



UNITED MICROELECTRONICS CORPORATION
Unaudited Condensed Unconsolidated Balance Sheet

As of June 30, 2004

Figures in Million of New Taiwan Dollars (NT\$) and U.S. Dollars (US\$)

	June 30, 2004		
	US\$	NT\$	%
ASSETS			
Current Assets			
Cash and Cash Equivalents	2,443	82,488	26.1%
Short-term Investments	92	3,103	1.0%
Notes & Accounts Receivables	465	15,701	5.0%
Inventories	255	8,617	2.7%
Other Current Assets	135	4,555	1.4%
Total Current Assets	<u>3,390</u>	<u>114,464</u>	<u>36.2%</u>
Non-Current Assets			
Funds and Long-term Investments	2,214	74,743	23.6%
Other Financial Assets	51	1,711	0.5%
Property, Plant and Equipment	3,483	117,591	37.1%
Intangible Assets	0	1	0.0%
Other Assets	240	8,104	2.6%
Total Non-Current Assets	<u>5,988</u>	<u>202,150</u>	<u>63.8%</u>
TOTAL ASSETS	<u><u>9,378</u></u>	<u><u>316,614</u></u>	<u><u>100.0%</u></u>
LIABILITIES			
Current Liabilities			
Short-term Loans	60	2,029	0.6%
Payables	530	17,898	5.7%
Current Portion of Long-term Interest-Bearing Liabilities	261	8,815	2.8%
Other Current Liabilities	40	1,347	0.4%
Total Current Liabilities	<u>891</u>	<u>30,089</u>	<u>9.5%</u>
Non-Current Liabilities			
Bonds Payable	1,002	33,810	10.7%
Long-term Loans	1	26	0.0%
Other Liabilities	194	6,560	2.1%
Total Non-Current Liabilities	<u>1,197</u>	<u>40,396</u>	<u>12.8%</u>
TOTAL LIABILITIES	<u><u>2,088</u></u>	<u><u>70,485</u></u>	<u><u>22.3%</u></u>
STOCKHOLDERS' EQUITY			
Capital Stock	5,196	175,404	55.4%
Capital Reserve	2,345	79,178	25.0%
Retained Earnings, Unrealized Long-term Investment Loss and Translation Adjustment	715	24,155	7.6%
Treasury Stock	(966)	(32,608)	-10.3%
TOTAL STOCKHOLDERS' EQUITY	<u><u>7,290</u></u>	<u><u>246,129</u></u>	<u><u>77.7%</u></u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u><u>9,378</u></u>	<u><u>316,614</u></u>	<u><u>100.0%</u></u>

Note : New Taiwan Dollars have been translated into U.S. Dollars at the June 30, 2004 exchange rate of NT\$ 33.76 per U.S. Dollar.
All figures are in ROC GAAP.



UNITED MICROELECTRONICS CORPORATION
Unaudited Condensed Unconsolidated Income Statement

*Figures in Million of New Taiwan Dollars (NT\$) and U.S. Dollars (US\$)
 Except Per Share and Per ADS Data*

	Year over Year Comparison					Quarter over Quarter Comparison				
	Three-Month Period Ended					Three-Month Period Ended				
	June 30, 2004		June 30, 2003		%	June 30, 2004		March 31, 2004		%
	US\$	NT\$	US\$	NT\$	Chg.	US\$	NT\$	US\$	NT\$	Chg.
Net Sales	864	29,177	643	21,706	34.4%	864	29,177	750	25,326	15.2%
Cost of Goods Sold	(566)	(19,119)	(495)	(16,723)	14.3%	(566)	(19,119)	(525)	(17,714)	7.9%
Net Gross Profit	298	10,058	148	4,983	101.9%	298	10,058	225	7,612	32.1%
	34.5%	34.5%	23.0%	23.0%		34.5%	34.5%	30.1%	30.1%	
Operating Expenses										
- Sales & Marketing	14	482	13	457	5.5%	14	482	14	478	0.8%
- General & Administrative	18	603	17	565	6.8%	18	603	16	534	12.9%
- Research & Development	41	1,381	44	1,477	-6.5%	41	1,381	39	1,313	5.2%
	73	2,466	74	2,499	-1.3%	73	2,466	69	2,325	6.1%
Operating Income (Loss)	225	7,592	74	2,484	205.6%	225	7,592	156	5,287	43.6%
	26.0%	26.0%	11.5%	11.5%		26.0%	26.0%	20.9%	20.9%	
Net Non-Operating Income (Expenses)	151	5,111	18	610	737.8%	151	5,111	49	1,639	211.8%
Income (Loss) before Income Tax	376	12,703	92	3,094	310.6%	376	12,703	205	6,926	83.4%
	43.5%	43.5%	14.3%	14.3%		43.5%	43.5%	27.3%	27.3%	
Income Tax (Expense) Benefit	-	(1)	(12)	(407)	-99.8%	-	(1)	(1)	(32)	-97.6%
Net Income (Loss)	376	12,702	80	2,687	372.7%	376	12,702	204	6,894	84.2%
	43.5%	43.5%	12.4%	12.4%		43.5%	43.5%	27.2%	27.2%	
Earnings (Loss) per Share	0.025	0.83	0.005	0.17		0.025	0.83	0.013	0.45	
Earnings (Loss) per ADS ⁽²⁾	0.123	4.15	0.025	0.85		0.123	4.15	0.067	2.25	
Weighted Average Number of Shares Outstanding (in millions)		15,319		15,284			15,319		15,420	

Note:

(1) New Taiwan Dollars have been translated into U.S. Dollars at the June 30, 2004 exchange rate of NT\$ 33.76 per U.S. Dollar.

All figures are in ROC GAAP.

(2) 1 ADS equals 5 ordinary shares.



UNITED MICROELECTRONICS CORPORATION
Unaudited Condensed Unconsolidated Income Statement

*Figures in Million of New Taiwan Dollars (NT\$) and U.S. Dollars (US\$)
 Except Per Share and Per ADS Data*

	For the Three-Month Period Ended June 30, 2004			For the Six-Month Period Ended June 30, 2004		
	US\$	NT\$	%	US\$	NT\$	%
Net Sales	864	29,177	100%	1,614	54,503	100%
Cost of Goods Sold	(566)	(19,119)	-65.5%	(1,091)	(36,833)	-67.6%
Net Gross Profit	298	10,058	34.5%	523	17,670	32.4%
Operating Expenses						
- Sales & Marketing	14	482	1.7%	28	960	1.8%
- General & Administrative	18	603	2.1%	34	1,137	2.1%
- Research & Development	41	1,381	4.7%	80	2,694	4.9%
	73	2,466	8.5%	142	4,791	8.8%
Operating Income (Loss)	225	7,592	26.0%	381	12,879	23.6%
Net Non-Operating Income (Expenses)	151	5,111	17.5%	200	6,750	12.4%
Income (Loss) before Income Tax	376	12,703	43.5%	581	19,629	36.0%
Income Tax (Expense) Benefit	-	(1)	0.0%	(1)	(33)	0.0%
Net Income (Loss)	376	12,702	43.5%	580	19,596	36.0%
Earnings (Loss) per Share	0.025	0.83		0.038	1.28	
Earnings (Loss) per ADS ⁽²⁾	0.123	4.15		0.190	6.40	
Weighted Average Number of Shares Outstanding (in millions)		15,319			15,370	

Note:

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UNITED MICROELECTRONICS CORPORATION
Unaudited Condensed Unconsolidated Statement of Cash Flows

For The Six Months Ended June 30, 2004

Figures in Million of New Taiwan Dollars (NT\$) and U.S. Dollars (US\$)

	US\$	NT\$
Cash flows from operating activities :		
Net Income	580	19,596
Depreciation & Amortization	557	18,804
Bad debt expense	0	5
Long-term investment loss accounted for under the equity method	20	665
Inventory loss	4	143
Gain on disposal of investments	(258)	(8,701)
Gain on disposal of property, plant and equipment	(1)	(20)
Exchange gain on long-term liabilities	(3)	(94)
Amortization of bond premiums	(0)	(10)
Change in working capital & others	(38)	(1,289)
Net cash provided from operating activities	861	29,099
Cash flows from investing activities :		
Increase in short-term investments	(45)	(1,515)
Decrease in other financial assets	39	1,308
Increase in long-term investments	(241)	(8,121)
Proceeds from disposal of long-term investments	32	1,080
Acquisition of property, plant and equipment	(507)	(17,107)
Proceeds from disposal of property, plant and equipment	7	228
Decrease in other assets - others	19	630
Increase in deferred expenses	(12)	(406)
Net cash used in investing activities	(708)	(23,903)
Cash flows from financing activities :		
Increase in short-term loans	60	2,029
Decrease in long-term loans	(47)	(1,596)
Reacquisition of bonds	(1)	(41)
Redemption of bonds	(319)	(10,767)
Decrease in deposits-in	(0)	(1)
Treasury stock	(154)	(5,198)
Net cash used in financing activities	(461)	(15,574)
Net decrease in cash and cash equivalents	(308)	(10,378)
Cash and cash equivalents at beginning of period	2,751	92,866
Cash and cash equivalents at end of period	2,443	82,488

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