

UMC

2010 Q1 Financial Review

April 28, 2010

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

	2010	2009	2009
	Q1 / Mar	Q4 / Dec	Q1 / Mar
Net Operating Revenues	26,715	27,746	10,838
Net Income (Loss)	3,482	4,396	(8,160)
EPS (NTD)	0.28	0.35	(0.64)
Cash and Cash Equivalents	48,536	52,792	35,906
Total Assets	246,772	251,890	206,132
Total Liabilities	38,938	38,292	22,669
Shareholders' Equity	207,834	213,598	183,463
Wafer Shipment (in thousands- 8" wafer eq.)	1,033	990	384
Utilization (%)	88%	86%	30%

Income Statement - QoQ

Unit: NT M

	Q1-10	%	Q4-09	%	Change %
Net Operating Revenues	26,715	100.0	27,746	100.0	(3.7)
Gross Profit	6,559	24.6	7,179	25.9	(8.6)
Operating Expenses	(3,155)	(11.9)	(3,435)	(12.4)	(8.2)
Operating Income	3,404	12.7	3,744	13.5	(9.1)
Net Non-operating Income	197	0.8	700	2.5	(71.9)
Income Tax Expense	(119)	(0.5)	(48)	(0.2)	147.9
Net Income	3,482	13.0	4,396	15.8	(20.8)
EPS (NTD)	0.28		0.35		
EPADS (USD)	0.044		0.055		

Notes:

1. Information enclosed is UMC unconsolidated financial data.
2. Exchange rate 31.74 was used to translate NTD to USD.
3. 12,638 million and 12,687 million shares were used in EPS calculation for Q1-10 and Q4-09, respectively.

Income Statement - YoY: 3 Months

	Unit: NT M				
	Q1-10	%	Q1-09	%	Change %
Net Operating Revenues	26,715	100.0	10,838	100.0	146.5
Gross Profit (Loss)	6,559	24.6	(4,335)	(40.0)	-
Operating Expenses	(3,155)	(11.9)	(2,982)	(27.5)	5.8
Operating Income (Loss)	3,404	12.7	(7,317)	(67.5)	-
Net Non-operating Income (Expense)	197	0.8	(843)	(7.8)	-
Income Tax Expense	(119)	(0.5)	(0)	(0.0)	-
Net Income (Loss)	3,482	13.0	(8,160)	(75.3)	-
EPS (NTD)	0.28		(0.64)		
EPADS (USD)	0.044		(0.101)		

Notes:

1. Information enclosed is UMC unconsolidated financial data.
2. Exchange rate 31.74 was used to translate NTD to USD.
3. 12,638 million and 12,767 million shares were used in EPS calculation for Q1-10 and Q1-09, respectively.

Investment Income

Unit: NT M

	Q1-10	Q4-09
Investment gain(loss) accounted for under the equity method	(136)	780
Impairment loss	0	(300)
Gain on valuation of financial assets	144	443
Cash dividends	0	0
Total	8	923

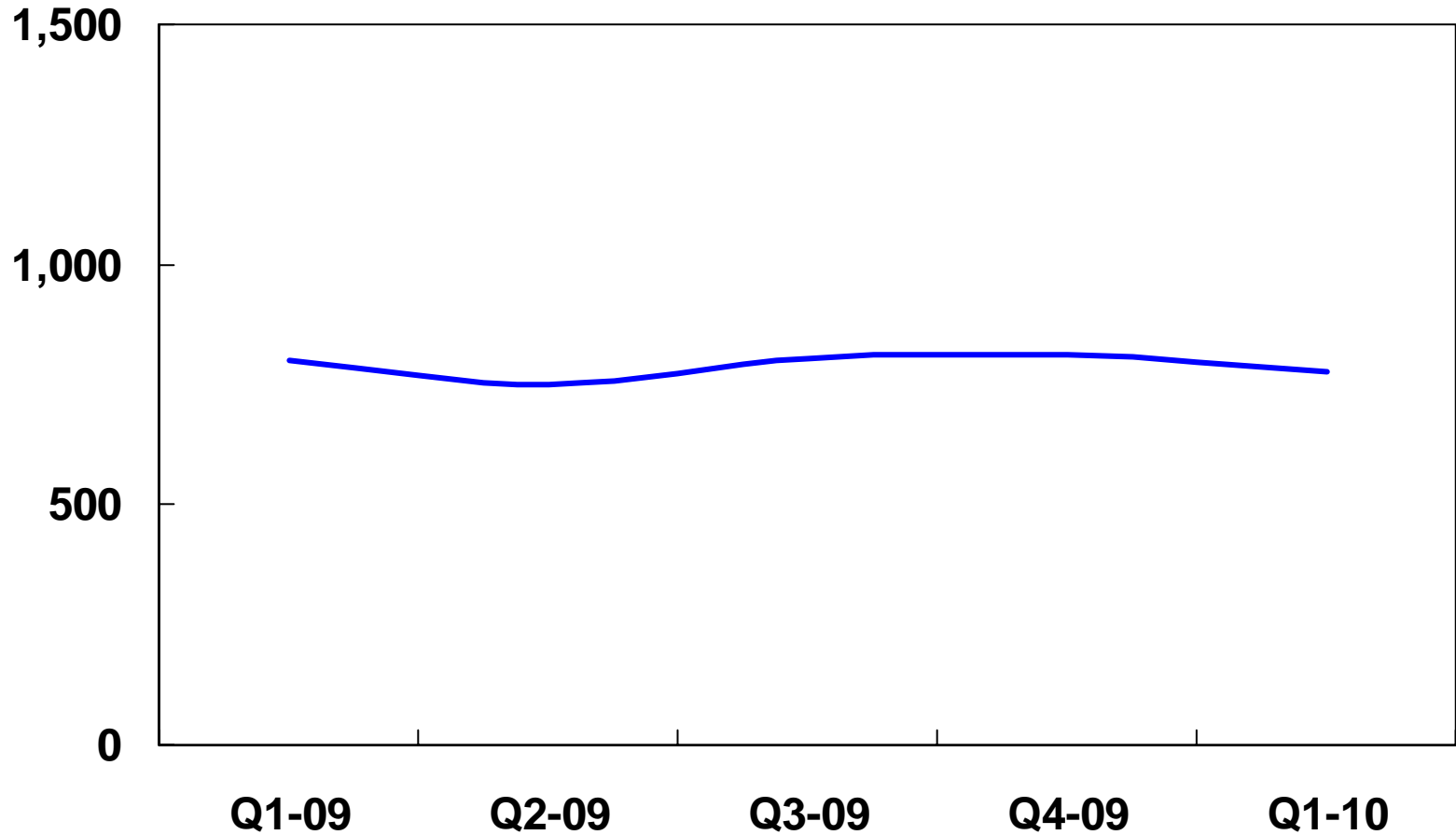
Balance Sheet Highlight - Mar. 31, 2010

Unit: NT M

Cash and Cash Equivalents	48,536
Funds and Investments	67,404
Fixed Assets	88,791
Total Assets	246,772
Current Liabilities	34,660
Long-term Loans	797
Shareholders' Equity	207,834
<i>Depreciation Expense (YTD)</i>	<i>7,941</i>

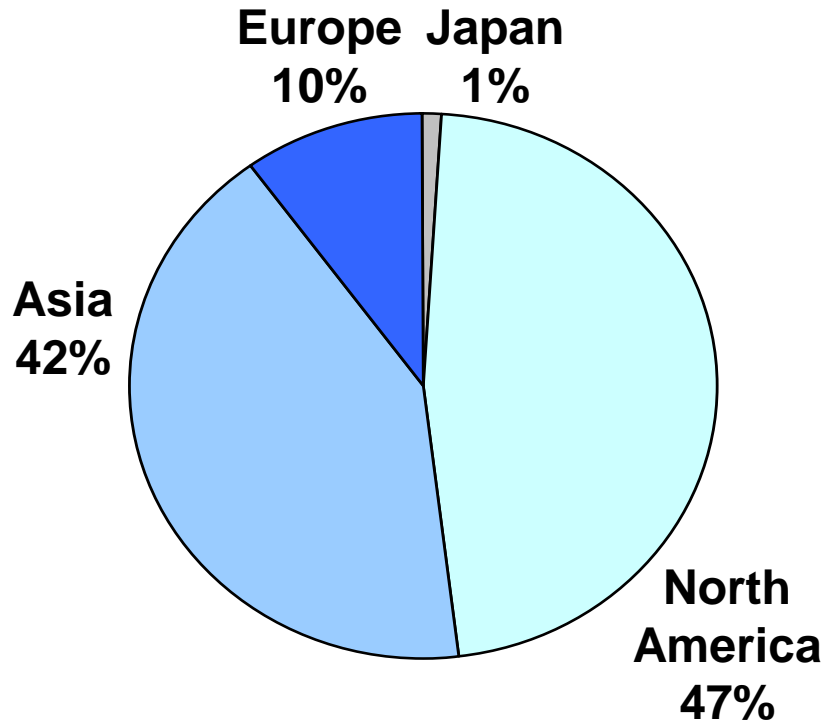
Average Selling Price Trend- 8" Wafer Equivalent

Unit: USD

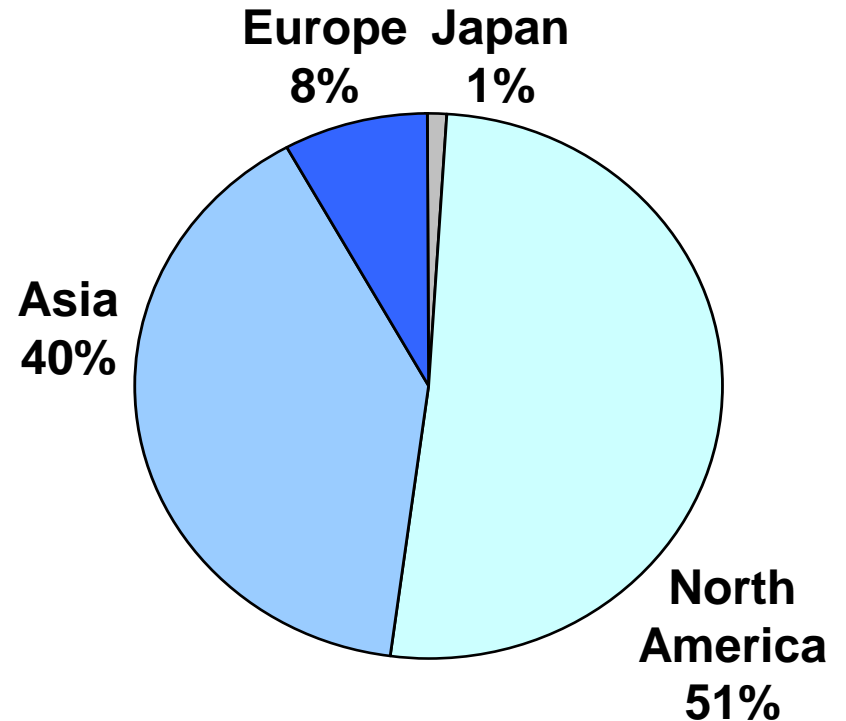


Sales Breakdown by Geography

2010 Q1

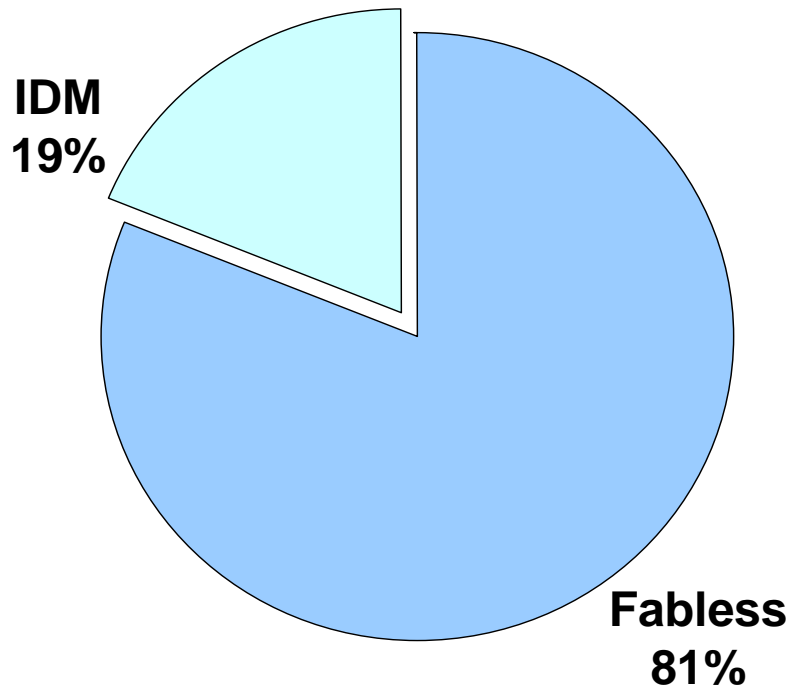


2009 Q4

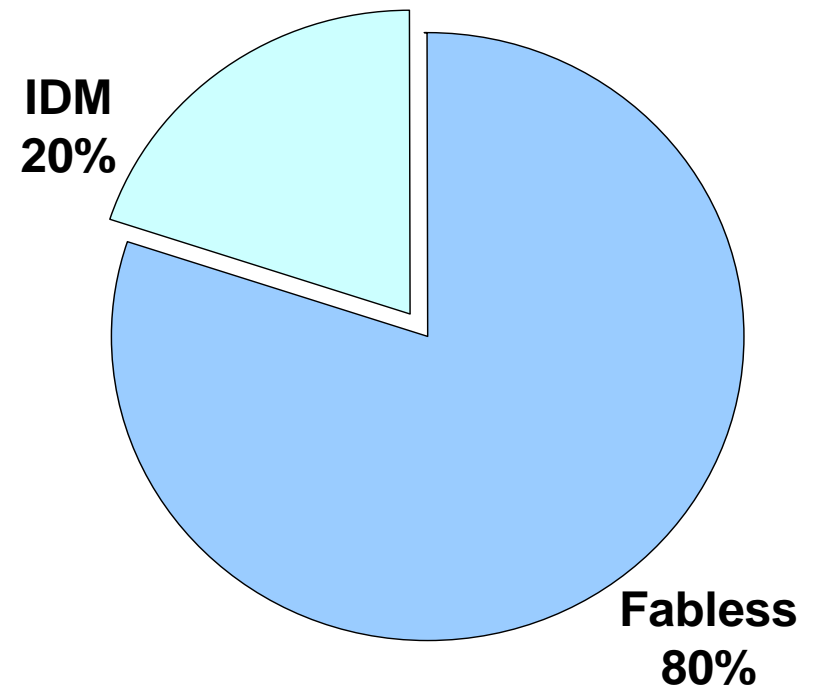


Sales Breakdown by Customer

2010 Q1

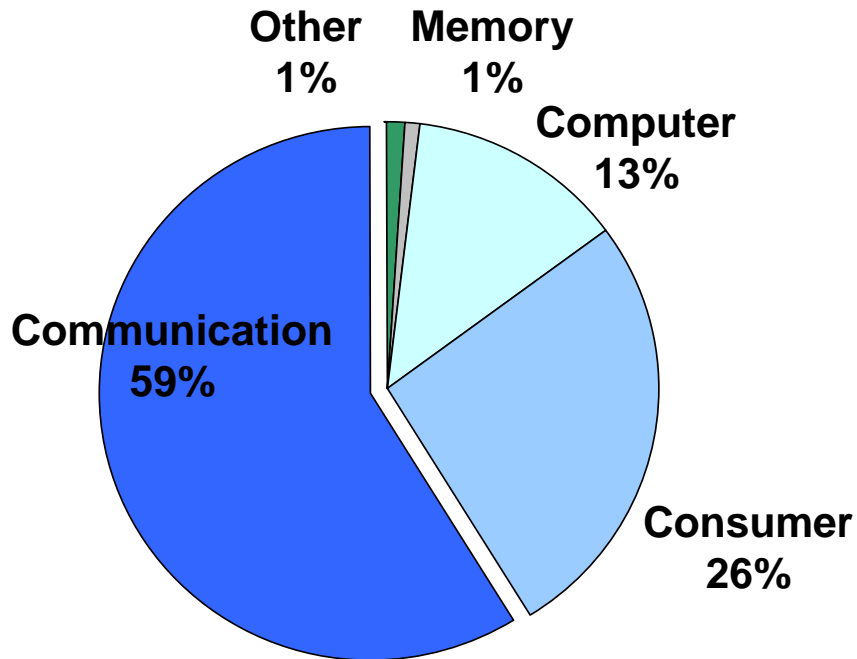


2009 Q4

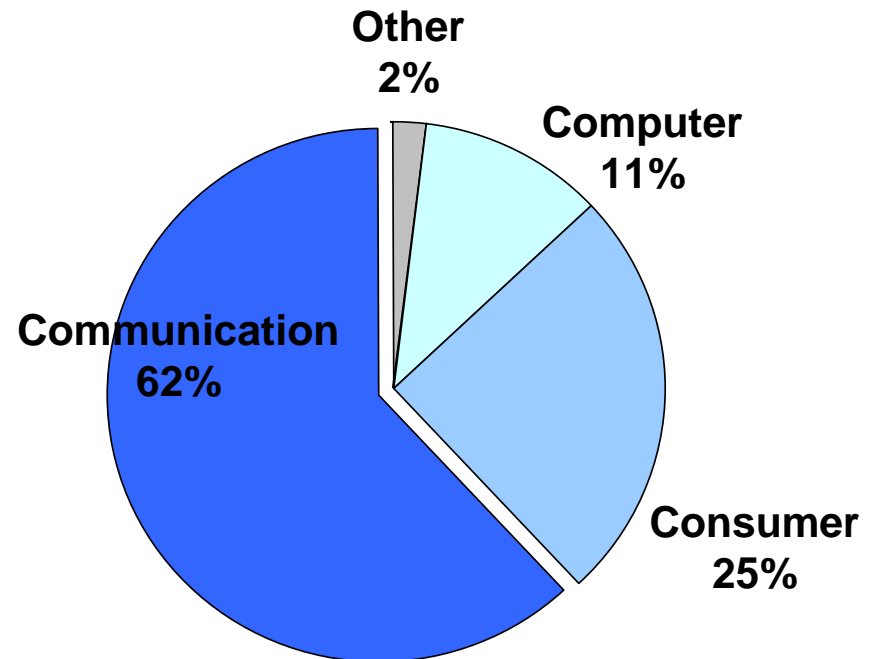


Sales Breakdown by Application

2010 Q1

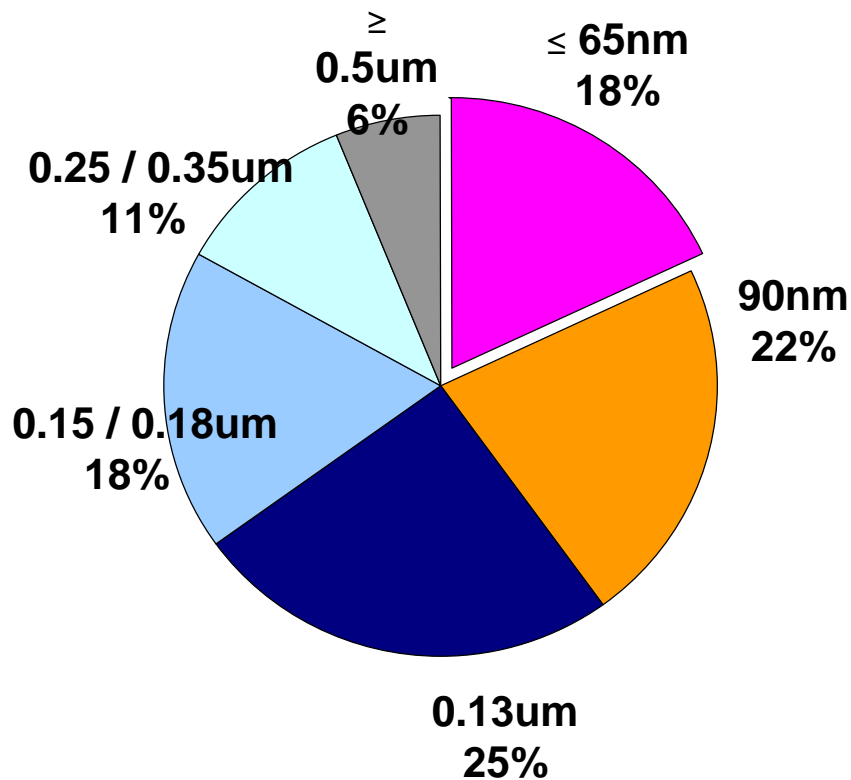


2009 Q4

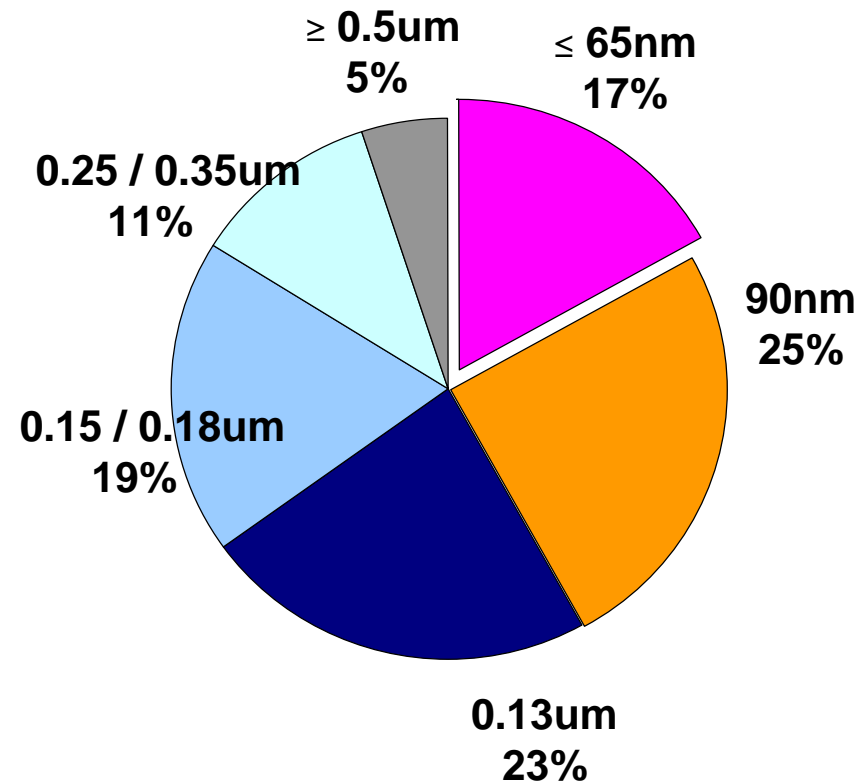


Sales Breakdown by Technology

2010 Q1



2009 Q4



Quarterly Capacity

unit: in thousands (8" wafer eq.)

FAB	3Q09	4Q09	1Q10	2Q10E
Fab6A	82	82	82	82
Fab8A	204	204	204	204
Fab8C	99	99	96	90
Fab8D	68	68	71	78
Fab8E	102	102	102	102
Fab8F	96	96	96	96
Fab8S	75	75	75	75
Fab12A	222	200	209	209
Fab12i	204	206	219	245
Total	1,152	1,132	1,154	1,181

2010 Capital Expenditure Plan

	8"	12"	Total
UMC	10%	90%	1.2~1.5 billion USD

For more information regarding UMC
www.umc.com

For all inquiries, suggestions, and comments
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