



Company Profile

Industry: Semiconductor Foundry Services

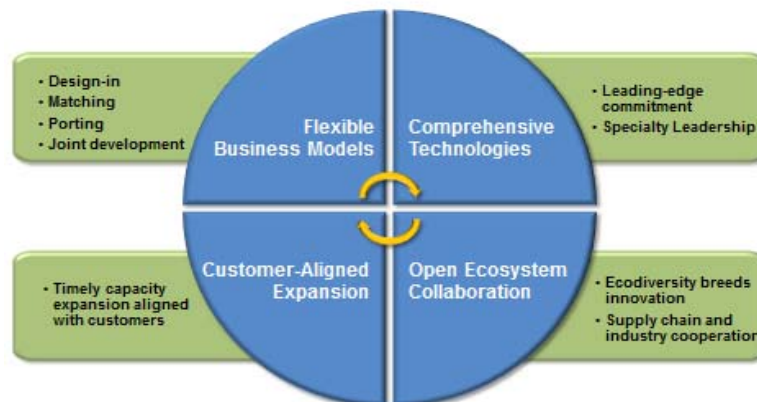
Date Incorporated: May, 1980

About UMC: UMC (NYSE: UMC, TWSE: 2303) is a leading global semiconductor foundry that provides advanced IC production for applications spanning every major sector of the electronics industry. UMC's comprehensive foundry solutions enable chip designers to leverage the company's sophisticated technology and manufacturing, which include high volume production 28nm gate-last High-K/Metal Gate technology, 14nm FinFET volume production, automotive industry's highest-rated AEC-Q100 Grade-0 manufacturing capabilities for production of ICs found in vehicles. UMC's 11 wafer fabs are strategically located throughout Asia and are able to produce over 600,000 wafers per month. The company employs more than 20,000 people worldwide, with offices in Taiwan, China, Europe, Japan, Korea, Singapore, and the United States. UMC can be found on the web at <http://www.umc.com>.

Chronology

1980	May	UMC established
1985	Jul	Becomes the first IC company to list on the Taiwan Stock Exchange
1995	Jul	Begins transformation into a pure-play foundry
	Jul –Sep	Establishes three joint venture foundries; USC, UICC, USIC
1998	Apr	Acquires Holtek Semiconductor and renames the fab UTEK
1999	Nov	Begins construction of a 300mm fab in Taiwan's Tainan Science Park, Fab 12A
2000	Jan	Consolidates five companies: UMC, USC, UTEK, USI, and UICC
	Sep	Debuts on the New York Stock Exchange
	Dec	Announces plan to establish advanced 300mm foundry in Singapore (UMCi)
2003	Mar	Delivers foundry's first customer ICs built on 90nm
2004	Dec	Fully acquires its subsidiary UMCi; renames UMC Fab 12i
2005	Jan	Delivered the foundry industry's first 65nm customer products
2008	Sep	Named as a Global Index Component for Dow Jones Sustainability Indexes
2010	May	Celebrates 30th anniversary
2011	Nov	Surpasses 90,000 45/40-nanometer wafer shipments
2012	May	Fab 12A Phase 5 & 6 groundbreaking
	Jun	Licenses IBM's FinFET 3DIC technology
2013	Feb	Acquires majority stake in SuZhou, China-based HeJian Technology
	Jun	Establishes the Specialty Technology Center of Excellence in Singapore
2014	Aug	Becomes a minority shareholder of Fujitsu's new 300mm foundry company
2015	Mar	Groundbreaking for Fab 12X in Xiamen, China
	Dec	Makes second round investment in Fujitsu's 300mm foundry company
2016	Nov	Fab 12X Enters volume production in Xiamen, China
2017	Feb	Fab 12A Begins 14nm volume production in Tainan Science Park
2018	Dec	14nm contribution reaches 3% of annual revenue and company generates over US\$1 billion in free cash flow

Solid Growth Strategy

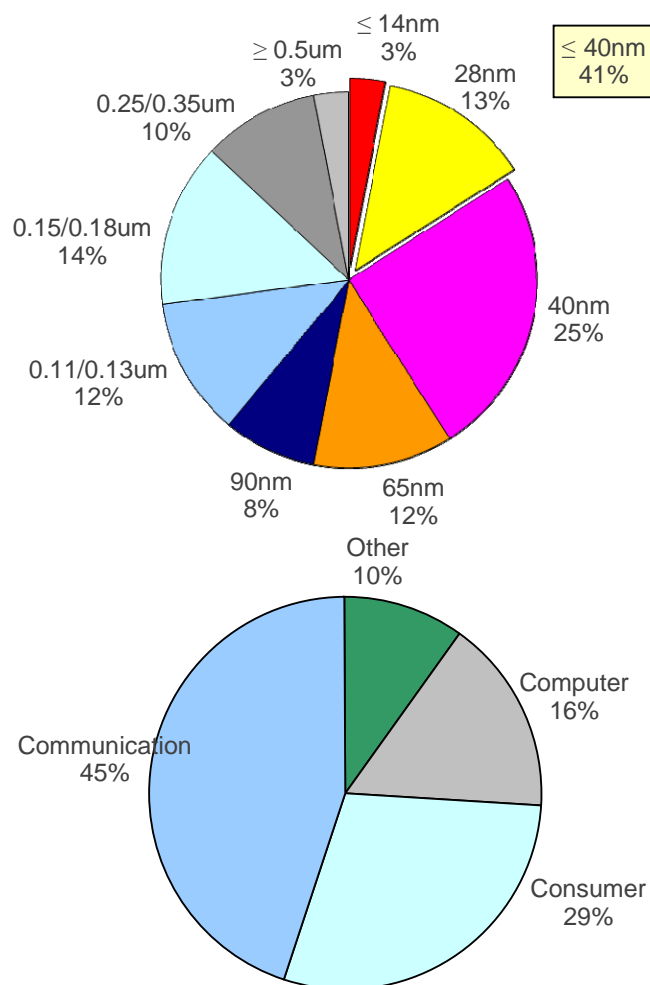


Financial Highlights

Consolidated 2014-18 results are based on IFRS accounting standards

	2018	2017	2016	2015	2014
Income Statement (NT\$ billion)					
Net Operating Revenue	151.2	149.3	147.9	144.8	140.0
Gross Profit	22.8	27.1	30.4	31.8	31.9
Operating Income (Loss)	5.8	6.6	6.2	10.8	10.1
Net Income (Loss)	2.6	6.6	3.9	12.8	11.5
Balance Sheet (NT\$ billion)					
Total Assets	364.6	394.1	386.7	337.4	313.2
Cash and Cash equ.	83.7	81.7	57.6	53.3	45.7
Total Liabilities	158.1	180.1	167.9	108.5	88.2
Long-term Liabilities	108.2	92.0	95.9	60.3	40.1
Stockholders' Equity	206.5	214.0	218.7	228.8	225.0
Cash Flow Statement (NT\$ billion)					
Cash Flow from Operations	50.9	52.5	46.5	59.8	44.8
Cash Flow from Investing	(15.5)	(35.4)	(80.1)	(68.5)	(42.6)
Cash Flow from Financing	(33.5)	9.2	38.8	15.0	(8.3)
Net Cash Flow	2.0	24.1	4.3	7.1	(4.6)
Free Cash Flow	31.3	8.2	(45.1)	(0.5)	1.6
Financial Analysis (%)					
Debt Ratio	43.4	45.7	43.4	32.2	28.2
Current Ratio	283.0	158.0	153.5	196.5	201.4
Quick Ratio	222.8	121.7	114.7	155.4	150.9

2018 Revenue Breakdown



Solid Manufacturing Base



Fab 12A, Tainan, Taiwan



Fab 12i, Singapore



Fab 12X, Xiamen, China



Fab 8AB



Fabs 8C & 8D



Fab 8E



Fab 8F



Fab 8S



Fab 8N, Suzhou, China



Wavetek (Fab 6A)

Research Coverage

Bank of America Merrill Lynch

BNP Paribas

CIMB

Citi

CLSA

Credit Suisse

Daiwa

Deutsche Securities

Goldman Sachs

HSBC

JP Morgan

KGI

Morgan Stanley

Nomura

Sanford C. Bernstein

UBS

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