

United Microelectronics Corporation

2014 Regular Shareholder Meeting

Meeting Minutes

Date: June 11, 2014

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THIS IS A TRANSLATION OF THE MINUTES FOR THE 2012 GENERAL SHAREHOLDERS' MEETING ("THE MINUTES") OF UNITED MICROELECTRONICS CORPORATION ("THE COMPANY"). THE TRANSLATION IS INTENDED FOR REFERENCE ONLY AND NO OTHER PURPOSE. THE COMPANY HEREBY DISCLAIMS ANY AND ALL LIABILITIES WHATSOEVER FOR THE TRANSLATION. THE CHINESE TEXT OF THE AGENDA SHALL GOVERN ANY AND ALL MATTERS RELATED TO THE INTERPRETATION OF THE SUBJECT MATTER STATED HEREIN.

United Microelectronics Corporation 2014 Regular Shareholder Meeting Agenda

Time: Wednesday, June 11, 2014 9:00 am

Location: UMC's Fab 8S Conference Hall, No.16, Creation Rd. 1, Hsinchu Science Park

Attendants: All shareholders and their proxy holders, representing 9,708,959,002 shares (among them, 4,685,662,336 shares voted via electronic transmission), or 77.73% of the total 12,490,235,553 outstanding shares

Chairperson: Stan Hung, Chairman

Minute Recorder: Philip Lien

I. Chairman announced commencement.

II. Chairman's Address (**omitted**)

III. Status Reports:

(1) 2013 business operations

Acknowledged

(2) Audit Committee's report on review of 2013 audited financial reports

Acknowledged

(3) Progress on private placement

Acknowledged

IV. Approval Items

(1) 2013 Annual Business Report and financial statements

1. The Company's 2013 Annual Business Report and financial statements had been approved by the 14th meeting of the Board of Directors, 12th term, and reviewed by the Audit Committee. The Audit Committee's report was issued accordingly.
2. Please refer to the 2013 Annual Business Report (Attachment 1) and UMC's website (www.umc.com) for financial statements.
3. It is proposed to approve the 2013 Annual Business Report and financial statements.

Resolution: The proposal has been unanimously approved by present shareholders after Chairman solicited shareholders' opinions.

Voting Result: 9,708,959,002 shares were represented at the time of voting (among them, 4,685,662,336 shares voted via electronic transmission), 8,441,656,880 shares voted for the proposal (among them, 3,464,424,665 shares voted via electronic transmission); 1,405,058 shares voted against the proposal (among them, 1,405,058 shares voted via electronic transmission).

(2) 2013 Surplus Earnings Distribution Chart

1. The Company's 2013 Surplus Earnings Distribution Chart had been approved by the

15th meeting of the board of directors, 12th term, and reviewed by the Audit Committee. The Audit Committee's report was issued accordingly.

2. Please refer to the 2013 Surplus Earnings Distribution Chart (Attachment3).
3. It is proposed to approve the 2013 Surplus Earnings Distribution Chart.

Resolution: The proposal has been unanimously approved by present shareholders after Chairman solicited shareholders' opinions.

Voting Result: 9,708,959,002 shares were represented at the time of voting (among them, 4,685,662,336 shares voted via electronic transmission), 8,502,501,772 shares voted for the proposal (among them, 3,525,256,454 shares voted via electronic transmission); 1,425,766 shares voted against the proposal (among them, 1,425,766 shares voted via electronic transmission).

V. Discussion Items

(1) To propose cash distribution from additional paid-in capital

1. The Company proposed to distribute cash of NT\$6,128,094,002 from additional paid-in capital derived from the issuance of new shares at a premium to the register of shareholders on the record date and the expected cash per share is NT\$0.49. Cash payment shall be rounded to one NTD (amounts less than one NTD shall be ignored).
2. If the outstanding shares are impacted due to the Company's subsequent share buybacks, the transfer or cancellation of treasury stocks, the exercise of employee stock options or other matters, it is proposed the chairman be authorized by the Annual Meeting of Shareholders to adjust the cash payout ratio.
3. Upon the approval of the Annual Meeting of Shareholders, it is proposed that the Board of Directors be authorized to determine the record date and payment date for the cash distribution from additional paid-in capital.

Resolution: The proposal has been unanimously approved by present shareholders after Chairman solicited shareholders' opinions.

Voting Result: 9,708,959,002 shares were represented at the time of voting (among them, 4,685,662,336 shares voted via electronic transmission), 8,498,236,689 shares voted for the proposal (among them, 3,520,991,371 shares voted via electronic transmission); 1,401,443 shares voted against the proposal (among them, 1,401,443 shares voted via electronic transmission).

(2) To amend the Company's "Acquisition or Disposal of Assets Procedure"

1. The amendment is based on the Regulations Governing the Acquisition and Disposal of Assets by Public Companies promulgated by SFC on December 30,

2013 (Ref.1020053073).

2. Please refer to Attachment 4 for the Table Comparing the Original and the Amended Articles.

Resolution: The proposal has been unanimously approved by present shareholders after Chairman solicited shareholders' opinions.

Voting Result: 9,708,959,002 shares were represented at the time of voting (among them, 4,685,662,336 shares voted via electronic transmission), 8,292,175,307 shares voted for the proposal (among them, 3,314,929,989 shares voted via electronic transmission); 1,419,831 shares voted against the proposal (among them, 1,419,831 shares voted via electronic transmission).

- (3) To propose the issuance plan of private placement for common shares, ADR/GDR or CB/ECB, including Secured or Unsecured Corporate Bonds, to no more than 10% of registered capital

1. To provide the flexibility to engage in a semiconductor technology cooperation or alliance with major companies, and meanwhile to supplement operating capital for future needs, the Company proposed to engage with strategic investors through private placement of issuing either single or combo instruments such as common shares, DRs (including but not limited to ADS), or Euro/Domestic convertible bonds (including secured or unsecured corporate bonds) in one or separated times, based on market condition and the Company needs. The amount of shares issued or convertible is proposed to be no more than 10% of total shares issued (i.e., no more than 1,269,208,166 shares), and it is proposed to authorize the Company's Board to determine the amount of actual shares issued based on the status of capital markets.

2. The instructions from item 6, Article 43-6, Security and Exchange Act are:

A. The rationality to determine the price of private placement:

- (a) The common stock price per share shall be no less than the reference price. The reference price is set as the higher of the following two basis prices: 1) The average closing price from either 1, 3 or 5 days before the pricing date, minus dividends adjustment, plus price discount adjustment due to capital reduction. 2) The average price of 30 days before the pricing date, minus dividends adjustment, plus price discount adjustment due to capital reduction.
- (b) The issuance price of convertible bonds shall be no less than the theoretical price which is determined by a pricing model considering all options in the issuance terms.

- (c) The pricing date, actual reference price, theoretical price, and actual issuance price (including the conversion price of corporate bonds) are proposed to authorize the Board to determine after taking into consideration the market status, objective conditions, and qualification of specific parties. The price determination above shall follow regulations from government authorities. Considering that the Security and Exchange Act has set a no-trading period of 3 years on private placement securities, the price determination above shall be reasonable.
 - B. The method to determine specific parties: The strategic investors have the priority to be considered as specific parties for private placement if, (i) Being qualified for the rules in item 1, Article 43-6, Security and Exchange Act, (ii) Can meet the Company's needs on technology cooperation and alliance, (iii) Recognize the Company's operating strategy. It is proposed to authorize the Company's Board to determine the specific parties for private placement.
 - C. The necessity of private placement:
 - (a) The reasons for not taking a public offering: Considering the capital market status, effectiveness, feasibility and costs to raise capital, and the no-trading period of 3 years, it is better to maintain a long-term relationship with strategic partners by such security issuance of private placement. Therefore, the Company proposed to raise capital through private placement, rather than public offering.
 - (b) The amount of the private placement: less than 1,269,208,166 shares
 - (c) The capital usage plan and projected benefits of private placement: The Company plans to do private placement at one time or several times (no more than 3 times) based on market conditions and specific parties. The capital raised will be fully used as working capital. The private placement will strengthen our competitiveness, upgrade operating efficiency, and reinforce financial structure, which can benefit shareholders' equity.
- 3. It is proposed to authorize the Board to determine, proceed or revise the issuance plan of private placement through instruments such as common shares, DRs (including but not limited to ADS), or Euro/Domestic convertible bonds (including secured or unsecured corporate bonds), including issue price, shares, terms and conditions, plan items, amount, record date, projected progresses and benefits, and any other item related to the issuance plan, based on market conditions. It is also proposed to authorize the Company's Board to revise the issuance plan based on operation evaluation, environment changes or if receiving instructions from government authorities.

4. The limitations with regard to private placement are based on Article 43-8, Security and Exchange Act and other letters from government authorities
5. It is proposed to authorize Chairman or person assigned by Chairman to represent the Company to negotiate and sign any document and contract with regard to a private placement plan. For matters regarding private placement but not included above, it is proposed to authorize the Chairman to handle, according to related laws and regulations

Resolution: The proposal has been unanimously approved by present shareholders after Chairman solicited shareholders' opinions.

Voting Result: 9,708,959,002 shares were represented at the time of voting (among them, 4,685,662,336 shares voted via electronic transmission), 8,358,262,162 shares voted for the proposal (among them, 3,381,016,844 shares voted via electronic transmission); 140,645,464 shares voted against the proposal (among them, 140,645,464 shares voted via electronic transmission).

VI. Extraordinary Motions: None

VII. Adjournment: Meeting ended at 10:00 am

Attachments

Attachment 1

United Microelectronics Corporation 2013 Annual Business Report

Dear Shareholders,

In 2013, we persevered through lingering European debt woes, US Fed's announcement of QE tapering and China's economic slowdown, all of which continued to impact the confidence in economic growth. The increasing demand in mobile computing was offset by the weakening of PC shipments and semiconductor inventory adjustment, which led to multiple corrections reflected in UMC's quarterly revenue. In the foundry segment, 2013 shipments totaled 4.99 million 8-inch equivalent wafers, an increase of 12.3% over the previous year. Capacity utilization rate reached 82.3%, up 3.5% from 2012. For the new business segment, facing the fierce competitive nature of the solar and LED industries, management adjusted operating focus to continually reduce losses in operating performance, resulting in a loss of NT\$0.15 per share. UMC's consolidated revenue for 2013 was NT\$123.81 billion with gross margin of 19% and operating margin of 3.3%. The annual income attributable to the stockholders of the parent was NT\$12.63 billion, with earnings of NT\$1.01 per share, representing shareholders' return on equity of 6.2%.

To uphold the philosophy in servicing customers' needs, UMC offers comprehensive foundry solutions with continuous commitment to delivering advanced technology breakthroughs and capacity expansion. The execution in advance node capacity deployment has resulted in 40nm and below technologies accounting for 24% of sales during the fourth quarter of 2013. 65nm and below nodes represented 52% of full year 2013 revenue, including an annual increase of 95% in 40nm sales. While Asia-Pacific region plays an increasingly important role in semiconductor demand, the acquisition of HeJian fab in SuZhou, along with sales offices in Japan and Korea, will enable UMC to capture new business and gain market share to take advantage of growing economies in the Asia-Pacific.

UMC's remained focused on R&D, with expenses amounting to NT\$12.49 billion in 2013. For advanced technologies, yield for 28nm Poly/SiON and High-K/Metal-Gate significantly improved. Activities on 28nm programs and product applications continued to expand, including mobile communication, computing, wired and wireless Internet, digital TV, data

storage controller, programmable logic and other end devices. For 14nm and below technologies, UMC licensed 20nm FinFET technology from IBM in 2012 to expedite our own internal 14nm development. The collaboration was further expanded with UMC joining IBM for collaborative 10nm FinFET development. Through IBM's support and know-how, UMC's 14nm FinFET technologies offer an immensely competitive solution for low power mobile and communication IC designs. In 3D IC, UMC has successfully demonstrated the industry's first TSV developed under an open ecosystem supply chain partnership. Using the bare die integrated with UMC's TSV and stacked with memory, the 3D IC solution has passed customer package-level reliability testing. In addition, UMC successfully manufactured 40nm embedded charge trap (eCT) technology, which is in the validation stages. For 55nm, although UMC's industry leading 55nm embedded high voltage process is in volume production, UMC continues to miniaturize the die size and increase the SRAM density to enable more advanced single chip touchscreen IC designs, fulfilling the high-resolution requirements in LCD display and premium smartphone segments. Semiconductor applications for green energy have started to gain momentum. As UMC's high voltage process is in the production phase, our R&D team has completed the development of integrating world class low conductance high voltage resistance components to deliver a complete SoC solution for the green energy market. As for CMOS-MEMS R&D plans, UMC's CMOS-MEMS products have passed customer qualification and will enter the production phase, providing a number of technical applications to enable industry experts and academia to concentrate on the development of new components and technologies. This breakthrough will lower the entry barrier for local IC design houses to penetrate the market and sharpen the business & technical acumen for Taiwanese companies to compete in the MEMS industry.

UMC also expanded capacity in advanced technology with capital expenditure of US\$1.1 billion, including Phase 5 and Phase 6 of Fab 12A in Tainan and R&D equipment for 14nm and below. UMC established Fab 12i in Singapore as its specialty technology "Center of Excellence" to spearhead the company's R&D and manufacturing for advanced specialty process technologies. UMC will undertake R&D development programs with local research institutes to generate unique specialty technologies for customers to enter new markets including automotive, smartphones and tablet computing. The joint effort with Singapore institutions will help accelerate the process development cycle of new products to facilitate short turn-around time for our specialty customers. For new business, the product development for niche segments, ongoing qualification and channel expansion will help lead to an improvement in revenue and profitability.

UMC has had a long term commitment to corporate social responsibilities and high standards of corporate governance. UMC's Remuneration Committee and Audit Committee have provided a strong structural framework for effective governance of the company. UMC also established a Capital Budget Committee that oversees the company's capital expenditures and annual budget plans to enhance operating efficiency as well as its approach to risk management. The installation of the committees will promote the long-term interests of shareholders, strengthen board and management accountability through interactivity and provide a balance between the board and management. In 2013, UMC received several distinguished honors for corporate social responsibility. The awards included Taiwan Green Role Model Award, Industry Health and Safety Award, Enterprise Environmental and Corporate Disclosure honors, "2013 Corporate Citizenship Award" from Commonwealth Magazine and "Corporate Social Responsibility Report Award" from the Taiwan Institute for Sustainable Energy. UMC has also been selected as a component stock of Dow Jones Sustainability Indexes (DJSI) for six consecutive years and has sustained the highest marks in environmental protection policy and product environmental responsibilities. These accolades are a testament to UMC's ability to generate new technological developments while sustaining our deep commitment to meeting environmental responsibilities.

UMC has achieved excellence in R&D and manufacturing, supported by a healthy financial structure along with the experience in dealing with the seasonal cycles in the semiconductor industry. UMC is in a strong position to overcome the challenges in the industry and sustain continuous success in the foundry industry. Looking towards the future, UMC management team will (1) accelerate the development of advanced node and specialty technologies, (2) consolidate manufacture to enhance quality and productivity, (3) broaden market share with increases in customer penetration and (4) improve organizational efficiency and encourage employees' potential and accountability, to enhance corporate competitiveness.

UMC would like to thank every shareholder for supporting the company over these years. Management will continue to strengthen the company's competitive advantage, and accomplish technological advancement in order to maximize customers' benefit and shareholders' equity.

Chairman: Stan Hung

CEO: Po-Wen Yen

CFO: Chitung Liu

*Attachment 2***Audit Committee's Report**

The board of directors has prepared and submitted to us the Company's 2013 financial statements. These statements have been audited by Ernst & Young. The financial statements present fairly the financial position of the Company and the results of its operations and cash flows. We, as the Audit Committee of the Company, have reviewed these statements, the report of operations and surplus earnings distribution chart. According to Article 219 of the Company Law, we hereby submit this report.

United Microelectronics Corporation
Audit Committee:

Chun-Yen Chang

Chung Laung Liu

Paul S.C. Hsu

Cheng-Li Huang

April 16, 2014

Attachment 3

UMC 2013 Surplus Earnings Distribution Chart

Unit: NT\$

Item	Amount		Note
	Subtotal	Total	
2013 Earning Before Tax	14,652,485,320	14,652,485,320	
<i>Minus:</i> Income Tax Expense	2,022,281,861		
Net Profit After Tax		12,630,203,459	
<i>Minus:</i> Appropriated For Legal Reserve	1,263,020,346		
<i>Plus:</i> Actuarial gain (loss) on defined benefit plans	378,855,028		
<i>Plus:</i> Previous Year's Unappropriated Earnings	15,595,090,905		
<i>Minus:</i> Adjustments for first-time adoption of TIFRSs	1,414,988,934		
Earnings Available For Distribution (Cumulative)		25,926,140,112	
Items for Distribution:			
Cash Dividends To Shareholders	125,063,143		Dividend per share at approximately NT\$0.01
Total Distribution		125,063,143	
End of Term Unappropriated Earnings		25,801,076,969	
Note			
1. Directors' Remunerations	11,746,038		
2. Employee Cash Bonuses	1,162,655,682		Approximately 9.9% of earnings available for distribution

- According to Article 22, Articles of Incorporation, the Company shall allocate the net profit ("earnings"), if any, according to the following sequence: (1) Payment of taxes (2) Making up loss for preceding years (3) Setting aside 10% for legal reserve (4) Appropriating or reversing special reserve by government officials or other regulations (5) Allocation of 0.1% of residual amount after deducting the amounts stated in Item 1 through 4 above for remuneration of directors (6) The amount of no less than 5% of the residual amount after distribution of Item 1 to 4, plus undistributed earnings from previous years, shall be distributed as bonus to employees in the form of cash or new shares.
- According to the ruling issued by MOF on April 30, 1998 (Ref. 871941343), when distributing earnings it should be taxed according to the year that the earnings were gained. UMC adopts last-in first-out method when distributing earnings, which is to say, first distribute earnings from the most current year (i.e. 2013) and then the previous year's when not sufficient.
- In the event of any change in the number of outstanding shares resulting from the purchase back of the Company common stock, transfer, conversation or cancellation of the treasury shares, or the exercise of the employee stock options, the dividend ratio must be adjusted. It is proposed to fully authorize the board of directors to adjust the dividend ratio and to proceed on the relevant matters.
- It is proposed to distribute NT\$11,746,038 for directors' remunerations, NT\$1,162,655,682 for employee cash bonus, and NT\$0 for employee stock bonus shares.

Chairman: Stan Hung

CEO: Po-Wen Yen

CFO: Chitung Liu

Attachment 4

**United Microelectronics Corporation
Table Comparing Original and Amended Articles of “Acquisition or
Disposal of Assets Procedure”**

Article No.	Original Article (or portion thereof)	Amended Article (or portion thereof)	Explanation
2	<p>“Assets” mentioned in this Procedure is defined as the follows:</p> <p>1) Investments such as stocks, <u>treasury</u>, corporate bonds, deposit receipts, warrant, securities representing interest in a fund, and asset-back securities.</p> <p>2) Real <u>estate</u> (including inventory of construction enterprises) and <u>other fixed assets</u>.</p> <p>(.....)</p>	<p>“Assets” mentioned in this Procedure are defined as the following:</p> <p>1) Investments such as stocks, <u>government bonds</u>, corporate bonds, deposit receipts, warrants, securities representing interest in a fund, and asset-backed securities.</p> <p>2) Real <u>property</u> (including <u>land, houses and buildings, investment properties, rights to use land, and</u> inventory of construction enterprises) and <u>equipment</u>.</p> <p>(.....)</p>	Conform to the amendments to related regulations.
3	<p>(.....)</p> <p>2) Assets acquired or disposed of through merger, spin-off, acquisition, and transfer of shares: refer to assets thereby acquired or disposed of according to Enterprise Merger and Acquisition law, Financial Holding Company Law, Financial Institution Acquisition Law other laws or acquire shares by issuing new shares of the Company in accordance with the 6th paragraph of Article 156 of the Company (for the purpose of this Procedure, the transfer of shares).</p> <p>3) Related party: <u>is defined according to No. 6 of the General Accepted Accounting Principles issued by the ROC Accounting Research Institution Regulation.</u></p> <p>4) <u>Subsidiary: is defined according to No. 5 and No.7 of the General Accepted Accounting Principles issued by the ROC Accounting Research Institution Regulation.</u></p> <p>5) Professional appraiser: refers to real <u>estate</u> appraiser or other</p>	<p>(.....)</p> <p>2) Assets acquired or disposed of through merger, spin-off, acquisition, and transfer of shares: refer to assets thereby acquired or disposed of according to Enterprise Merger and Acquisition law, Financial Holding Company Law, Financial Institution Acquisition Law other laws or acquire shares by issuing new shares of the Company in accordance with the 8th paragraph of Article 156 of the Company (for the purpose of this Procedure, the transfer of shares).</p> <p>3) Related party <u>or subsidiary: as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.</u></p> <p>4) Professional appraiser: refers to real <u>property</u> appraiser or other professionals who are legally approved to assess the value of real <u>property</u> and <u>equipment</u>.</p> <p>5) Date of event: refers to earliest of the signing date, payment date,</p>	Conform to the amendments to related regulations.

	<p>professionals who are legally approved to assess the value of real estate and <u>other fixed assets</u>.</p> <p>6) Date of event: refers to earliest of the signing date, payment date, record date, and board resolution date and other date when the parties and amounts of transaction can be determined. If it is subject to approval of the governing authority, the date of event refers to the earliest of the aforementioned date or the approval date.</p> <p>7) China investment: is referred to the investment in China approved by the Investment Committee of Ministry of Economic Affairs.</p>	<p>record date, and board resolution date and other date when the parties and amounts of transaction can be determined. If it is subject to approval of the governing authority, the date of event refers to the earliest of the aforementioned date or the approval date.</p> <p>6) China investment: is referred to the investment in China approved by the Investment Committee of Ministry of Economic Affairs.</p>	
<p>5</p>	<p>Operating procedure for the acquisition and disposal of assets:</p> <p>1) In order to cope with the needs <u>such as the expansion of operations and improvement of service quality</u>, the acquisition and disposal of such assets as mentioned in the previous article shall, <u>within the Company's approved budget</u>, be carried out in accordance with the <u>process and procedure of the Company for procurements and assets acquisition</u>.</p> <p>2) <u>If the Company acquires or disposes of assets such as marketable securities or real estate for the purpose of expanding business or for other investment purposes, it is necessary to first receive the approval of the Chairman of the Board before the related departments carry out the transaction, and then, upon completion of the transaction, be reported to Board Meeting.</u> However, the transaction for purchasing security has to be pre-approved by Audit Committee and Board Meeting, if either the transaction amount surpasses NT\$ 200 million or 1% of cash and cash equivalent from latest financial statements, or the accumulated</p>	<p>Operating procedure for the acquisition and disposal of assets:</p> <p>1) In order to cope with the needs of operations, the acquisition and disposal of such assets as mentioned in the previous article shall be carried out in accordance with the procedures of the Company for procurements, assets acquisition, <u>contract management or other related processes</u>.</p> <p>2) <u>The acquisition or disposal of securities, real property or membership certificates shall first be approved by the Chairman of the Board before the executing departments carry out the necessary transactions or procedures. The transactions or procedures shall then be reported at the Board Meeting upon completion.</u> However, the transaction for purchasing security must be pre-approved by Audit Committee and Board Meeting, if either the transaction amount surpasses NT\$ 200 million or 1% of cash and cash equivalents from the latest financial statements, or the accumulated purchasing transaction amount for a single security surpasses NT\$ 300 million within two years.</p> <p>3) Related Party Transactions, assets</p>	<p>Conform to the needs of commercial practice.</p>

	<p>purchasing transaction amount for single security surpasses NT\$ 300 million within two years.</p> <p>3) <u>The acquisition or disposal of membership certificates and intangible assets shall be reported to the Chairman by the finance department. Upon the approval of Chairman, the transaction shall be carried out by relevant department and reported to the Board Meeting.</u></p> <p>4) Related Party Transactions, assets acquired or disposed through merger, spin-off, acquisition or transfer of shares shall be carried out in accordance with section II and III of the Procedure.</p> <p>(.....)</p>	<p>acquired or disposed through merger, spin-off, acquisition or transfer of shares shall be carried out in accordance with section II and III of the Procedure.</p> <p>(.....)</p>	
<p>6</p>	<p>Evaluating procedure for the acquisition and disposal of assets:</p> <p>1) <u>Marketable securities:</u> When the Company acquires or disposes of <u>marketable securities</u>, the target company's recent <u>audited financial reports</u> shall, prior to the date of occurrence of the event, be procured as the reference of evaluation of the transaction price, and the transaction price will be determined as follows: (.....) <u>A public company acquiring or disposing of securities shall first, prior to the date of the event occurrence, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and</u> if the dollar amount of the transaction is 20 percent of the company's paid-in capital or NT\$300 million <u>or more</u>, the company shall also engage a <u>certified public accountant</u> prior to the date of the event occurrence to provide an opinion regarding the reasonableness of the transaction price. If the CPA needs to use the report of an expert</p>	<p>Evaluating procedure for the acquisition and disposal of assets:</p> <p>1) <u>Securities:</u> When the Company acquires or disposes of securities, the target company's <u>most recent financial reports, certified or reviewed by a certified public accountant (CPA)</u> shall, prior to the date of occurrence of the event, be procured as the reference of evaluation of the transaction price, and the transaction price will be determined as follows: (.....) If the dollar amount of the transaction reaches 20 percent of the company's paid-in capital or <u>more than NT\$300 million</u>, the company shall also engage a <u>CPA</u> prior to the date of the event occurrence to provide an opinion regarding the reasonableness of the transaction price. If the CPA needs to use the report of an expert as evidence, the CPA shall do so in accordance with <u>the provisions of Statement of Auditing Standards No.20 published by the ROC Accounting Research and Development Foundation (ARDF)</u>. This requirement does not apply, however, to publicly quoted prices of securities that have an</p>	<p>Conform to the amendments to related regulations.</p>

	<p>as evidence, the CPA shall do so in accordance with No.20 of the <u>General Accepted Accounting Principles of the ROC Accounting Research Institute Regulation</u>. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the <u>Executive Yuan's Financial Supervisory Commission ("FSC")</u>, including (.....)</p> <p>2) <u>Real estate or other fixed assets</u>: When the Company acquires or disposes of <u>real estate or other fixed assets</u>, except for dealing with government, contract to construction on land owned by the Company or land leased from other party, equipment for business operation acquired or disposed of, with the transaction amount exceeding either <u>twenty percent of Company's paid-in capital or NT\$300,000,000</u>, an appraisal report shall first be obtained prior to the date of the event occurrence, and the transaction shall be conducted in accordance with the following: (.....)</p> <p>C. If the appraisal report meets any of the following criteria, except when all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, the <u>certified public accountant's</u> fairness opinion on the difference and the reasonableness of price shall be obtained and the Company shall consult with <u>certified public accountant</u> to take measures in accordance with <u>No.20 of the General Accepted Accounting Principles of the ROC Accounting Research</u></p>	<p>active market, or where otherwise provided by regulations of the Financial Supervisory Commission ("FSC"), including (.....)</p> <p>2) <u>Real property or equipment</u>: When the Company acquires or disposes of <u>real property or equipment</u>, except for dealing with government, contract to construction on land owned by the Company or land leased from another party, equipment for business operation acquired or disposed of, with the transaction amount exceeding either <u>20 percent of Company's paid-in capital or NT\$300 million</u>, an appraisal report shall first be obtained prior to the date of the event occurred. The transaction shall be conducted in accordance with the following: (.....)</p> <p>C. If the appraisal report meets any of the following criteria, except when all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, the <u>CPA's</u> fairness opinion on the difference and the reasonableness of price shall be obtained and the Company shall consult with <u>the CPA</u> to take measures in accordance with <u>the provisions of Statement of Auditing Standards No.20 published by the ARDF</u>. (.....)</p> <p>3) <u>Membership certificates or intangible assets</u>: (.....) When the Company acquires or disposes of membership certificates or intangible assets with the transaction price exceeding either <u>20 percent of Company's paid-in capital</u></p>	
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	<p><u>Institute Regulation.</u> (.....)</p> <p>3) Membership certificates or intangible assets: (.....) When the Company acquires or disposes of membership certificate or intangible assets with the transaction price exceeds either <u>twenty</u> percent of Company’s paid-in capital or <u>NT\$300,000,000</u>, the Company shall engage a <u>certified public accountant</u> prior to the date of the event occurrence to render an opinion on the reasonableness of the transaction price; the <u>public accountant</u> shall take measures in accordance with No.20 <u>of the General Accepted Accounting Principles of the ROC Accounting Research Institute Regulation.</u> (.....)</p>	<p>or <u>NT\$300 million, except in transactions with a government agency</u>, the Company shall engage a <u>CPA</u> prior to the date of the event occurrence to render an opinion on the reasonableness of the transaction price; the <u>CPA</u> shall take measures in accordance with <u>the provisions of Statement of Auditing Standards No.20 published by the ARDF.</u> (.....)</p>	
<p>9</p>	<p>(.....)</p> <p>1) Acquisition or disposal of real property from or to a related party, or acquisition or disposal of assets other than real property from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more; provided, this shall not apply to trading of government bonds or bonds under repurchase and resale agreements. (.....)</p> <p>4) Where an asset transaction other than any of those referred to in the preceding three subparagraphs, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances: A. Buying or selling <u>treasury</u>. B. Buying or selling <u>marketable securities</u> in domestic or foreign stock exchange or over-the-counter when the Company’s scope of business is</p>	<p>(.....)</p> <p>1) Acquisition or disposal of real property from or to a related party, or acquisition or disposal of assets other than real property from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more; provided, this shall not apply to trading of government bonds or bonds under repurchase and resale agreements, <u>or subscription or redemption of domestic money market funds.</u> (.....)</p> <p>4) Where an asset transaction other than any of those referred to in the preceding three subparagraphs, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances: A. Buying or selling <u>government bonds</u>. B. Buying or selling securities in domestic or foreign stock</p>	<p>Conform to the amendments to related regulations.</p>

	<p>investment.</p> <p>C. Buying or selling bonds <u>that contain call-option or put-option.</u></p> <p>(.....)</p> <p>The relevant contracts, meeting minutes, register, appraisal report, opinion of the <u>certified public accountant</u>, lawyers, or underwriters shall be kept in the Company for at least 5 years unless otherwise specified by other laws.</p>	<p>exchange or over-the-counter when the Company’s scope of business is investment.</p> <p>C. Buying or selling bonds <u>under repurchase/resale agreements, or subscription or redemption of domestic money market funds.</u></p> <p>(.....)</p> <p>The relevant contracts, meeting minutes, register, appraisal report, opinion of the <u>CPA</u>, lawyers, or underwriters shall be kept in the Company for at least 5 years unless otherwise specified by other laws.</p> <p><u>For the calculation of 10 percent of total assets under this Procedure, only the total assets stated in the most recent parent company’s financial report or individual financial report prepared under the Regulations Governing the Preparation of Financial Reports by Securities Issuers shall be used.</u></p>	
15	<p>When the Company acquires or disposes of real property from or to a related party, or when it acquires or disposes of assets other than real property from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more, the company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by Audit Committee and the board of directors:</p> <p>(.....)</p>	<p>When the Company acquires or disposes of real property from or to a related party, or when it acquires or disposes of assets other than real property from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more, <u>except in trading of government bonds or bonds under repurchase and resale agreements, or subscription or redemption of domestic money market funds</u>, the company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by Audit Committee and the board of directors:</p> <p>(.....)</p>	<p>Conform to the amendments to related regulations.</p>
16	<p>(.....)</p> <p>In any of the following event, the acquisition of real estate from related parties shall be carried out according to Article 15 of the Procedure, the preceding three sections shall not apply.</p> <ol style="list-style-type: none"> 1) The related party acquired the real <u>estate</u> due to succession or gift. 2) The lapse between the date of 	<p>(.....)</p> <p>In any of the following event, the acquisition of real estate from related parties shall be carried out according to Article 15 of the Procedure, the preceding three sections shall not apply.</p> <ol style="list-style-type: none"> 1) The related party acquired the real <u>property</u> due to succession or gift. 2) The lapse between the date of 	<p>Conform to the amendments to related regulations.</p>

	<p>acquisition of real <u>estate</u> and the date of the transaction has been more than five years,</p> <p>3) The acquisition of real <u>estate</u> is based on the cooperative construction contract with the related parties.</p>	<p>acquisition of real <u>property</u> and the date of the transaction has been more than five years,</p> <p>3) The acquisition of real <u>property</u> is based on the cooperative construction contract with the related parties, <u>or through engaging a related party to build real property, either on the company's own land or on rented land.</u></p>	
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Attachment 5

UMC 2013 Financial Statements

Please refer to www.umc.com for Audit Report of Independent Auditors and Financial Statements.