

UMC

2009 Q4 Financial Review

February 3, 2010

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 | 2009 | 2008 |
|---|----------------|----------------|-----------------|
| | Q4 / Dec | Q3 / Sep | Q4 / Dec |
| Net Operating Revenues | 27,746 | 27,406 | 18,541 |
| Net Income (Loss) | 4,396 | 6,091 | (23,510) |
| EPS (NTD) | 0.35 | 0.48 | (1.81) |
| Cash and Cash Equivalents | 52,792 | 44,636 | 36,124 |
| Total Assets | 251,890 | 231,731 | 207,988 |
| Total Liabilities | 38,292 | 27,367 | 23,312 |
| Shareholders' Equity | 213,598 | 204,364 | 184,676 |
| Wafer Shipment (in thousands- 8" wafer eq.) | 990 | 1,017 | 567 |
| Utilization (%) | 86% | 89% | 48% |

Income Statement - QoQ

Unit: NT M

| | Q4-09 | % | Q3-09 | % | Change % |
|---------------------------------|----------------|---------------|----------------|---------------|---------------|
| Net Operating Revenues | 27,746 | 100.0 | 27,406 | 100.0 | 1.2 |
| Gross Profit | 7,179 | 25.9 | 7,655 | 27.9 | (6.2) |
| Operating Expenses | (3,435) | (12.4) | (3,446) | (12.5) | (0.3) |
| Operating Income | 3,744 | 13.5 | 4,209 | 15.4 | (11.0) |
| Net Non-operating Income | 700 | 2.5 | 2,180 | 7.9 | (67.9) |
| Income Tax Expense | (48) | (0.2) | (298) | (1.1) | (83.9) |
| Net Income | 4,396 | 15.8 | 6,091 | 22.2 | (27.8) |
| EPS (NTD) | 0.35 | | 0.48 | | |
| EPADS (USD) | 0.055 | | 0.075 | | |

Notes:

1. Information enclosed is UMC unconsolidated financial data.
2. Exchange rate 31.98 was used to translate NTD to USD.
3. 12,687 million and 12,672 million shares were used in EPS calculation for Q4-09 and Q3-09, respectively.

Income Statement - YoY: 12 Months

Unit: NT M

| | 2009 Jan~Dec | % | 2008 Jan~Dec | % | Change % |
|---|-----------------|--------|-----------------|--------|-------------|
| Net Operating Revenues | 88,618 | 100.0 | 92,530 | 100.0 | (4.2) |
| Gross Profit | 15,880 | 17.9 | 15,638 | 16.9 | 1.5 |
| Operating Expenses | (12,548) | (14.1) | (13,334) | (14.4) | (5.9) |
| Operating Income | 3,332 | 3.8 | 2,304 | 2.5 | 44.6 |
| Net Non-operating Income (Expense) | 1,136 | 1.2 | (23,698) | (25.6) | - |
| Income Tax Expense | (594) | (0.6) | (926) | (1.0) | (35.9) |
| Net Income (Loss) | 3,874 | 4.4 | (22,320) | (24.1) | - |
| EPS (NTD) | 0.31 | | (1.70) | | |
| EPADS (USD) | 0.048 | | (0.266) | | |

Notes:

1. Information enclosed is UMC unconsolidated financial data.
2. Exchange rate 31.98 was used to translate NTD to USD.
3. 12,699 million and 13,111 million shares were used in EPS calculation for 2009 and 2008, respectively.

Investment Income

Unit: NT M

| | Q4-09 | Q3-09 |
|---|------------|--------------|
| Investment gain accounted for under the equity method | 780 | 592 |
| Impairment loss | (300) | - |
| Gain on valuation of financial assets | 443 | 490 |
| Cash dividends | 0 | 654 |
| Total | 923 | 1,736 |

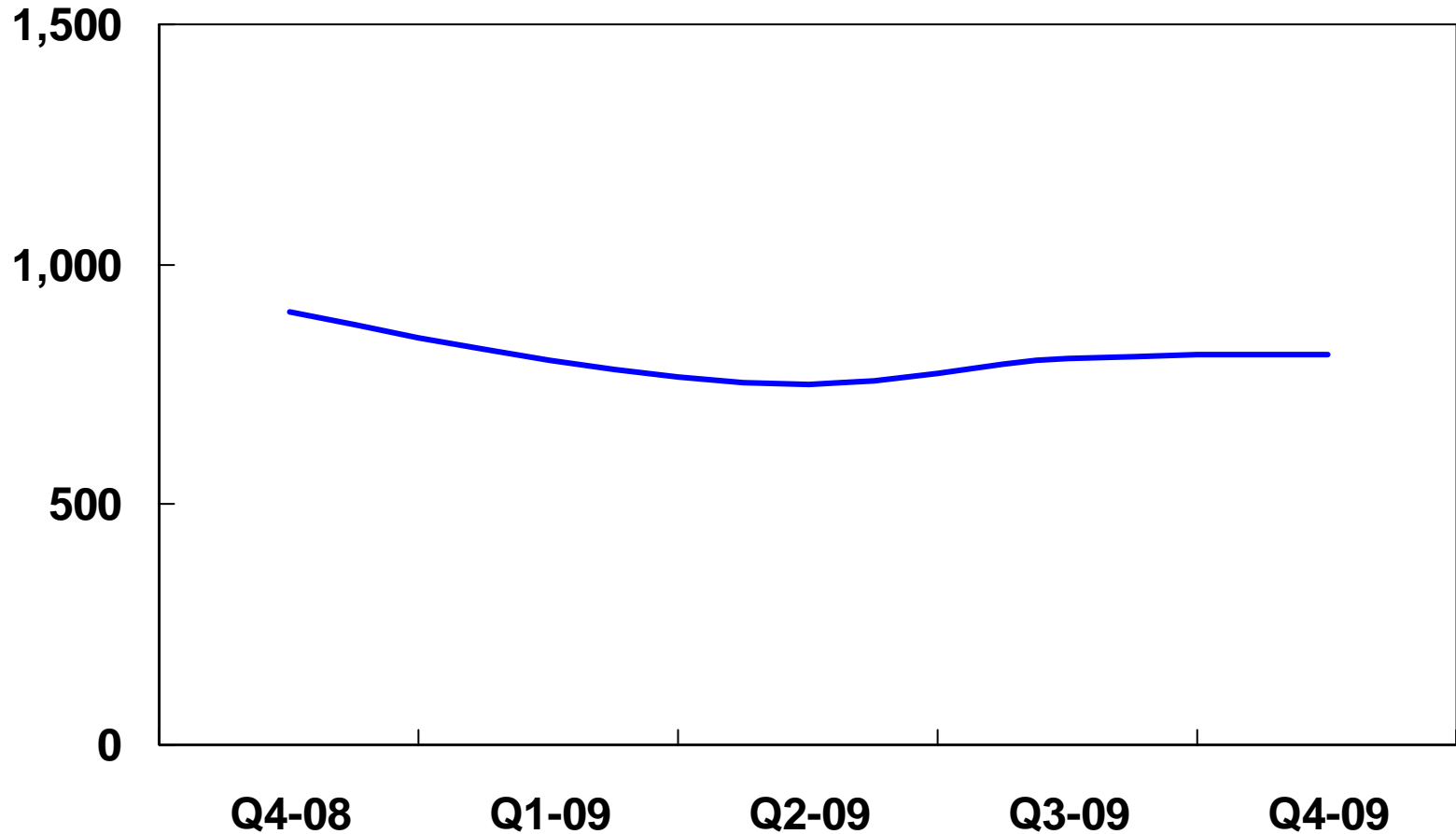
Balance Sheet Highlight - Dec. 31, 2009

Unit: NT M

| | |
|--|----------------------|
| Cash and Cash Equivalents | 52,792 |
| Funds and Investments | 69,878 |
| Fixed Assets | 87,472 |
| Total Assets | 251,890 |
| Current Liabilities | 34,029 |
| Long-term Loans | 766 |
| Shareholders' Equity | 213,598 |
| <i>Depreciation Expense (YTD)</i> | <i>32,826</i> |

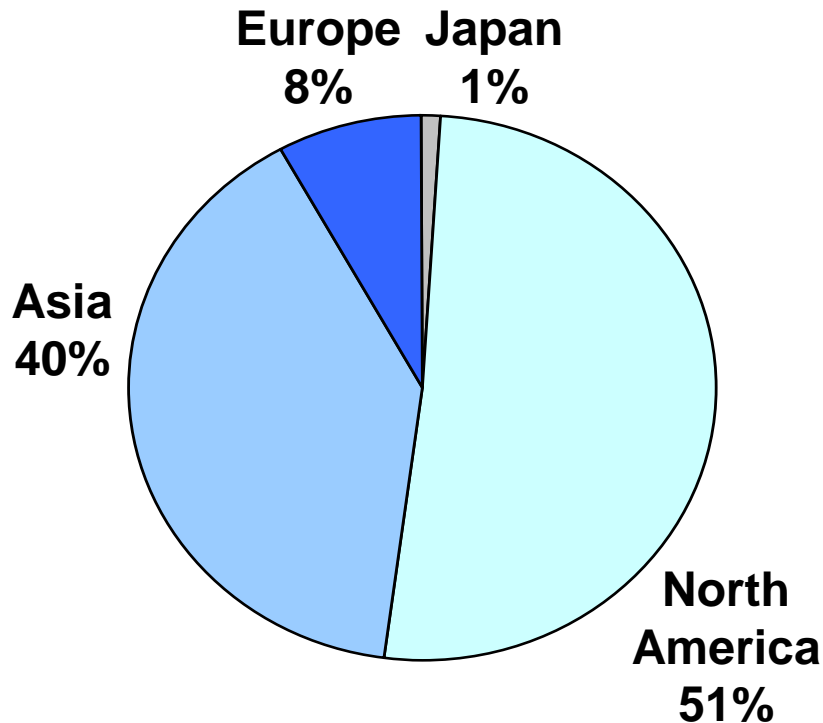
Average Selling Price Trend- 8" Wafer Equivalent

Unit: USD

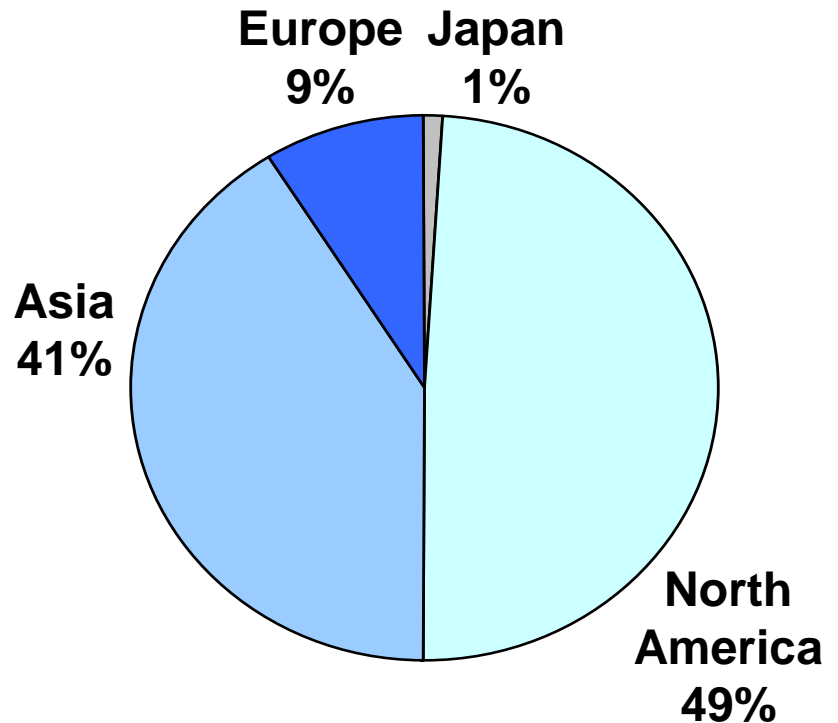


Sales Breakdown by Geography

2009 Q4

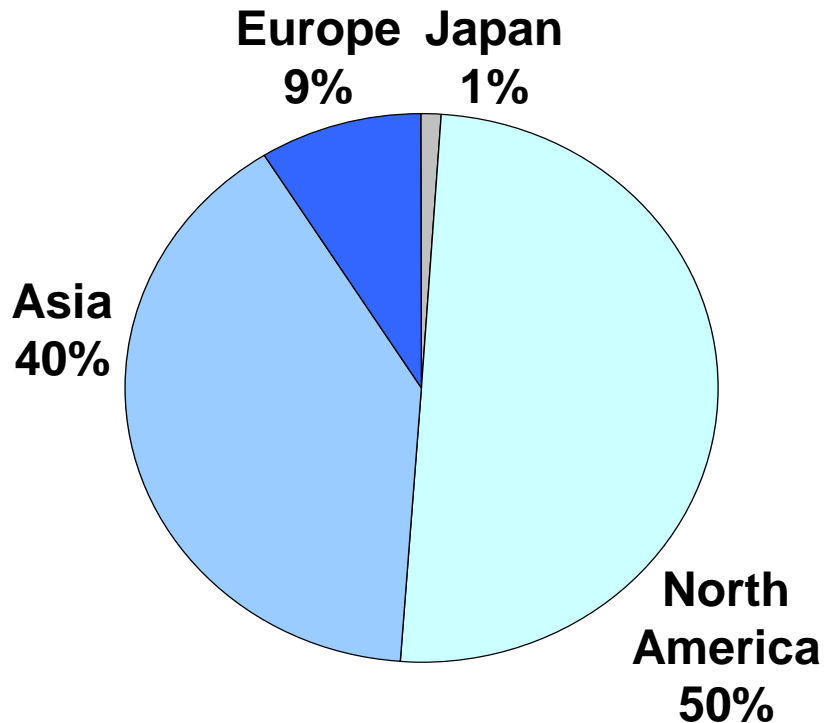


2009 Q3

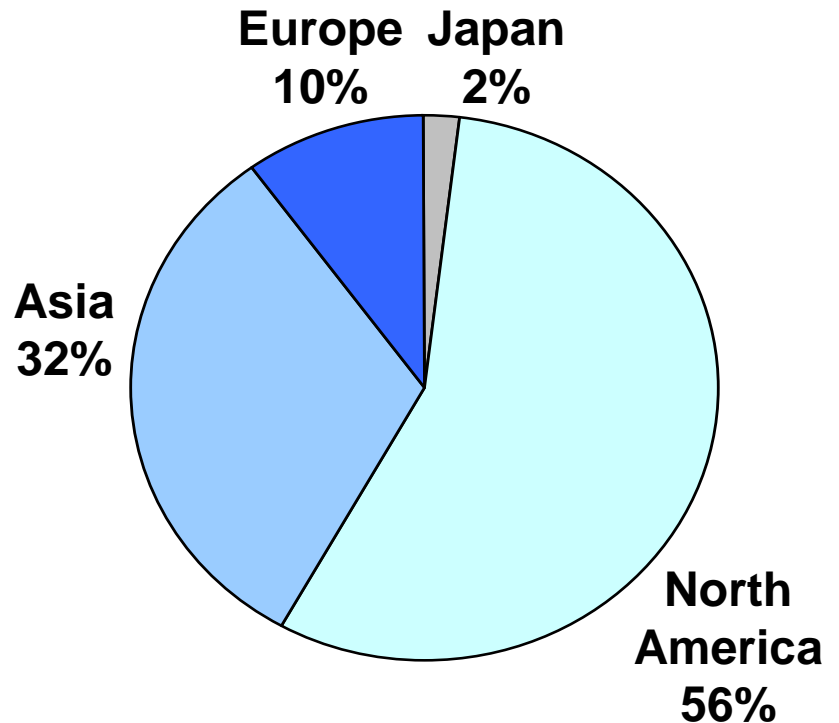


Sales Breakdown by Geography

2009

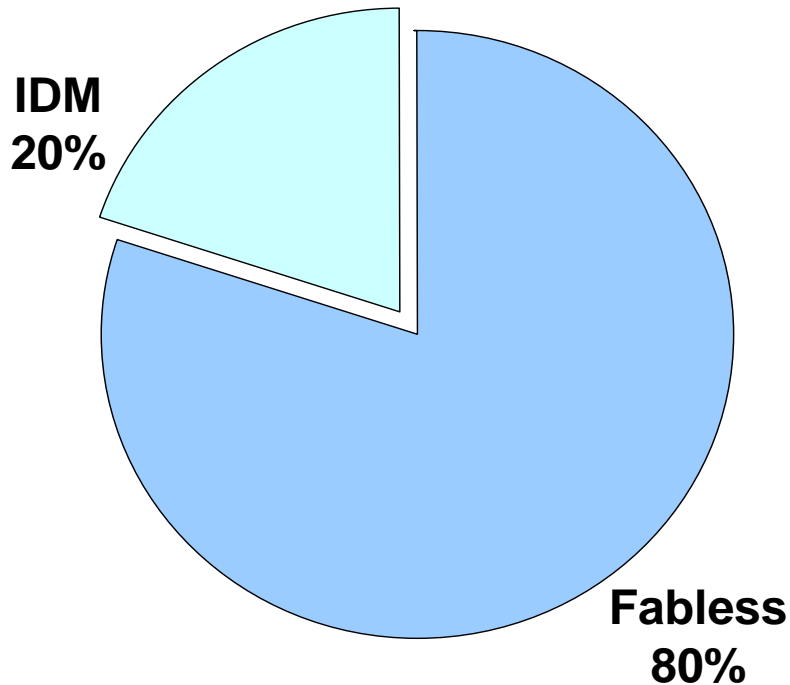


2008

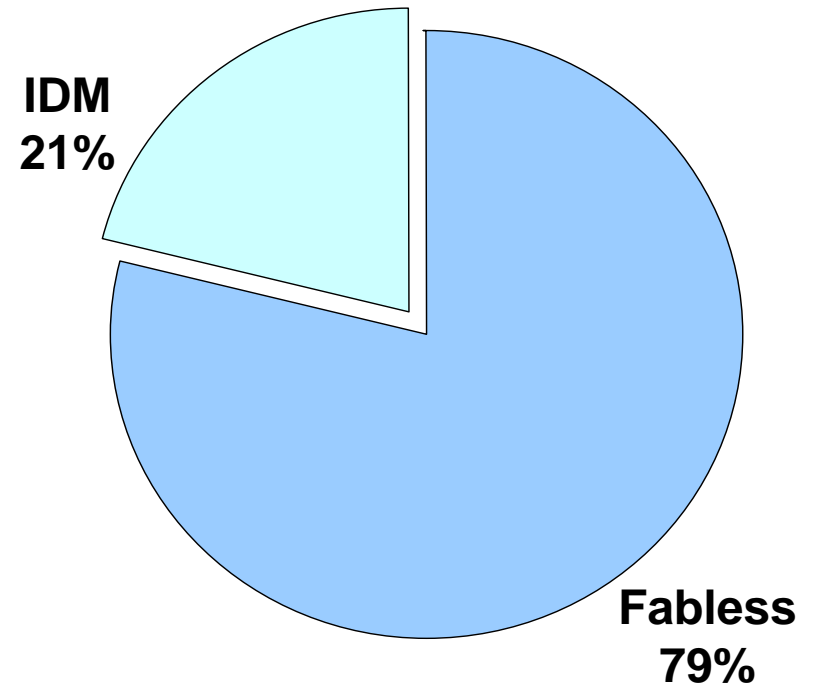


Sales Breakdown by Customer

2009 Q4

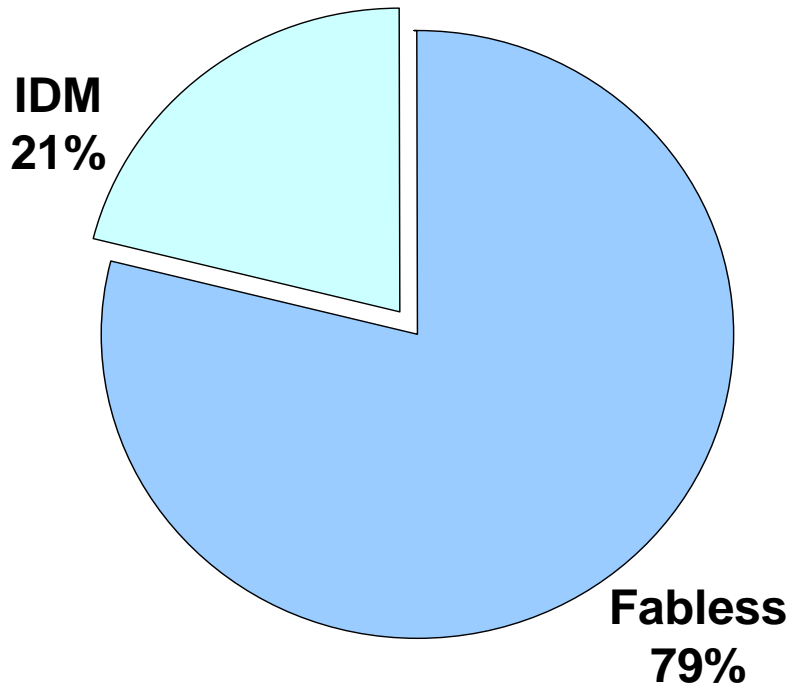


2009 Q3

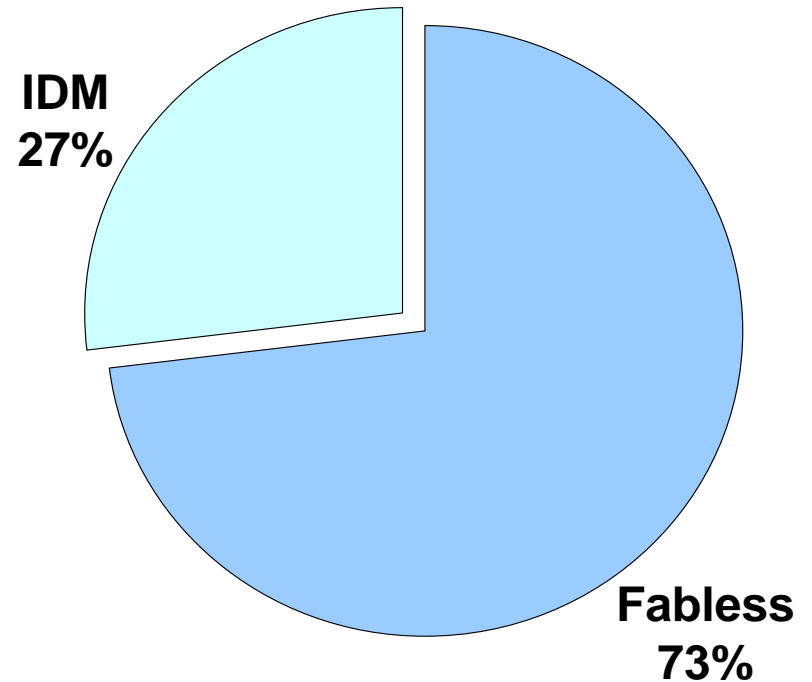


Sales Breakdown by Customer

2009

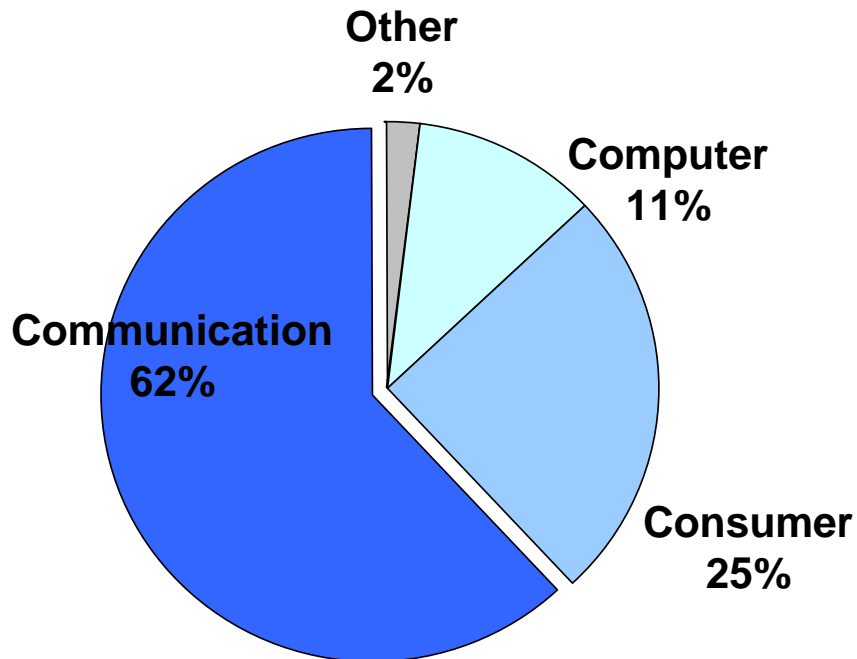


2008

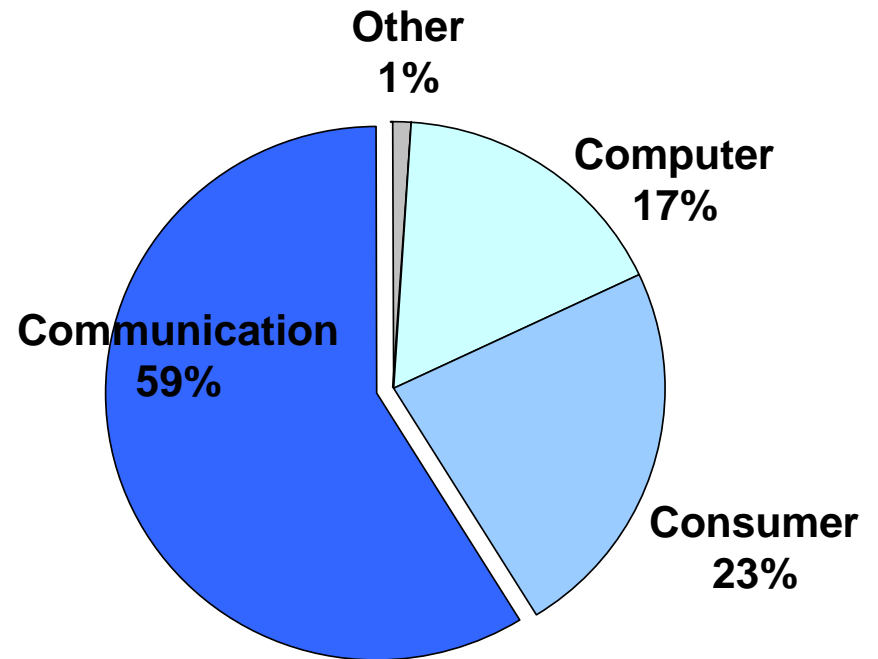


Sales Breakdown by Application

2009 Q4

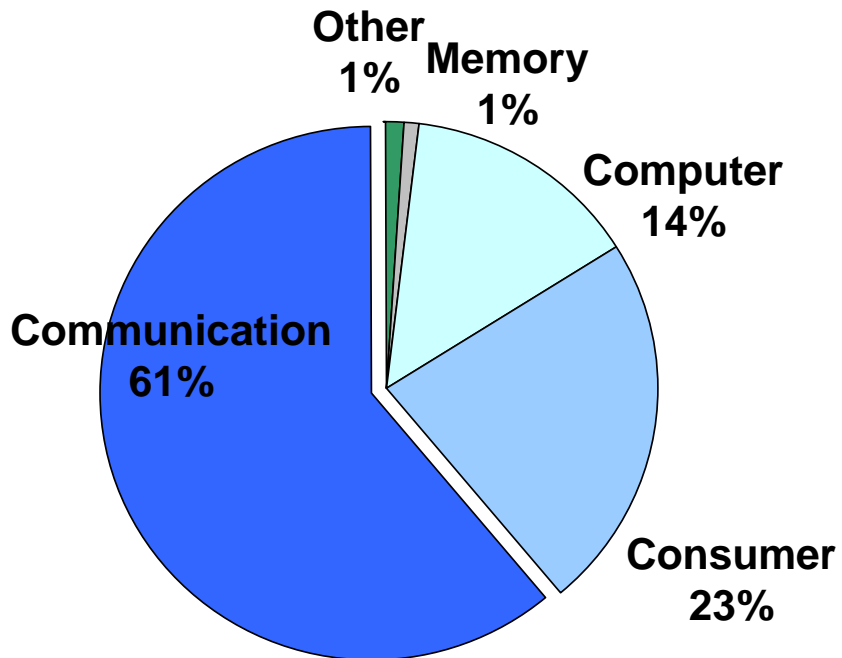


2009 Q3

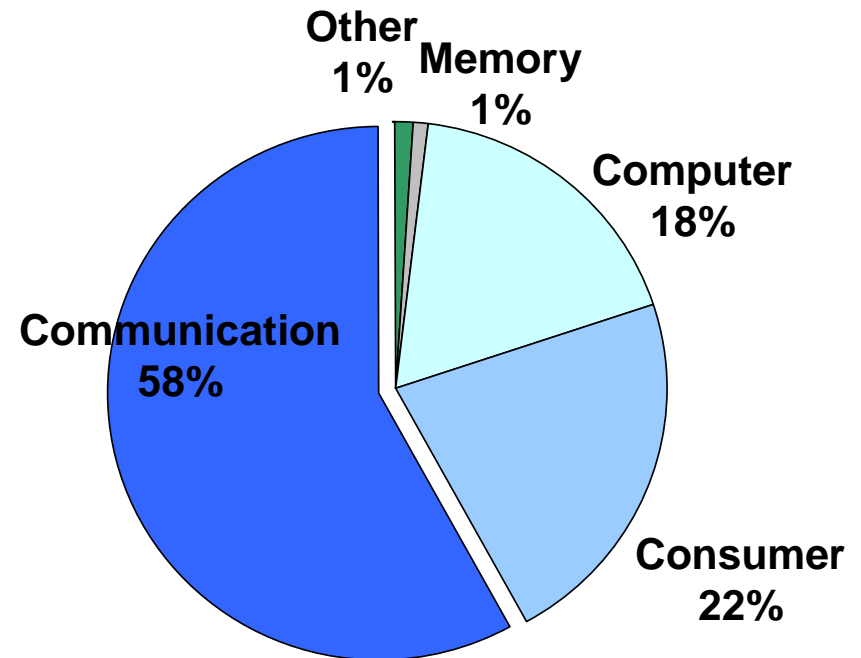


Sales Breakdown by Application

2009

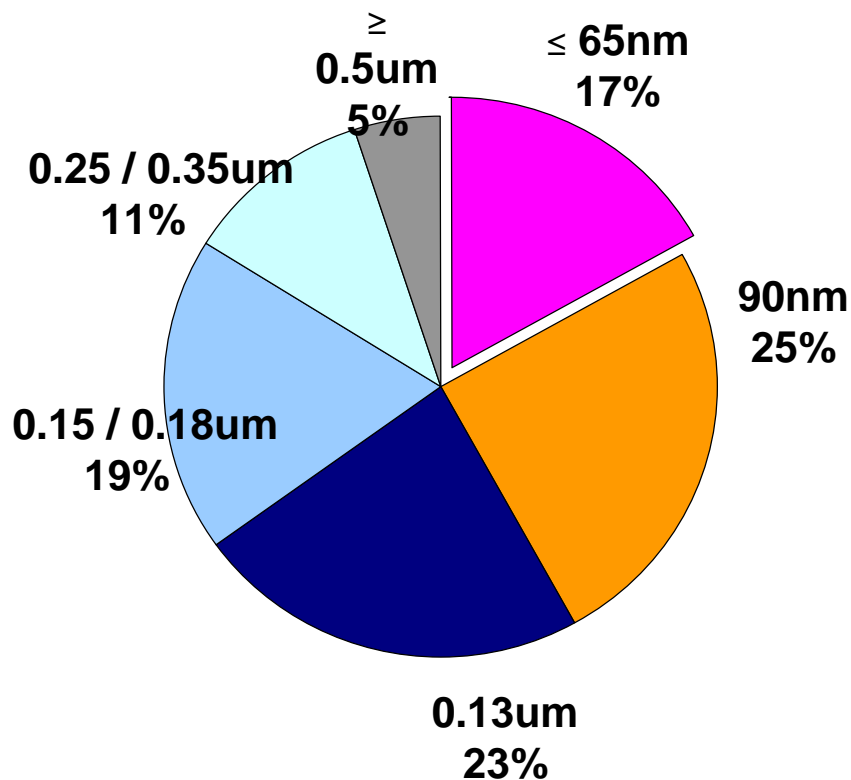


2008

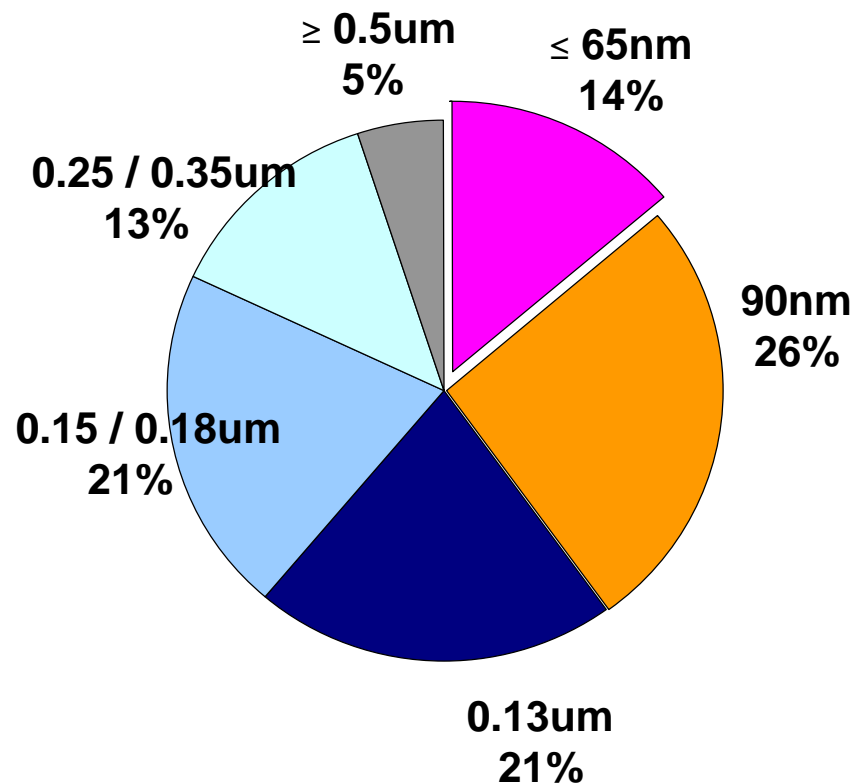


Sales Breakdown by Technology

2009 Q4

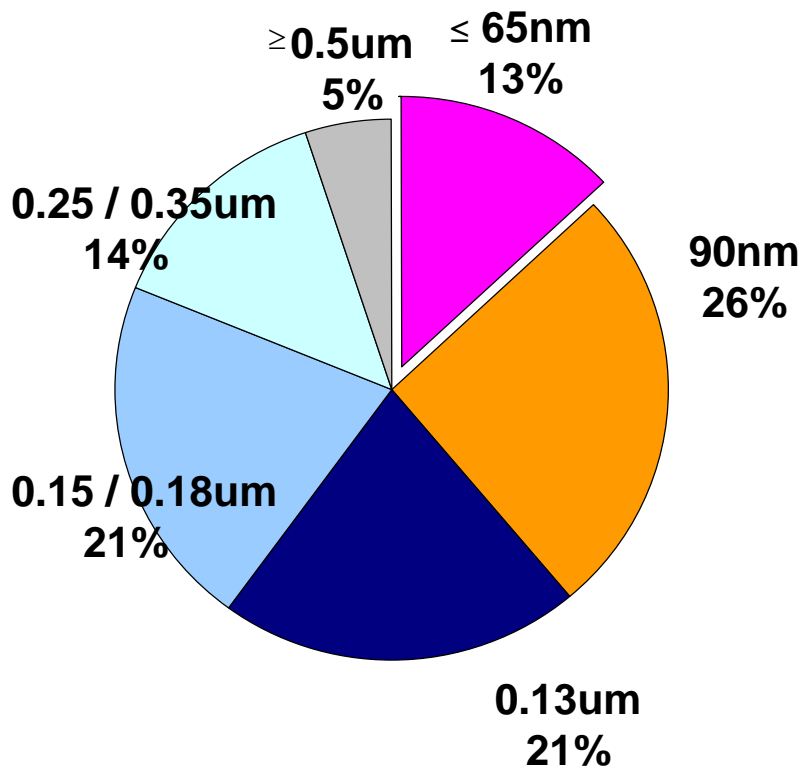


2009 Q3

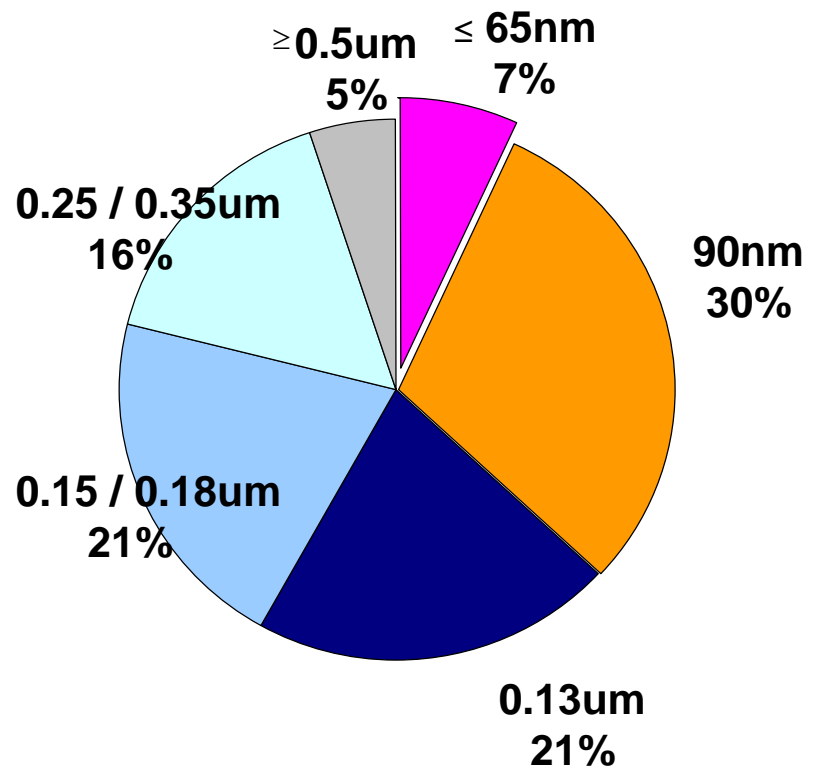


Sales Breakdown by Technology

2009



2008



Quarterly Capacity

unit: in thousands (8" wafer eq.)

| FAB | 2Q09 | 3Q09 | 4Q09 | 1Q10E |
|---------------|--------------|--------------|--------------|--------------|
| Fab6A | 82 | 82 | 82 | 82 |
| Fab8A | 204 | 204 | 204 | 204 |
| Fab8C | 99 | 99 | 99 | 96 |
| Fab8D | 68 | 68 | 68 | 71 |
| Fab8E | 102 | 102 | 102 | 102 |
| Fab8F | 96 | 96 | 96 | 96 |
| Fab8S | 75 | 75 | 75 | 75 |
| Fab12A | 222 | 222 | 200 | 209 |
| Fab12i | 203 | 204 | 206 | 219 |
| Total | 1,151 | 1,152 | 1,132 | 1,154 |

2009 Capital Expenditure

| | 8" | 12" | Total |
|-----|-----|-----|-----------------|
| UMC | 12% | 88% | 551 million USD |

2010 Capital Expenditure Plan

| | 8" | 12" | Total |
|------------|-----------|------------|----------------------------|
| UMC | 6% | 94% | 1.2~1.5 billion USD |

For more information regarding UMC
www.umc.com

For all inquiries, suggestions, and comments
ir@umc.com