

United Microelectronics Corporation

2015 Regular Shareholder Meeting

Meeting Minutes

Date: June 9, 2015

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THIS IS A TRANSLATION OF THE MINUTES FOR THE 2015 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 2015 Regular Shareholder Meeting Agenda

Time: Tuesday, June 9, 2015 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 10,238,447,585 shares (among them, 5,924,312,156 shares voted via electronic transmission), or 81.64% of the total 12,540,852,178 outstanding shares

Board Members Present: Po-Wen Yen, Jann-Hwa Shyu, Cheng-Li Huang, and Ting-Yu LIn

Chairperson: Stan Hung, Chairman

Minute Recorder: Philip Lien

I. Chairman announced commencement.

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

III. Status Reports:

(1) 2014 business operations

Acknowledged

(2) Audit Committee's report on review of 2014 audited financial reports

Acknowledged

(3) Progress on private placement

Acknowledged

(4) The issuance of corporate bonds

Acknowledged

IV. Approval Items

(1) 2014 Annual Business Report and financial statements

1. The Company's 2014 Annual Business Report and financial statements were approved by the 23rd meeting of the Board of Directors, the 12th term, and reviewed by the Audit Committee. The Audit Committee's report was issued accordingly.

2. Please refer to the 2014 Annual Business Report (Attachment 1) and UMC's website (www.umc.com) for financial statements. (Attachment 5)

Resolution: Approved and acknowledged as proposed by Board of Directors.

Voting Result: 10,238,447,585 shares were represented at the time of voting (including 5,924,312,156 shares voted via electronic transmission)

Voting Results	% of the total representation at the time of voting
Votes in favor :8,289,054,409 votes (including 4,007,230,784 shares voted via electronic transmission)	80.96%
Votes against : 1,456,270 votes (including 1,456,270 shares voted via electronic transmission)	0.01%
Votes invalid : 0 vote	0.00%

(including 0 share voted via electronic transmission)	
Votes abstained: 1,947,936,906 votes (including 1,915,625,102 shares voted via electronic transmission)	19.03%

(2) 2014 Surplus Earnings Distribution Chart

1. The Company’s 2014 Surplus Earnings Distribution Chart had been approved by the 23rd meeting of the board of directors, the 12th term, and reviewed by the Audit Committee. The Audit Committee’s report was issued accordingly.
2. Please refer to the 2014 Surplus Earnings Distribution Chart (Attachment3).
3. The dividend will be paid in cash with calculation rounded down to the nearest one NTD (any amount under one NTD will be discarded). The remaining fraction will be incorporated into Shareholders’ equity of the Company.

Resolution: Approved and acknowledged as proposed by Board of Directors.

Voting Result: 10,238,447,585 shares were represented at the time of voting (including, 5,924,312,156 shares voted via electronic transmission)

Voting Results	% of the total representation at the time of voting
Votes in favor : 8,352,263,209 votes (including 4,069,571,584 shares voted via electronic transmission)	81.58%
Votes against : 1,464,871 votes (including 1,464,871 shares voted via electronic transmission)	0.01%
Votes invalid : 0 vote (including 0 share voted via electronic transmission)	0.00%
Votes abstained: 1,884,719,505 votes (including 1,853,275,701 shares voted via electronic transmission)	18.41%

V. Election Item

To elect the Company’s 13th term of Directors

1. The Company to elect the 13th term of Directors in 2015 regular shareholders’ meeting. The term for elected Directors is three years, starting from June 9th, 2015 to June 8th, 2018.
2. The Company to establish ROC Audit Committee pursuant to the ROC Securities and Exchange Act to replace the supervisors. The ROC Audit Committee is composed of all independent directors.

Election Results: Please refer to attachment 4 for the list of Directors elected based on Article 12 of Article of Incorporation.

VI. Discussion Items

(1) To release the newly elected directors from non-competition restrictions

1. According to Article 209, Company Law, if directors’ activities for personal or

- others' interests are related to the Company's business scope, directors shall explain the content of their activities and ask the approval from shareholders at the meeting.
2. The Company's director has invested, managed or has been a director for companies of which business scope is similar to the Company's. It will be proposed to release such directors from non-competition restrictions.
 3. Propose to approve the Company's director, Chung Laung Liu, to act as the independent director of Macronix International Co., Ltd. and the independent director of Powerchip Semiconductor Corp., and to release Director Liu from non-competition restrictions.

Resolution: Approved and acknowledged as proposed by Board of Directors.

Voting Result: 10,238,447,585 shares were represented at the time of voting (including, 5,924,312,156 shares voted via electronic transmission)

Voting Results	% of the total representation at the time of voting
Votes in favor : 7,748,820,223 votes (including 3,592,886,890 shares voted via electronic transmission)	75.68%
Votes against : 223,603,272 votes (including 223,603,272 shares voted via electronic transmission)	2.18%
Votes invalid : 0 vote (including 0 share voted via electronic transmission)	0.00%
Votes abstained: 2,266,024,090 votes (including 2,107,821,994 shares voted via electronic transmission)	22.13%

- (2) 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 1,272,520,779 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 1,272,520,779 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: Approved and acknowledged as proposed by Board of Directors.

Voting Result: 10,238,447,585 shares were represented at the time of voting (including, 5,924,312,156 shares voted via electronic transmission)

Voting Results	% of the total representation at the time of voting
Votes in favor : 8,173,609,518 votes (including 4,016,808,185 shares voted via electronic transmission)	79.83%
Votes against : 54,200,714 votes (including 54,200,714 shares voted via electronic transmission)	0.53%
Votes invalid : 0 vote (including 0 share voted via electronic transmission)	0.00%
Votes abstained: 2,010,637,353 votes (including 1,853,303,257 shares voted via electronic transmission)	19.64%

VII. Extraordinary Motions: None

VIII. Adjournment: Meeting ended at 9:48 am

Attachments

Attachment 1

United Microelectronics Corporation 2014 Annual Business Report

Dear Shareholders,

In 2014, the global economy faced multiple uncertainties including high debt levels, sporadic inflation rates and unstable employment figures which led to structural issues that slowed worldwide growth. Difficult business conditions were caused by the lack of visibility in business outlook, partly contributed by the strengthening of the US dollar, Ebola virus outbreak and acts of terrorism. Although UMC was exposed to higher inventory adjustment in the IC supply chain, we overcame the tough business climate to grow our consolidated results thanks to technology developments and breakthroughs in customer engagements. For the foundry segment, shipments totaled 5.57 million wafers, representing an annual growth of 11.6% and utilization rate of 89%. For the New Business segment, UMC began to improve operational efficiencies while also integrating solar resources with the announced merger of Topcell and Motech, which will strengthen productivity and enhance investment returns. UMC's consolidated revenue increased 13% YoY to NT\$140.01 billion, with gross margin at 22.8% gross and operating margin of 7.2%. Net income attributable to shareholders of the parent was NT\$12.14 billion, with an EPS of NT\$0.97 and ROE of 5.7%.

UMC continues to provide the most comprehensive foundry solutions through advanced technology development combined with strategic capacity expansion. In 2014, our 28nm revenue increased with each quarter, reaching 7% of sales in 4Q14. Revenue contribution from 40nm and below technologies increased to 24% for the year. Since Asia's role in the semiconductor supply chain continues to grow, UMC continued to expand capacity in Taiwan as well as forming collaborative agreements with our partners in Japan and China. This diversified expansion will provide better cost structure and while mitigating geographical risks. We look forward to exploring additional opportunities to set up manufacturing sites in Asia, which will allow us to provide better customer service while minimizing geographic risks and benefiting from Asia's rapid rise in IC consumption.

During 2014, UMC invested resources to strengthen R&D and manufacturing capabilities. R&D expenses were NT\$13.7 billion, which partly helped to propel the production of 28nm Poly-SiON and High-K metal gate technologies and fulfil IC demand in 4G LTE wireless

devices, DTV, storage controllers and other logic-based applications. UMC's 28nm product pipeline continues to diversify into different market segments as new customers begin their 28nm engagements. For leading edge technologies, UMC participated in IBM's Joint Development Program for 10nm FinFET technology, which gave UMC valuable process technology know-how in understanding FinFET structures as well as bolstering efforts to help customers address low power requirements. For specialty technology applications, UMC has commenced 55nm eFlash production, with 40nm trial production scheduled to follow. Additionally, UMC also successfully applied a world-class low conductive capacitor-resistor high voltage process to develop enhanced HV technologies to maximize conversion efficiency during power down modes. In terms of 3D IC, UMC's open ecosystem 3D IC development has crossed over multiple process generations using Thru Silicon Via, successfully passing customer qualification. Our MEMS technology has enabled customers to provide world-class quality ICs for microphone products, accumulating over 100 million shipments. In addition, our ultra-low power technologies and silicon IP for Internet of Things (IoT) applications help customers enhance the competitiveness of their IoT products.

UMC has also invested towards capacity expansion on leading edge logic/mixed-mode processes as well as specialty technologies. In 2014, UMC's capital expenditure was US\$1.4 billion, which included capacity deployments in Tainan Science Park-based Fab12A P5 & P6, HeJian-based Fab8N and Singapore-based Fab12i. In addition, our technologies have helped to satisfy growing requirements in automotive and wireless segments. UMC obtained ISO 15408-EAL6 certification to help customers comply with automotive specifications using our specialty technologies. We look forward to leveraging our global manufacturing sites with various institutes to accelerate the development of new technologies for market adoption.

UMC advocates an effective corporate governance to protect the right and interests of shareholders and strengthen the power of the Board of Directors. To achieve this, we have Remuneration, Audit, and Capital Budget committees, to establish a strong structured framework in corporate governance. In 2014, UMC became the only semiconductor manufacturer in Taiwan to obtain cleaner production certification for all local manufacturing facilities. UMC also earned a top 10 ranking in Commonwealth Magazine's Corporate Citizenship list and has also been named as a Dow Jones Sustainability Index stock component for six consecutive years. These achievements have demonstrated UMC's long term efforts on corporate sustainability, which have been well recognized worldwide.

UMC's in-depth knowledge in manufacturing & R/D development, backed by a healthy financial structure and our experience in the cyclical semiconductor market, will help us overcome future challenges and difficulties faced in the foundry industry while cultivating

business growth and enhanced profitability. UMC's management team will focus on developing technologies on both logic/mixed-mode and specialty processes to help customers realize silicon success. We will also strengthen customer service & manufacturing support by shortening process lead time and maintaining quality excellence. These efforts will allow UMC to expand market share and business scale while sustaining leadership in technology know-how, in turn motivating UMC's team to maximize individual potential and create team synergies to generate operational excellence.

We would like to take this opportunity to thank our shareholders for your continuous support. UMC's management team has sound fundamentals to enhance corporate competitiveness, drive advancements in new technologies and elevate service quality to ensure customers' and shareholders' value.

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 2014 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 Act, we hereby submit this report.

United Microelectronics Corporation
Audit Committee:

Chun-Yen Chang

Chung Laung Liu

Paul S.C. Hsu

Cheng-Li Huang

March 18, 2015

Attachment 3

UMC 2014 Surplus Earnings Distribution Chart

Unit: NT\$

Item	Amount		Note
	Subtotal	Total	
2014 Earning before Tax	13,838,290,244	13,838,290,244	
<i>Minus:</i> Income Tax Expense	1,696,949,342		
Net Profit after Tax		12,141,340,902	
<i>Minus:</i> Appropriated for Legal Reserve	1,214,134,090		
<i>Plus:</i> Actuarial Gain (Loss) on Defined Benefit Plans	2,086,306		
<i>Plus:</i> Previous Year's Unappropriated Earnings	25,801,076,969		
<i>Minus:</i> Adjustment of Retained Earnings Accounted for Under the Equity Method	113,153,079		
Earnings Available for Distribution (Cumulative)		36,613,044,396	
Items for Distribution:			
Cash Dividends to Shareholders	6,939,321,835		Dividend per share at approximately NT\$0.55
Total Distribution		6,939,321,835	
End of Term Unappropriated Earnings		29,673,722,561	
Note			
1. Directors' Remunerations	10,811,967		
2. Employee Cash Bonuses	1,458,956,333		Approximately 13% 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. 2014) 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\$10,811,967 for directors' remunerations, NT\$1,458,956,333 for employee cash bonus, and NT\$0 for employee stock bonus shares.

Chairman: Stan Hung

CEO: Po-Wen Yen

CFO: Chitung Liu

Attachment 4

List of Directors Elected

Name	Votes Received
Stan Hung	10,829,660,229
Chun-Yen Chang	7,691,391,133
Chung Laung Liu	7,674,141,767
Cheng-Li Huang	7,590,901,303
Wenyi Chu	7,473,926,828
Ting-Yu Lin	7,311,659,106
Hsun Chieh Investment Co. Representative: Po-Wen Yen	6,866,194,301
UMC Science and Culture Foundation Representative: Jann-Hwa Shyu	6,612,522,277
Silicon Integrated Systems Corp. Representative: Jason S. Wang	6,518,370,048

Attachment 5

UMC 2014 Financial Statements

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