

UMC

2009 Q2 Financial Review

July 29, 2009

UMC

Customer-Driven Foundry Solutions

NOTE CONCERNING FORWARD-LOOKING STATEMENTS

This release contains forward-looking statements. These statements constitute “forward-looking” statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and as defined in the U.S. Private Securities Litigation Reform Act of 1995. You can identify these forward-looking statements by use of words such as “strategy,” “expects,” “continues,” “plans,” “anticipates,” “believes,” “will,” “estimates,” “intends,” “projects,” “goals,” “targets” and other words of similar meaning. You can also identify them by the fact that they do not relate strictly to historical or current facts.

These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual performance, financial condition or results of operations of UMC to be materially different from what is stated or may be implied in 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, but not limited to: (i) our dependence upon the frequent introduction of new services and technologies based on the latest developments in our industry; (ii) the intensely competitive semiconductor, communications, consumer electronics and computer industries and markets; (iii) the risks associated with international global business activities; (iv) our dependence upon key personnel; (v) general economic and political conditions; (vi) possible disruptions in commercial activities caused by natural and human-induced events and disasters, including terrorist activity, armed conflict and highly contagious diseases; (vii) reduced end-user purchases relative to expectations and orders; and (viii) fluctuations in foreign currency exchange rates. Further information regarding these and other risks is included in UMC’s filings with the U.S. Securities and Exchange Commission, including its registration statements on Form F-1, F-3, F-6 and 20-F, in each case as amended. UMC does not undertake any obligation to update any forward-looking statement as a result of new information, future events or otherwise, except as required under applicable law.

The financial statements included in this release are unaudited and unconsolidated, and prepared and published in accordance with ROC GAAP. Investors are cautioned that there are many differences between ROC GAAP and US GAAP.

This presentation is not an offer of securities for sale in the United States. Securities may not be offered or sold in the United States absent registration or an exemption from registration. Any public offering of securities to be made in the United States will be made by means of a prospectus that may be obtained from the issuer or selling security holder and that will contain detailed information about the company and management, as well as financial statements.

Operating Results Summary

Unit: NT M

	2009 Q2 / Jun	2009 Q1 / Mar	2008 Q2 / Jun
Net Operating Revenues	22,628	10,838	25,238
Net Income (Loss)	1,547	(8,160)	2,397
EPS (NTD)	0.12	(0.64)	0.19
Cash and Cash Equivalents	37,904	35,906	25,418
Total Assets	214,481	206,132	243,218
Total Liabilities	24,240	22,669	36,480
Shareholders' Equity	190,241	183,463	206,738
Wafer Shipment (in thousands- 8" wafer eq.)	898	384	875
Utilization (%)	79%	30%	85%

Income Statement - QoQ

Unit: NT M

	Q2-09	%	Q1-09	%	Change %
Net Operating Revenues	22,628	100.0	10,838	100.0	108.8
Gross Profit (Loss)	5,381	23.8	(4,335)	(40.0)	-
Operating Expenses	(2,685)	(11.9)	(2,982)	(27.5)	(10.0)
Operating Income (Loss)	2,696	11.9	(7,317)	(67.5)	-
Net Non-operating Income (Expense)	(901)	(4.0)	(843)	(7.8)	6.9
Income Tax Expense	(248)	(1.1)	(0)	(0.0)	100.0
Net Income (Loss)	1,547	6.8	(8,160)	(75.3)	-
EPS (NTD)	0.12		(0.64)		
EPADS (USD)	0.018		(0.098)		

Notes:

1. Information enclosed is UMC unconsolidated financial data.
2. Exchange rate 32.8 was used to translate NTD to USD.
3. 12,672 million and 12,767 million shares were used in EPS calculation for Q2-09 and Q1-09, respectively.

Income Statement - YoY: 6 Months

Unit: NT M

	H1-09	%	H1-08	%	Change %
Net Operating Revenues	33,466	100.0	49,241	100.0	(32.0)
Gross Profit	1,046	3.1	9,465	19.2	(88.9)
Operating Expenses	(5,667)	(16.9)	(6,840)	(13.9)	(17.1)
Operating Income (Loss)	(4,621)	(13.8)	2,625	5.3	-
Net Non-operating Income (Expense)	(1,744)	(5.2)	97	0.2	-
Income Tax Expense	(248)	(0.8)	(119)	(0.2)	108.4
Net Income (Loss)	(6,613)	(19.8)	2,603	5.3	-
EPS (NTD)	(0.52)		0.20		
EPADS (USD)	(0.079)		0.030		

Notes:

1. Information enclosed is UMC unconsolidated financial data.
2. Exchange rate 32.8 was used to translate NTD to USD.
3. 12,719 million and 12,495 million shares were used in EPS calculation for H1-09 and H1-08, respectively.

Investment Income

Unit: NT M

	Q2-09	Q1-09
Investment loss accounted for under the equity method	(1,666)	(599)
Gain(Loss) on valuation of financial assets	43	(480)
Cash dividends	37	-
Total	(1,586)	(1,079)

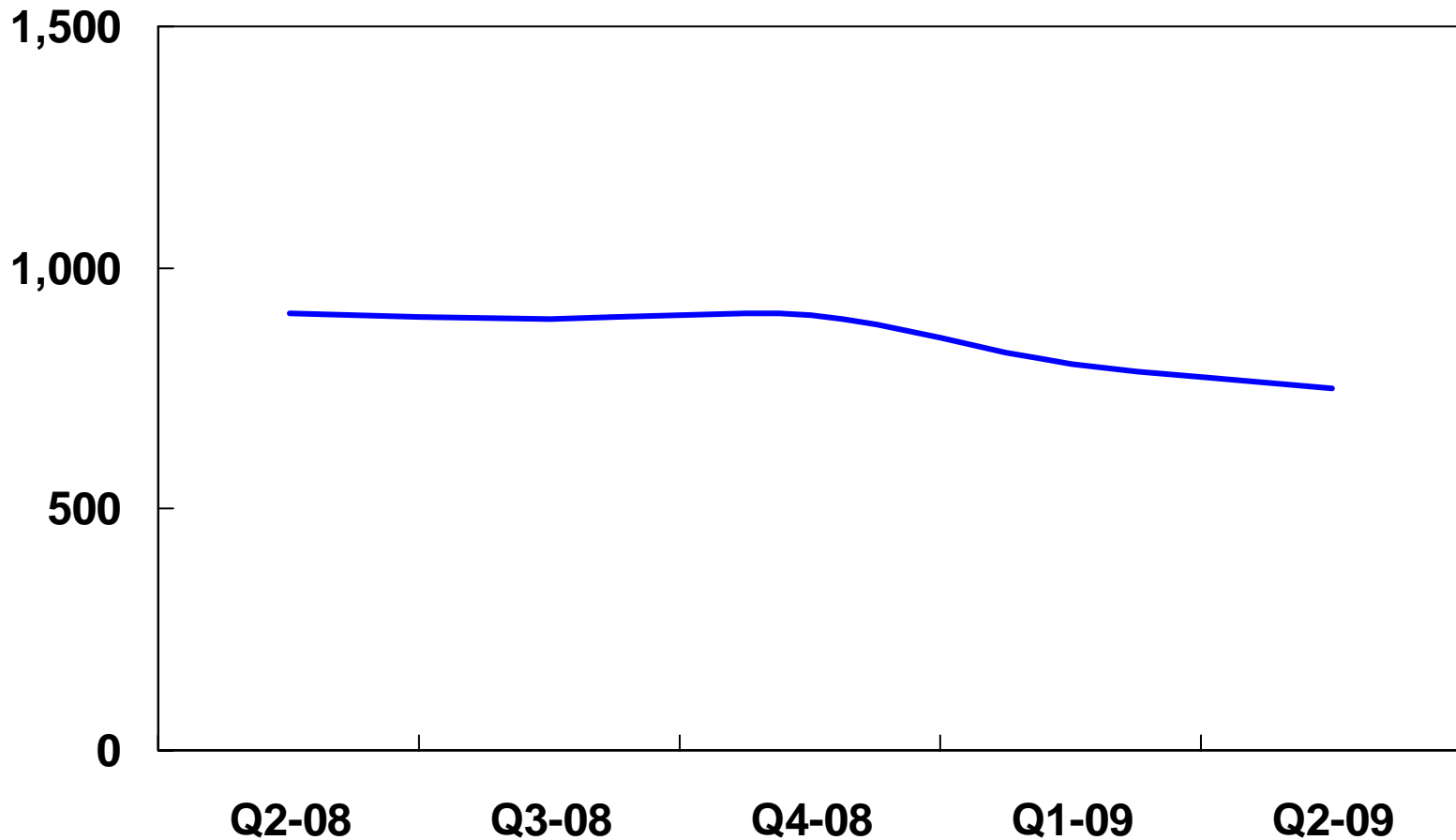
Balance Sheet Highlight - Jun. 30, 2009

Unit: NT M

Cash and Cash Equivalents	37,904
Funds and Investments	58,424
Fixed Assets	86,662
Total Assets	214,481
Current Liabilities	19,960
Long-term Loans	789
Shareholders' Equity	190,241
<i>Depreciation Expense (YTD)</i>	<i>16,735</i>

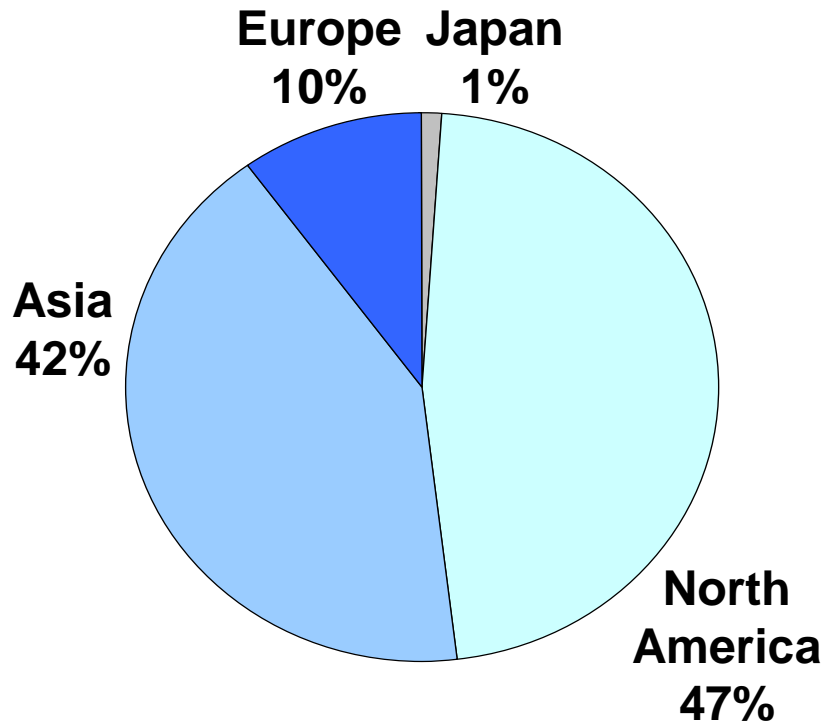
Average Selling Price Trend- 8" Wafer Equivalent

Unit: USD

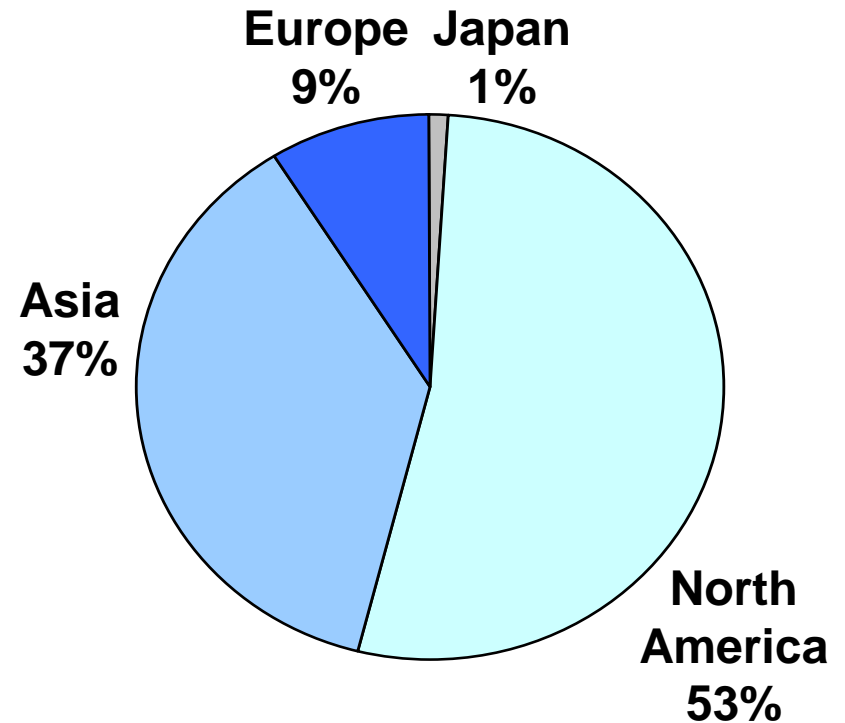


Sales Breakdown by Geography

2009 Q2

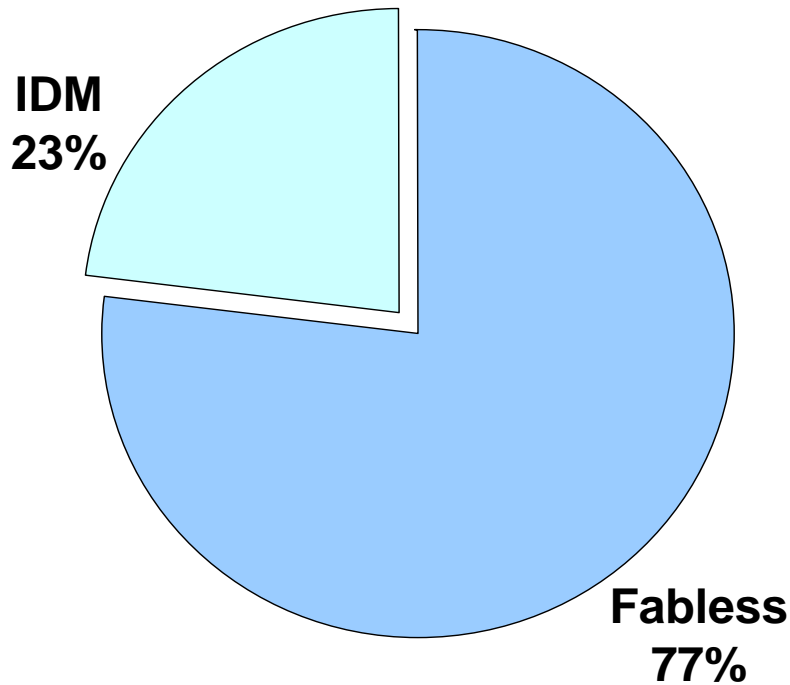


2009 Q1

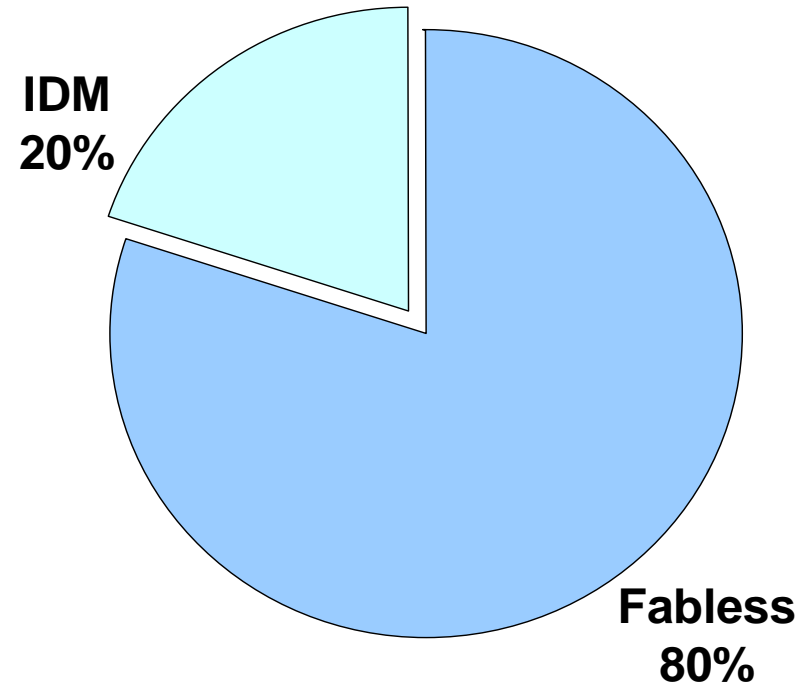


Sales Breakdown by Customer

2009 Q2

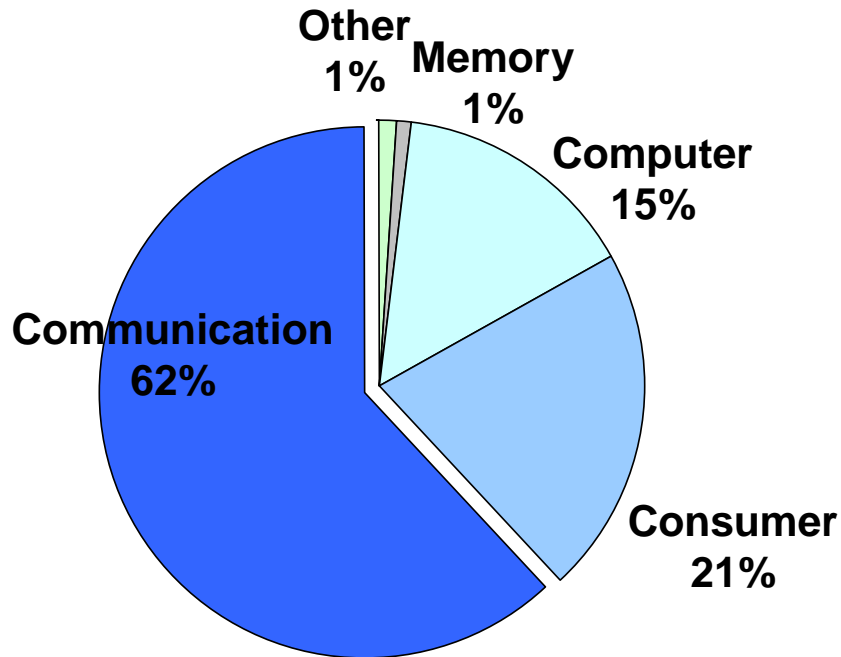


2009 Q1

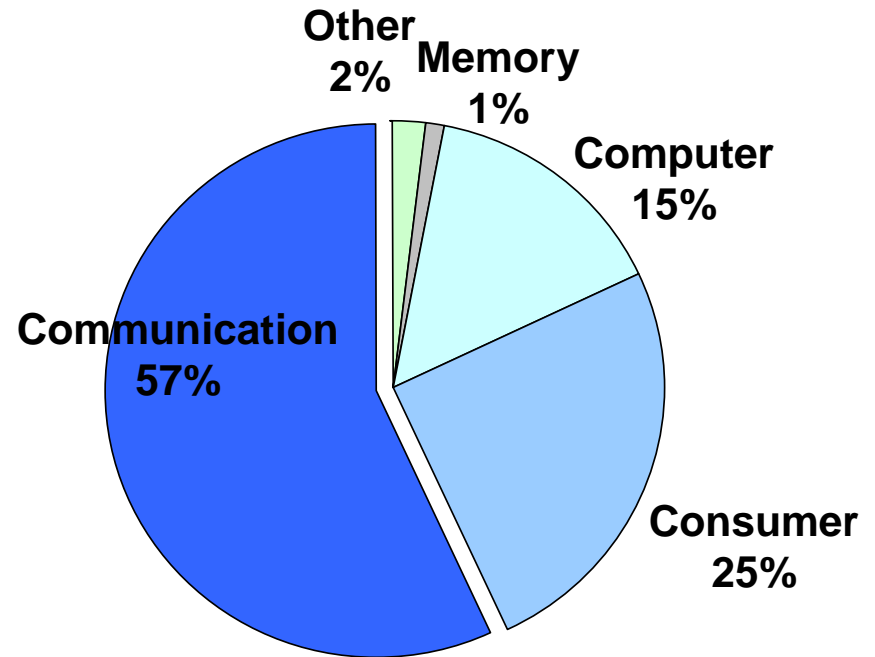


Sales Breakdown by Application

2009 Q2

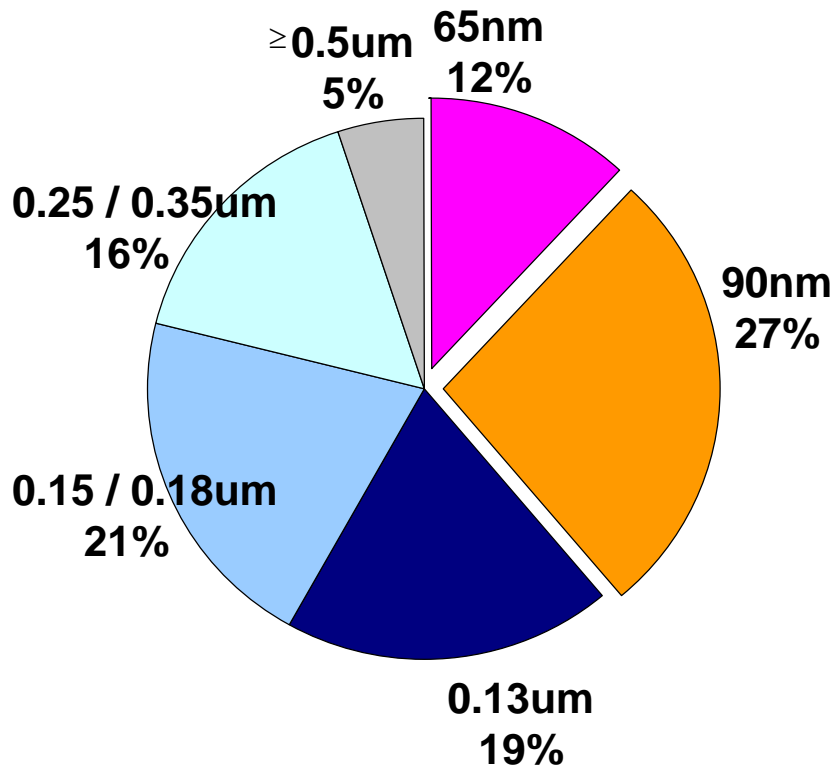


2009 Q1

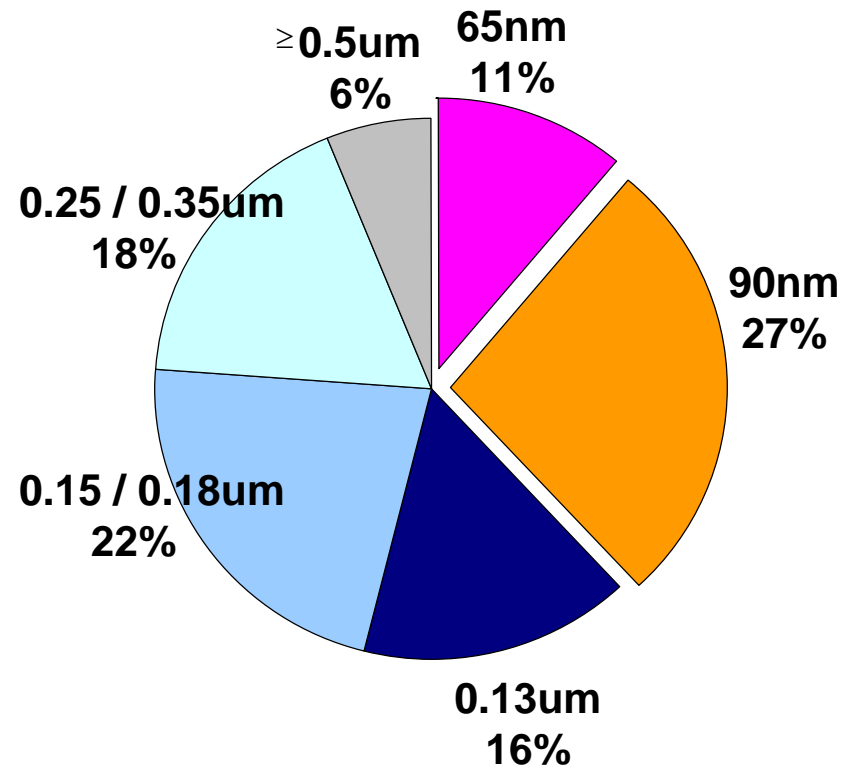


Sales Breakdown by Technology

2009 Q2



2009 Q1



Quarterly Capacity

unit: in thousands (8" wafer eq.)

FAB	4Q08	1Q09	2Q09	3Q09E
Fab 6A	82	82	82	82
Fab 8A	204	204	204	204
Fab 8C	108	105	99	99
Fab 8D	63	66	68	68
Fab 8E	102	102	102	102
Fab 8F	93	93	96	96
Fab 8S	75	75	75	75
Fab 12A	222	222	222	222
Fab 12i	202	202	203	203
Total	1,151	1,151	1,151	1,151

2009 Capital Expenditure Plan

	8"	12"	Total
UMC	18%	82%	500 million USD

For more information regarding UMC
www.umc.com

For all inquiries, suggestions, and comments
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