

The Foundry of Choice

UMC
2001 Q4 Financial Review

February 5, 2002

UMC

NOTE CONCERNING FORWARD-LOOKING STATEMENTS

Except for statements in respect of historical matters, the statements in this release are "forward-looking statements" within the meaning of Section 27A of the U.S. Securities Act of 1933 and Section 21E of the U.S. Securities Exchange Act of 1934. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual performance, financial condition or results of operations of UMC to be materially different from what may be implied by such forward-looking statements. Investors are cautioned that actual events and results could differ materially from those statements as a result of a number of factors, including, among other things: our dependence upon frequent introduction of new services and technologies based on the latest developments; the intensely competitive semiconductor, personal computer and communications industries and markets; the risks associated with international global business activities; our dependence upon key personnel; general economic and political conditions, including those related to the semiconductor, personal computer and communications industries; possible disruptions in commercial activities caused by natural and human induced disasters, including terrorist activity and armed conflict, such as reduced end-user purchases relative to expectations and orders; fluctuations in foreign currency exchange rates; and those risks identified in the section entitled "Risk Factors" in UMC's Registration Statement on Form F-3 filed with the U.S. Securities and Exchange Commission on January 2, 2002, as amended.

The financial statements included in this release were prepared and published in accordance with ROC GAAP. Investors are cautioned that there are many differences between ROC GAAP and U.S. GAAP, as described in the notes to the financial statements included in UMC's Registration Statement on Form F-3 filed with the U.S. Securities and Exchange Commission on January 2, 2002, as amended.

The financial forecasts and forward-looking statements in this release reflect the current belief of UMC as of the date of this release and UMC undertakes no obligation to update these forecasts and forward-looking statements for events or circumstances that occur subsequent to such date.

Income Statement - QoQ

Unit: NT M

	Q4-01	%	Q3-01	%	Change %
Net Operating Revenues	13,942	100.0	11,955	100.0	16.6
Gross Margin	(288)	(2.1)	(2,535)	(21.2)	(88.6)
Operating Expenses	4,887	35.0	3,715	31.1	31.5
Operating Income (Loss)	(5,175)	(37.1)	(6,250)	(52.3)	(17.2)
Net Non-operating Income (Loss)	533	3.8	1,110	9.3	(52.0)
Net Income (Loss)	(3,753)	(26.9)	(4,024)	(33.7)	(6.7)
EPS (NTD)	(0.29)		(0.30)		
EPADS (USD)	(0.04)		(0.04)		

Note:

1. Information enclosed is UMC unconsolidated financial data.
2. Exchange rate 34.99 is used to translate NTD to USD.
3. 13,169 million and 13,260 million shares were used in EPS calculation for Q4-01 and Q3-01, respectively.

Income Statement - YoY: 12 Months

Unit: NT M

	2001	%	2000	%	Change %
Net Operating Revenues	64,493	100.0	105,084	100.0	(38.6)
Gross Margin	9,131	14.2	53,601	51.0	(83.0)
Operating Expenses	14,721	22.9	10,028	9.5	46.8
Operating Income (Loss)	(5,590)	(8.7)	43,573	41.5	-
Net Non-operating Income (Loss)	(763)	(1.2)	6,985	6.6	-
Net Income (Loss)	(3,157)	(4.9)	50,780	48.3	-
EPS (NTD)	(0.24)		3.93		
EPADS (USD)	(0.03)		0.56		

Note:

1. Information enclosed is UMC unconsolidated financial data.
2. Exchange rate 34.99 is used to translate NTD to USD.
3. 13,256 million and 12,933 million shares were used in EPS calculation for 2001 and 2000, respectively.

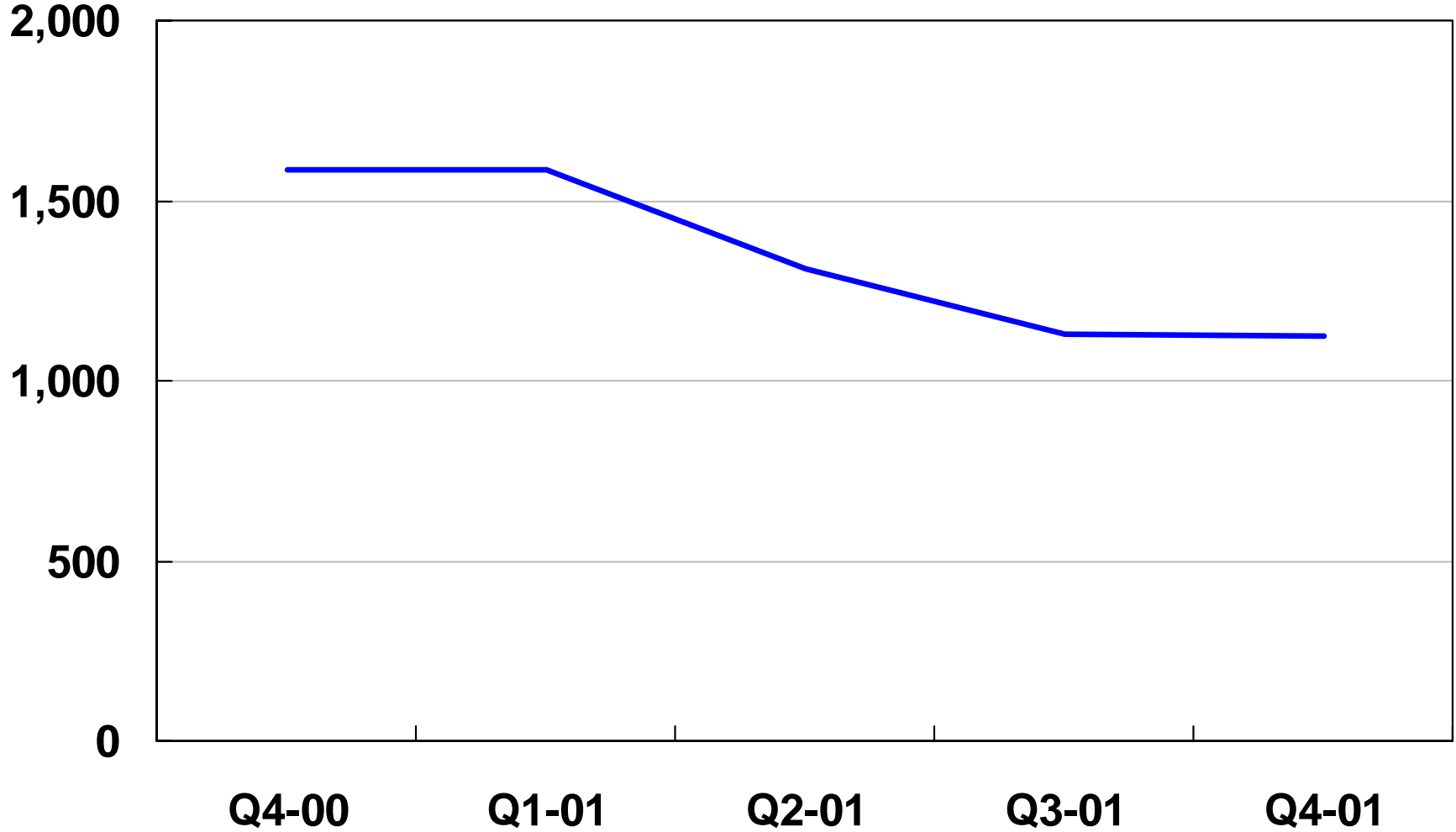
Investment Income

Unit: NT M

	Q4-01	Q3-01	2001
UMCJ	(77)	(89)	189
Unipac	-	(270)	(842)
Unimicron	64	66	253
Faraday	33	33	126
Novatek	65	54	274
Trecenti	(532)	(355)	(1,627)
Others	81	(90)	(103)
Total	(366)	(651)	(1,730)

Average Selling Price Trend- 8" Wafer Equivalent

Unit: USD

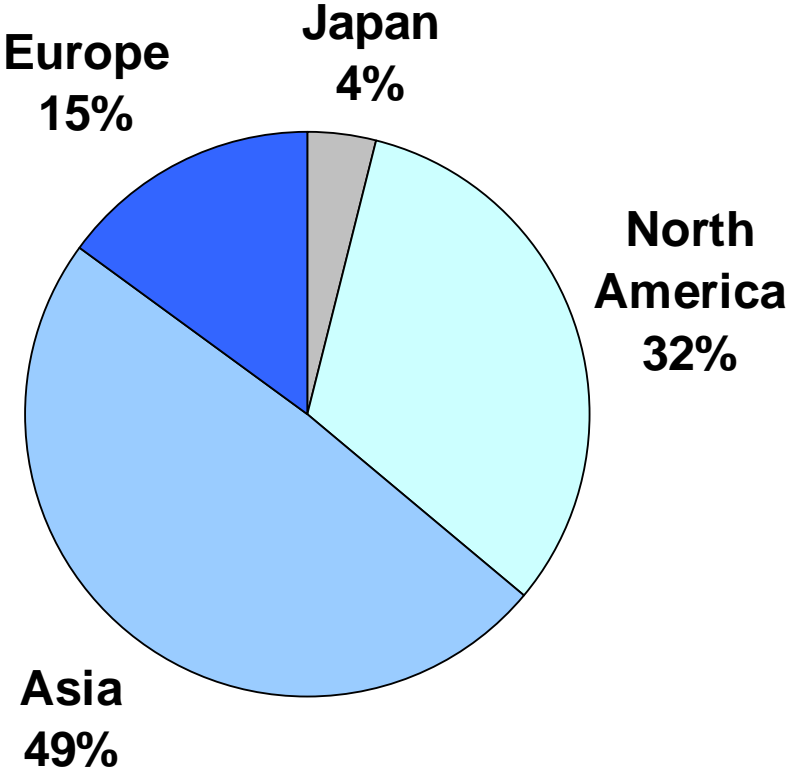


Balance Sheet Highlight - December 31, 2001

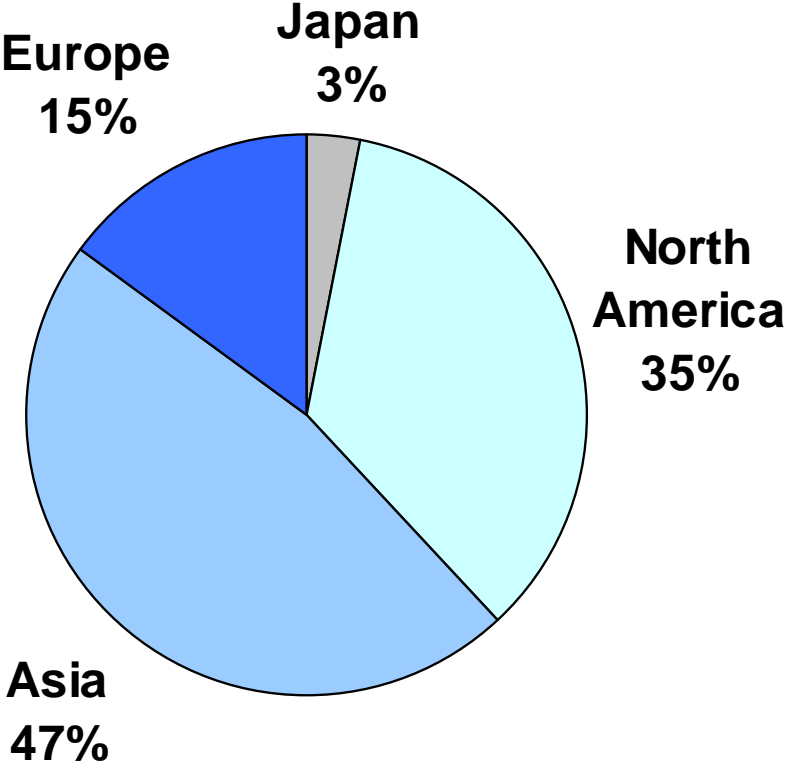
	Unit: NT M
Cash	58,517
Long-term Investments	77,051
Fixed Assets	155,212
Total Assets	317,385
Current Liabilities	26,936
Long-term Debts	52,463
Stockholders' Equity	233,466
<i>Depreciation Expense (YTD)</i>	<i>31,998</i>

Sales Breakdown by Geography

2001 Q4



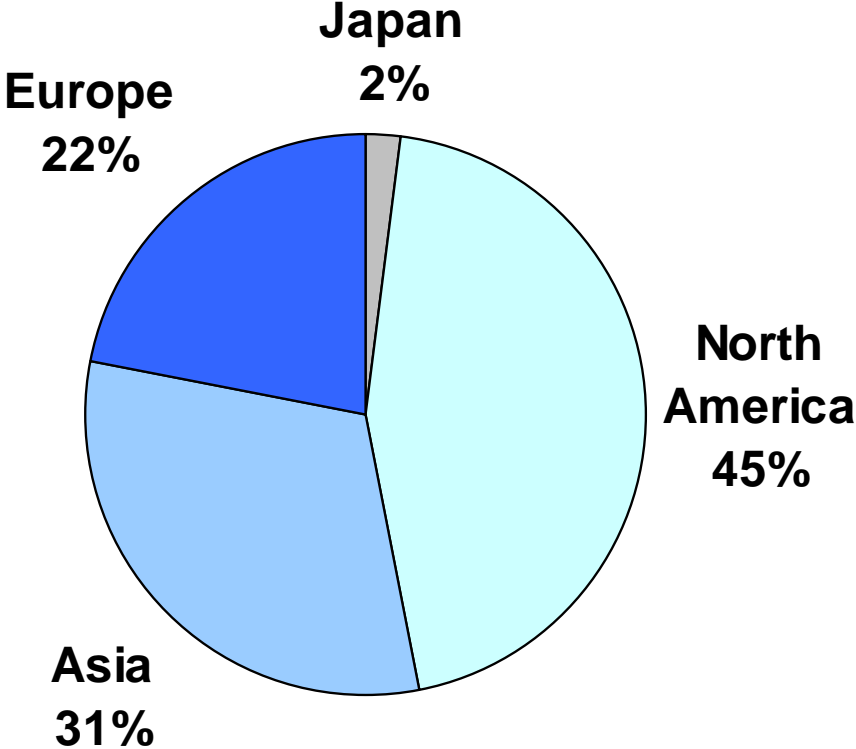
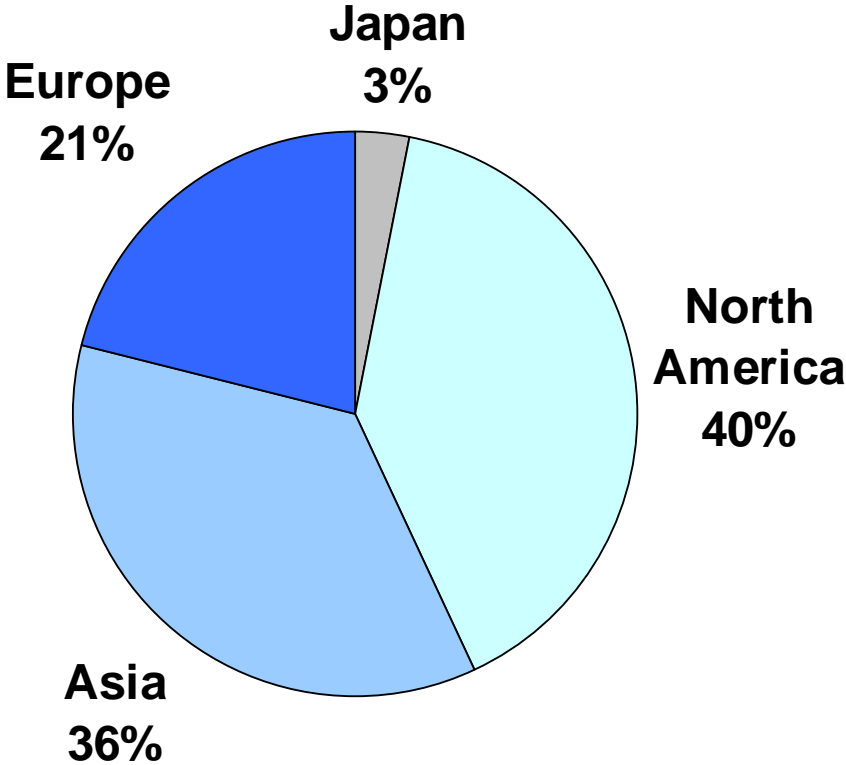
2001 Q3



Sales Breakdown by Geography

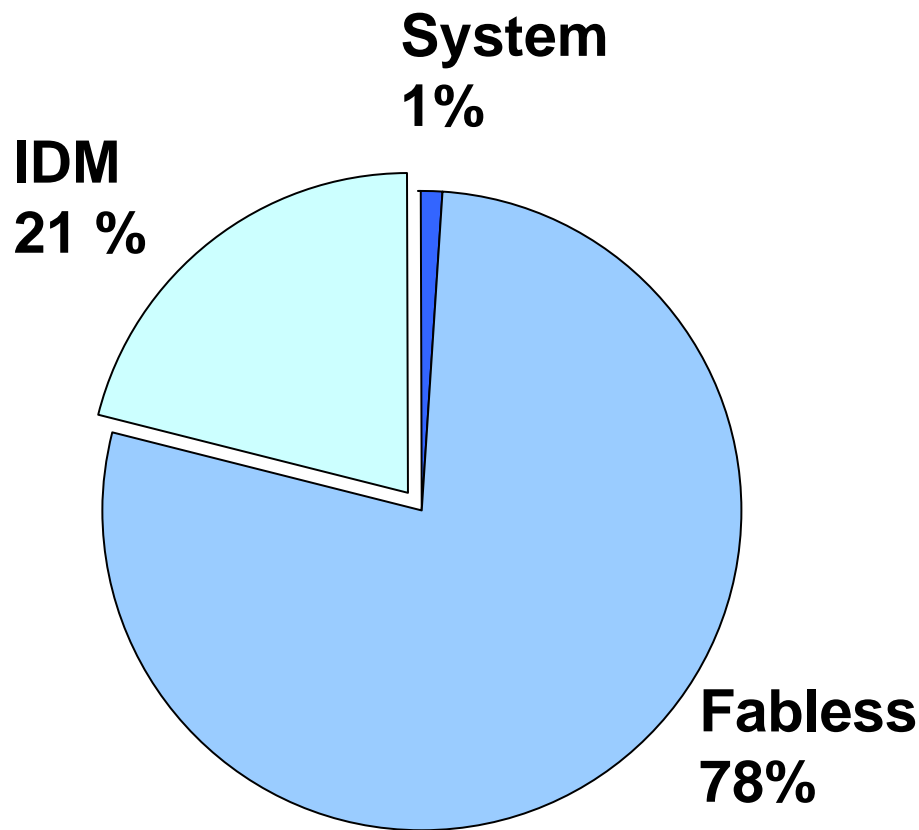
2001

2000

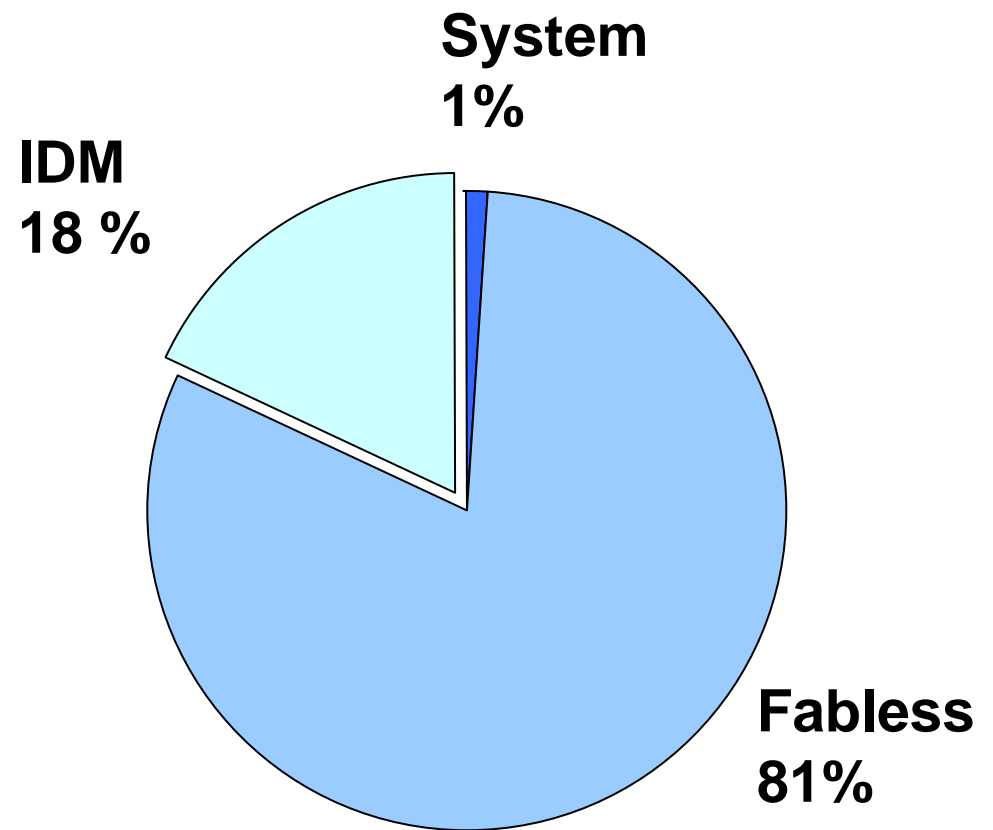


Sales Breakdown by Customer

2001 Q4

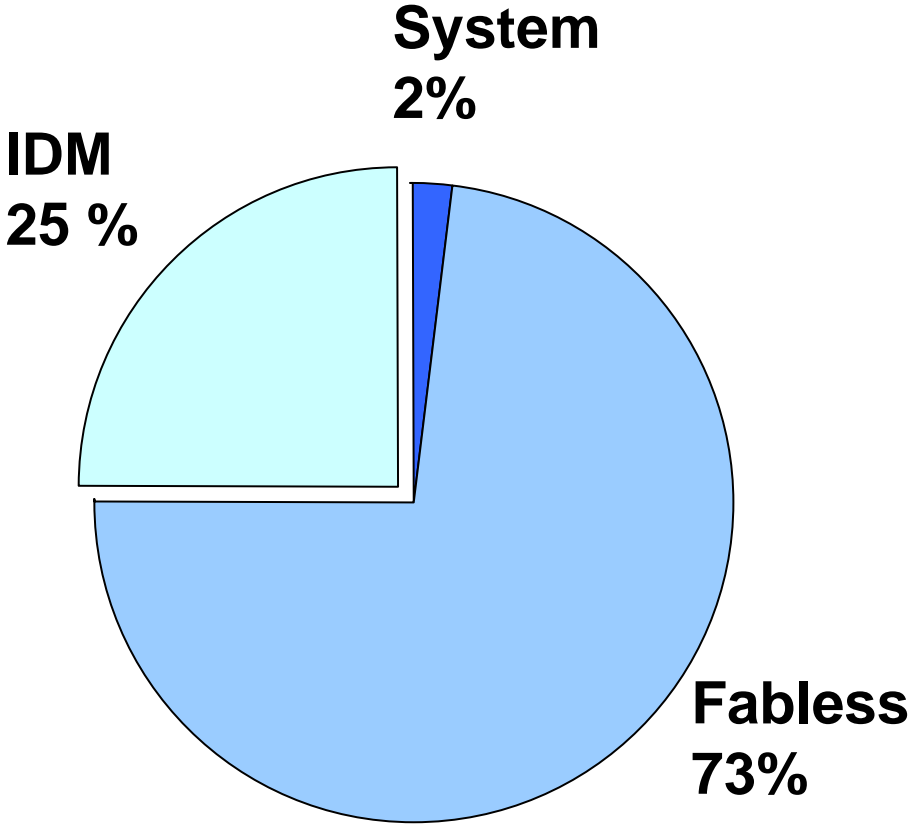


2001 Q3

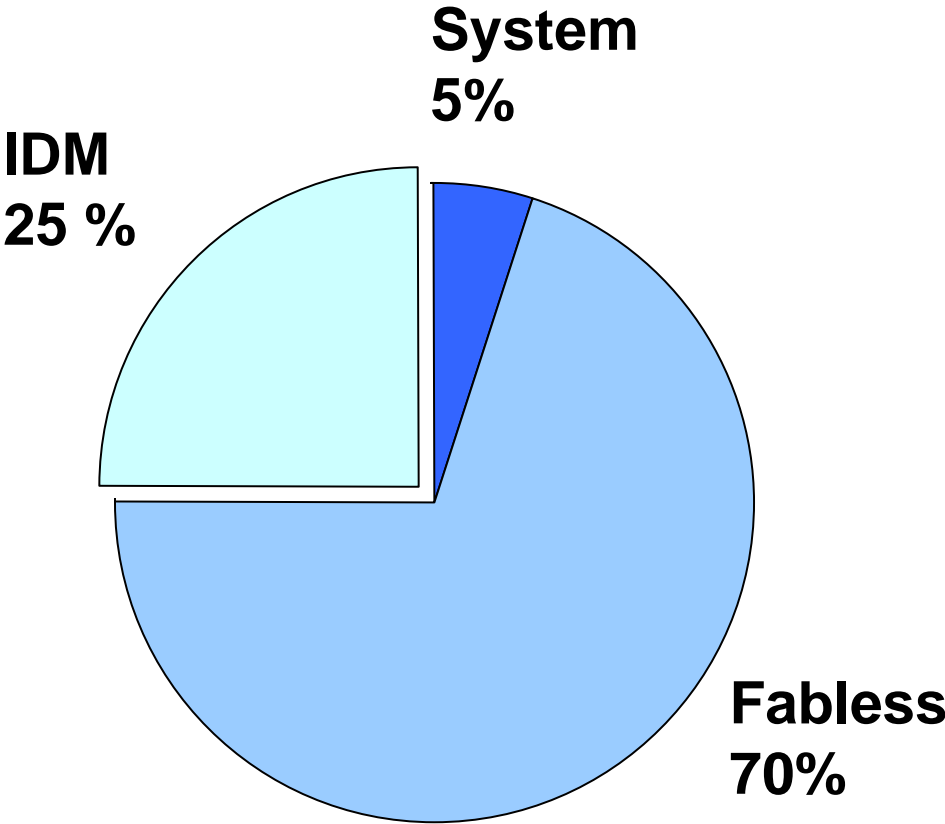


Sales Breakdown by Customer

2001

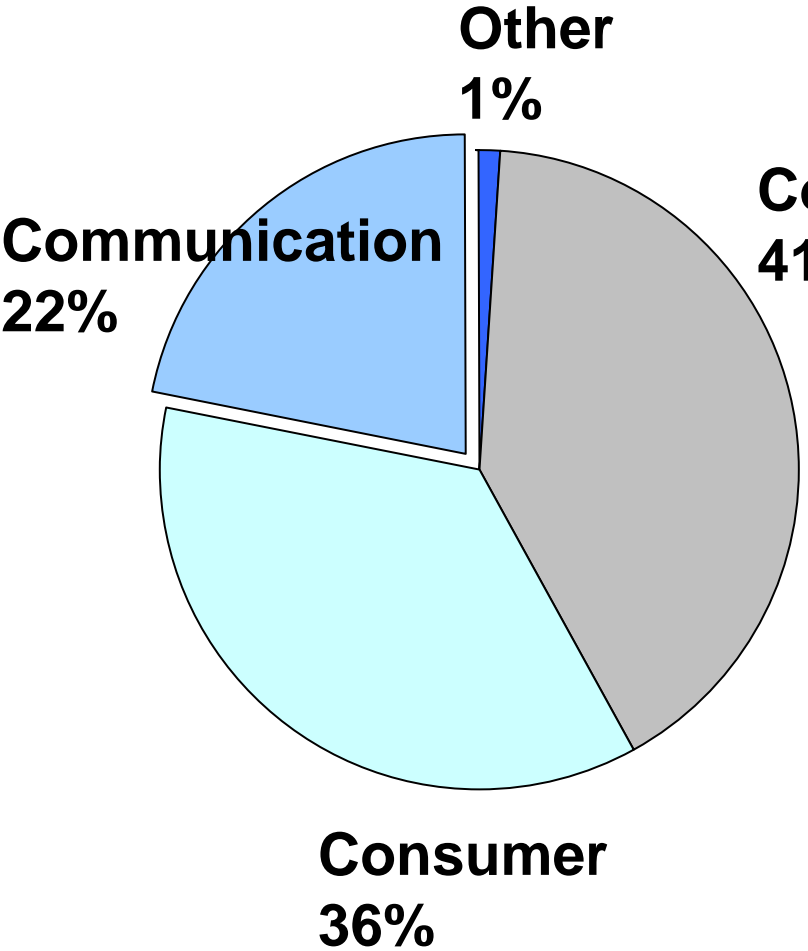


2000

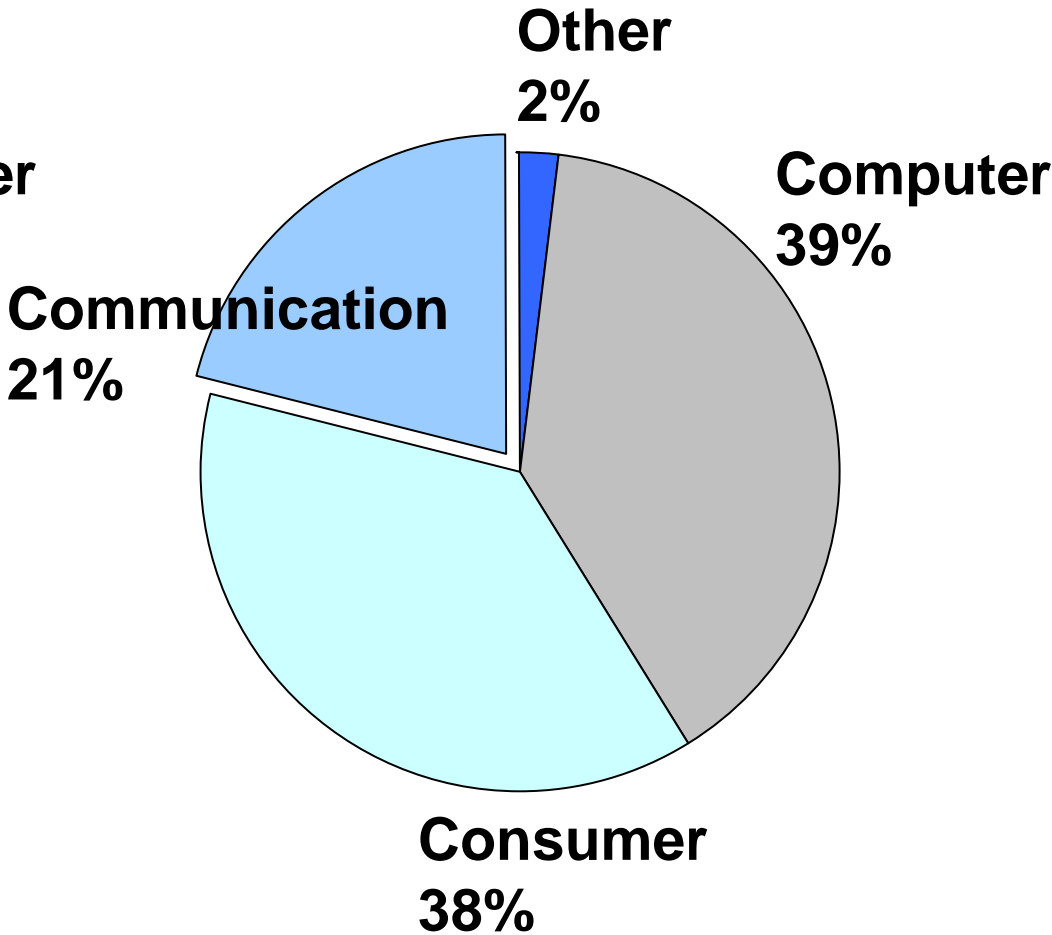


Sales Breakdown by Application

2001 Q4

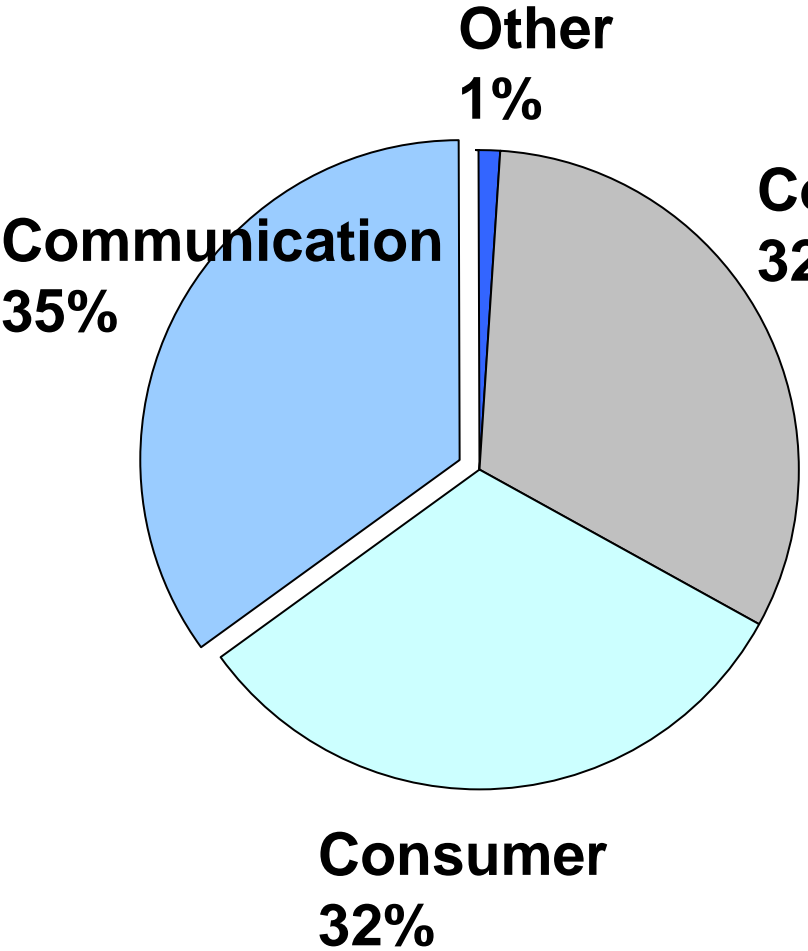


2001 Q3

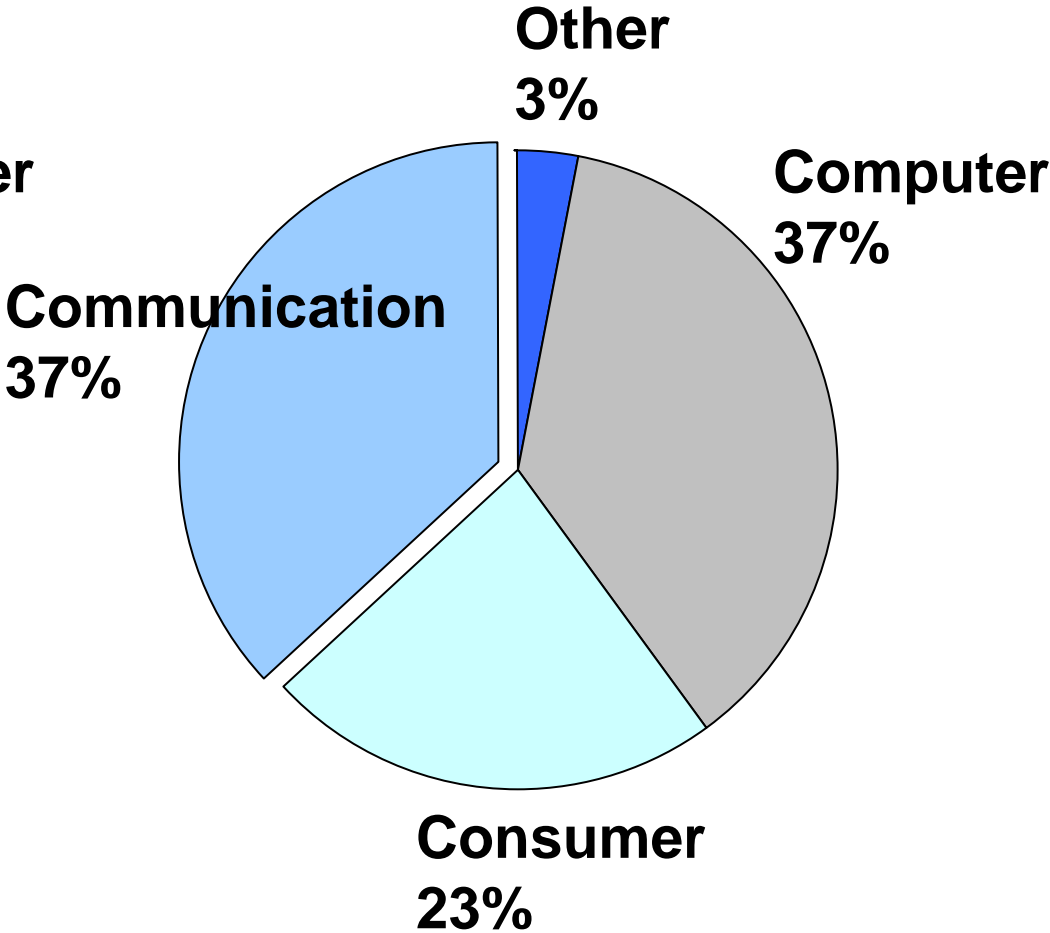


Sales Breakdown by Application

2001

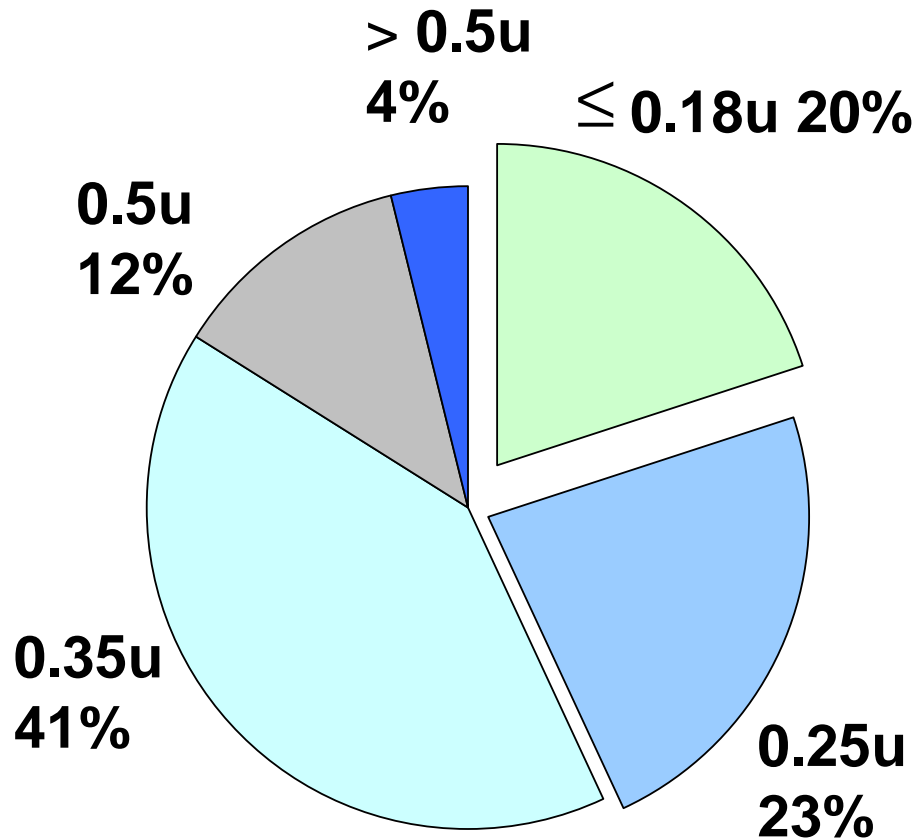


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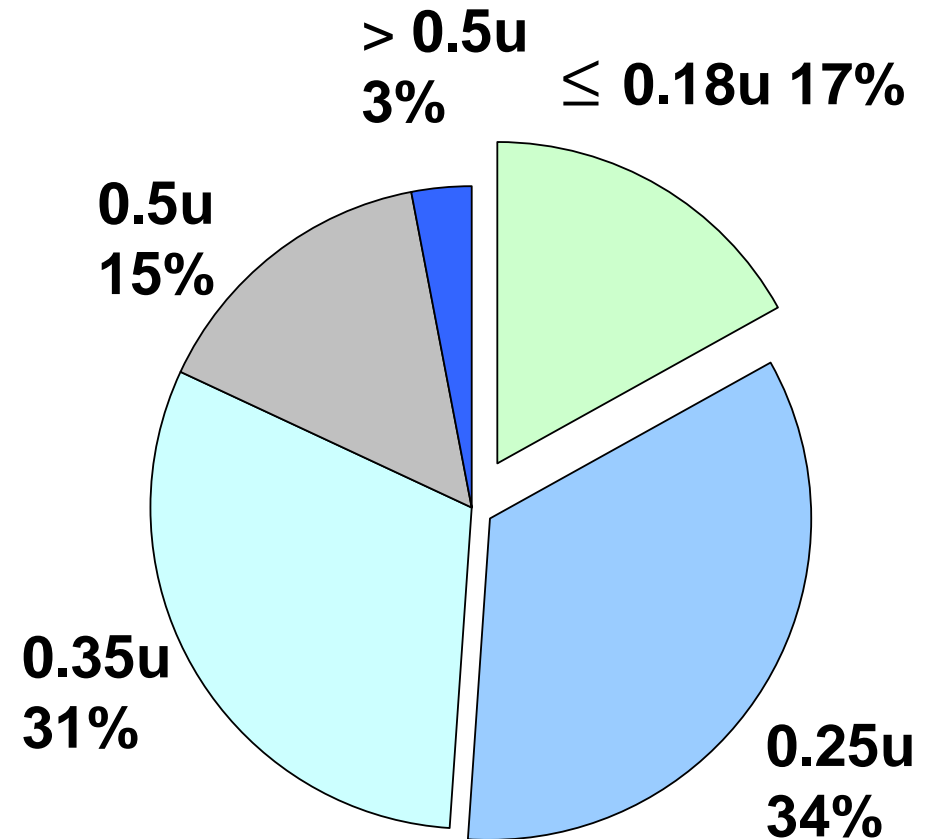


Sales Breakdown by Technology

2001 Q4

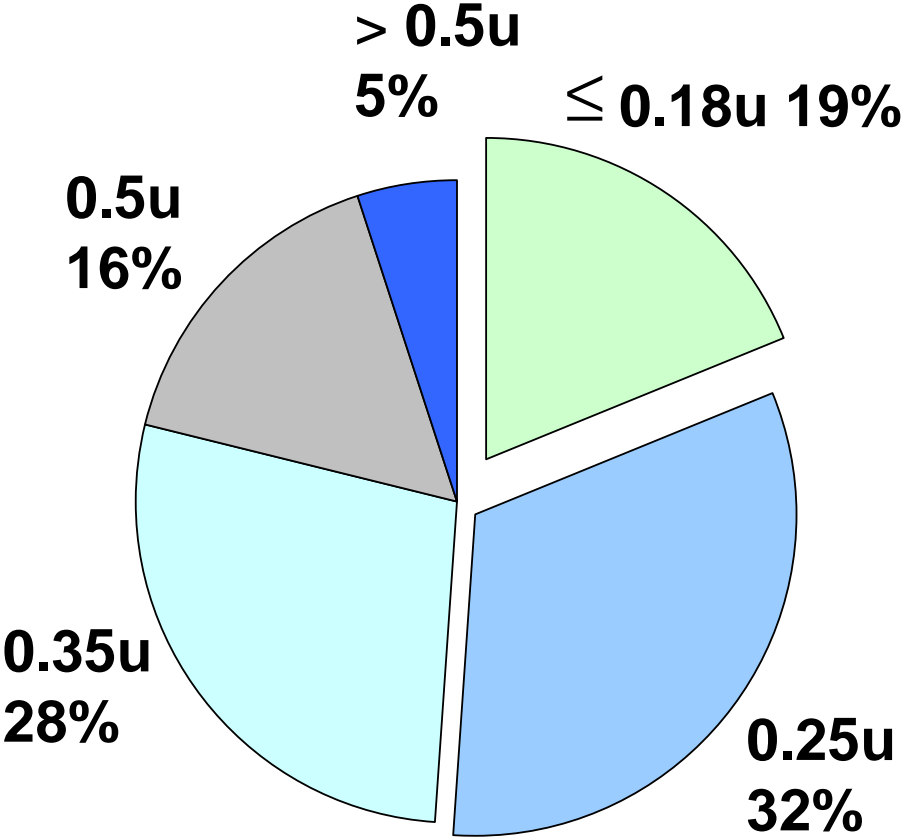


2001 Q3

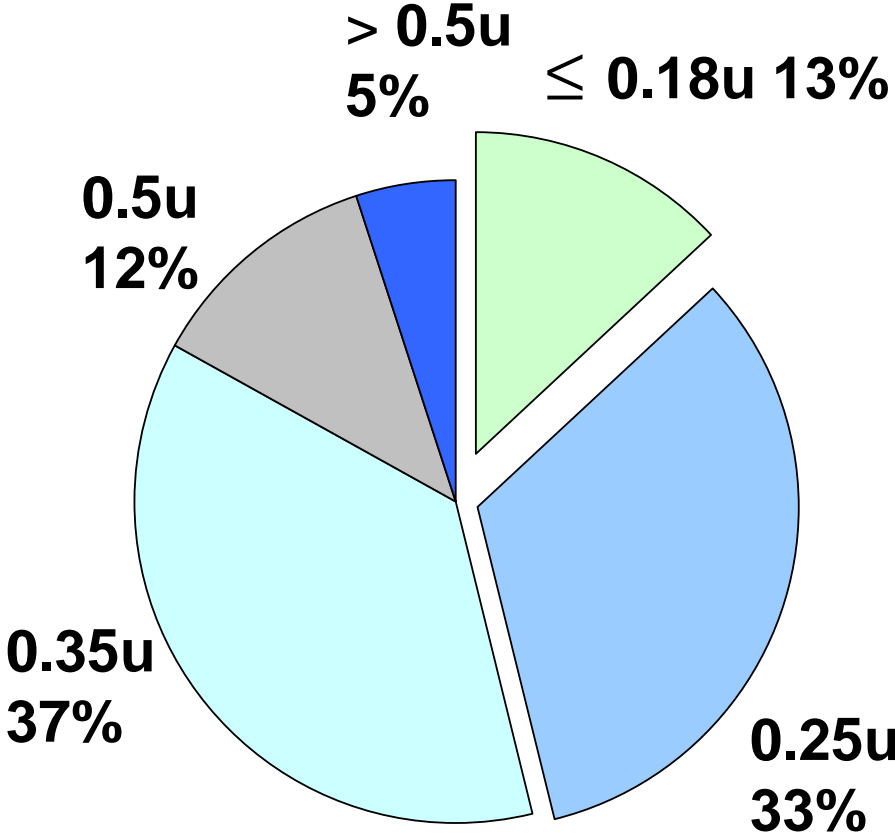


Sales Breakdown by Technology

2001

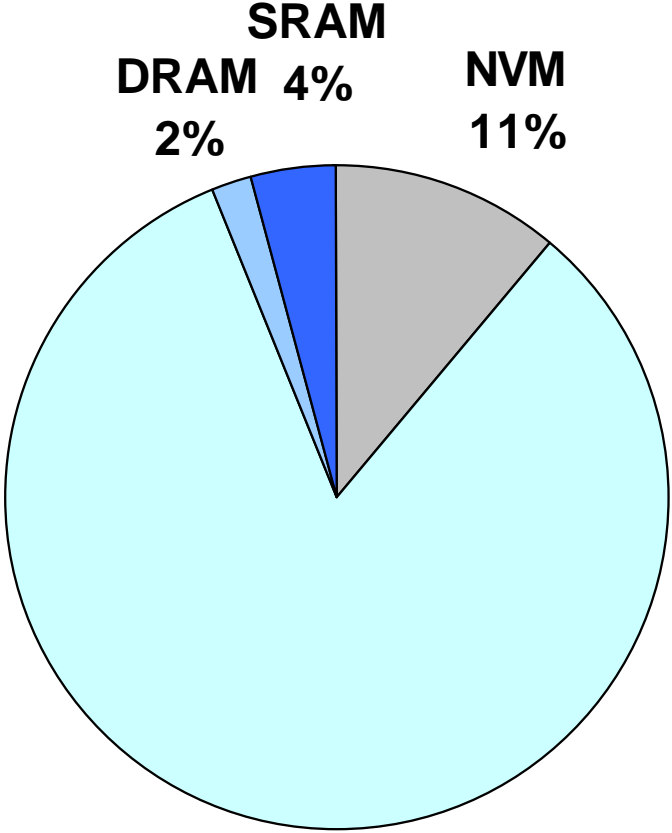


2000



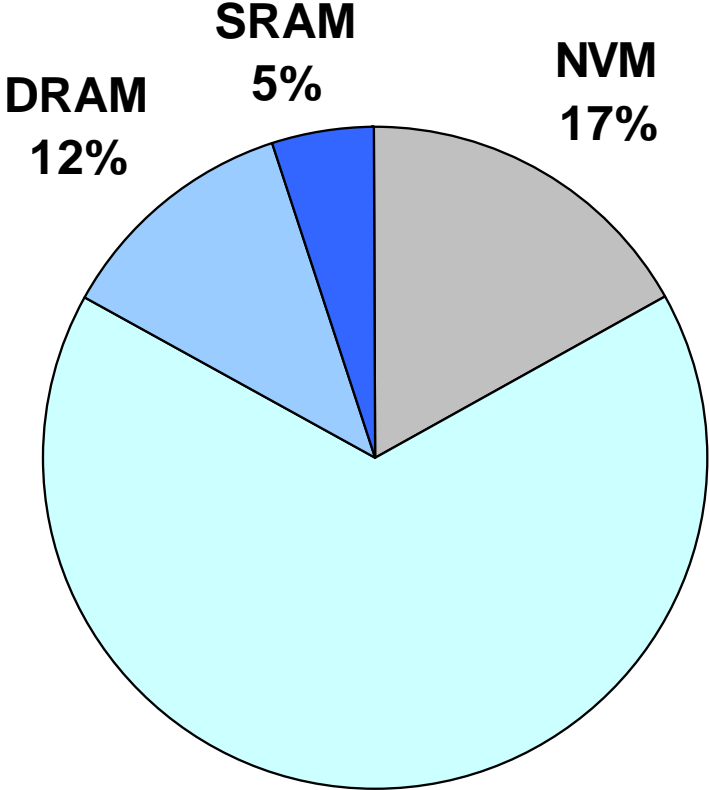
Sales Breakdown by Device Type

2001 Q4



Logic/Mixed mode 83%

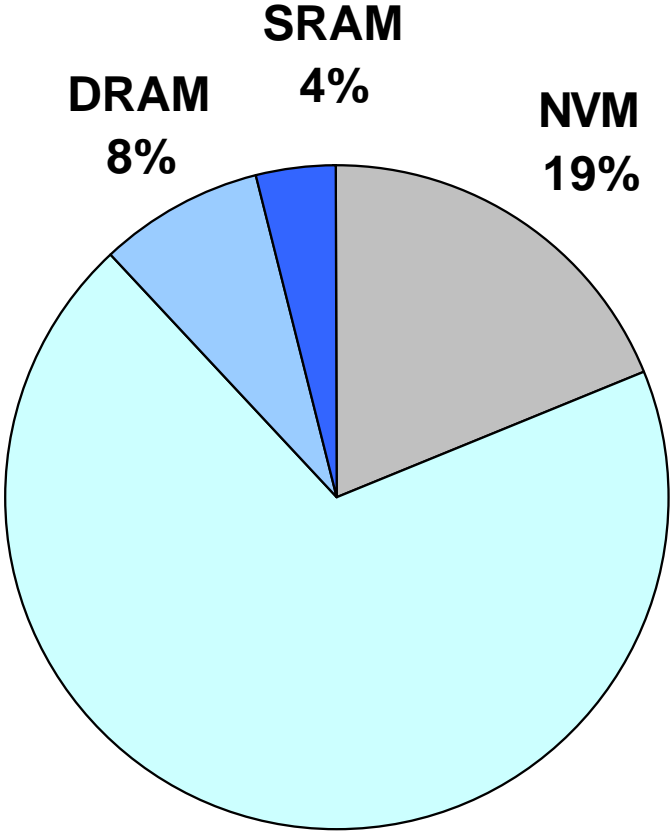
2001 Q3



Logic/Mixed mode 66%

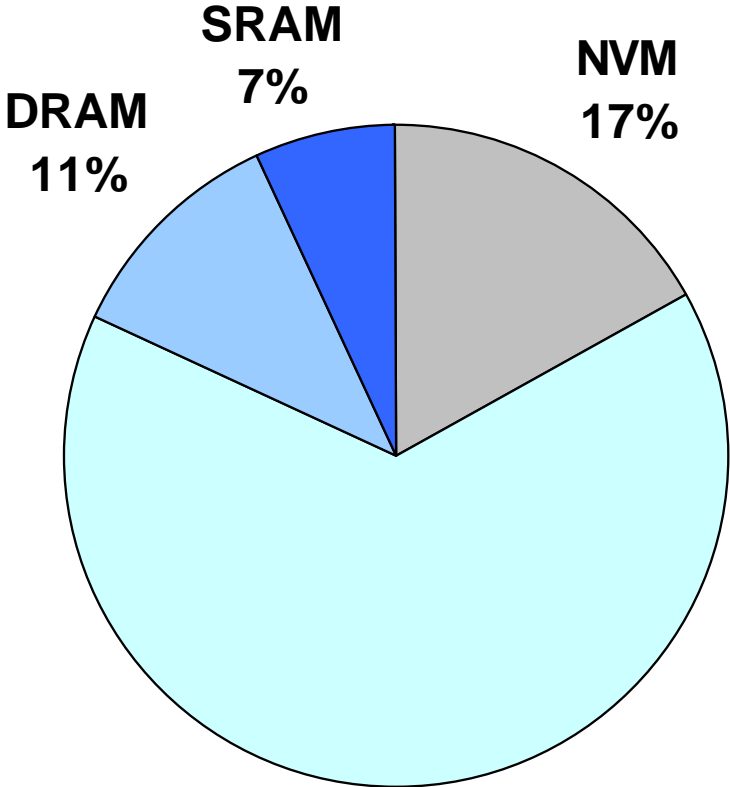
Sales Breakdown by Device Type

2001



Logic/Mixed mode 69%

2000



Logic/Mixed mode 65%

For more information regarding UMC
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