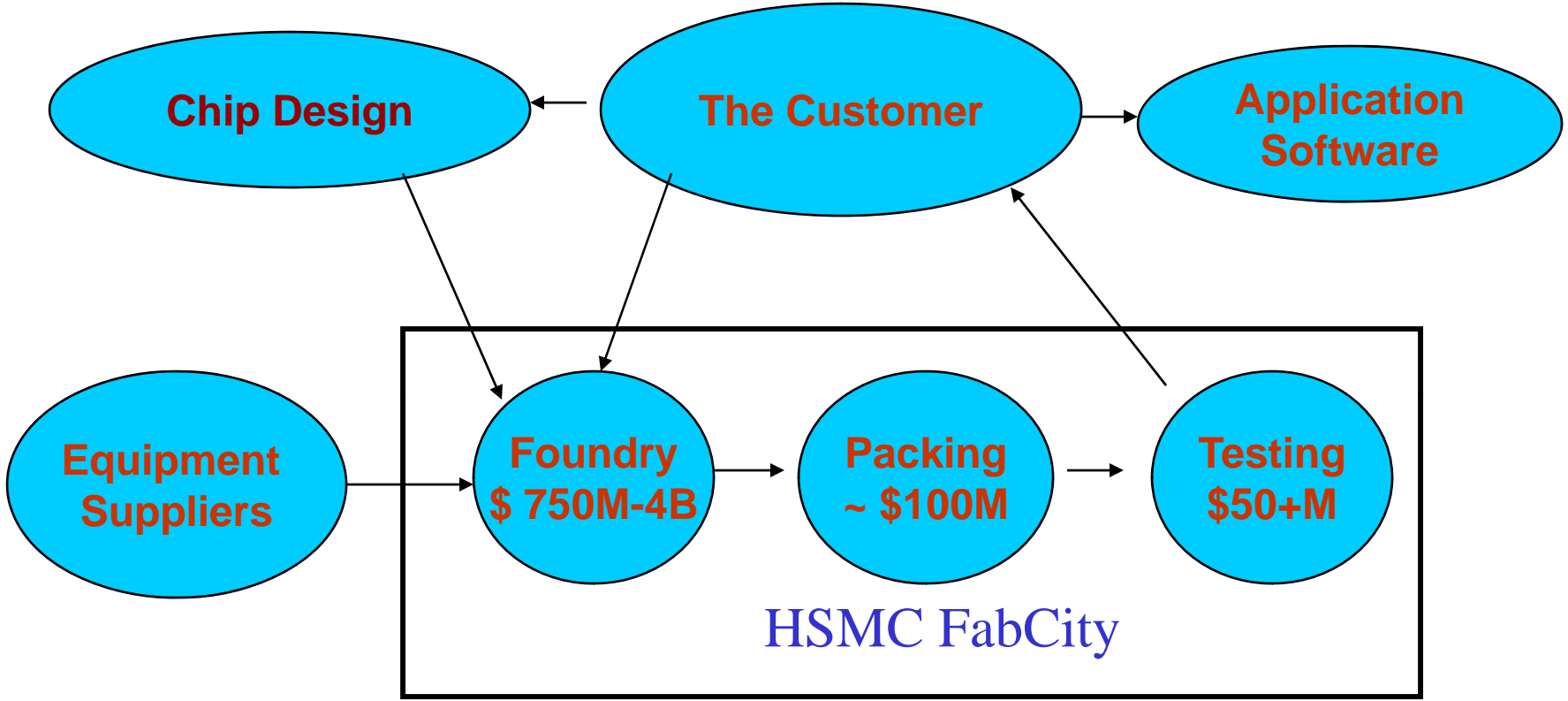


HSMC Partner Infineon

The leader for above products. Synergistic to HSMC's focus
4th largest semiconductor company in the world

Infineon an excellent choice for HSMC

Eco-system of Semiconductor



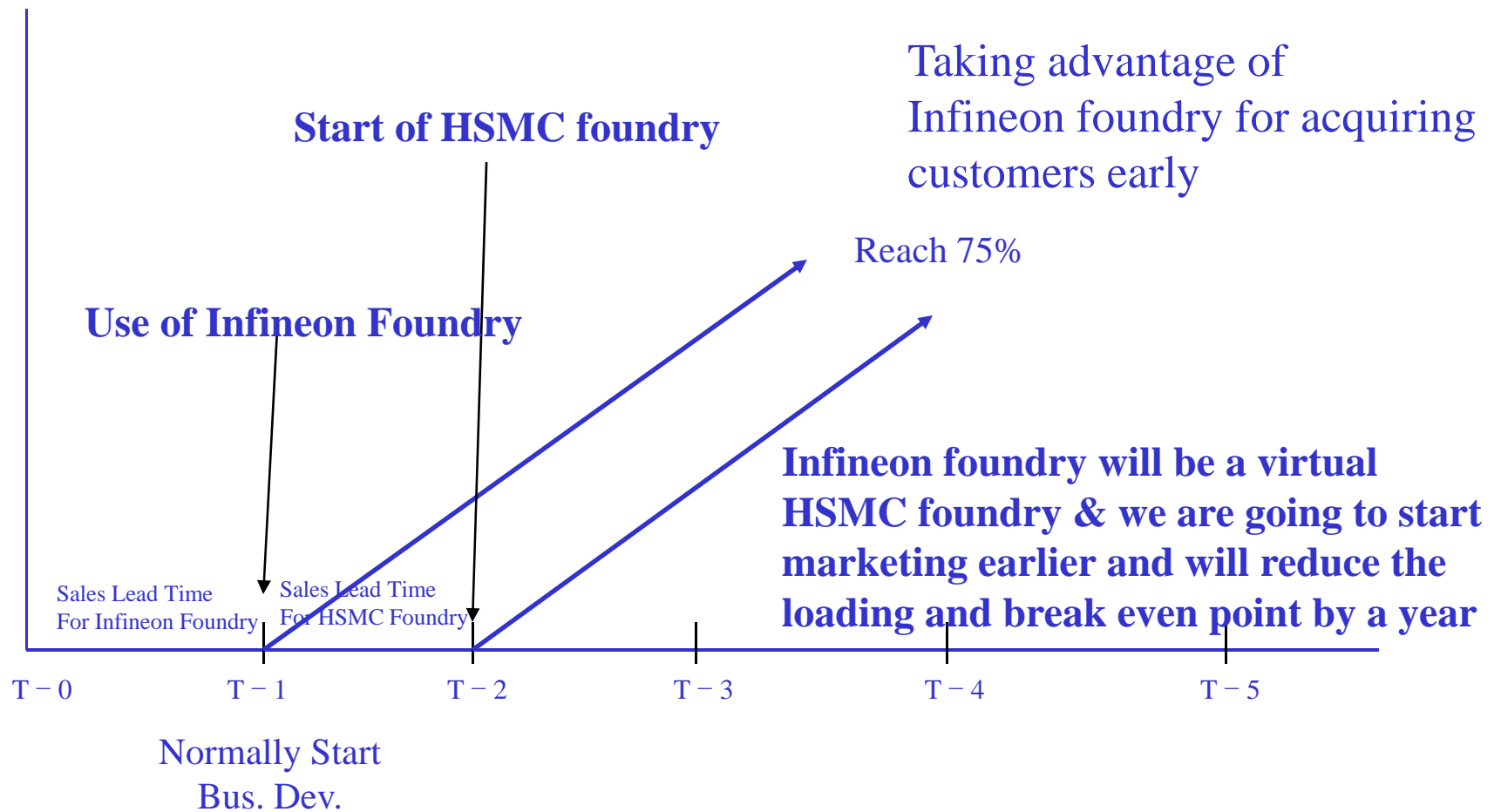
- Better to co-locate : Foundry, packaging & testing
- New segment for India: Current share of India almost zero
- Potential as big as Software Industry in India

Foundry is the missing link

Time is Right

- India's GDP hovering around 9%. India Inc. wants it to cross 10+%
 - Only manufacturing industry can pull it over 10%
- Electronic industry will be a major share of GDP by 2015 per Frost and Sullivan
- Expected emergence of unique products for the Indian market
- Major parts of the eco systems are already in place in India but the Foundry is the Missing Link
- Overall projected India's market: The Enabler is chip designs and manufacturing
 - India is designing more chips in 130nm (n-1 node) than silicon Valley today
 - However, no foundry in India for manufacturing these chips

Fab Loading Ramp



Unique Value prop

- Instant Credibility
 - Proven Process
 - All tools and libraries well characterized
 - Initial operation with Infineon Guidance
 - Infineon Fab can be a second source
 - Minimize supply risk for HSMC Customers
- Customer acquisition/ Virtual Foundry:
 - HSMC sales team will start working with its customers & will use Infineon foundry for manufacturing
 - Will transfer these customers to HSMC foundry after its commissioning.
- Proximity to all elements of the eco system reduce time to market
- Offering fastest growing products in Indian market with the technology of Number one supplier