

**UNITED MICROELECTRONICS CORPORATION  
FINANCIAL STATEMENTS  
WITH REPORT OF INDEPENDENT ACCOUNTANTS  
FOR THE THREE-MONTH PERIODS ENDED  
MARCH 31, 2009 AND 2008**

Address: No. 3 Li-Hsin Road II, Hsinchu Science Park, Hsinchu City, Taiwan, R.O.C.  
Telephone: 886-3-578-2258

The reader is advised that these financial statements have been prepared originally in Chinese. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language financial statements shall prevail.

## **REVIEW REPORT OF INDEPENDENT ACCOUNTANTS**

### English Translation of a Report Originally Issued in Chinese

To United Microelectronics Corporation

We have reviewed the accompanying balance sheets of United Microelectronics Corporation (the “Company”) as of March 31, 2009 and 2008, and the related statements of income and cash flows for the three-month periods ended March 31, 2009 and 2008. These financial statements are the responsibility of the Company’s management. Our responsibility is to issue the review report based on our reviews. As described in Note 4(7) to the financial statements, certain long-term investments were accounted for under the equity method based on financial statements as of March 31, 2009 and 2008 of the investees, which were reviewed by other independent accountants. Our review insofar as it relates to the investment loss amounted to NT\$26 million and NT\$45 million for the three-month periods ended March 31, 2009 and 2008, respectively, and the related long-term investment balances of NT\$3,302 million and NT\$4,255 million as of March 31, 2009 and 2008, respectively, is based solely on the reports of the other independent accountants.

We conducted our reviews in accordance with the Statements of Auditing Standards No. 36, “Review of Financial Statements” of the Republic of China. A review is limited primarily to applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statement taken as a whole. Accordingly, we do not express such an opinion.

Based on our reviews and the reports of the other independent accountants, we are not aware of any material modifications or adjustments that should have been made to the financial statements referred to above in order for them to be in conformity with requirements of the Business Entity Accounting Act and Regulation on Business Entity Accounting Handling with respect to financial accounting standards, Guidelines Governing the Preparation of Financial Reports by Securities Issuers, and accounting principles generally accepted in the Republic of China.

As described in Note 3(1) to the financial statements, effective January 1, 2009, the Company has adopted the amendment of R.O.C. Statement of Financial Accounting Standards No. 10, “Accounting for Inventories”.

As described in Note 3(3) to the financial statements, effective January 1, 2008, the Company has adopted Accounting Research and Development Foundation Interpretation No. 96-052, and recognized share-based employee bonuses and remunerations to directors and supervisors as expenses rather than as a distribution of retained earnings.

April 17, 2009  
Taipei, Taiwan  
Republic of China

#### Notice to Readers

The accompanying unaudited financial statements are intended only to present the financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to review such financial statements are those generally accepted and applied in the Republic of China.

English Translation of Financial Statements Originally Issued in Chinese  
 UNITED MICROELECTRONICS CORPORATION  
 UNAUDITED BALANCE SHEETS  
 March 31, 2009 and 2008  
 (Expressed in Thousands of New Taiwan Dollars)

Assets	Notes	As of March 31,		Liabilities and Shareholders' Equity	Notes	As of March 31,	
		2009	2008			2009	2008
<b>Current assets</b>				<b>Current liabilities</b>			
Cash and cash equivalents	2, 4(1)	\$ 35,905,927	\$ 29,634,661	Short-term loans	4(11)	\$ -	\$ 456,600
Financial assets at fair value through profit or loss, current	2, 4(2)	1,128,453	4,295,527	Financial liabilities at fair value through profit or loss, current	2, 4(12)	33,189	224,775
Notes receivable		11,740	20,241	Notes and accounts payable		2,577,232	4,498,952
Accounts receivable, net	2, 4(3)	2,838,257	4,171,681	Income tax payable	2	729,847	1,144,791
Accounts receivable - related parties, net	2, 5	3,225,325	8,584,832	Accrued expenses	2	5,944,848	6,995,801
Other receivables		140,235	357,993	Payable on equipment		1,329,644	2,858,960
Inventories, net	2, 3, 4(4)	7,045,018	11,087,667	Current portion of long-term liabilities	2, 4(13)	-	10,499,910
Prepaid expenses		613,420	664,452	Other current liabilities		338,072	297,140
Deferred income tax assets, current	2, 4(21)	593,195	1,241,035	<b>Total current liabilities</b>		<u>10,952,832</u>	<u>26,976,929</u>
<b>Total current assets</b>		<u>51,501,570</u>	<u>60,058,089</u>	<b>Long-term liabilities</b>			
				Bonds payable	2, 4(13)	7,497,652	7,495,575
<b>Funds and investments</b>				Long term loans	2, 4(14), 6	700,000	-
Financial assets at fair value through profit or loss, noncurrent	2, 4(2)	113,477	54,137	<b>Total long-term liabilities</b>		<u>8,197,652</u>	<u>7,495,575</u>
Available-for-sale financial assets, noncurrent	2, 4(5), 4(10)	17,460,755	33,295,218	<b>Other liabilities</b>			
Financial assets measured at cost, noncurrent	2, 4(6)	2,541,746	2,294,595	Accrued pension liabilities	2, 4(15)	3,253,641	3,188,878
Long-term investments accounted for under the equity method	2, 4(7)	33,723,572	36,264,213	Deposits-in		8,118	13,380
<b>Total funds and investments</b>		<u>53,839,550</u>	<u>71,908,163</u>	Other liabilities - others		257,035	396,744
				<b>Total other liabilities</b>		<u>3,518,794</u>	<u>3,599,002</u>
<b>Property, plant and equipment</b>	2, 4(8), 6, 7			<b>Total liabilities</b>		<u>22,669,278</u>	<u>38,071,506</u>
Land		1,132,576	1,132,576	<b>Capital</b>			
Buildings		17,522,284	17,219,348	Common stock	2, 4(16), 4(19)	129,877,713	132,144,949
Machinery and equipment		440,262,087	424,527,935	<b>Additional Paid-in Capital</b>			
Transportation equipment		62,470	72,809	Premiums		51,239,148	59,435,560
Furniture and fixtures		2,967,829	2,911,264	Treasury stock transactions		-	274
Total cost		461,947,246	445,863,932	Change in equities of long-term investments		6,923,792	6,714,826
Less : Accumulated depreciation		(372,440,802)	(336,151,564)	<b>Retained earnings</b>			
Add : Construction in progress and prepayments		5,108,459	10,209,261	Legal reserve		19,711,865	18,476,942
<b>Property, plant and equipment, net</b>		<u>94,614,903</u>	<u>119,921,629</u>	Special reserve		-	824,922
				Unappropriated earnings (accumulated deficit)		(34,908,465)	12,555,055
<b>Intangible assets</b>				<b>Adjustment items in shareholders' equity</b>			
Goodwill	2	-	3,745,122	Cumulative translation adjustment	2, 4(5)	2,914,403	(4,527,769)
<b>Total intangible assets</b>		<u>-</u>	<u>3,745,122</u>	Unrealized gain or loss on financial instruments		10,217,372	13,539,721
				<b>Treasury stock</b>		<u>(2,513,138)</u>	<u>(15,003,247)</u>
<b>Other assets</b>				<b>Total shareholders' equity</b>		<u>183,462,690</u>	<u>224,161,233</u>
Deferred charges	2	780,493	1,304,861				
Deferred income tax assets, noncurrent	2, 4(21)	3,543,445	3,404,467	<b>Total liabilities and shareholders' equity</b>		<u>\$ 206,131,968</u>	<u>\$ 262,232,739</u>
Other assets - others	2, 4(9), 6	1,852,007	1,890,408				
<b>Total other assets</b>		<u>6,175,945</u>	<u>6,599,736</u>				
<b>Total assets</b>		<u>\$ 206,131,968</u>	<u>\$ 262,232,739</u>				

The accompanying notes are an integral part of the financial statements.

English Translation of Financial Statements Originally Issued in Chinese  
**UNITED MICROELECTRONICS CORPORATION**  
**UNAUDITED STATEMENTS OF INCOME**  
For the three-month periods ended March 31, 2009 and 2008  
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

	Notes	For the three-month periods ended March 31,							
		2009		2008					
<b>Operating revenues</b>	2, 5								
Sales revenues		\$	10,529,758	\$	23,810,766				
Less : Sales returns and discounts			(249,868)		(507,820)				
Net sales			10,279,890		23,302,946				
Other operating revenues			558,246		699,965				
<b>Net operating revenues</b>			10,838,136		24,002,911				
<b>Operating costs</b>	2, 3, 4(4), 4(20)								
Cost of goods sold			(14,952,464)		(20,062,971)				
Other operating costs			(264,083)		(311,281)				
<b>Operating costs</b>			(15,216,547)		(20,374,252)				
<b>Gross profit (loss)</b>			(4,378,411)		3,628,659				
Unrealized intercompany profit	2		(17,709)		(66,858)				
Realized intercompany profit	2		61,178		85,543				
<b>Gross profit (loss)-net</b>			(4,334,942)		3,647,344				
<b>Operating expenses</b>	2, 4(20)								
Sales and marketing expenses			(631,349)		(716,099)				
General and administrative expenses			(529,282)		(635,420)				
Research and development expenses	2		(1,821,212)		(2,034,234)				
Subtotal			(2,981,843)		(3,385,753)				
<b>Operating income (loss)</b>			(7,316,785)		261,591				
<b>Non-operating income</b>									
Interest revenue			50,931		149,094				
Gain on disposal of property, plant and equipment	2		2,404		5,842				
Gain on disposal of investments	2		-		652,192				
Exchange gain, net	2		255,129		-				
Gain on valuation of financial assets	2, 4(2)		-		105,156				
Gain on valuation of financial liabilities	2, 4(12)		-		86,806				
Other income	3		139,026		115,050				
Subtotal			447,490		1,114,140				
<b>Non-operating expenses</b>									
Interest expense	2, 4(8)		(14,003)		(32,966)				
Investment loss accounted for under the equity method, net	2, 4(7)		(598,559)		(319,298)				
Loss on disposal of property, plant and equipment	2		-		(1,700)				
Exchange loss, net	2		-		(718,088)				
Financial expenses			(10,899)		(15,115)				
Impairment loss	2, 4(10)		-		(10,014)				
Loss on valuation of financial assets	2, 4(2)		(480,147)		-				
Loss on valuation of financial liabilities	2, 4(12)		(166,103)		-				
Other losses			(20,564)		(17,828)				
Subtotal			(1,290,275)		(1,115,009)				
<b>Income (loss) from continuing operations before income tax</b>			(8,159,570)		260,722				
<b>Income tax expense</b>	2, 4(21)		(479)		(54,894)				
<b>Net income (loss)</b>		\$	(8,160,049)	\$	205,828				
			Pre-tax	Post-tax	Pre-tax	Post-tax			
<b>Earnings (loss) per share-basic (NTD)</b>	2, 4(22)								
Net income (loss)		\$	(0.64)	\$	(0.64)	\$	0.02	\$	0.02
<b>Earnings (loss) per share-diluted (NTD)</b>	2, 4(22)								
Net income (loss)		\$	(0.64)	\$	(0.64)	\$	0.01	\$	0.01
<b>Pro forma information on earnings as if subsidiaries' investment in the Company is not treated as treasury stock</b>	2, 4(22)								
Net income (loss)		\$	(8,160,049)	\$	205,828				
Earnings (loss) per share-basic (NTD)		\$	(0.64)	\$	0.02				
Earnings (loss) per share-diluted (NTD)		\$	(0.64)	\$	0.01				

The accompanying notes are an integral part of the financial statements.

English Translation of Financial Statements Originally Issued in Chinese  
 UNITED MICROELECTRONICS CORPORATION  
 UNAUDITED STATEMENTS OF CASH FLOWS  
 For the three-month periods ended March 31, 2009 and 2008  
 (Expressed in Thousands of New Taiwan Dollars)

	For the three-month periods ended March 31,	
	2009	2008
Cash flows from operating activities:		
Net income (loss)	\$ (8,160,049)	\$ 205,828
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation	8,461,153	9,227,891
Amortization	178,450	377,462
Bad debt expenses	158,233	1,367
Gain on recovery in market value and obsolescence of inventories	(1,156,264)	(51,104)
Cash dividends received under the equity method	-	134,924
Investment loss accounted for under the equity method	598,559	319,298
Loss (gain) on valuation of financial assets and liabilities	646,250	(191,962)
Impairment loss	-	10,014
Gain on disposal of investments	-	(652,192)
Gain on disposal of property, plant and equipment	(2,404)	(4,142)
Exchange loss (gain) on financial assets and liabilities	22,417	(24,705)
Exchange gain on long-term liabilities	-	(177,917)
Amortization of bond discounts	542	6,205
Amortization of deferred income	(51,552)	(37,870)
Changes in assets and liabilities:		
Financial assets and liabilities at fair value through profit or loss	(54,771)	537,878
Notes and accounts receivable	1,630,872	680,892
Other receivables	65,693	50,235
Inventories	1,944,733	105,414
Prepaid expenses	(293,073)	(190,440)
Deferred income tax assets	152	(146,494)
Accounts payable	506,211	(215,059)
Accrued expenses	(724,197)	(467,827)
Other current liabilities	(31,258)	(57,175)
Capacity deposits	-	(4,447)
Accrued pension liabilities	6,607	19,078
Net cash provided by operating activities	<u>3,746,304</u>	<u>9,455,152</u>
Cash flows from investing activities:		
Proceeds from disposal of available-for-sale financial assets	-	669,304
Acquisition of long-term investments accounted for under the equity method	(63,152)	(12,973)
Proceeds from disposal of long-term investments accounted for under the equity method	-	378
Proceeds from liquidation of long-term investments	15,140	-
Acquisition of property, plant and equipment	(1,567,601)	(5,685,140)
Proceeds from disposal of property, plant and equipment	2,907	5,315
Increase in deferred charges	(84,653)	(340,164)
Decrease in other assets - others	865	1,258
Net cash used in investing activities	<u>(1,696,494)</u>	<u>(5,362,022)</u>

English Translation of Financial Statements Originally Issued in Chinese  
**UNITED MICROELECTRONICS CORPORATION**  
**UNAUDITED STATEMENTS OF CASH FLOWS**  
For the three-month periods ended March 31, 2009 and 2008  
(Expressed in Thousands of New Taiwan Dollars)

	For the three-month periods ended March 31,	
	2009	2008
<b>(continued)</b>		
Cash flows from financing activities:		
Increase in short-term loans, net	\$ -	\$ 455,640
Proceeds from long-term loans	200,000	-
Repayments of long-term loans	(200,000)	-
Redemption of bonds	-	(12,216,623)
Purchase of treasury stock	(2,393,337)	-
Increase (decrease) in deposits-in, net	126	(1,726)
Net cash used in financing activities	(2,393,211)	(11,762,709)
Effect of exchange rate changes on cash and cash equivalents	125,590	(148,389)
Net decrease in cash and cash equivalents	(217,811)	(7,817,968)
Cash and cash equivalents at beginning of period	36,123,738	37,452,629
Cash and cash equivalents at end of period	\$ 35,905,927	\$ 29,634,661
Supplemental disclosures of cash flow information:		
Cash paid for interest	\$ 2,695	\$ -
Cash paid (refunded) for income tax	\$ 4,424	\$ (55,732)
Investing activities partially paid by cash:		
Acquisition of property, plant and equipment	\$ 1,192,205	\$ 2,527,706
Add: Payable at beginning of period	1,714,520	6,016,394
Less: Payable at end of period (including notes payable)	(1,339,124)	(2,858,960)
Cash paid for acquisition of property, plant and equipment	\$ 1,567,601	\$ 5,685,140

The accompanying notes are an integral part of the financial statements.

UNITED MICROELECTRONICS CORPORATION  
NOTES TO UNAUDITED FINANCIAL STATEMENTS

March 31, 2009 and 2008

(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

1. HISTORY AND ORGANIZATION

United Microelectronics Corporation (the Company) was incorporated in May 1980 and commenced operations in April 1982. The Company is a full service semiconductor wafer foundry, and provides a variety of services to satisfy customer needs. The Company's common shares were publicly listed on the Taiwan Stock Exchange (TSE) in July 1985 and its American Depositary Shares (ADSs) were listed on the New York Stock Exchange (NYSE) in September 2000.

The numbers of employees as of March 31, 2009 and 2008 were 11,619 and 13,571, respectively.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in conformity with requirements of the Business Entity Accounting Act and Regulation on Business Entity Accounting Handling with respect to financial accounting standards, Guidelines Governing the Preparation of Financial Reports by Securities Issuers and accounting principles generally accepted in the Republic of China (R.O.C.).

Summary of significant accounting policies is as follows:

Use of Estimates

The preparation of the Company's financial statements in conformity with generally accepted accounting principles requires management to make reasonable estimates and assumptions that will affect the amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reported period. The actual results may differ from those estimates.

Foreign Currency Transactions

Transactions denominated in foreign currencies are remeasured into the local functional currencies and recorded based on the exchange rates prevailing at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are remeasured into the local functional currencies at the exchange rates prevailing at the balance sheet date, with the related exchange gains or losses included in the statements of income. Translation gains or losses from investments in foreign entities are recognized as a cumulative translation adjustment in shareholders' equity.

Non-monetary assets and liabilities denominated in foreign currencies that are reported at fair value with changes in fair value charged to the statements of income, are remeasured at the exchange rate at the balance sheet date, with related exchange gains or losses recorded in the statements of

income. Non-monetary assets and liabilities denominated in foreign currencies that are reported at fair value with changes in fair value charged to shareholders' equity, are remeasured at the exchange rate at the balance sheet date, with related exchange gains or losses recorded as adjustment items to cumulative translation adjustment in shareholders' equity. Non-monetary assets and liabilities denominated in foreign currencies and reported at cost are remeasured at historical exchange rates.

#### Translation of Foreign Currency Financial Statements

The financial statements of the Company's Singapore branch (the Branch) are translated into New Taiwan Dollars using the spot rates at the balance sheet date for asset and liability accounts and average exchange rates for profit and loss accounts. The cumulative translation effects from the Branch using functional currencies other than New Taiwan Dollars are included in the cumulative translation adjustment in shareholders' equity.

#### Cash Equivalents

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and with maturity dates that do not present significant risks on changes in value resulting from changes in interest rates, including commercial paper with original maturities of three months or less.

#### Financial Assets and Financial Liabilities

In accordance with ROC Statement of Financial Accounting Standard (SFAS) No. 34, "Financial Instruments: Recognition and Measurement" and the "Guidelines Governing the Preparation of Financial Reports by Securities Issuers", financial assets are classified as either financial assets at fair value through profit or loss, held-to-maturity financial assets, financial assets measured at cost, or available-for-sale financial assets. Financial liabilities are recorded at fair value through profit or loss.

The Company accounts for purchase or sale of financial instruments as of the trade date, which is the date the Company commits to purchase or sell the asset or liability. Financial assets and financial liabilities are initially recognized at fair value plus acquisition or issuance costs.

##### a. Financial assets and financial liabilities at fair value through profit or loss

Financial instruments held for short-term sale or repurchase purposes and derivative financial instruments not qualified for hedge accounting are classified as financial assets or liabilities at fair value through profit or loss.

This category of financial instruments is measured at fair value and changes in fair value are recognized in the statements of income. Stock of listed companies, bonds, and closed-end funds are measured at closing prices as of the balance sheet date. Open-end funds are measured at the unit price of the net assets as of the balance sheet date. The fair value of derivative financial instruments is determined by using valuation techniques commonly used by market participants in the industry.

b. Held-to-maturity financial assets

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity financial assets if the Company has both the positive intention and ability to hold the financial assets to maturity. Investments intended to be held to maturity are measured at amortized cost.

The Company recognizes an impairment loss if objective evidence of impairment loss exists. However, the impairment loss may be reversed if the value of asset recovers subsequently and the Company concludes the recovery is related to improvements in events or factors that originally caused the impairment loss. The new cost basis as a result of the reversal cannot exceed the amortized cost prior to the impairment.

c. Financial assets measured at cost

Unlisted stock, funds, and other securities without reliable market prices are measured at cost. When objective evidence of impairment exists, the Company recognizes an impairment loss, which cannot be reversed in subsequent periods.

d. Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial instruments not classified as financial assets at fair value through profit or loss, held-to-maturity financial assets, loans and receivables. Subsequent measurement is calculated at fair value. Investments in listed companies are measured at closing prices as of the balance sheet date. Any gain or loss arising from the change in fair value, excluding impairment loss and exchange gain or loss arising from monetary financial assets denominated in foreign currencies, is recognized as an adjustment to shareholders' equity until such investment is reclassified or disposed of, upon which the cumulative gain or loss previously charged to shareholders' equity will be recorded in the statements of income.

The Company recognizes an impairment loss when objective evidence of impairment exists. Any reduction in the impairment loss of equity investments in subsequent periods will be recognized as an adjustment to shareholders' equity. The impairment loss of a debt security may be reversed and recognized in the statement of income if the security recovers and the Company concludes the recovery is related to improvements in the factors or events that originally caused the impairment.

Allowance for Doubtful Accounts

An allowance for doubtful accounts is provided based on management's judgment of the collectability and aging analysis of accounts and other receivables.

Inventories

Inventories are accounted for on a perpetual basis. Raw materials are recorded at actual purchase costs, while the work in process and finished goods are recorded at standard costs and subsequently adjusted to costs using the weighted-average method at the end of each month. Allocation of fixed

production overheads to the costs of conversion is based on the normal capacity of the production facilities. Prior to January 1, 2009, inventories are stated individually by category at the lower of aggregate cost or market value as of the balance sheet date. The market values of raw materials and supplies are determined on the basis of replacement cost while the market values of work in process and finished goods are determined by net realizable values. Effective January 1, 2009, inventories are valued at the lower of cost and net realizable value item by item. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

#### Long-term Investments Accounted for Under the Equity Method

Long-term investments are recorded at acquisition cost. Investments acquired by contribution of technological know-how are credited to deferred credits among affiliates, which will be amortized over a period of 5 years.

Investments in which the Company has ownership of at least 20% or exercises significant influence on operating decisions are accounted for under the equity method. Prior to January 1, 2006, the difference of the acquisition cost and the underlying equity in the investee's net assets as of acquisition date was amortized over 5 years; however, effective January 1, 2006, goodwill arising from new acquisitions is analyzed and accounted for under the ROC SFAS No. 25, "Business Combination – Accounting Treatment under Purchase Method", in which goodwill is not subject to amortization.

The change in the Company's proportionate share in the net assets of an investee resulting from its acquisition of additional stock issued by the investee at a rate not proportionate to its existing equity ownership is charged to the additional paid-in capital and long-term investments accounts.

Unrealized intercompany gains and losses arising from sales from the Company to equity method investees are eliminated in proportion to the Company's ownership percentage at the end of period until realized through transactions with third parties. Intercompany gains and losses arising from transactions between the Company and majority-owned (above 50%) subsidiaries are eliminated entirely until realized through transactions with third parties.

Unrealized intercompany gains and losses due to sales from equity method investees to the Company are eliminated in proportion to the Company's weighted-average ownership percentage of the investee until realized through transactions with third parties.

Unrealized intercompany gains and losses arising from transactions between two equity method investees are eliminated in proportion to the Company's multiplied weighted-average ownership percentage with the investees until realized through transactions with third parties. Those intercompany gains and losses arising from transactions between two majority-owned subsidiaries are eliminated in proportion to the Company's weighted-average ownership percentage in the subsidiary that incurred the gain or loss.

If the recoverable amount of investees accounted for under the equity method is less than its carrying amount, the difference is recognized as impairment loss in the current period.

The total value of an investment after recognition of the investment losses cannot be negative. If the Company has the positive intention to continue to support the investees, or the losses of investees are only temporary, the Company will continue to recognize investment losses with its proportionate share. If, after the investment loss is recognized, the net book value of the investment is less than zero, the investment is reclassified to liabilities on the balance sheet.

The Company ceases to use the equity method upon a loss of ability to exercise significant influence over an investee. In accordance with ROC SFAS No. 34, “Financial Instrument: Recognition and Measurement”, the carrying value of the investment upon the loss of significant influence remains as the carrying value of the investment. Any amount of the investee’s additional paid-in capital and other adjustment items recorded in the shareholders’ equity of the Company are eliminated in proportion to the amount of the investment sold and recorded as a gain or loss on disposal of investments. Cash dividends received during the year of change are applied as a reduction of the carrying amount of the investment. Dividends received in subsequent years are recorded in accordance with ROC SFAS No. 32, “Accounting for Revenue Recognition.”

Gain or loss on disposal of long-term investments is based on the difference between selling price and book value of investments sold. Any amount of the investee’s additional paid-in capital and other adjustment items recorded in the shareholders’ equity of the Company are eliminated in proportion to the amount of the investment sold and recorded as gain or loss on disposal of investments.

#### Property, Plant and Equipment

Property, plant and equipment are stated at cost. Interest incurred on loans used to finance the construction of property, plant and equipment is capitalized and depreciated accordingly. Maintenance and repairs are charged to expense as incurred. Significant renewals and improvements are treated as capital expenditures and are depreciated over their estimated useful lives. Upon disposal of property, plant and equipment, the original cost and accumulated depreciation are written off and the related gain or loss is classified as non-operating income or expense. Idle assets are classified as other assets at the lower of net book or net realizable value, with the difference charged to non-operating expenses.

Depreciation is recognized on a straight-line basis using the estimated economic life of the assets. The estimated economic life of the property, plant and equipment is as follows: buildings – 20 to 55 years; machinery and equipment – 5 years; transportation equipment – 5 years and furniture and fixtures – 5 years.

### Intangible Assets

Effective January 1, 2006, goodwill generated from business combinations is no longer subject to amortization.

An impairment loss will be recognized when the decreases in fair value of intangible assets are other than temporary. The book value after recognizing the impairment loss is recorded as the new cost.

### Deferred Charges

Deferred charges are stated at cost and amortized on a straight-line basis as follows: intellectual property license fees—the shorter of contract term or estimated economic life of the related technology; and software—3 years.

Originally, the issuance costs of convertible and exchangeable bonds were classified as deferred charges and amortized over the life of the bonds. Effective January 1, 2006, the unamortized amounts as of December 31, 2005 were reclassified as a bond discount and recorded as a deduction to bonds payable. The amounts are amortized using the effective interest method over the remaining life of the bonds. If the difference between the straight-line method and the effective interest method is immaterial, the amortization of the bond discount may be amortized using the straight-line method and recorded as interest expenses.

### Convertible Bonds

The excess of the stated redemption price over par value is accrued as interest payable and expensed over the redemption period using the effective interest method.

When convertible bondholders exercise their conversion rights, the book value of the bonds is credited to common stock at an amount equal to the par value of the common stock with the excess credited to additional paid-in capital. No gain or loss is recognized upon bond conversion.

### Pension Plan

All regular employees are entitled to a defined benefit pension plan that is managed by an independently administered pension fund committee. Fund assets are deposited under the committee's name in the Bank of Taiwan and hence, not associated with the Company. Therefore, fund assets are not to be included in the Company's financial statements. Pension benefits for employees of the Branch are provided in accordance with the local regulations.

The Labor Pension Act of the R.O.C. (the Act), which adopts a defined contribution plan, became effective on July 1, 2005. Employees eligible for the Labor Standards Law, a defined benefit plan, were allowed to elect either the pension calculation under the Act or continue to be subject to the pension calculation under the Labor Standards Law. Those employees that elected to be subject to

the Act will have their seniority achieved under the Labor Standards Law retained upon election of the Act, and the Company will make monthly contributions of no less than 6% of these employees' monthly wages to the employees' individual pension accounts.

The accounting for the Company's pension liability is computed in accordance with ROC SFAS No. 18, "Accounting for Pension". Net pension costs of the defined benefit plan are recorded based on an independent actuarial valuation. Pension cost components such as service cost, interest cost, expected return on plan assets, the amortization of net obligation at transition, pension gain or loss, and prior service cost, are all taken into consideration. The Company recognizes expenses from the defined contribution pension plan in the period in which the contribution becomes due.

#### Employee Stock Option Plan

The Company used the intrinsic value method to recognize compensation cost for its employee stock options issued between January 1, 2004 and December 31, 2007, in accordance with Accounting Research and Development Foundation interpretation Nos. 92-070~072. For options granted on or after January 1, 2008, the Company recognizes compensation cost using the fair value method in accordance with ROC SFAS No. 39 "Accounting for Share-Based Payment."

#### Employee Bonuses and Remunerations Paid to Directors and Supervisors

In accordance with Accounting Research and Development Foundation interpretation No. 96-052 "Accounting for Employee Bonuses and Remunerations to Directors and Supervisors" effective January 1, 2008, employee bonuses and remunerations paid to directors and supervisors are charged to expense at fair value and are no longer accounted for as an appropriation of retained earnings.

#### Treasury Stock

In accordance with ROC SFAS No. 30, "Accounting for Treasury Stock", treasury stock held by the Company is accounted for under the cost method. The cost of treasury stock is shown as a deduction to shareholders' equity, while any gain or loss from selling treasury stock is treated as an adjustment to additional paid-in capital. Prior to December 31, 2007, treasury stock transferred to employees was accounted as treasury stock transaction and no compensation expense was recorded. The Company's stock held by its subsidiaries is also treated as treasury stock. Cash dividends received by subsidiaries from the Company are recorded as additional paid-in capital - treasury stock transactions.

#### Revenue Recognition

The Company recognizes revenue when persuasive evidence of an arrangement exists, the product or service has been delivered, the seller's price to the buyer is fixed or determinable and collectability is reasonably assured. Most of the Company's sales transactions have shipping terms of Free on Board (FOB) or Free Carrier (FCA) shipment in which title and the risk of loss or damage is transferred to the customer upon delivery of the product to a carrier approved by the customer.

Allowance for sales returns and discounts are estimated based on history of customer complaints, historical experiences, management judgment and any other known factors that might significantly affect collectability. Such allowances are recorded in the same period in which sales are made.

#### Research and Development Expenditures

Research and development expenditures are charged to expenses as incurred.

#### Capital Expenditure versus Operating Expenditure

Expenditures are capitalized when it is probable that the Company will receive future economic benefits associated with the expenditures.

#### Income Tax

The Company adopted ROC SFAS No. 22, "Accounting for Income Taxes" for inter-period and intra-period income tax allocation. The provision for income taxes includes deferred income tax assets and liabilities that are a result of temporary differences between carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes, loss carry-forward and investment tax credits. A valuation allowance on deferred income tax assets is provided to the extent that it is more likely than not that the tax benefits will not be realized. A deferred tax asset or liability is classified as current or noncurrent in accordance with the classification of its related asset or liability. However, if a deferred tax asset or liability does not relate to an asset or liability in the financial statements, its classification is based on the expected reversal date of the temporary difference.

According to the ROC SFAS No. 12, "Accounting for Income Tax Credits", the Company recognizes the tax benefit from the purchase of equipment and technology, research and development expenditure, employee training, and certain equity investment by the flow-through method.

Income tax (10%) on unappropriated earnings is recorded as expense in the year when the shareholders have resolved that the earnings shall be retained.

The Income Basic Tax Act of the R.O.C. (the IBTA) became effective on January 1, 2006. Set up by the Executive Yuan, the IBTA is a supplemental 10% tax that is payable if the income tax payable determined by the ROC Income Tax Act is below the minimum amount as prescribed by the IBTA. The IBTA is calculated based on taxable income as defined by the IBTA, which includes most income that is exempted from income tax under various legislations. The impact of the IBTA has been considered in the Company's income tax for the current reporting period.

#### Earnings (Loss) per Share

Earnings (Loss) per share is computed according to ROC SFAS No. 24, "Earnings Per Share". Basic earnings (loss) per share is computed by dividing net income (loss) by the weighted-average number of common shares outstanding during the current reporting period. Diluted earnings (loss)

per share is computed by taking basic earnings (loss) per share into consideration plus additional common shares that would have been outstanding if the dilutive share equivalents had been issued. Net income (loss) is also adjusted for interest and other income or expenses derived from any underlying dilutive share equivalents. The weighted-average of outstanding shares is adjusted retroactively for stock dividends and bonus shares that are approved in the shareholders' meetings prior to 2008.

#### Asset Impairment

Pursuant to ROC SFAS No. 35, "Impairment of Assets", the Company assesses indicators of impairment for all its assets (except for goodwill) within the scope of the standard at each balance sheet date. If impairment is indicated, the Company compares the asset's carrying amount with the recoverable amount of the assets or the cash-generating unit (CGU) associated with the asset and writes down the carrying amount to the recoverable amount where applicable. The recoverable amount is defined as the higher of fair value less the costs to sell, and the values in use. For previously recognized losses, the Company assesses at the balance sheet date if any indication that the impairment loss no longer exists or may have diminished. If there is any such indication, the Company recalculates the recoverable amount of the asset, and if the recoverable amount has increased as a result of the increase in the estimated service potential of the assets, the Company reverses the impairment loss so that the resulting carrying amount of the asset does not exceed the amount (net of amortization or depreciation) that would otherwise result had no impairment loss been recognized for the assets in prior years.

In addition, a goodwill-allocated CGU or group of CGUs is tested for impairment each year, regardless of whether impairment is indicated. If an impairment test reveals that the carrying amount, including goodwill, of CGU or group of CGUs is greater than its recoverable amount, it results in an impairment loss. The loss is first recorded against the CGU's goodwill, with any remaining loss allocated to other assets on a pro rata basis proportionate to their carrying amounts. The write-down of goodwill cannot be reversed in subsequent periods under any circumstances.

Impairment losses and reversals are classified as non-operating expenses and income, respectively.

### 3. ACCOUNTING CHANGES

#### (1) Inventories

Effective January 1, 2009, the Company adopted newly revised SFAS No.10, "Accounting for Inventories". The main revisions are a. inventories are valued at the lower of cost and net realizable value item by item; b. unallocated overheads resulted from low production or idle capacity are recognized as costs of goods sold in the period in which they are incurred; and c. abnormal amounts of production costs, and loss on decline in the market value of inventories (or gains on recovery in market value of inventories) are recognized as cost of goods sold. As a result of adopting the revised SFAS No.10, the net loss and loss per share for the three-month period ended March 31, 2009, are NT\$1,594 million and NT\$0.12 higher, respectively. The non-operating income of NT\$71 million for the three-month period ended March 31, 2008 was also reclassified to cost of goods sold.

(2) Employee Stock Options

Effective January 1, 2008, the Company adopted ROC SFAS No. 39, "Accounting for Share-Based Payment" to account for share-based payments. This change in accounting principles had no effect on net income or earnings per share for the three-month period ended March 31, 2008.

(3) Employee Bonuses and Remunerations Paid to Directors and Supervisors

Effective January 1, 2008, the Company adopted Accounting Research and Development Foundation interpretation No. 96-052 to account for employee bonuses and remunerations paid to directors and supervisors. This change in accounting principles had effects to decrease a net income by NT\$54 million and decrease NT\$0.004 earnings per share for the three-month period ended March 31, 2008.

4. CONTENTS OF SIGNIFICANT ACCOUNTS

(1) CASH AND CASH EQUIVALENTS

	As of March 31,	
	2009	2008
Cash		
Cash on hand	\$1,823	\$1,882
Checking and savings accounts	2,666,108	1,523,317
Time deposits	28,221,852	24,060,978
Subtotal	30,889,783	25,586,177
Cash equivalents	5,016,144	4,048,484
Total	\$35,905,927	\$29,634,661

(2) FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As of March 31,	
	2009	2008
Current		
Listed stocks	\$928,919	\$4,180,169
Convertible bonds	193,456	-
Forward contract	6,078	115,358
Subtotal	1,128,453	4,295,527
Non Current		
Interest rate swaps	113,477	54,137
Total	\$1,241,930	\$4,349,664

During the three-month periods ended March 31, 2009 and 2008, net gain (loss) arising from the changes in fair value of financial assets at fair value through profit or loss were a net loss of NT\$501 million and a net gain of NT\$245 million, respectively.

(3) ACCOUNTS RECEIVABLE, NET

	As of March 31,	
	2009	2008
Accounts receivable	\$3,226,198	\$4,612,321
Less: Allowance for sales returns and discounts	(341,035)	(440,025)
Less: Allowance for doubtful accounts	(46,906)	(615)
Net	<u>\$2,838,257</u>	<u>\$4,171,681</u>

(4) INVENTORIES, NET

	As of March 31,	
	2009	2008
Raw materials	\$414,141	\$1,125,722
Supplies and spare parts	1,935,232	2,034,110
Work in process	6,304,451	7,862,830
Finished goods	1,100,793	846,216
Total	9,754,617	11,868,878
Less : Allowance for loss on decline in market value and obsolescence	(2,709,599)	(781,211)
Net	<u>\$7,045,018</u>	<u>\$11,087,667</u>

a. The factor that caused the net realizable value of inventory to be lower than its cost was disappearing. The company recognized a gain of NT\$1,165 million on recovery of market value of inventories during the three-month period ended March 31, 2009.

b. Inventories were not pledged.

(5) AVAILABLE-FOR-SALE FINANCIAL ASSETS, NONCURRENT

	As of March 31,	
	2009	2008
Common stocks	\$17,428,550	\$33,166,576
Funds	32,205	128,642
Total	<u>\$17,460,755</u>	<u>\$33,295,218</u>

During the three-month periods ended March 31, 2009 and 2008, the net unrealized gain (loss) adjustments to shareholders' equity due to changes in fair value of available-for-sale assets were a gain of NT\$5,630 million and a loss of NT\$5,905 million, respectively.

Additionally, the Company recognized gains of NT\$ 0 and NT\$645 million due to the disposal of available-for-sale assets during the three-month periods ended March 31, 2009 and 2008, respectively.

As of March 1, 2007, HIGHLINK (an equity method investee) and EPITECH TECHNOLOGY CORP. (EPITECH) (classified as an available-for-sale financial asset, noncurrent) merged into EPISTAR CORP. and were continued as EPISTAR CORP. (classified as an available-for-sale financial asset, noncurrent after the merger). During the transaction, 5.5 shares of HIGHLINK and 3.08 shares of EPITECH were exchanged for 1 share of EPISTAR CORP., 5 million shares of EPISTAR CORP. were exchanged from HIGHLINK that originally were acquired through private placement of HIGHLINK in February 2006 and its subsequent stock dividends since February 2006. The exchanges of these shares are restricted by Article 43 paragraph 8 of the Securities and Exchange Law. The above-mentioned restriction will be removed on May 10, 2009.

(6) FINANCIAL ASSETS MEASURED AT COST, NONCURRENT

	As of March 31,	
	2009	2008
Common stocks	\$1,694,192	\$1,494,192
Preferred stocks	563,570	467,645
Funds	283,984	332,758
Total	\$2,541,746	\$2,294,595

(7) LONG-TERM INVESTMENTS ACCOUNTED FOR UNDER THE EQUITY METHOD

a. Details of long-term investments accounted for under the equity method are as follows :

Investee Companies	As of March 31,			
	2009	2008	2009	2008
	Amount	Percentage of Ownership or Voting Rights	Amount	Percentage of Ownership or Voting Rights
<u>Listed companies</u>				
UMC JAPAN	\$7,000,815	52.74	\$6,534,364	50.09
<u>Unlisted companies</u>				
UMC GROUP (USA)	1,295,201	100.00	1,194,150	100.00
UNITED MICROELECTRONICS (EUROPE) B.V.	333,255	100.00	294,625	100.00
UMC CAPITAL CORP.	3,774,912	100.00	3,672,974	100.00
UNITED MICROELECTRONICS CORP. (SAMOA)	4,877	100.00	11,481	100.00
UMCI LTD.	208	100.00	137	100.00
TLC CAPITAL CO., LTD.	5,340,279	100.00	7,282,994	100.00
FORTUNE VENTURE CAPITAL CORP.	8,136,960	99.99	9,131,035	99.99
(Note A)				

Investee Companies	As of March 31,			
	2009		2008	
	Amount	Percentage of Ownership or Voting Rights	Amount	Percentage of Ownership or Voting Rights
UNITED MICRODISPLAY OPTRONICS CORP.	\$71,970	89.99	\$108,001	85.24
PACIFIC VENTURE CAPITAL CO., LTD. (PACIFIC) (Note B)	7,379	49.99	127,379	49.99
MTIC HOLDINGS PTE LTD	258,123	46.49	79,954	49.94
MEGA MISSION LIMITED PARTENRSHIP	1,441,804	45.00	1,950,952	45.00
UNITECH CAPITAL INC.	621,668	42.00	799,226	42.00
HSUN CHIEH INVESTMENT CO., LTD.	2,117,798	36.49	3,659,311	36.49
NEXPOWER TECHNOLOGY CORP.	2,661,603	35.76	770,726	34.55
POWER LIGHT TECH CO., LTD.	61,159	31.58	-	-
UNIMICRON HOLDING LIMITED	562,427	25.25	595,793	33.78
XGI TECHNOLOGY INC. (Note C)	30,351	14.47	19,461	16.40
AMIC TECHNOLOGY CORP. (Note C)	2,783	11.18	31,650	11.18
Subtotal	<u>26,722,757</u>		<u>29,729,849</u>	
Total	<u>\$33,723,572</u>		<u>\$36,264,213</u>	

Note A : As of March 31, 2009 and 2008, the costs of investment were NT\$8,257 million and NT\$9,251 million, respectively. After deducting the Company's stock held by the subsidiary (treated as treasury stock by the Company) of NT\$120 million and NT\$120 million, respectively, the residual book values totalled NT\$8,137 million and NT\$9,131 million as of March 31, 2009 and 2008.

Note B : On June 27, 2006, PACIFIC set July 3, 2006 as its liquidation date through a decision at its shareholders' meeting. The liquidation has not been completed as of March 31, 2009.

Note C : The equity method was applied for investees, in which the total ownership held by the Company and its subsidiaries is over 20%.

b. Total loss of investments accounted for under the equity method were NT\$599 million and NT\$319 million for the three-month periods ended March 31, 2009 and 2008, respectively. Investment loss amounted to NT\$26 million and NT\$45 million for the three-month periods ended March 31, 2009 and 2008, and the related long-term investment balances of NT\$3,302 million and NT\$4,255 million as of March 31, 2009 and 2008, were determined based on the investees' financial statements reviewed by other independent accountants.

c. The long-term investments were not pledged.

(8) PROPERTY, PLANT AND EQUIPMENT

	As of March 31, 2009		
	Cost	Accumulated Depreciation	Book Value
Land	\$1,132,576	\$-	\$1,132,576
Buildings	17,522,284	(7,167,102)	10,355,182
Machinery and equipment	440,262,087	(362,817,927)	77,444,160
Transportation equipment	62,470	(58,853)	3,617
Furniture and fixtures	2,967,829	(2,396,920)	570,909
Construction in progress and prepayments	5,108,459	-	5,108,459
Total	<u>\$467,055,705</u>	<u>\$(372,440,802)</u>	<u>\$94,614,903</u>

	As of March 31, 2008		
	Cost	Accumulated Depreciation	Book Value
Land	\$1,132,576	\$-	\$1,132,576
Buildings	17,219,348	(6,327,836)	10,891,512
Machinery and equipment	424,527,935	(327,601,304)	96,926,631
Transportation equipment	72,809	(62,037)	10,772
Furniture and fixtures	2,911,264	(2,160,387)	750,877
Construction in progress and prepayments	10,209,261	-	10,209,261
Total	<u>\$456,073,193</u>	<u>\$(336,151,564)</u>	<u>\$119,921,629</u>

- a. Total interest expense before capitalization amounted to NT\$23 million and NT\$46 million for the three-month periods ended March 31, 2009 and 2008, respectively.

Details of capitalized interest are as follows:

	For the three-month periods ended March 31,	
	2009	2008
Buildings	\$6,245	\$2,992
Machinery and equipment	3,110	10,279
Other property, plant and equipment	17	26
Total interest capitalized	<u>\$9,372</u>	<u>\$13,297</u>
Interest rates applied	<u>1.07%~1.23%</u>	<u>0.68%~0.91%</u>

- b. Please refer to Note 6 for property plant and equipment pledged as collateral.

(9) OTHER ASSETS – OTHERS

	As of March 31,	
	2009	2008
Leased assets	\$1,146,793	\$1,191,301
Deposits-out	645,889	639,804
Others	59,325	59,303
Total	\$1,852,007	\$1,890,408

Please refer to Note 6 for deposits-out pledged as collateral.

(10) IMPAIRMENT LOSS

	For the three-month periods ended March 31,	
	2009	2008
Available for sale financial assets, noncurrent	\$-	\$10,014

(11) SHORT-TERM LOANS

	As of March 31,	
	2009	2008
Unsecured bank loans	\$-	\$456,600

  

	For the three-month periods ended March 31,	
	2009	2008
Interest rates	-	2.98%~2.99%

(12) FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	As of March 31,	
	2009	2008
Current		
Interest rate swaps	\$33,189	\$224,775

During the three-month periods ended March 31, 2009 and 2008, net gain (loss) from financial liabilities at fair value through profit or loss were a net loss of NT\$166 million and a net gain of NT\$87 million, respectively.

(13) BONDS PAYABLE

	As of March 31,	
	2009	2008
Unsecured domestic bonds payable	\$7,500,000	\$18,000,000
Less: discounts on bonds payable	(2,348)	(4,515)
Total	7,497,652	17,995,485
Less: Current portion	-	(10,499,910)
Net	\$7,497,652	\$7,495,575

- a. During the period from April 16 to April 27, 2001, the Company issued five-year and seven-year unsecured bonds totaled to NT\$15,000 million, each with a face value of NT\$7,500 million. The interest is paid annually with stated interest rates of 5.1195% through 5.1850% and 5.2170% through 5.2850%, respectively. The five-year and seven-year bonds were due starting from April 2004 to April 2006 and April 2006 to April 2008, respectively, both in three yearly installments at the rates of 30%, 30% and 40%. On April 27, 2006 and April 27 2008, the five-year and seven-year bonds were fully redeemed, respectively.
- b. During the period from May 21 to June 24, 2003, the Company issued five-year and seven-year unsecured bonds totaled to NT\$15,000 million, each with a face value of NT\$7,500 million. The interest is paid annually with stated interest rates of 4.0% minus USD 12-Month LIBOR and 4.3% minus USD 12-Month LIBOR, respectively. Stated interest rates are reset annually based on the prevailing USD 12-Month LIBOR. The five-year bonds and seven-year bonds are repayable in 2008 and 2010, respectively, upon the maturity of the bonds. On June 24, 2008, the five-year bonds were fully redeemed.
- c. On October 5, 2005, the Company issued zero coupon convertible bonds on the LSE. The terms and conditions of the bonds are as follows:
  - (a) Issue Amount: US\$381.4 million
  - (b) Period: October 5, 2005 ~ February 15, 2008 (Maturity date)
  - (c) Redemption:
    - i. On or at any time after April 5, 2007, if the closing price of the ADSs listed on the NYSE has been at least 130% of either the conversion price or the last adjusted conversion price, for 20 out of 30 consecutive ADS trading days, the Company may redeem all, but not in part, of the bonds.
    - ii. If at least 90% in principal amount of the bonds have already been redeemed, repurchased, cancelled or converted, the Company may redeem all, but not in part, of the bonds.
    - iii. In the event that the Company's ADSs or shares have officially cease to be listed or admitted for trading on the NYSE or the TSE, as the case may be, each bondholder would have had the right, at such bondholder's option, to require the Company to repurchase all, but not in part, of such bondholder's bonds at their principal amount.
    - iv. In the event of certain changes in taxation in the R.O.C. resulting in the Company becoming required to pay additional amounts, the Company may redeem all, but not in part, of the bonds at their principal amount; bondholders may elect not to have their bonds redeemed by the Company in such event, in such case the bondholders would not be entitled to receive payments of such additional amounts.
    - v. If a significant change of control occurs with respect to the Company, each bondholder would have had the right at such bondholder's option, to require the Company to repurchase all, but not in part, of such bondholder's bonds at their principal amount.

vi. The Company redeemed the principal amount of the bonds on their maturity date, February 15, 2008.

(d) Conversion:

i. Conversion Period: Except for the closed period, the bonds may be converted into the Company's ADSs on or after November 4, 2005 and on or prior to February 5, 2008.

ii. Conversion Price and Adjustment: The conversion price was US\$4.253 per ADS. The applicable conversion price was subject to adjustments upon the occurrence of certain events set out in the indenture.

(e) Redemption at maturity date

At the maturity date of February 15, 2008, the Company had redeemed the bonds at the principal amount.

d. Repayment of the above-mentioned bonds in the future years is as follows:

<u>Bonds repayable in</u>	<u>Amount</u>
2010	<u><u>\$7,500,000</u></u>

(14) LONG-TERM LOANS

a. Details of long-term loans are as follows:

<u>Lender</u>	<u>March 31, 2009</u>	<u>Redemption</u>
Secured Long-Term Loan from Bank of Taiwan	\$700,000	Repayable quarterly from March 30, 2011 to December 30, 2013 and interest is paid monthly.
	<u><u>For the three-month period ended March 31, 2009</u></u>	
Interest Rates	<u><u>1.365%~1.815%</u></u>	

b. The above long-terms loan will be repaid by installments with the last payment on December 30, 2013. Respective repayments in the coming years are as follows:

<u>Long-Term Loans repayable in</u>	<u>Amount</u>
2011	\$233,334
2012	233,333
2013	233,333
Total	<u><u>\$700,000</u></u>

c. The Company did not have any long-term loans as of March 31, 2008.

d. Please refer to Note 6 for property, plant and equipment pledged as collateral for long-term loans.

(15) PENSION PLAN

- a. The Labor Pension Act of the R.O.C. (the Act), which adopts a defined contribution plan, became effective on July 1, 2005. Employees eligible for the Labor Standards Law, a defined benefit plan, were offered the options to elect the pension calculation under the Act or continue to be subject to the pension calculation under the Labor Standards Law. Those employees that elected to be subject to the Act will have their seniority achieved under the Labor Standards Law retained upon election of the Act, and the Company will make monthly contributions of no less than 6% of these employees' monthly wages to the employees' individual pension accounts. The Company has made monthly contributions based on each individual employee's salary or wage to employees' pension accounts beginning July 1, 2005, and a total of NT\$86 million and NT\$102 million were contributed by the company for the three-month periods ended, 2009 and 2008, respectively. Pension benefits for employees of the Branch are provided in accordance with the local regulations, and during the three-month periods ended March 31, 2009 and 2008, the Company made contributions of NT\$28 million and NT\$28 million, respectively.
- b. The defined benefit plan under the Labor Standards Law is disbursed based on the units of service years and the average salary in the last month of the service year. Two units per year are awarded for the first 15 years of services while one unit per year is awarded after the completion of the fifteenth year. The total units shall not exceed 45 units. In accordance to the plan, the Company contributes an amount equivalent to 2% of the employees' total salaries and wages on a monthly basis to the pension fund deposited at the Bank of Taiwan in the name of an administered pension fund committee. Pension costs amounted to NT\$29 million and NT\$44 million were recognized for the three-month periods ended March 31, 2009 and 2008, respectively. The corresponding liability balances of the pension fund were NT\$1,243 million and NT\$1,332 million as of March 31, 2009 and 2008, respectively.

(16) CAPITAL STOCK

- a. The Company had 26,000 million common shares authorized to be issued, and 13,214 million shares were issued as of March 31, 2008, each at a par value of NT\$10.
- b. The Company had issued a total of 220 million ADSs, which were traded on the NYSE as of March 31, 2008. The total number of common shares of the Company represented by all issued ADSs was 1,098 million shares as of March 31, 2008. One ADS represents five common shares.
- c. As recommended by the board of directors, and approved by the shareholders at the meeting held on June 13, 2008, the Company issued 678 million new shares from capitalization of retained earnings and additional paid-in capital that amounted to NT\$6,776 million, of which NT\$1,001 million was stock dividend, NT\$1,146 million was employee bonus, and NT\$4,629 million was additional paid-in capital.
- d. On September 10, 2008, the Company cancelled 349 million shares of treasury stocks, which were repurchased during the period from May 18 to July 15, 2005 for conversion of the convertible bonds into shares.

e. On December 17, 2008, the company cancelled 142 million shares and 214 million shares of treasury stock, which were repurchased during the periods from October 4 to November 2, 2005 and May 25 to July 13, 2006, respectively, for the purpose of transferring to employees. In addition, on December 17, 2008, the company cancelled 200 million shares of treasury stock, which were repurchased during the period from August 28 to October 2, 2008 to maintain the Company's credit and shareholders' equity.

f. The Company had 26,000 million common shares authorized to be issued, and 12,988 million shares were issued as of March 31, 2009, each at a par value of NT\$10.

g. The Company had issued a total of 230 million ADSs, which were traded on the NYSE as of March 31, 2009. The total number of common shares of the Company represented by all issued ADSs was 1,148 million shares as of March 31, 2009. One ADS represents five common shares.

(17) **EMPLOYEE STOCK OPTIONS**

On September 11, 2002, October 8, 2003, September 30, 2004, December 22, 2005, and October 9, 2007, the Company was authorized by the Securities and Futures Bureau of the Financial Supervisory Commission, Executive Yuan, to issue employee stock options with a total number of 1 billion, 150 million, 150 million, 350 million, and 500 million units, respectively. Each unit entitles an optionee to subscribe to 1 share of the Company's common stock. Settlement upon the exercise of the options will be made through the issuance of new shares by the Company. The exercise price of the options was set at the closing price of the Company's common stock on the date of grant. The contractual life is 6 years and an optionee may exercise the options in accordance with certain schedules as prescribed by the plan starting 2 years from the date of grant. Detailed information relevant to the employee stock options is disclosed as follows:

Date of grant	Total number of options granted (in thousands)	Total number of options outstanding (in thousands)	Shares available to option holders (in thousands) (Note)	Exercise price (NTD) (Note)
October 7, 2002	939,000	-	-	\$21.42
January 3, 2003	61,000	-	-	\$24.15
November 26, 2003	57,330	33,749	23,529	\$33.70
March 23, 2004	33,330	14,278	9,954	\$31.25
July 1, 2004	56,590	33,609	23,431	\$28.24
October 13, 2004	20,200	7,624	5,315	\$24.28
April 29, 2005	23,460	11,225	7,826	\$22.37
August 16, 2005	54,350	29,341	20,455	\$29.47
September 29, 2005	51,990	37,464	26,119	\$26.89
January 4, 2006	39,290	18,231	12,710	\$23.17
May 22, 2006	42,058	26,630	18,566	\$25.19
August 24, 2006	28,140	16,776	11,695	\$24.09
December 13, 2007	500,000	429,465	429,465	\$18.03
Total	1,906,738	658,392	589,065	

Note: The employee stock options granted prior to August 7, 2007, effective date of capital reduction, were adjusted in accordance with capital reduction rate. Each option unit entitles an optionee to subscribe for about 0.7 share of the Company's common stock. The exercise price of the options is also adjusted according to capital reduction rate. Each stock option unit granted after August 7, 2007 remains to be subscribed for 1 share of the Company's common stock.

a. A summary of the Company's stock option plan and related information for the three-month periods ended March 31, 2009 and 2008 is as follows:

	For the three-month periods ended March 31,					
	2009			2008		
	Options (in thousands)	Shares available to option holders (in thousands)	Weighted- average Exercise Price per share (NTD)	Options (in thousands)	Shares available to option holders (in thousands)	Weighted- average Exercise Price per share (NTD)
Outstanding at beginning of period	709,484	627,086	\$20.79	1,287,407	1,048,832	\$21.06
Granted	-	-	\$-	-	-	\$-
Exercised	-	-	\$-	-	-	\$-
Forfeited	(11,651)	(10,524)	\$20.22	(80,586)	(58,611)	\$21.31
Expired	(39,441)	(27,497)	\$24.15	-	-	\$-
Outstanding at end of period	<u>658,392</u>	<u>589,065</u>	\$20.65	<u>1,206,821</u>	<u>990,221</u>	\$21.05
Exercisable at end of period	<u>181,059</u>	<u>126,228</u>	\$28.25	<u>590,097</u>	<u>411,396</u>	\$23.26
Weighted-average fair value of options granted during the period	\$-			\$-		

b. The information on the Company's outstanding stock options as of March 31, 2009, is as follows:

Authorization Date	Range of Exercise Price (NTD)	Outstanding Stock Options				Exercisable Stock Options		
		Options (in thousands)	Shares available to option holders (in thousands)	Weighted-average Expected Remaining Years	Weighted-average Exercise Price per share (NTD)	Options (in thousands)	Shares available to option holders (in thousands)	Weighted-average Exercise Price per share (NTD)
2003.10.08	\$28.24~\$33.70	81,636	56,914	0.96	\$31.02	81,636	56,914	\$31.02
2004.09.30	\$22.37~\$29.47	85,654	59,715	2.31	\$26.95	64,749	45,141	\$26.93
2005.12.22	\$23.17~\$25.19	61,637	42,971	3.10	\$24.29	34,674	24,173	\$24.17
2007.10.09	\$18.03	429,465	429,465	4.70	\$18.03	-	-	\$-
		<u>658,392</u>	<u>589,065</u>	3.98	\$20.65	<u>181,059</u>	<u>126,228</u>	\$28.25

- c. The Company used the intrinsic value method to recognize compensation costs for its employee stock options issued between January 1, 2004 and December 31, 2007. Compensation costs for the three-month periods ended March 31, 2009 and 2008 were NT\$0.

The Company granted options prior to adopting ROC SFAS No. 39 “Accounting for Share-Based Payment.” Pro forma information on net income (loss) and earnings (loss) share using the fair value method is as follows:

	<u>For the three-month period ended March 31, 2009</u>	
	<u>Basic loss per share</u>	<u>Diluted loss per share</u>
Net loss	\$(8,160,049)	\$(8,160,049)
Loss per share (NTD)	\$(0.64)	\$(0.64)
Pro forma net loss	\$(8,361,819)	\$(8,361,819)
Pro forma loss per share (NTD)	\$(0.65)	\$(0.65)

	<u>For the three-month period ended March 31, 2008</u> (retroactively adjusted)	
	<u>Basic earnings (loss) per share</u>	<u>Diluted earnings (loss) per share</u>
Net Income	\$205,828	\$75,918
Earnings per share (NTD)	\$0.02	\$0.01
Pro forma net loss	\$(21,451)	\$(151,361)
Pro forma loss per share (NTD)	\$(0.002)	\$(0.01)

The fair value of the options outstanding as of March 31, 2009 and 2008 were estimated at the date of grant using the Black-Scholes options pricing model with the following weighted-average assumptions: expected dividend yields of 1.37%~1.71%; volatility factors of the expected market price of the Company’s common stock of 36.29%~49.10%; risk-free interest rate of 1.85%~2.85%; and a weighted-average expected life of the options of 4~5years.

#### (18) TREASURY STOCK

- a. Changes in treasury stock during the three-month periods ended March 31, 2009 and 2008 are as follows:

##### For the three-month period ended March 31, 2009

*(In thousands of shares)*

<u>Purpose</u>	<u>As of</u>			<u>As of</u> <u>March 31, 2009</u>
	<u>January 1,</u> <u>2009</u>	<u>Increase</u>	<u>Decrease</u>	
For transfer to employees	-	300,000	-	300,000
Total shares	-	300,000	-	300,000

For the three-month period ended March 31, 2008

*(In thousands of shares)*

Purpose	As of January 1, 2008	Increase	Decrease	As of March 31, 2008
For transfer to employees	355,716	-	-	355,716
For conversion of the convertible bonds into shares	348,583	-	-	348,583
Total shares	704,299	-	-	704,299

- b. According to the Securities and Exchange Law of the R.O.C., the total shares of treasury stock shall not exceed 10% of the Company's issued stock, and the total purchase amount shall not exceed the sum of the retained earnings, additional paid-in capital – premiums, and realized additional paid-in capital. As such, the maximum number of shares of treasury stock that the Company could hold as of March 31, 2009 and 2008, was 1,299 million shares and 1,321 million shares, while the ceiling amount was NT\$36,043 million and NT\$79,465 million, respectively.
- c. In compliance with Securities and Exchange Law of the R.O.C., treasury stock should not be pledged, nor should it be entitled to voting rights or receiving dividends. Stock held by subsidiaries is treated as treasury stock. These subsidiaries have the same rights as other shareholders except for subscription to new stock issuance and no longer have voting rights.
- d. As of March 31, 2009, the Company's subsidiary, FORTUNE VENTURE CAPITAL CORP., held 16 million shares of the Company's stock, with a book value of NT\$11.10 per share. The closing price on March 31, 2009 was NT\$11.10.

As of March 31, 2008, the Company's subsidiary, FORTUNE VENTURE CAPITAL CORP., held 15 million shares of the Company's stock, with a book value of NT\$18.70 per share. The closing price on March 31, 2008 was NT\$18.70.

(19) RETAINED EARNINGS AND DIVIDEND POLICIES

According to the Company's Articles of Incorporation, current year's earnings, if any, shall be distributed in the following order:

- a. Payment of all taxes and dues;
- b. Offset prior years' operation losses;
- c. Set aside 10% of the remaining amount after deducting items (a) and (b) as a legal reserve;
- d. Set aside 0.1% of the remaining amount after deducting items (a), (b), and (c) as directors' and supervisors' remuneration; and
- e. After deducting items (a), (b), and (c) above from the current year's earnings, no less than 5% of the remaining amount together with the prior years' unappropriated earnings is to be allocated as employees' bonus, which will be settled through issuance of new shares of the Company, or cash. Employees of the Company's subsidiaries, meeting certain requirements

determined by the board of directors, are also eligible for the employees' bonus.  
 f. The distribution of the remaining portion, if any, will be recommended by the board of directors and resolved in the shareholders' meeting.

The policy for dividend distribution should reflect factors such as the current and future investment environment, fund requirements, domestic and international competition and capital budgets; as well as the benefit of shareholders, stock dividend equilibrium, and long-term financial planning. The board of directors shall make the distribution proposal annually and present it at the shareholders' meeting. The Company's Articles of Incorporation further provide that no more than 80% of the dividends to shareholders, if any, must be paid in the form of stock dividends. Accordingly, at least 20% of the dividends must be paid in the form of cash.

During the three-month periods ended March 31, 2009 and 2008, the amounts of the employee bonuses were estimated at NT\$0 and NT\$84 million; the amounts of remunerations to directors and supervisors were estimated at NT\$0 and NT\$1 million, respectively, under Accounting Research and Development Foundation Interpretation No. 96-052. The board of directors estimated the amount by taking consideration of the Company's Articles of Incorporation, government regulations and industrial average. Estimated amount of employee bonuses and remunerations paid to directors and supervisors were charged to current income. If the board modified the estimates significantly in the subsequent periods during the year, the Company will recognize the change as an adjustment to current income. Moreover, if the amounts were modified by the shareholders' meeting in the following year, the adjustment will be regarded as a change in accounting estimate and will be reflected in the statement of income in the following year.

The appropriation and compensation of 2008 unappropriated retained earnings (accumulated deficit) has not yet been approved by the shareholder's meeting as of the reporting date. Information on the board of directors' recommendations and shareholders' approval can be obtained from the "Market Observation Post System" on the website of the TSE.

On March 18, 2009, the Company's Board of Directors resolved to offset the Company's 2008 deficit of NT\$26,748 million: NT\$19,712 million by legal reserve and NT\$7,036 million by additional paid-in capital. The distributions of retained earnings for the year 2007 was approved through the shareholders' meetings held on June 13, 2008. The details of distribution are as follows:

	2007
Cash Dividend	NT\$0.75 per share
Stock Dividend	0.08 per share
Employees' bonus – Cash (in thousand NTD)	286,541
Employees' bonus – Stock (in thousand NTD)	1,146,166
Directors' and Supervisors' remuneration (in thousand NTD)	11,939

Pursuant to Article 41 of the Securities and Exchange Law of the R.O.C., a special reserve is set aside from the current net income and prior unappropriated earnings with an amount equal to the amount of items that is accounted for as deductions to shareholders' equity, such as unrealized loss on financial instruments and cumulative translation adjustments. When the deductions to shareholders' equity are reversed, the set-aside special reserve can be distributed.

(20) OPERATING COSTS AND EXPENSES

The Company's personnel, depreciation, and amortization expenses are summarized as follows:

	For the three-month periods ended March 31,					
	2009			2008		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Personnel expenses						
Salaries	\$1,579,113	\$574,568	\$2,153,681	\$2,139,051	\$683,673	\$2,822,724
Labor and health insurance	102,887	33,009	135,896	114,709	34,923	149,632
Pension	106,952	37,009	143,961	131,793	42,386	174,179
Other personnel expenses	9,346	3,616	12,962	40,637	18,623	59,260
Depreciation	7,858,114	591,392	8,449,506	8,694,670	519,547	9,214,217
Amortization	11,825	166,625	178,450	9,387	368,075	377,462

(21) INCOME TAX

a. Reconciliation between the income tax expense and the income tax calculated on pre-tax financial statement income (loss) based on the statutory tax rate is as follows:

	For the three-month periods ended March 31,	
	2009	2008
Income tax on pre-tax income (loss) at statutory tax rate	\$(2,039,892)	\$65,180
Permanent and temporary differences	450,609	(190,350)
Change in investment tax credit	5,451,269	271,066
Change in valuation allowance	(3,861,834)	(91,485)
Income basic tax	-	483
Others	327	-
Income tax expense	\$479	\$54,894

b. Significant components of deferred income tax assets and liabilities are as follows:

	As of March 31,			
	2009		2008	
	Amount	Tax effect	Amount	Tax effect
Deferred income tax assets				
Investment tax credit		\$8,113,799		\$12,998,801
Loss carry-forward	\$6,040,211	1,510,053	\$41,208	10,302
Pension	3,243,853	810,963	3,182,339	795,585
Allowance on sales returns and discounts	561,878	140,470	899,513	224,878

	As of March 31,			
	2009		2008	
	Amount	Tax effect	Amount	Tax effect
Allowance for loss on decline in market value and obsolescence of inventories	\$1,385,337	\$346,334	\$607,412	\$151,853
Unrealized exchange loss	-	-	642,900	160,725
Others	1,644,381	411,095	976,122	244,031
Total deferred income tax assets		11,332,714		14,586,175
Valuation allowance		(6,443,427)		(8,486,141)
Net deferred income tax assets		4,889,287		6,100,034
Deferred income tax liabilities				
Unrealized exchange gain	(89,929)	(22,482)	-	-
Depreciation	(2,807,671)	(701,918)	(4,997,061)	(1,249,266)
Others	(112,987)	(28,247)	(821,065)	(205,266)
Total deferred income tax liabilities		(752,647)		(1,454,532)
Total net deferred income tax assets		\$4,136,640		\$4,645,502
Deferred income tax assets – current		\$3,501,985		\$7,412,715
Deferred income tax liabilities – current		(50,729)		(205,266)
Valuation allowance		(2,858,061)		(5,966,414)
Net		593,195		1,241,035
Deferred income tax assets – noncurrent		7,830,729		7,173,460
Deferred income tax liabilities – noncurrent		(701,918)		(1,249,266)
Valuation allowance		(3,585,366)		(2,519,727)
Net		3,543,445		3,404,467
Total net deferred income tax assets		\$4,136,640		\$4,645,502

- c. The Company's income tax returns for all fiscal years up to 2006 have been assessed and approved by the R.O.C. Tax Authority.
- d. The Company was granted several four or five-year income tax exemption periods with respect to income derived from the expansion of operations. The income tax exemption periods will expire on December 31, 2015.
- e. The Company earns investment tax credits for the amount invested in production equipment, research and development, and employee training.

As of March 31, 2009, the Company's unused investment tax credits were as follows:

Expiration Year	Investment tax credits earned	Balance of unused investment tax credits
2009	\$2,366,991	\$2,366,991
2010	2,169,108	2,169,108
2011	1,783,278	1,783,278
2012	1,553,793	1,553,793
2013	240,629	240,629
Total	\$8,113,799	\$8,113,799

- f. Under the rules of the Income Tax Law of the R.O.C., a company with its tax return certified by a certified public accountant can carry forward its net losses as tax credits for the next 10 years. As of March 31, 2009, the Company's unutilized tax credits arising from the accumulated losses were as follows:

Expiration Year	Accumulated losses	Unutilized accumulated losses
2013 (Transferred in from merger with SiSMC)	\$2,283	\$2,283
2014 (Transferred in from merger with SiSMC)	38,783	38,783
2019	5,999,145	5,999,145
Total	\$6,040,211	\$6,040,211

- g. The balances of the Company's imputation credit accounts as of March 31, 2009 and 2008 were NT\$266 million and NT\$413 million, respectively. The expected creditable ratio for 2008 and the actual creditable ratio for 2007 were 0% and 7.95%, respectively.
- h. The Company's earnings generated in the year ended December 31, 1997 and prior years have been fully appropriated.

## (22) EARNINGS (LOSS) PER SHARE

- a. There were employee stock options outstanding during the three-month period ended March 31, 2009 and there were zero coupon convertible bonds and employee stock options outstanding during the three-month period ended March 31, 2008. It is considered as a complex capital structure. However, the employee stock options were not dilutive when calculating the diluted earnings (loss) per share for the three-month periods ended March 31, 2009 and 2008; therefore, they were not included in the diluted earnings (loss) per share calculation. As a result, the calculated basic and diluted earnings (loss) per share for the three-month periods ended March 31, 2009 and 2008, are disclosed as follows:

	For the three-month period ended March 31, 2009				
	Amount		Shares expressed in thousands	Loss per share (NTD)	
	Loss before income tax	Net loss		Loss before income tax	Net loss
Loss per share-basic (NTD)					
Loss attributable to common stock shareholders	\$(8,159,570)	\$(8,160,049)	12,767,114	\$(0.64)	\$(0.64)

	For the three-month period ended March 31, 2008 (retroactively adjusted)				
	Amount		Shares expressed in thousands	Earnings per share (NTD)	
	Income before income tax	Net income		Income before income tax	Net income
Earning per share-basic (NTD)					
Income available to common stock shareholders	\$260,722	\$205,828	13,171,692	\$0.02	\$0.02
Effect of dilution					
Employee bonus	\$-	\$-	7,534		
Convertible bonds payable	\$(173,214)	\$(129,910)	238,935		
Earning per share-diluted:					
Income available to common stock shareholders	\$87,508	\$75,918	13,418,161	\$0.01	\$0.01

- b. The following pro forma information presents the Company's earnings (loss) if subsidiaries' investment in the Company was not treated as treasury stock:

	For the three-month period ended March 31, 2009	
	Basic	Diluted
Net Loss	\$(8,160,049)	\$(8,160,049)
Weighted-average of shares outstanding:		
Beginning balance	12,987,771	12,987,771
Purchase of 300 million shares of treasury stock from January 1 to March 31, 2008	(204,578)	(204,578)
Total	12,783,193	12,783,193
Loss per share (NTD)	\$(0.64)	\$(0.64)

	For the three-month period ended March 31, 2008 (retroactively adjusted)	
	Basic	Diluted
Net income	\$205,828	\$75,918
Weighted-average of shares outstanding:		
Beginning balance	12,510,196	12,510,196
Increase in capital through 2007 retained earnings and capital reserve at proportion of 5.4%	677,575	677,575
Dilutive shares of employee bonuses assuming disbursed in stocks	-	7,534
Dilutive shares of convertible bonds accounted for under if-converted method	-	238,935
Total	13,187,771	13,434,240
Earnings per share (NTD)	\$0.02	\$0.01

## 5. RELATED PARTY TRANSACTIONS

### (1) Name and Relationship of Related Parties

Name of related parties	Relationship with the Company
UMC GROUP (USA) (UMC-USA)	Equity Investee
UNITED MICROELECTRONICS (EUROPE) B.V. (UME BV)	Equity Investee
UMC CAPITAL CORP.	Equity Investee
UNITED MICROELECTRONICS CORP. (SAMOA)	Equity Investee
UMCI LTD.	Equity Investee
UMC JAPAN	Equity Investee
UNITECH CAPITAL INC.	Equity Investee
MEGA MISSION LIMITED PARTNERSHIP	Equity Investee
MTIC HOLDINGS PTE. LTD.	Equity Investee
UNIMICRON HOLDING LIMITED	Equity Investee
FORTUNE VENTURE CAPITAL CORP.	Equity Investee
HSUN CHIEH INVESTMENT CO., LTD.	Equity Investee
UNITED MICRODISPLAY OPTRONICS CORP.	Equity Investee
AMIC TECHNOLOGY CORP.	Equity Investee
PACIFIC VENTURE CAPITAL CO., LTD.	Equity Investee
XGI TECHNOLOGY INC.	Equity Investee
TLC CAPITAL CO., LTD.	Equity Investee
NEXPOWER TECHNOLOGY CORP.	Equity Investee
POWER LIGHT TECH CO., LTD.	Equity Investee
SILICON INTEGRATED SYSTEMS CORP.	The Company's director
UNITRUTH INVESTMENT CORP.	Subsidiary's equity investee
CRYSTAL MEDIA INC.	Subsidiary's equity investee
MOBILE DEVICES INC.	Subsidiary's equity investee

### (2) Significant Related Party Transactions

#### a. Operating revenues

	For the three-month periods ended March 31,			
	2009		2008	
	Amount	Percentage	Amount	Percentage
UMC-USA	\$5,915,551	55	\$14,099,240	59
UME BV	919,095	8	2,739,063	11
Others	215,427	2	978,817	4
Total	<u>\$7,050,073</u>	<u>65</u>	<u>\$17,817,120</u>	<u>74</u>

The sales price to the above related parties was determined through mutual agreement based on the market conditions. The collection period for overseas sales to related parties was net 60 days, while the terms for domestic sales were month-end 45~60 days. The collection period for third party overseas sales was net 30~60 days, while the terms for third party domestic sales were month-end 30~60 days.

b. Accounts receivable, net

	As of March 31,			
	2009		2008	
	Amount	Percentage	Amount	Percentage
UMC-USA	\$2,917,255	42	\$6,772,020	49
UME BV	702,712	10	1,788,979	13
Others	142,587	2	658,177	5
Total	3,762,554	54	9,219,176	67
Less : Allowance for sales returns and discounts	(416,386)		(631,340)	
Less : Allowance for doubtful accounts	(120,843)		(3,004)	
Net	<u>\$3,225,325</u>		<u>\$8,584,832</u>	

6. ASSETS PLEDGED AS COLLATERAL

As of March 31, 2009

	Amount	Party to which asset(s) was pledged	Purpose of pledge
Deposit-out (Time deposit)	\$619,823	Customs	Customs duty guarantee
Equipment	5,663,885	Bank of Taiwan	Collateral for long-term loans
Total	<u>\$6,283,708</u>		

As of March 31, 2008

	Amount	Party to which asset(s) was pledged	Purpose of pledge
Deposit-out (Time deposit)	<u>\$619,619</u>	Customs	Customs duty guarantee

7. COMMITMENTS AND CONTINGENT LIABILITIES

(1) The Company has entered into several patent license agreements and development contracts of intellectual property for a total contract amount of approximately NT\$7.6 billion. Royalties and development fees payable in future years are NT\$3.3 billion as of March 31, 2009.

(2) The Company signed several construction contracts for the expansion of its factory space. As of March 31, 2009, these construction contracts have amounted to approximately NT\$2.9 billion and the unpaid portion of the contracts, which was not accrued, was approximately NT\$0.4 billion.

- (3) The Company entered into several operating lease contracts for land. These renewable operating leases will expire in various years through 2032. Future minimum lease payments under those leases are as follows:

<u>For the year ended December 31,</u>	<u>Amount</u>
2009(2 <sup>nd</sup> quarter and thereafter)	\$158,901
2010	216,761
2011	217,174
2012	217,604
2013	218,051
2014 and thereafter	1,643,715
Total	<u><u>\$2,672,206</u></u>

- (4) On February 15, 2005, the Hsinchu District Prosecutor's Office conducted a search of the Company's facilities. On February 18, 2005, the Company's former Chairman Mr. Robert H.C. Tsao, released a public statement, explaining that its assistance to Hejian Technology Corp. (Hejian) did not involve any investment or technology transfer.

Furthermore, from the very beginning there was a verbal indication that, at the proper time, the Company would be compensated appropriately for its assistance, and circumstances permitting, at some time in the future, it will push through the merger between two companies. However, no promise was made by the Company and no written agreement was made and executed. Upon the Company's request to materialize the said verbal indication by compensating in the form of either cash or equity, the Chairman of the holding company of Hejian offered 15% of the approximately 700 million outstanding shares of the holding company of Hejian in return for the Company's past assistance and for continued assistance in the future.

Immediately after the Company had received such offer, it filed an application with the Investment Commission of the Ministry of Economic Affairs on March 18, 2005 (Ref. No. 94-Lian-Tung-Tzu-0222), for their executive guidance for the successful transfer of said shares to the Company. The shareholders meeting dated June 13, 2005 resolved that to the extent permitted by law, the Company shall try to get the 15% of the outstanding shares offered by the holding company of Hejian as an asset of the Company. The holding company of Hejian offered 106 million shares of its outstanding common shares in return for the Company's assistance. The holding company of Hejian has put all such shares in escrow. The Company was informed of such escrow on August 4, 2006. The subscription price per share of the holding company of Hejian in the last offering was US\$1.1. Therefore, the total market value of the said shares is worth more than US\$110 million. However, the Company may not acquire the ownership of nor exercise the rights of the said shares with any potential stock dividend or cash dividend distributed in the future until the ROC laws and regulations allow the Company to acquire and exercise. In the event that any stock dividend or cash dividend is distributed, the Company's stake in the holding company of Hejian will accumulate accordingly.

In April 2005, the Company's former Chairman Mr. Robert H.C. Tsao was personally fined with in the aggregate amount of NT\$3 million by the Financial Supervisory Commission,

Executive Yuan, R.O.C. (ROC FSC) for failure to disclose material information relating to Hejian in accordance with applicable rules. As a result of the imposition of the fines by the ROC FSC, the Company was also fined in the amount of NT\$30,000 by Taiwan Stock Exchange (TSE) for the alleged non-compliance with the disclosure rules in relation to the material information. The Company and its former Chairman Mr. Robert H.C. Tsao have filed for administrative appeal and reconsideration with the Executive Yuan, R.O.C. and TSE, respectively. Mr. Robert H.C. Tsao's administrative appeal was dismissed by the Executive Yuan, R.O.C. on February 21, 2006 and the ROC FSC transferred the case against Mr. Robert H.C. Tsao to the Administrative Enforcement Agency for enforcement of the fine. Mr. Robert H.C. Tsao has filed an administrative action against the ROC FSC with Taipei High Administrative Court on April 14, 2006. On December 27, 2007, the Administrative High Court revoked the decision and ruled in favor of Mr. Tsao. In January 2008, the ROC FSC filed an appeal with the Supreme Administrative Court. That appeal is still pending in the Supreme Administrative Court.

For the Company's assistance to Hejian Technology Corp., the Company's former Chairman Mr. Robert H.C. Tsao, former Vice Chairman Mr. John Hsuan, and Mr. Duen-Chian Cheng, the General Manager of Fortune Venture Capital Corp., which is 99.99% owned by the Company, were indicted for violating the Business Entity Accounting Act and breach of trust under the Criminal Law by Hsinchu District Court's Prosecutor's Office on January 9, 2006. Mr. Robert H.C. Tsao and Mr. John Hsuan had officially resigned from their positions of the Company's Chairman, Vice Chairman and directors prior to the announcement of the prosecution; for this reason, at the time of the prosecution, Mr. Robert H.C. Tsao and Mr. John Hsuan no longer served as the Company's directors and had not executed their duties as the Company's Chairman and Vice Chairman.

In the future, if a guilty judgment is pronounced by the court, such consequences would be Mr. Robert H.C. Tsao, Mr. John Hsuan and Mr. Duen-Chian Cheng's personal concerns only; the Company would not be subject to indictment regarding this case. Mr. Robert H.C. Tsao, Mr. John Hsuan and Mr. Duen-Chian Cheng were pronounced innocent of the charge by Hsinchu District Court on October 26, 2007. On November 15, 2007, Taiwan's Hsinchu District Prosecutors Office filed an appeal. On December 31, 2008, Taiwan High Court rejected the prosecutor's appeal and sustained Hsinchu District Court's decision. On January 20, 2009, Taiwan High Prosecutors Office filed an appeal against Mr. Robert H.C. Tsao and Mr. John Hsuan with the Supreme Court. The case is still pending in the Supreme Court.

On February 15, 2006, the Company was fined in the amount of NT\$5 million for unauthorized investment activities in Mainland China, implicating violation of Article 35 of the Act "Governing Relations Between Peoples of the Taiwan Area and the Mainland Area" by the R.O.C. Ministry of Economic Affairs (MOEA). However, as the Company believes it was illegally and improperly fined, the Company had filed an administrative appeal against MOEA to the Executive Yuan on March 16, 2006. On October 19, 2006, Executive Yuan denied the administrative appeal filed by the Company. The Company had filed an administrative litigation case against MOEA on December 8, 2006. Taipei High Administrative Court announced and reversed MOEA's administrative sanction on July 19, 2007. MOEA filed an appeal against the Company on August 10, 2007. That case is still pending in the Supreme Administrative Court.

## 8. SIGNIFICANT DISASTER LOSS

None.

## 9. SIGNIFICANT SUBSEQUENT EVENT

None.

## 10. OTHERS

(1) Certain comparative amounts have been reclassified to conform to the current year's presentation.

(2) Financial risk management objectives and policies

The Company's principal financial instruments, other than derivatives, is comprised of cash and cash equivalents, common stock, preferred stock, bonds, open-end funds, short-term loans, and bonds payable. The main purpose of these financial instruments is to manage financing for the Company's operations. The Company also holds various other financial assets and liabilities such as accounts receivable and accounts payable, which arise directly from its operations.

The Company also enters into derivative transactions, including interest rate swaps and forward currency contracts. The purpose of these derivative transactions is to mitigate interest rate risk and foreign currency exchange risks arising from the Company's operations and financing activities.

The main risks arising from the Company's financial instruments include cash flow interest rate risk, foreign currency risk, commodity price risk, credit risk, and liquidity risk.

### Cash flow interest rate risk

The Company utilizes interest rate swap agreements to avoid its cash flow interest rate risk on the counter-floating rate of its unsecured domestic bonds issued during the period from May 21 to June 24, 2003. The terms of the interest rate swap agreements are the same as those of the domestic bonds, which are five and seven years. The floating rate is reset annually.

The Company's long-term loans bear floating interest rates. The fluctuation of market interest will result in changes in the Company's future cash flows.

### Foreign currency risk

The Company has foreign currency risk arising from purchases or sales. The Company utilizes spot or forward contracts to avoid foreign currency risk. The notional amounts of the foreign currency contracts are the same as the amount of the hedged items. In principal, the Company does not carry out any forward contracts for uncertain commitments.

### Commodity price risk

The Company's exposure to commodity price risk is minimal.

### Credit risk

The Company only trades with established and creditworthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis, which consequently minimizes the Company's exposure to bad debts.

With respect to credit risk arising from the other financial assets of the Company, it is comprised of cash and cash equivalents, available-for-sale financial assets and certain derivative instruments, the Company's exposure to credit risk arising from the default of counter-parties is limited to the carrying amount of these instruments.

Although the Company trades only with established third parties, it will request collateral to be provided by third parties with less favorable financial positions.

### Liquidity risk

The Company's objective is to maintain a balance of funding continuity and flexibility through the use of financial instruments such as cash and cash equivalents, bank loans and bonds.

## (3) Information of financial instruments

### a. Fair value of financial instruments

Financial Assets	As of March 31,			
	2009		2008	
	Book Value	Fair Value	Book Value	Fair Value
<u>Non-derivative</u>				
Cash and cash equivalents	\$35,905,927	\$35,905,927	\$29,634,661	\$29,634,661
Financial assets at fair value through profit or loss, current	1,122,375	1,122,375	4,180,169	4,180,169
Notes, accounts and other receivable	6,215,557	6,215,557	13,134,747	13,134,747
Available-for-sale financial assets, noncurrent	17,460,755	17,460,755	33,295,218	33,295,218
Financial assets measured at cost, noncurrent	2,541,746	-	2,294,595	-
Long-term investments accounted for under the equity method	33,723,572	27,882,067	36,264,213	31,109,765
Deposits-out	645,889	645,889	639,804	639,804
<u>Derivative</u>				
Interest rate swaps	113,477	113,477	54,137	54,137
Forward contract	6,078	6,078	115,358	115,358

Financial Liability	As of March 31,			
	2009		2008	
	Book Value	Fair Value	Book Value	Fair Value
<u>Non-derivative</u>				
Short-term loans	\$-	\$-	\$456,600	\$456,600
Payables	10,581,571	10,581,571	15,498,504	15,498,504
Bonds payable (current portion included)	7,497,652	7,143,323	17,995,485	17,503,005
Long-term loan	700,000	700,000	-	-
<u>Derivative</u>				
Interest rate swaps	33,189	33,189	224,775	224,775

b. The methods and assumptions used to measure the fair value of financial instruments are as follows :

- i. The book values of short-term financial instruments approximate their fair value due to their short maturities. Short-term financial instruments include cash and cash equivalents, notes and accounts receivable, short-term loans and payables.
- ii. The fair value of financial assets at fair value through profit or loss and available-for-sale financial assets are based on the quoted market prices. If there are restrictions on the sale or transfer of an available-for-sale financial asset, the fair value of the asset will be determined based on similar but unrestricted financial assets quoted market price with appropriate discounts for the restrictions.
- iii. The fair value of long-term investments accounted for under equity method are based on the quoted market prices. If market prices are unavailable, the Company estimates the fair value based on the book values.
- iv. The fair value of financial assets measured at cost and prepayment for long-term investments are unable to be estimated since there is no active market in trading those unlisted investments.
- v. The fair value of deposits-out is based on their book value since the deposit periods are principally within one year and renewed upon maturity.
- vi. The fair value of bonds payable is determined by the market price.
- vii. The fair value of long-term loans is determined using discounted cash flow analysis, based on the Company's current incremental borrowing rates for borrowings with similar types.
- viii. The fair value of derivative financial instruments is based on the amount the Company expects to receive (positive) or to pay (negative) assuming that the contracts are settled in advance at the balance sheet date.

- c. The fair value of the Company's financial instruments is determined by the quoted prices in active markets, or if the market for a financial instrument is not active, the Company establishes fair value by using a valuation technique:

Non-derivative Financial Instruments	Active Market Quotation		Valuation Technique	
	2009.03.31	2008.03.31	2009.03.31	2008.03.31
<b>Financial assets</b>				
Financial assets at fair value through profit or loss, current	\$1,122,375	\$4,180,169	\$-	\$-
Available-for-sale financial assets, noncurrent	17,194,590	32,863,763	266,165	431,455
Long-term investments accounted for under the equity method	1,065,801	1,057,757	26,816,266	30,052,008
<b>Financial liabilities</b>				
Bonds payable (current portion included)	7,143,323	17,503,005	-	-
Long-term loan	-	-	700,000	-
<b>Derivative Financial Instruments</b>				
<b>Financial assets</b>				
Interest rate swaps	-	-	113,477	54,137
Forward contract	-	-	6,078	115,358
<b>Financial liabilities</b>				
Interest rate swaps	-	-	33,189	224,775

- d. For the three-month periods ended March 31, 2009 and 2008, the total changes in fair value estimated by using valuation techniques and recognized in the statement of income during the three-month periods was a loss of NT\$177 million and a gain of NT\$813 million, respectively.
- e. The Company's financial assets with cash flow interest rate risk exposure were NT\$113 million and NT\$54 million as of March 31, 2009 and 2008. The Company's financial liabilities with cash flow interest rate risk exposure were NT\$33 million and NT\$225 million as of March 31, 2009 and 2008, respectively.
- f. During the three-month periods ended March 31, 2009 and 2008, total interest revenues for financial assets or liabilities that are not at fair value through profit or loss were NT\$51 million and NT\$149 million, respectively, while interest expenses for the three-month periods ended March 31, 2009 and 2008 were NT\$23 million and NT\$46 million, respectively.

(4) The Company entered into interest rate swap and forward contracts for hedging the interest rate risk arising from the counter-floating rate of its domestic bonds and for hedging the exchange rate risk arising from the net assets or liabilities denominated in foreign currency. The company entered into these derivative financial instruments in connection with its hedging strategy to reduce the market risk of the hedged items, and these financial instruments were not held for trading purpose. The relevant information on the derivative financial instruments entered into by the Company is as follows:

a. The Company utilized interest rate swap agreements to hedge its interest rate risks on the counter-floating rate of its unsecured domestic bonds issued during the period from May 21 to June 24, 2003. The terms of the interest rate swap agreements are the same as those of the domestic bonds, which are five and seven years. The floating rate is reset annually. The details of interest rate swap agreements are summarized as follows:

As of March 31, 2009 and 2008, the Company had the following interest rate swap agreements outstanding:

As of March 31, 2009

<u>Notional Amount</u>	<u>Contract Period</u>	<u>Interest Rate Received</u>	<u>Interest Rate Paid</u>
NT\$7,500 million	May 21, 2003 to June 24, 2010	4.3% minus USD 12-Month LIBOR	1.48%

As of March 31, 2008

<u>Notional Amount</u>	<u>Contract Period</u>	<u>Interest Rate Received</u>	<u>Interest Rate Paid</u>
NT\$7,500 million	May 21, 2003 to June 24, 2008	4.0% minus USD 12-Month LIBOR	1.52%
NT\$7,500 million	May 21, 2003 to June 24, 2010	4.3% minus USD 12-Month LIBOR	1.48%

b. The details of forward contracts entered into by the Company are summarized as follows:

As of March 31, 2009

<u>Type</u>	<u>Notional Amount</u>	<u>Contract Period</u>
Forward contracts	Sell USD 74 million	March 9, 2009 to May 12, 2009

As of March 31, 2008

<u>Type</u>	<u>Notional Amount</u>	<u>Contract Period</u>
Forward contracts	Sell USD 348 million	February 21, 2008 to May 6, 2008

c. Transaction risk

(a) Credit risk

There is no significant credit risk exposure with respect to the above transactions as the counter-parties are reputable financial institutions with good global standing.

(b) Liquidity and cash flow risk

The cash flow requirements on the interest rate swap agreements are limited to the net interest payables or receivables arising from the differences in the swap rates. The cash flow requirements on forward contracts are limited to the forward contract's principal amount, which is the same as the underlying net assets or liabilities denominated in their foreign currencies at the settlement date. Therefore, no significant cash flow risk is anticipated since the working capital is sufficient to meet the cash flow requirements.

(c) Market risk

Interest rate swap agreements and forward contracts are intended for hedging purposes. Gains or losses arising from the fluctuations in interest rates and exchange rates are likely to be offset against the gains or losses from the hedged items. As a result, no significant exposure to market risk is anticipated.

d. The presentation of derivative financial instruments in the financial statements is summarized as follows:

As of March 31, 2009 and 2008, the Company's interest rate swap agreements were classified as financial assets at fair value through profit or loss amounted to NT\$113 million and NT\$54 million; as of March 31, 2009 and 2008, the Company's interest rate swap agreements were classified as financial liabilities at fair value through profit or loss amounted to NT\$33 million and NT\$225 million respectively. Related valuation loss of NT\$73 million and gain of NT\$148 million were recorded under non-operating expense and revenue for the three-month periods ended March 31, 2009 and 2008, respectively.

As of March 31, 2009 and 2008, the forward contracts were classified as current assets amounted to the NT\$6 million and NT\$115 million, respectively, and the changes in the valuation loss of NT\$177 million and valuation gain of NT\$665 million were recorded under non-operating expense and revenue for the three-month periods ended March 31, 2009 and 2008, respectively.

## 11. ADDITIONAL DISCLOSURES

- (1) The following are additional disclosures for the Company and its affiliates as required by the R.O.C Securities and Futures Bureau:

- a. Financing provided to others for the three-month period ended March 31, 2009: Please refer to Attachment 1.
- b. Endorsement/Guarantee provided to others for the three-month period ended March 31, 2009: Please refer to Attachment 2.
- c. Securities held as of March 31, 2009: Please refer to Attachment 3.
- d. Individual securities acquired or disposed of with accumulated amount exceeding the lower of NT\$100 million or 20 percent of the capital stock for the three-month period ended March 31, 2009: Please refer to Attachment 4.
- e. Acquisition of individual real estate with amount exceeding the lower of NT\$100 million or 20 percent of the capital stock for the three-month period ended March 31, 2009: Please refer to Attachment 5.
- f. Disposal of individual real estate with amount exceeding the lower of NT\$100 million or 20 percent of the capital stock for the three-month period ended March 31, 2009: Please refer to Attachment 6.
- g. Related party transactions for purchases and sales amounts exceeding the lower of NT\$100 million or 20 percent of the capital stock for the three-month period ended March 31, 2009: Please refer to Attachment 7.
- h. Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20 percent of the capital stock as of March 31, 2009: Please refer to Attachment 8.
- i. Names, locations and related information of investees as of March 31, 2009: Please refer to Attachment 9.
- j. Financial instruments and derivative transactions: Please refer to Note 10.

(2) Investment in Mainland China

- a. Investee company name, main businesses and products, total amount of capital, method of investment, accumulated inflow and outflow of investments from Taiwan, percentage of ownership, investment income (loss), book value of investments, cumulated inward remittance of earnings and limits on investment in Mainland China: Please refer to Attachment 10.
- b. Directly or indirectly significant transactions through third regions with the investees in Mainland China, including price, payment terms, unrealized gain or loss, and other events with significant effects on the operating results and financial condition: None.

ATTACHMENT 1 (Financing provided to others for the three-month period ended March 31, 2009)  
 (Amount in thousand; Currency denomination in NTD unless otherwise specified)

**UNITED MICROELECTRONICS CORPORATION**

No.	Lender	Counter-party	Financial statement account	Maximum balance for the period	Ending balance	Interest rate	Nature of financing	Amount of sales to (purchases from) counter-party	Reason for financing	Allowance for doubtful accounts	Collateral		Limit of financing amount for individual counter-party	Limit of total financing amount
											Item	Value		

None

ATTACHMENT 2 (Endorsement/Guarantee provided to others for the three-month period ended March 31, 2009)

(Amount in thousand; Currency denomination in NTD unless otherwise specified)

**UNITED MICROELECTRONICS CORPORATION**

No.	Endorsor/Guarantor	Receiving party		Limit of guarantee/endorsement amount for receiving party	Maximum balance for the period	Ending balance	Amount of collateral guarantee/endorsement	Percentage of accumulated guarantee amount to net assets value from the latest financial statement	Limit of total guarantee/endorsement amount
		Company name	Relationship						

None

## ATTACHMENT 3 (Securities held as of March 31, 2009)

(Amount in thousand; Currency denomination in NTD unless otherwise specified)

**UNITED MICROELECTRONICS CORPORATION**

Type of securities	Name of securities	Relationship	Financial statement account	March 31, 2009				Shares as collateral (thousand)
				Units (thousand)/ bonds/ shares (thousand)	Book value	Percentage of ownership (%)	Market value/ Net assets value	
Bonds	CATHAY FINANCIAL HOLDING CO., LTD.	-	Financial assets at fair value through profit or loss, current	190	\$193,456	-	\$193,456	None
Stock	PROMOS TECHNOLOGIES INC.	-	Financial assets at fair value through profit or loss, current	471,400	622,248	6.47	622,248	None
Stock	ACTION ELECTRONICS CO., LTD.	-	Financial assets at fair value through profit or loss, current	17,087	111,919	5.09	111,919	None
Stock	MICRONAS SEMICONDUCTOR HOLDING AG	-	Financial assets at fair value through profit or loss, current	280	25,449	0.94	25,449	None
Stock	CHINA DEVELOPMENT FINANCIAL HOLDING CORP.	-	Financial assets at fair value through profit or loss, current	19,418	130,877	0.17	130,877	None
Stock	YANG MING MARINE TRANSPORT CORP.	-	Financial assets at fair value through profit or loss, current	3,608	38,426	0.14	38,426	None
Stock	UMC GROUP (USA)	Investee company	Long-term investments accounted for under the equity method	16,438	1,295,201	100.00	1,295,201	None
Stock	UNITED MICROELECTRONICS (EUROPE) B.V.	Investee company	Long-term investments accounted for under the equity method	9	333,255	100.00	325,641	None
Stock	UMC CAPITAL CORP.	Investee company	Long-term investments accounted for under the equity method	124,000	3,774,912	100.00	3,774,912	None
Stock	UNITED MICROELECTRONICS CORP. (SAMOA)	Investee company	Long-term investments accounted for under the equity method	680	4,877	100.00	4,877	None
Stock	UMCI LTD.	Investee company	Long-term investments accounted for under the equity method	880,006	208	100.00	208	None
Stock	TLC CAPITAL CO., LTD.	Investee company	Long-term investments accounted for under the equity method	687,800	5,340,279	100.00	5,340,279	None
Stock	FORTUNE VENTURE CAPITAL CORP.	Investee company	Long-term investments accounted for under the equity method	535,794	8,136,960	99.99	8,453,628	None
Stock	UNITED MICRODISPLAY OPTRONICS CORP.	Investee company	Long-term investments accounted for under the equity method	26,755	71,970	89.99	71,970	None
Stock	UMC JAPAN	Investee company	Long-term investments accounted for under the equity method	496	7,000,815	52.74	1,065,801	None
Stock	PACIFIC VENTURE CAPITAL CO., LTD.	Investee company	Long-term investments accounted for under the equity method	30,000	7,379	49.99	13,421	None
Stock	MTIC HOLDINGS PTE LTD.	Investee company	Long-term investments accounted for under the equity method	12,000	258,123	46.49	258,123	None
Fund	MEGA MISSION LIMITED PARTNERSHIP	Investee company	Long-term investments accounted for under the equity method	-	1,441,804	45.00	1,441,804	None
Stock	UNITECH CAPITAL INC.	Investee company	Long-term investments accounted for under the equity method	21,000	621,668	42.00	621,668	None
Stock	HSUN CHIEH INVESTMENT CO., LTD.	Investee company	Long-term investments accounted for under the equity method	65,231	2,117,798	36.49	1,976,221	None

## ATTACHMENT 3 (Securities held as of March 31, 2009)

(Amount in thousand; Currency denomination in NTD unless otherwise specified)

**UNITED MICROELECTRONICS CORPORATION**

Type of securities	Name of securities	Relationship	Financial statement account	March 31, 2009				Shares as collateral (thousand)
				Units (thousand)/ bonds/ shares (thousand)	Book value	Percentage of ownership (%)	Market value/ Net assets value	
Stock	NEXPOWER TECHNOLOGY CORP.	Investee company	Long-term investments accounted for under the equity method	107,283	\$2,661,603	35.76	\$2,575,353	None
Stock	POWER LIGHT TECH CO., LTD.	Investee company	Long-term investments accounted for under the equity method	6,315	61,159	31.58	40,358	None
Stock	UNIMICRON HOLDING LIMITED	Investee company	Long-term investments accounted for under the equity method	20,000	562,427	25.25	564,811	None
Stock	XGI TECHNOLOGY INC.	Investee company	Long-term investments accounted for under the equity method	3,307	30,351	14.47	30,351	None
Stock	AMIC TECHNOLOGY CORP.	Investee company	Long-term investments accounted for under the equity method	5,627	2,783	11.18	27,440	None
Stock	UNIMICRON TECHNOLOGY CORP.	-	Available-for-sale financial assets, noncurrent	208,478	4,211,256	19.08	4,211,256	None
Stock	UNITED FU SHEN CHEN TECHNOLOGY CORP.	-	Available-for-sale financial assets, noncurrent	18,460	101,162	16.60	101,162	None
Stock	HOLTEK SEMICONDUCTOR INC.	-	Available-for-sale financial assets, noncurrent	36,170	1,034,464	16.37	1,034,464	None
Stock	SILICON INTEGRATED SYSTEMS CORP.	The Company's director	Available-for-sale financial assets, noncurrent	228,956	1,648,482	16.34	1,648,482	None
Stock	FARADAY TECHNOLOGY CORP.	-	Available-for-sale financial assets, noncurrent	57,280	2,540,374	15.94	2,540,374	None
Stock	NOVATEK MICROELECTRONICS CORP.	-	Available-for-sale financial assets, noncurrent	61,857	3,179,431	10.56	3,179,431	None
Stock	ITE TECH. INC.	-	Available-for-sale financial assets, noncurrent	19,347	957,683	9.64	957,683	None
Stock	CHIPBOND TECHNOLOGY CORP.	-	Available-for-sale financial assets, noncurrent	12,870	164,736	4.12	164,736	None
Stock	SPRINGSOFT, INC.	-	Available-for-sale financial assets, noncurrent	8,658	165,799	4.10	165,799	None
Stock	EPISTAR CORP.	-	Available-for-sale financial assets, noncurrent	21,215	1,076,093	3.35	1,076,093	None
Stock	KING YUAN ELECTRONICS CO., LTD.	-	Available-for-sale financial assets, noncurrent	40,427	404,266	3.22	404,266	None
Stock	BILLIONTON SYSTEMS INC.	-	Available-for-sale financial assets, noncurrent	2,048	8,457	2.69	8,457	None
Stock	C-COM CORP.	-	Available-for-sale financial assets, noncurrent	567	5,616	1.96	5,616	None
Stock	TOPOINT TECHNOLOGY CO., LTD.	-	Available-for-sale financial assets, noncurrent	1,040	20,648	0.97	20,648	None
Stock	MEGA FINANCIAL HOLDING COMPANY	-	Available-for-sale financial assets, noncurrent	95,577	1,161,258	0.86	1,161,258	None

## ATTACHMENT 3 (Securities held as of March 31, 2009)

(Amount in thousand; Currency denomination in NTD unless otherwise specified)

**UNITED MICROELECTRONICS CORPORATION**

Type of securities	Name of securities	Relationship	Financial statement account	March 31, 2009				Shares as collateral (thousand)
				Units (thousand)/ bonds/ shares (thousand)	Book value	Percentage of ownership (%)	Market value/ Net assets value	
Stock	MEDIATEK INC.	-	Available-for-sale financial assets, noncurrent	1,997	\$636,967	0.19	\$636,967	None
Stock	HON HAI PRECISION INDUSTRY CO., LTD.	-	Available-for-sale financial assets, noncurrent	1,458	111,858	0.02	111,858	None
Fund	VIETNAM INFRASTRUCTURE LTD.	-	Available-for-sale financial assets, noncurrent	5,000	32,205	-	32,205	None
Stock	PIXTECH, INC.	-	Financial assets measured at cost, noncurrent	9,883	-	17.63	Note	None
Stock	ASIA PACIFIC MICROSYSTEMS, INC.	-	Financial assets measured at cost, noncurrent	20,000	200,000	13.61	Note	None
Stock	UNITED INDUSTRIAL GASES CO., LTD.	-	Financial assets measured at cost, noncurrent	13,185	146,250	7.66	Note	None
Stock	INDUSTRIAL BANK OF TAIWAN CORP.	-	Financial assets measured at cost, noncurrent	118,303	1,139,196	4.95	Note	None
Stock	SUBTRON TECHNOLOGY CO., LTD.	-	Financial assets measured at cost, noncurrent	13,912	208,746	4.26	Note	None
Stock	TECO NANOTECH CO. LTD.	-	Financial assets measured at cost, noncurrent	9,001	-	3.73	Note	None
Stock	EMIVEST AEROSPACE CORP. (SINO SWEARINGEN AIRCRAFT CORP.)	-	Financial assets measured at cost, noncurrent	1,124	-	1.50	Note	None
Stock	TAIWAN AEROSPACE CORP.	-	Financial assets measured at cost, noncurrent	234	-	0.17	Note	None
Fund	PACIFIC TECHNOLOGY PARTNERS, L.P.	-	Financial assets measured at cost, noncurrent	-	164,587	-	N/A	None
Fund	PACIFIC UNITED TECHNOLOGY, L.P.	-	Financial assets measured at cost, noncurrent	-	119,397	-	N/A	None
Stock-Preferred stock	TAIWAN HIGH SPEED RAIL CORP.	-	Financial assets measured at cost, noncurrent	30,000	300,000	-	N/A	None
Stock-Preferred stock	MTIC HOLDINGS PTE LTD.	-	Financial assets measured at cost, noncurrent	12,000	263,460	-	N/A	None
Stock-Preferred stock	TONBU, INC.	-	Financial assets measured at cost, noncurrent	938	-	-	N/A	None
Stock-Preferred stock	AETAS TECHNOLOGY INC.	-	Financial assets measured at cost, noncurrent	1,166	-	-	N/A	None
Stock-Preferred stock	TASHEE GOLF & COUNTRY CLUB	-	Financial assets measured at cost, noncurrent	0	110	-	N/A	None

Note : The net assets values for unlisted investees classified as "Financial assets measured at cost, noncurrent" were not available as of March 31, 2009.

## ATTACHMENT 3 (Securities held as of March 31, 2009)

(Amount in thousand; Currency denomination in NTD unless otherwise specified)

**FORTUNE VENTURE CAPITAL CORP.**

Type of securities	Name of securities	Relationship	Financial statement account	March 31, 2009				Shares as collateral (thousand)
				Units (thousand)/ bonds/ shares (thousand)	Book value	Percentage of ownership (%)	Market value/ Net assets value	
Stock	UNITRUTH INVESTMENT CORP.	Investee company	Long-term investments accounted for under the equity method	98,800	\$1,271,121	100.00	\$1,271,121	None
Stock	UWAVE TECHNOLOGY CORP.	Investee company	Long-term investments accounted for under the equity method	10,186	-	44.29	-	None
Stock-Preferred stock	AEVOE INTERNATIONAL LTD.	Investee company	Long-term investments accounted for under the equity method	4,155	26,840	43.92	26,840	None
Stock	WALTOP INTERNATIONAL CORP.	Investee company	Long-term investments accounted for under the equity method	6,000	130,995	26.02	79,983	None
Stock	ANOTO TAIWAN CORP.	Investee company	Long-term investments accounted for under the equity method	1,568	10,757	24.12	10,757	None
Stock	CRYSTAL MEDIA INC.	Investee company	Long-term investments accounted for under the equity method	4,493	29,421	24.09	29,421	None
Stock	ALLIANCE OPTOTEK CORP.	Investee company	Long-term investments accounted for under the equity method	5,789	39,564	20.15	32,128	None
Stock	HIGH POWER LIGHTING CORP.	Investee company	Long-term investments accounted for under the equity method	4,525	36,537	16.95	27,305	None
Stock	MOBILE DEVICES INC.	Investee company	Long-term investments accounted for under the equity method	6,853	33,878	16.74	30,244	None
Stock	AMIC TECHNOLOGY CORP.	Investee of UMC and Fortune	Long-term investments accounted for under the equity method	7,410	36,039	14.69	36,039	None
Stock	XGI TECHNOLOGY INC.	Investee of UMC and Fortune	Long-term investments accounted for under the equity method	2,162	18,135	9.46	19,842	None
Stock	NEXPOWER TECHNOLOGY CORP.	Investee of UMC and Fortune	Long-term investments accounted for under the equity method	9,900	296,102	3.30	237,652	None
Stock	DAVICOM SEMICONDUCTOR, INC.	-	Available-for-sale financial assets, noncurrent	11,621	250,428	14.65	250,428	None
Stock	PIXART IMAGING, INC.	-	Available-for-sale financial assets, noncurrent	14,262	2,203,529	11.43	2,203,529	None
Stock	ITE TECH. INC.	-	Available-for-sale financial assets, noncurrent	11,524	570,420	5.74	570,420	None
Stock	TOPOINT TECHNOLOGY CO., LTD.	-	Available-for-sale financial assets, noncurrent	1,893	37,576	1.77	37,576	None
Stock	GIGA SOLUTION TECH. CO., LTD.	-	Available-for-sale financial assets, noncurrent	1,042	14,322	0.95	14,322	None
Stock	EPISTAR CORP.	-	Available-for-sale financial assets, noncurrent	4,778	243,693	0.75	243,693	None
Stock	POWERTECH INDUSTRIAL CO., LTD.	-	Available-for-sale financial assets, noncurrent	625	9,751	0.56	9,751	None
Stock	UNITED MICROELECTRONICS CORP.	Investor company	Available-for-sale financial assets, noncurrent	16,079	178,474	0.12	178,474	None

## ATTACHMENT 3 (Securities held as of March 31, 2009)

(Amount in thousand; Currency denomination in NTD unless otherwise specified)

**FORTUNE VENTURE CAPITAL CORP.**

Type of securities	Name of securities	Relationship	Financial statement account	March 31, 2009				Shares as collateral (thousand)
				Units (thousand)/ bonds/ shares (thousand)	Book value	Percentage of ownership (%)	Market value/ Net assets value	
Stock	CLIENTRON CORP.	-	Financial assets measured at cost, noncurrent	17,675	\$176,797	19.64	Note	None
Stock	STAR SEMICONDUCTOR CORP.	-	Financial assets measured at cost, noncurrent	3,837	-	16.63	Note	None
Stock	KUN YUAN TECHNOLOGY CO., LTD.	-	Financial assets measured at cost, noncurrent	9,409	94,095	15.68	Note	None
Stock	AWISE FIBER TECH.CO.,LTD.	-	Financial assets measured at cost, noncurrent	1,200	15,192	11.42	Note	None
Stock	CION TECHNOLOGY CORP.	-	Financial assets measured at cost, noncurrent	2,268	-	11.08	Note	None
Stock	VASTVIEW TECHNOLOGY INC.	-	Financial assets measured at cost, noncurrent	3,864	11,458	11.04	Note	None
Stock	UWIZ TECHNOLOGY CO., LTD.	-	Financial assets measured at cost, noncurrent	4,530	50,553	10.79	Note	None
Stock	GOLDEN TECHNOLOGY VENTURE CAPITAL INVESTMENT CORP.	-	Financial assets measured at cost, noncurrent	3,599	34,866	10.67	Note	None
Stock	EXOJET TECHNOLOGY CORP.	-	Financial assets measured at cost, noncurrent	2,300	23,000	10.57	Note	None
Stock	EVERGLORY RESOURCE TECHNOLOGY CO., LTD.	-	Financial assets measured at cost, noncurrent	2,500	21,875	10.23	Note	None
Stock	NCTU SPRING I TECHNOLOGY VENTURE CAPITAL INVESTMENT CORP.	-	Financial assets measured at cost, noncurrent	3,856	22,876	10.06	Note	None
Stock	ADVANCE MATERIALS CORP.	-	Financial assets measured at cost, noncurrent	11,910	109,898	9.79	Note	None
Stock	YAYATECH CO., LTD.	-	Financial assets measured at cost, noncurrent	1,466	42,180	9.63	Note	None
Stock	EE SOLUTIONS, INC.	-	Financial assets measured at cost, noncurrent	2,782	33,335	9.60	Note	None
Stock	OCULON OPTOELECTRONICS INC.	-	Financial assets measured at cost, noncurrent	1,100	17,600	9.49	Note	None
Stock	CHANG-YU TECHNOLOGY CO., LTD.	-	Financial assets measured at cost, noncurrent	2,153	54,325	9.43	Note	None
Stock	COTECH, INC.	-	Financial assets measured at cost, noncurrent	750	30,289	9.38	Note	None
Stock	BCOM ELECTRONICS INC.	-	Financial assets measured at cost, noncurrent	3,600	43,200	9.00	Note	None
Stock	EXCELLENCE OPTOELECTRONICS INC.	-	Financial assets measured at cost, noncurrent	8,529	85,291	8.63	Note	None

## ATTACHMENT 3 (Securities held as of March 31, 2009)

(Amount in thousand; Currency denomination in NTD unless otherwise specified)

**FORTUNE VENTURE CAPITAL CORP.**

Type of securities	Name of securities	Relationship	Financial statement account	March 31, 2009				Shares as collateral (thousand)
				Units (thousand)/ bonds/ shares (thousand)	Book value	Percentage of ownership (%)	Market value/ Net assets value	
Stock	AMOD TECHNOLOGY CO., LTD.	-	Financial assets measured at cost, noncurrent	1,060	\$10,421	8.15	Note	None
Stock	CHINGIS TECHNOLOGY CORP.	-	Financial assets measured at cost, noncurrent	4,198	37,156	7.80	Note	None
Stock	ANDES TECHNOLOGY CORP.	-	Financial assets measured at cost, noncurrent	5,000	62,500	7.76	Note	None
Stock	PRINCEDOM PRECISION CORP. (formerly ALLEN PRECISION INDUSTRIES CO., LTD.)	-	Financial assets measured at cost, noncurrent	1,571	20,102	7.19	Note	None
Stock	SHIN-ETSU HANDOTAI TAIWAN CO., LTD.	-	Financial assets measured at cost, noncurrent	10,500	105,000	7.00	Note	None
Stock	HITOP COMMUNICATIONS CORP.	-	Financial assets measured at cost, noncurrent	752	15,673	6.96	Note	None
Stock	RISELINK VENTURE CAPITAL CORP.	-	Financial assets measured at cost, noncurrent	8,000	76,640	6.67	Note	None
Stock	ACTI CORP.	-	Financial assets measured at cost, noncurrent	1,700	17,306	6.63	Note	None
Stock	NCTU SPRING VENTURE CAPITAL CO., LTD.	-	Financial assets measured at cost, noncurrent	2,000	7,000	6.28	Note	None
Stock	BEYOND INNOVATION TECHNOLOGY CO., LTD.	-	Financial assets measured at cost, noncurrent	1,859	33,377	5.51	Note	None
Stock	COSMOS TECHNOLOGY VENTURE CAPITAL INVESTMENT CORP.	-	Financial assets measured at cost, noncurrent	1,371	5,031	5.03	Note	None
Stock	PARAWIN VENTURE CAPITAL CORP.	-	Financial assets measured at cost, noncurrent	5,000	41,900	5.00	Note	None
Stock	PRIMESENSOR TECHNOLOGY INC.	-	Financial assets measured at cost, noncurrent	750	7,500	5.00	Note	None
Stock	EUTECH MICROELECTRONICS INC.	-	Financial assets measured at cost, noncurrent	1,700	59,500	4.95	Note	None
Stock	LUMITEK CORP.	-	Financial assets measured at cost, noncurrent	1,750	32,000	4.86	Note	None
Stock	TRENDCHIP TECHNOLOGIES CORP.	-	Financial assets measured at cost, noncurrent	1,244	14,736	3.95	Note	None
Stock	IBT VENTURE CORP.	-	Financial assets measured at cost, noncurrent	3,426	34,264	3.81	Note	None
Stock	SUBTRON TECHNOLOGY CO., LTD.	-	Financial assets measured at cost, noncurrent	11,254	131,806	3.45	Note	None
Stock	ANIMATION TECHNOLOGIES INC.	-	Financial assets measured at cost, noncurrent	1,480	-	3.16	Note	None
Stock	JMICRON TECHNOLOGY CORP.	-	Financial assets measured at cost, noncurrent	1,604	21,878	3.08	Note	None

## ATTACHMENT 3 (Securities held as of March 31, 2009)

(Amount in thousand; Currency denomination in NTD unless otherwise specified)

**FORTUNE VENTURE CAPITAL CORP.**

Type of securities	Name of securities	Relationship	Financial statement account	March 31, 2009				Shares as collateral (thousand)
				Units (thousand)/ bonds/ shares (thousand)	Book value	Percentage of ownership (%)	Market value/ Net assets value	
Stock	SUPERALLOY INDUSTRIAL CO., LTD.	-	Financial assets measured at cost, noncurrent	5,497	\$92,352	3.06	Note	None
Stock	MEMOCOM CORP.	-	Financial assets measured at cost, noncurrent	1,225	8,195	3.02	Note	None
Stock	SHENG-HUA VENTURE CAPITAL CORP.	-	Financial assets measured at cost, noncurrent	750	4,950	2.50	Note	None
Stock	UNIDISPLAY INC.	-	Financial assets measured at cost, noncurrent	3,000	30,000	2.31	Note	None
Stock	EGIS TECHNOLOGY INC. (Merged LIGHTUNING TECH. INC.)	-	Financial assets measured at cost, noncurrent	1,134	16,663	2.28	Note	None
Stock	HIGH POWER OPTOELECTRONICS, INC.	-	Financial assets measured at cost, noncurrent	1,500	15,000	1.81	Note	None
Stock	TAIMIDE TECH., INC.	-	Financial assets measured at cost, noncurrent	1,500	16,095	1.66	Note	None
Stock	INPAQ TECHNOLOGY CO., LTD.	-	Financial assets measured at cost, noncurrent	1,577	19,554	1.60	Note	None
Fund	CRYSTAL INTERNET VENTURE FUND II(BVI), L.P.	-	Financial assets measured at cost, noncurrent	-	9,124	1.09	N/A	None
Stock	FIRST INTERNATIONAL TELECOM CORP.	-	Financial assets measured at cost, noncurrent	4,610	-	1.02	Note	None
Stock	ADVANCED CHIP ENGINEERING TECHNOLOGY INC.	-	Financial assets measured at cost, noncurrent	2,290	-	1.02	Note	None
Stock	ASIA PACIFIC MICROSYSTEMS, INC.	-	Financial assets measured at cost, noncurrent	639	5,356	0.43	Note	None
Stock	WAVEPLUS TECHNOLOGY CO., LTD.	-	Financial assets measured at cost, noncurrent	12	-	0.38	Note	None
Stock	PRINTECH INTERNATIONAL INC.	-	Financial assets measured at cost, noncurrent	24	-	0.34	Note	None
Fund	IGLOBE PARTNERS FUND, L.P.	-	Financial assets measured at cost, noncurrent	-	37,351	-	N/A	None
Stock-Preferred stock	AURORA SYSTEMS, INC.	-	Financial assets measured at cost, noncurrent	5,133	59,317	-	N/A	None
Stock-Preferred stock	ALPHA & OMEGA SEMICONDUCTOR LTD.	-	Financial assets measured at cost, noncurrent	1,500	46,313	-	N/A	None
Stock	COTECH, INC.	-	Prepayment for long-term investments	172	2,580	-	N/A	None

Note : The net assets values for unlisted investees classified as "Financial assets measured at cost, noncurrent" were not available as of March 31, 2009.

## ATTACHMENT 3 (Securities held as of March 31, 2009)

(Amount in thousand; Currency denomination in NTD unless otherwise specified)

**TLC CAPITAL CO., LTD.**

Type of securities	Name of securities	Relationship	Financial statement account	March 31, 2009				Shares as collateral (thousand)
				Units (thousand)/ bonds/ shares (thousand)	Book value	Percentage of ownership (%)	Market value/ Net assets value	
Convertible bonds	CAREER TECHNOLOGY (MFG.) CO., LTD.	-	Financial assets at fair value through profit or loss, noncurrent	70	\$6,755	-	\$6,755	None
Stock	SOARING CAPITAL CORP.	Investee company	Long-term investments accounted for under the equity method	900	24,752	100.00	24,752	None
Stock	YUNG LI INVESTMENTS, INC.	Investee company	Long-term investments accounted for under the equity method	0.28	256,841	45.16	256,841	None
Fund	CTC CAPITAL PARTNERS I, L.P.	Investee company	Long-term investments accounted for under the equity method	-	152,656	31.40	152,656	None
Stock	NEXPOWER TECHNOLOGY CORP.	Investee of UMC and TLC	Long-term investments accounted for under the equity method	5,400	160,730	1.80	129,628	None
Stock	RECHI PRECISION CO., LTD.	-	Available-for-sale financial assets, noncurrent	18,632	111,791	4.86	111,791	None
Stock	TOPOINT TECHNOLOGY CO., LTD.	-	Available-for-sale financial assets, noncurrent	5,185	102,927	4.84	102,927	None
Stock	SERCOMM CORP.	-	Available-for-sale financial assets, noncurrent	6,679	105,535	3.91	105,535	None
Stock	SIMPLO TECHNOLOGY CO., LTD.	-	Available-for-sale financial assets, noncurrent	6,050	535,425	2.90	535,425	None
Stock	EPISTAR CORP.	-	Available-for-sale financial assets, noncurrent	10,358	528,239	1.64	528,239	None
Stock	ITE TECH. INC.	-	Available-for-sale financial assets, noncurrent	2,357	116,666	1.17	116,666	None
Stock	MITAC TECHNOLOGY CORP.	-	Available-for-sale financial assets, noncurrent	6,000	86,700	1.12	86,700	None
Stock	AVERMEDIA TECHNOLOGIES, INC.	-	Available-for-sale financial assets, noncurrent	2,106	63,601	0.95	63,601	None
Stock	CORETRONIC CORP.	-	Available-for-sale financial assets, noncurrent	6,250	126,871	0.86	126,871	None
Stock	POWERTECH INDUSTRIAL CO., LTD.	-	Available-for-sale financial assets, noncurrent	900	14,044	0.80	14,044	None
Stock	TAIWAN LIFE INSURANCE CO., LTD.	-	Available-for-sale financial assets, noncurrent	3,960	57,222	0.62	57,222	None
Stock	CYNTEC CO., LTD.	-	Available-for-sale financial assets, noncurrent	503	18,845	0.26	18,845	None
Stock	CHUNGHWA TELECOM CO., LTD.	-	Available-for-sale financial assets, noncurrent	3,447	213,348	0.04	213,348	None

## ATTACHMENT 3 (Securities held as of March 31, 2009)

(Amount in thousand; Currency denomination in NTD unless otherwise specified)

**TLC CAPITAL CO., LTD.**

Type of securities	Name of securities	Relationship	Financial statement account	March 31, 2009				Shares as collateral (thousand)
				Units (thousand)/ bonds/ shares (thousand)	Book value	Percentage of ownership (%)	Market value/ Net assets value	
Stock	UNIDISPLAY INC.	-	Financial assets measured at cost, noncurrent	10,000	\$100,000	7.69	Note	None
Stock	SUPERALLOY INDUSTRIAL CO., LTD.	-	Financial assets measured at cost, noncurrent	11,709	196,710	6.51	Note	None
Stock	ASIA PACIFIC MICROSYSTEMS, INC.	-	Financial assets measured at cost, noncurrent	5,500	55,000	3.74	Note	None
Stock	INPAQ TECHNOLOGY CO., LTD.	-	Financial assets measured at cost, noncurrent	2,628	32,591	2.67	Note	None
Stock	CANDO CORP.	-	Financial assets measured at cost, noncurrent	3,000	30,000	0.43	Note	None
Stock	RALINK TECHNOLOGY CORP.	-	Financial assets measured at cost, noncurrent	77	7,980	0.06	Note	None
Stock-Preferred stock	TOUCH MEDIA INTERNATIONAL HOLDINGS	-	Financial assets measured at cost, noncurrent	4,126	160,355	-	N/A	None
Stock-Preferred stock	KU6 HOLDING LTD.	-	Financial assets measured at cost, noncurrent	26,248	151,696	-	N/A	None

Note : The net assets values for unlisted investees classified as "Financial assets measured at cost, noncurrent" were not available as of March 31, 2009.

**UNITRUTH INVESTMENT CORP.**

Type of securities	Name of securities	Relationship	Financial statement account	March 31, 2009				Shares as collateral (thousand)
				Units (thousand)/ bonds/ shares (thousand)	Book value	Percentage of ownership (%)	Market value/ Net assets value	
Stock	XGI TECHNOLOGY INC.	Investee of UMC and Unitruth	Long-term investments accounted for under the equity method	2,116	\$19,425	9.26	\$19,425	None
Stock	WALTOP INTERNATIONAL CORP.	Investee company	Long-term investments accounted for under the equity method	2,000	43,665	8.67	26,661	None
Stock	CRYSTAL MEDIA INC.	Investee company	Long-term investments accounted for under the equity method	1,587	10,392	8.51	10,392	None
Stock	ALLIANCE OPTOTEK CORP.	Investee company	Long-term investments accounted for under the equity method	2,150	14,695	7.48	11,933	None
Stock	HIGH POWER LIGHTING CORP.	Investee company	Long-term investments accounted for under the equity method	1,425	11,098	5.34	8,599	None
Stock	UWAVE TECHNOLOGY CORP.	Investee company	Long-term investments accounted for under the equity method	1,000	-	4.35	-	None

## ATTACHMENT 3 (Securities held as of March 31, 2009)

(Amount in thousand; Currency denomination in NTD unless otherwise specified)

**UNITRUTH INVESTMENT CORP.**

Type of securities	Name of securities	Relationship	Financial statement account	March 31, 2009				Shares as collateral (thousand)
				Units (thousand)/ bonds/ shares (thousand)	Book value	Percentage of ownership (%)	Market value/ Net assets value	
Stock	MOBILE DEVICES INC.	Investee company	Long-term investments accounted for under the equity method	1,700	\$7,503	4.15	\$7,503	None
Stock	NEXPOWER TECHNOLOGY CORP.	Investee of UMC and Unitruth	Long-term investments accounted for under the equity method	3,600	107,690	1.20	86,419	None
Stock	ITE TECH. INC.	-	Available-for-sale financial assets, noncurrent	2,639	130,636	1.32	130,636	None
Stock	GIGA SOLUTION TECH. CO., LTD.	-	Available-for-sale financial assets, noncurrent	1,222	16,800	1.11	16,800	None
Stock	TOPOINT TECHNOLOGY CO., LTD.	-	Available-for-sale financial assets, noncurrent	1,040	20,648	0.97	20,648	None
Stock	POWERTECH INDUSTRIAL CO., LTD.	-	Available-for-sale financial assets, noncurrent	729	11,376	0.65	11,376	None
Stock	EE SOLUTIONS, INC.	-	Financial assets measured at cost, noncurrent	2,782	25,935	9.60	Note	None
Stock	COTECH, INC.	-	Financial assets measured at cost, noncurrent	738	29,804	9.23	Note	None
Stock	AWISE FIBER TECH.CO.,LTD.	-	Financial assets measured at cost, noncurrent	860	10,888	8.18	Note	None
Stock	UWIZ TECHNOLOGY CO., LTD.	-	Financial assets measured at cost, noncurrent	3,410	39,593	8.12	Note	None
Stock	OCULON OPTOELECTRONICS INC.	-	Financial assets measured at cost, noncurrent	900	14,400	7.77	Note	None
Stock	AMOD TECHNOLOGY CO., LTD.	-	Financial assets measured at cost, noncurrent	930	7,920	7.15	Note	None
Stock	YAYATECH CO., LTD.	-	Financial assets measured at cost, noncurrent	1,037	40,415	6.82	Note	None
Stock	EXCELLENCE OPTOELECTRONICS INC.	-	Financial assets measured at cost, noncurrent	6,374	63,739	6.45	Note	None
Stock	VASTVIEW TECHNOLOGY INC.	-	Financial assets measured at cost, noncurrent	2,010	25,850	5.74	Note	None
Stock	ADVANCE MATERIALS CORP.	-	Financial assets measured at cost, noncurrent	6,039	62,427	4.97	Note	None
Stock	EVERGLORY RESOURCE TECHNOLOGY CO., LTD.	-	Financial assets measured at cost, noncurrent	1,200	10,500	4.91	Note	None
Stock	CHINGIS TECHNOLOGY CORP.	-	Financial assets measured at cost, noncurrent	2,518	31,218	4.68	Note	None
Stock	EXOJET TECHNOLOGY CORP.	-	Financial assets measured at cost, noncurrent	850	8,500	3.91	Note	None
Stock	BCOM ELECTRONICS INC.	-	Financial assets measured at cost, noncurrent	1,495	17,941	3.74	Note	None

## ATTACHMENT 3 (Securities held as of March 31, 2009)

(Amount in thousand; Currency denomination in NTD unless otherwise specified)

**UNITRUTH INVESTMENT CORP.**

Type of securities	Name of securities	Relationship	Financial statement account	March 31, 2009				Shares as collateral (thousand)
				Units (thousand)/ bonds/ shares (thousand)	Book value	Percentage of ownership (%)	Market value/ Net assets value	
Stock	TRENDCHIP TECHNOLOGIES CORP.	-	Financial assets measured at cost, noncurrent	1,160	\$13,747	3.68	Note	None
Stock	ACTI CORP.	-	Financial assets measured at cost, noncurrent	740	11,100	2.89	Note	None
Stock	LUMITEK CORP.	-	Financial assets measured at cost, noncurrent	750	13,714	2.08	Note	None
Stock	EGIS TECHNOLOGY INC. (Merged LIGHTUNING TECH. INC.)	-	Financial assets measured at cost, noncurrent	1,016	27,355	2.05	Note	None
Stock	MEMOCOM CORP.	-	Financial assets measured at cost, noncurrent	695	4,650	1.72	Note	None
Stock	UNIDISPLAY INC.	-	Financial assets measured at cost, noncurrent	2,000	20,000	1.54	Note	None
Stock	CHANG-YU TECHNOLOGY CO., LTD.	-	Financial assets measured at cost, noncurrent	315	7,950	1.38	Note	None
Stock	STAR SEMICONDUCTOR CORP.	-	Financial assets measured at cost, noncurrent	260	-	1.13	Note	None
Stock	SUPERALLOY INDUSTRIAL CO., LTD.	-	Financial assets measured at cost, noncurrent	1,759	29,552	0.98	Note	None
Stock	JMICRON TECHNOLOGY CORP.	-	Financial assets measured at cost, noncurrent	462	2,310	0.89	Note	None
Stock	HIGH POWER OPTOELECTRONICS, INC.	-	Financial assets measured at cost, noncurrent	500	5,000	0.60	Note	None
Stock	PRINTECH INTERNATIONAL INC.	-	Financial assets measured at cost, noncurrent	24	-	0.34	Note	None
Stock	ASIA PACIFIC MICROSYSTEMS, INC.	-	Financial assets measured at cost, noncurrent	332	2,785	0.23	Note	None
Stock-Preferred stock	PRINCEDOM PRECISION CORP. (formerly ALLEN PRECISION INDUSTRIES CO., LTD.)	-	Financial assets measured at cost, noncurrent	1,047	10,470	-	N/A	None
Stock	COTECH, INC.	-	Prepayment for long-term investments	172	2,580	-	N/A	None

Note : The net assets values for unlisted investees classified as "Financial assets measured at cost, noncurrent" were not available as of March 31, 2009.

## ATTACHMENT 3 (Securities held as of March 31, 2009)

(Amount in thousand; Currency denomination in NTD unless otherwise specified)

**UNITED MICRODISPLAY OPTRONICS CORP.**

Type of securities	Name of securities	Relationship	Financial statement account	March 31, 2009				Shares as collateral (thousand)
				Units (thousand)/ bonds/ shares (thousand)	Book value	Percentage of ownership (%)	Market value/ Net assets value	
Stock	UMO (HK) LIMITED	Investee company	Long-term investments accounted for under the equity method	15,600	\$-	100.00	\$-	None

Note1: UMO(HK) LIMITED has filed for liquidation on October, 2008 and it is under the process of liquidation.

**SOARING CAPITAL CORP.**

Type of securities	Name of securities	Relationship	Financial statement account	March 31, 2009				Shares as collateral (thousand)
				Units (thousand)/ bonds/ shares (thousand)	Book value	Percentage of ownership (%)	Market value/ Net assets value	
Capital	UNITRUTH ADVISOR (SHANGHAI) CO., LTD.	Investee company	Long-term investments accounted for under the equity method	-	USD 633	100.00	USD 633	None

**UMC CAPITAL CORP.**

Type of securities	Name of securities	Relationship	Financial statement account	March 31, 2009				Shares as collateral (thousand)
				Units (thousand)/ bonds/ shares (thousand)	Book value	Percentage of ownership (%)	Market value/ Net assets value	
Convertible bonds	YUE YUEN INDUSTRIAL (HOLDINGS) LTD.	-	Financial assets at fair value through profit or loss, noncurrent	46,500	USD 6,240	-	USD 6,240	None
Stock	UMC CAPITAL (USA)	Investee company	Long-term investments accounted for under the equity method	200	USD 390	100.00	USD 390	None
Stock	ECP VITA LTD.	Investee company	Long-term investments accounted for under the equity method	1,000	USD 3,245	100.00	USD 3,245	None
Stock-Preferred stock	ACHIEVE MADE INTERNATIONAL LTD.	Investee company	Long-term investments accounted for under the equity method	808	USD 845	48.03	USD 312	None

## ATTACHMENT 3 (Securities held as of March 31, 2009)

(Amount in thousand; Currency denomination in NTD unless otherwise specified)

**UMC CAPITAL CORP.**

				March 31, 2009					
Type of securities	Name of securities	Relationship	Financial statement account	Units (thousand)/ bonds/ shares (thousand)	Book value	Percentage of ownership (%)	Market value/ Net assets value	Shares as collateral (thousand)	
Fund	UC FUND II	Investee company	Long-term investments accounted for under the equity method	5,000	USD 3,569	35.45	USD 3,569	None	
Fund	TRANSLINK CAPITAL PARTNERS I L.P.	Investee company	Long-term investments accounted for under the equity method	-	USD 1,899	11.52	USD 1,899	None	
Stock	INTELLON CORP.	-	Available-for-sale financial assets, noncurrent	636	USD 1,398	2.12	USD 1,398	None	
American Depository Shares	CHUNGHWA TELECOM CO., LTD.	-	Available-for-sale financial assets, noncurrent	347	USD 6,331	0.04	USD 6,331	None	
Stock	PATENTOP, LTD.	-	Financial assets measured at cost, noncurrent	720	-	18.00	Note	None	
Stock	PARADE TECHNOLOGIES, LTD.	-	Financial assets measured at cost, noncurrent	225	USD 2	0.75	Note	None	
Stock-Preferred stock	AURORA SYSTEMS, INC.	-	Financial assets measured at cost, noncurrent	550	USD 242	-	N/A	None	
Stock-Preferred stock	ALPHA & OMEGA SEMICONDUCTOR LTD.	-	Financial assets measured at cost, noncurrent	650	USD 1,462	-	N/A	None	
Stock-Preferred stock	PARADE TECHNOLOGIES, LTD.	-	Financial assets measured at cost, noncurrent	3,651	USD 2,460	-	N/A	None	
Stock	CIPHERMAX, INC.	-	Financial assets measured at cost, noncurrent	95	USD 1,281	-	Note	None	
Stock-Preferred stock	AICENT, INC.	-	Financial assets measured at cost, noncurrent	2,000	USD 1,000	-	N/A	None	
Stock-Preferred stock	GCT SEMICONDUCTOR, INC.	-	Financial assets measured at cost, noncurrent	1,571	USD 1,000	-	N/A	None	
Stock-Preferred stock	FORTEMEDIA, INC.	-	Financial assets measured at cost, noncurrent	10,233	USD 4,322	-	N/A	None	
Stock-Preferred stock	MAXLINEAR, INC.	-	Financial assets measured at cost, noncurrent	2,070	USD 4,052	-	N/A	None	
Stock-Preferred stock	WISAIR, INC.	-	Financial assets measured at cost, noncurrent	153	USD 1,596	-	N/A	None	
Stock-Preferred stock	AMALFI SEMICONDUCTOR, INC.	-	Financial assets measured at cost, noncurrent	1,471	USD 1,500	-	N/A	None	
Stock-Preferred stock	DIBCOM, INC.	-	Financial assets measured at cost, noncurrent	7	USD 839	-	N/A	None	
Convertible bonds	DIBCOM, INC.	-	Financial assets measured at cost, noncurrent	6	USD 853	-	N/A	None	
Stock-Preferred stock	EAST VISION TECHNOLOGY LTD.	-	Financial assets measured at cost, noncurrent	2,770	USD 4,820	-	N/A	None	
Fund	VENGLOBAL CAPITAL FUND III, L.P.	-	Financial assets measured at cost, noncurrent	-	USD 712	-	N/A	None	

## ATTACHMENT 3 (Securities held as of March 31, 2009)

(Amount in thousand; Currency denomination in NTD unless otherwise specified)

**UMC CAPITAL CORP.**

Type of securities	Name of securities	Relationship	Financial statement account	March 31, 2009					Shares as collateral (thousand)
				Units (thousand)/ bonds/ shares (thousand)	Book value	Percentage of ownership (%)	Market value/ Net assets value		
Stock-Preferred stock	PACTRUST COMMUNICATION, INC.	-	Financial assets measured at cost, noncurrent	4,850	USD 4,850	-	N/A	None	
Stock-Preferred stock	REALLUSION (CAYMAN) HOLDING INC.	-	Financial assets measured at cost, noncurrent	1,800	USD 555	-	N/A	None	
Stock-Preferred stock	LUMINUS DEVICES, INC.	-	Financial assets measured at cost, noncurrent	477	USD 3,000	-	N/A	None	
Stock-Preferred stock	FORCE10 NETWORKS, INC.	-	Financial assets measured at cost, noncurrent	4,373	USD 4,500	-	N/A	None	
Stock-Preferred stock	QSECURE, INC.	-	Financial assets measured at cost, noncurrent	14,355	USD 3,558	-	N/A	None	
Fund	DEXON DYNAMIC INVESTMENT FUND VIII	-	Financial assets measured at cost, noncurrent	9	USD 9,000	-	N/A	None	
Stock-Preferred stock	SIFOTONICS TECHNOLOGIES CO., LTD.	-	Financial assets measured at cost, noncurrent	1,000	USD 500	-	N/A	None	
Stock-Preferred stock	CHIPX, INC.	-	Financial assets measured at cost, noncurrent	63	USD 117	-	N/A	None	
Stock-Preferred stock	VERIPRECISE TECHNOLOGY, INC.	-	Financial assets measured at cost, noncurrent	4,000	-	-	N/A	None	
Stock	MAGNACHIP SEMICONDUCTOR LLC	-	Financial assets measured at cost, noncurrent	31	-	-	Note	None	
Stock	KOTURA, INC.	-	Financial assets measured at cost, noncurrent	0.59	-	-	Note	None	
Stock-Preferred stock	ZYLOGIC SEMICONDUCTOR CORP.	-	Financial assets measured at cost, noncurrent	750	-	-	N/A	None	

Note : The net assets values for unlisted investees classified as "Financial assets measured at cost, noncurrent" were not available as of March 31, 2009.

ATTACHMENT 4 (Individual securities acquired or disposed of with accumulated amount exceeding the lower of NT\$100 million or 20 percent of the capital stock for the three-month period ended March 31, 2009)  
(Amount in thousand; Currency denomination in NTD unless otherwise specified)

**FORTUNE VENTURE CAPITAL CORP.**

Type of securities	Name of the securities	Financial statement account	Counter-party	Relationship	Beginning balance		Addition		Disposal			Ending balance		
					Units (thousand)/ bonds/ shares (thousand)	Amount	Units (thousand)/ bonds/ shares (thousand)	Amount	Units (thousand)/ bonds/ shares (thousand)	Amount	Cost	Gain (Loss) from disposal	Units (thousand)/ bonds/ shares (thousand)	Amount
Stock	NEXPOWER THCHNOLOGY CORP.	Long-term investments accounted for under the equity method	Rui Meng Consultants Ltd / Zhen Cheng Investments Ltd	-	2,700	\$80,745	7,200	\$216,000	-	\$-	\$-	\$-	9,900	\$296,102

(Note 1)

Note 1: The ending balance includes long-term investment loss of NT\$(674) thousand, long-term investment additional paid-in capital adjustment of NT\$31 thousand.

**UMC CAPITAL CORP.**

Type of securities	Name of the securities	Financial statement account	Counter-party	Relationship	Beginning balance		Addition		Disposal			Ending balance		
					Units (thousand)/ bonds/ shares (thousand)	Amount	Units (thousand)/ bonds/ shares (thousand)	Amount	Units (thousand)/ bonds/ shares (thousand)	Amount	Cost	Gain (Loss) from disposal	Units (thousand)/ bonds/ shares (thousand)	Amount
Convertible bonds	YUE YUEN INDUSTRIAL (HOLDINGS) LTD.	Financial assets at fair value through profit or loss, noncurrent	Open market	-	-	\$-	46,500	USD 6,223	-	\$-	\$-	\$-	46,500	USD 6,240

(Note 1)

Note 1: The amounts of beginning and ending balances of financial assets at fair value through profit or loss are recorded at the prevailing market prices.

ATTACHMENT 5 (Acquisition of individual real estate with amount exceeding the lower of NT\$100 million or 20 percent of the capital stock for the three-month period ended March 31, 2009)

(Amount in thousand; Currency denomination in NTD unless otherwise specified)

**UNITED MICROELECTRONICS CORPORATION**

Name of properties	Transaction date	Transaction amount	Payment status	Counter-party	Relationship	Where counter-party is a related party, details of prior transactions					Date of acquisition and status of utilization	Other commitments
						Former holder of property	Relationship between former holder and acquirer of property	Date of transaction	Transaction amount	Price reference		

None

ATTACHMENT 6 (Disposal of individual real estate with amount exceeding the lower of NT\$100 million or 20 percent of the capital stock for the three-month period ended March 31, 2009)  
 (Amount in thousand; Currency denomination in NTD unless otherwise specified)

**UNITED MICROELECTRONICS CORPORATION**

<u>Names of properties</u>	<u>Transaction date</u>	<u>Date of original acquisition</u>	<u>Book value</u>	<u>Transaction amount</u>	<u>Status of proceeds collection</u>	<u>Gain (Loss) from disposal</u>	<u>Counter-party</u>	<u>Relationship</u>	<u>Reason of disposal</u>	<u>Price reference</u>	<u>Other commitments</u>
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None

ATTACHMENT 7 ( Related party transactions for purchases and sales amounts exceeding the lower of NT\$100 million or 20 percent of capital stock for the three-month period ended March 31, 2009)

(Amount in thousand; Currency denomination in NTD unless otherwise specified)

**UNITED MICROELECTRONICS CORPORATION**

Related party	Relationship	Transactions				Details of non-arm's length transaction		Notes and accounts receivable (payable)		
		Purchases (Sales)	Amount	Percentage of total purchases (sales) (%)	Term	Unit price	Term	Balance	Percentage of total receivables (%)	Note
UMC GROUP (USA)	Investee company	Sales	\$5,915,551	55 %	Net 60 Days	N/A	N/A	\$2,917,255	42 %	
UNITED MICROELECTRONICS (EUROPE) B.V.	Investee company	Sales	919,095	8 %	Net 60 Days	N/A	N/A	702,712	10 %	
UMC JAPAN	Investee company	Sales	165,347	2 %	Net 60 Days	N/A	N/A	106,913	2 %	

**UNITED MICROELECTRONICS (EUROPE) B.V.**

Related party	Relationship	Transactions				Details of non-arm's length transaction		Notes and accounts receivable (payable)		
		Purchases (Sales)	Amount	Percentage of total purchases (sales) (%)	Term	Unit price	Term	Balance	Percentage of total receivables (%)	Note
UNITED MICROELECTRONICS CORPORATION	Investor company	Purchases	USD 27,071	100 %	Net 60 Days	N/A	N/A	USD 20,729	100 %	

ATTACHMENT 7 ( Related party transactions for purchases and sales amounts exceeding the lower of NT\$100 million or 20 percent of capital stock for the three-month period ended March 31, 2009)

(Amount in thousand; Currency denomination in NTD unless otherwise specified)

**UMC GROUP (USA)**

Related party	Relationship	Transactions				Details of non-arm's length transaction		Notes and accounts receivable (payable)		Note
		Purchases (Sales)	Amount	Percentage of total purchases (sales) (%)	Term	Unit price	Term	Balance	Percentage of total receivables (%)	
UNITED MICROELECTRONICS CORPORATION	Investor company	Purchases	USD 174,325	100 %	Net 60 Days	N/A	N/A	USD 86,055	100 %	

**UMC JAPAN**

Related party	Relationship	Transactions				Details of non-arm's length transaction		Notes and accounts receivable (payable)		Note
		Purchases (Sales)	Amount	Percentage of total purchases (sales) (%)	Term	Unit price	Term	Balance	Percentage of total receivables (%)	
UNITED MICROELECTRONICS CORPORATION	Investor company	Purchases	JPY 441,499	70 %	Net 60 Days	N/A	N/A	JPY 321,677	25 %	
AMIC TECHNOLOGY CORP.	Investee of UMC	Sales	JPY 600	0 %	Month-end 90 Days	N/A	N/A	JPY 294,657	17 %	

ATTACHMENT 8 (Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20 percent of capital stock as of for the three-month period ended March 31, 2009)  
(Amount in thousand; Currency denomination in NTD unless otherwise specified)

**UNITED MICROELECTRONICS CORPORATION**

Related party	Relationship	Ending balance				Turnover rate (times)	Overdue receivables		Amount received in subsequent period	Allowance for doubtful accounts
		Notes receivable	Accounts receivable	Other receivables	Total		Amount	Collection status		
UMC GROUP (USA)	Investee company	\$-	\$2,917,255	\$8	\$2,917,263	7.03	\$-	-	\$709,341	\$111,266
UNITED MICROELECTRONICS (EUROPE) B.V.	Investee company	-	702,712	-	702,712	4.07	44,572	Credit Collecting	50,056	9,577
UMC JAPAN	Investee company	-	106,913	4,251	111,164	4.07	-	-	-	-

**UMC JAPAN**

Related party	Relationship	Ending balance				Turnover rate (times)	Overdue receivables		Amount received in subsequent period	Allowance for doubtful accounts
		Notes receivable	Accounts receivable	Other receivables	Total		Amount	Collection status		
AMIC TECHNOLOGY CORP.	Investee of UMC	\$-	JPY 294,657	\$-	JPY 294,657	0.01	JPY 294,657	Credit Collecting	JPY 9,816	JPY 294,657

ATTACHMENT 9 (Names, locations and related information of investee companys as of March 31, 2009)  
(Amount in thousand; Currency denomination in NTD unless otherwise specified)

**UNITED MICROELECTRONICS CORPORATION**

Investee company	Address	Main businesses and products	Initial Investment (Note 1)		Investment as of March 31, 2009			Net income (loss) of investee company	Investment income (loss) recognized	Note		
			Ending balance	Beginning balance	Number of shares (thousand)	Percentage of ownership (%)	Book value					
UMC GROUP (USA)	Sunnyvale, California, USA	IC Sales	USD	16,438	USD	16,438	16,438	100.00	\$1,295,201	\$(77,309)	\$(78,817)	
UNITED MICROELECTRONICS (EUROPE) B.V.	The Netherlands	IC Sales	USD	5,421	USD	5,421	9	100.00	333,255	1,877	1,877	
UMC CAPITAL CORP.	Grand Cayman, Cayman Islands	Investment holding	USD	124,000	USD	124,000	124,000	100.00	3,774,912	743	743	
UNITED MICROELECTRONICS CORP. (SAMOA)	Apia, Samoa	Investment holding	USD	1,400	USD	1,400	680	100.00	4,877	(202)	(202)	
UMCI LTD.	Singapore	Sales and manufacturing of integrated circuits	USD	839,880	USD	839,880	880,006	100.00	208	6	6	
TLC CAPITAL CO., LTD.	Taipei City, Taiwan	Consulting and planning for investment in new business		6,000,000		6,000,000	687,800	100.00	5,340,279	19,217	19,217	
FORTUNE VENTURE CAPITAL CORP.	Taipei City, Taiwan	Consulting and planning for investment in new business		4,999,940		4,999,940	535,794	99.99	8,136,960	27,842	27,842	
UNITED MICRODISPLAY OPTRONICS CORP.	Hsinchu Science Park, Taiwan	Sales and manufacturing of LCOS		1,305,236		1,305,236	26,755	89.99	71,970	(9,042)	(8,137)	
UMC JAPAN	Chiba, Japan	Sales and manufacturing of integrated circuits	JPY	20,994,400	JPY	20,994,400	496	52.74	7,000,815	(746,863)	(393,406)	
PACIFIC VENTURE CAPITAL CO., LTD.	Taipei City, Taiwan	Consulting and planning for investment in new business		30,000		30,000	30,000	49.99	7,379	-	-	Note 2
MTIC HOLDINGS PTE LTD.	Singapore	Investment holding	SGD	12,000	SGD	12,000	12,000	46.49	258,123	(96)	(45)	
MEGA MISSION LIMITED PARTNERSHIP	Grand Cayman, Cayman Islands	Investment holding	USD	67,500	USD	67,500	-	45.00	1,441,804	(258,182)	(116,182)	Note 3
UNITECH CAPITAL INC.	British Virgin Islands	Investment holding	USD	21,000	USD	21,000	21,000	42.00	621,668	3,102	1,303	
HSUN CHIEH INVESTMENT CO., LTD.	Taipei City, Taiwan	Investment holding		336,241		336,241	65,231	36.49	2,117,798	(8,334)	(2,925)	
NEXPOWER TECHNOLOGY CORP.	Taichung County, Taiwan	Sales and manufacturing of solar power batteries		2,631,885		2,631,885	107,283	35.76	2,661,603	(44,028)	(15,745)	
POWER LIGHT TECH CO., LTD.	Hsinchu County, Taiwan	Micro electro mechanical systems assembly		63,152		-	6,315	31.58	61,159	(18,930)	(1,992)	
UNIMICRON HOLDING LIMITED	Apia, Samoa	Investment holding	USD	20,000	USD	20,000	20,000	25.25	562,427	(96,410)	(24,346)	
XGI TECHNOLOGY INC.	Hsinchu City, Taiwan	Cartography chip design and production		262,736		262,736	3,307	14.47	30,351	(22,056)	(3,215)	
AMIC TECHNOLOGY CORP.	Hsinchu Science Park, Taiwan	IC design, production and sales		133,009		133,009	5,627	11.18	2,783	(34,796)	(4,535)	

Note 1: Initial investment amounts denominated in foreign currencies are expressed in thousands.

Note 2: On July 3, 2006, PACIFIC VENTURE CAPITAL CO., LTD. began the liquidation process. The Company had ceased to recognize investment income of PACIFIC VENTURE CAPITAL CO., LTD. thereafter.

Note 3: No shares since it belongs to partnership fund organization.

ATTACHMENT 9 (Names, locations and related information of investee companys as of March 31, 2009)  
(Amount in thousand; Currency denomination in NTD unless otherwise specified)

**FORTUNE VENTURE CAPITAL CORP.**

Investee company	Address	Main businesses and products	Initial Investment (Note 1)		Investment as of March 31, 2009			Net income (loss) of investee company	Investment income (loss) recognized	Note
			Ending balance	Beginning balance	Number of shares (thousand)	Percentage of ownership (%)	Book value			
UNITRUTH INVESTMENT CORP.	Taipei City, Taiwan	Investment holding	\$800,000	\$800,000	98,800	100.00	\$1,271,121	\$(2,283)	\$(2,283)	
UWAVE TECHNOLOGY CORP.	Hsinchu City, Taiwan	RF IC Design	85,471	85,471	10,186	44.29	-	-	-	Note 2
AEVOE INTERNATIONAL LTD.	Samoa	Design of VOIP Telephone	USD 2,213	USD 2,213	4,155	43.92	26,840	6,248	2,695	
WALTOP INTERNATIONAL CORP.	Hsinchu City, Taiwan	Tablet PC module, Pen LCD Monitor/module	90,000	90,000	6,000	26.02	130,995	8,622	2,245	
ANOTO TAIWAN CORP.	Taoyuan County, Taiwan	Tablet transmission systems and chip-set	39,200	39,200	1,568	24.12	10,757	(5,752)	(4,607)	
CRYSTAL MEDIA INC.	Hsinchu City, Taiwan	Design of VOIP network phones	50,629	50,629	4,493	24.09	29,421	(2,631)	(634)	
ALLIANCE OPTOTEK CORP.	Hsinchu County, Taiwan	Design and manufacturing of LED	74,235	74,235	5,789	20.15	39,564	(14,935)	(3,009)	
HIGH POWER LIGHTING CORP.	Taipei County, Taiwan	High brightness LED package and Lighting module R&D and manufacture	54,300	54,300	4,525	16.95	36,537	(1,838)	(312)	
MOBILE DEVICES INC.	Hsinchu County, Taiwan	PHS & GSM/PHS dual mode B/B Chip	89,414	89,414	6,853	16.74	33,878	(35,001)	(5,859)	
AMIC TECHNOLOGY CORP.	Hsinchu Science Park, Taiwan	IC design, production and sales	214,745	214,745	7,410	14.69	36,039	(34,796)	(5,955)	
XGI TECHNOLOGY INC.	Hsinchu City, Taiwan	Cartography chip design and production	278,383	278,383	2,162	9.46	18,135	(22,056)	(1,596)	
NEXPOWER TECHNOLOGY CORP.	Taichung County, Taiwan	Sales and manufacturing of solar power batteries	297,000	81,000	9,900	3.30	296,102	(44,028)	(674)	

Note 1: Initial investment amounts denominated in foreign currencies are expressed in thousands.

Note 2: On June 29, 2007, UWAVE TECHNOLOGY CORP. (UWAVE) reached the decision of liquidation at its shareholders' meeting. The Company had ceased to recognize investment income of UWAVE thereafter.

ATTACHMENT 9 (Names, locations and related information of investee companys as of March 31, 2009)  
(Amount in thousand; Currency denomination in NTD unless otherwise specified)

**TLC CAPITAL CO., LTD.**

Investee company	Address	Main businesses and products	Initial Investment (Note 1)		Investment as of March 31, 2009			Net income (loss) of investee company	Investment income (loss) recognized	Note
			Ending balance	Beginning balance	Number of shares (thousand)	Percentage of ownership (%)	Book value			
SOARING CAPITAL CORP.	Samoa	Investment holding	USD 900	USD 900	900	100.00	\$24,752	\$(3,026)	\$(3,026)	
YUNG LI INVESTMENTS, INC.	Taipei City, Taiwan	Investment holding	280,000	280,000	0.28	45.16	256,841	6,283	2,838	
CTC CAPITAL PARTNERS I, L.P.	Cayman Islands	Investment holding	USD 4,500	USD 4,500	-	31.40	152,656	(1,278)	(401)	Note 2
NEXPOWER TECHNOLOGY CORP.	Taichung County, Taiwan	Sales and manufacturing of solar power batteries	162,000	162,000	5,400	1.80	160,730	(44,028)	(793)	

Note 1: Initial investment amounts denominated in foreign currencies are expressed in thousands.

Note 2: No shares since it belongs to partnership fund organization.

**UNITRUTH INVESTMENT CORP.**

Investee company	Address	Main businesses and products	Initial Investment		Investment as of March 31, 2009			Net income (loss) of investee company	Investment income (loss) recognized	Note
			Ending balance	Beginning balance	Number of shares (thousand)	Percentage of ownership (%)	Book value			
XGI TECHNOLOGY INC.	Hsinchu City, Taiwan	Cartography chip design and production	\$43,767	\$43,767	2,116	9.26	\$19,425	\$(22,056)	\$(2,063)	
WALTOP INTERNATIONAL CORP.	Hsinchu City, Taiwan	Tablet PC module, Pen LCD Monitor/module	30,000	30,000	2,000	8.67	43,665	8,622	748	
CRYSTAL MEDIA INC.	Hsinchu City, Taiwan	Design of VOIP network phones	16,493	16,493	1,587	8.51	10,392	(2,631)	(224)	
ALLIANCE OPTOTEK CORP.	Hsinchu County, Taiwan	Design and manufacturing of LED	27,573	27,573	2,150	7.48	14,695	(14,935)	(1,118)	
HIGH POWER LIGHTING CORP.	Taipei County, Taiwan	High brightness LED package and Lighting module R&D and manufacture	17,700	17,700	1,425	5.34	11,098	(1,838)	(98)	
UWAVE TECHNOLOGY CORP.	Hsinchu City, Taiwan	RF IC Design	6,950	6,950	1,000	4.35	-	-	-	Note 1
MOBILE DEVICES INC.	Hsinchu County, Taiwan	PHS & GSM/PHS dual mode B/B Chip	20,463	20,463	1,700	4.15	7,503	(35,001)	(1,453)	
NEXPOWER TECHNOLOGY CORP.	Taichung County, Taiwan	Sales and manufacturing of solar power batteries	108,000	27,000	3,600	1.20	107,690	(44,028)	(236)	

Note 1: On June 29, 2007, UWAVE TECHNOLOGY CORP. (UWAVE) reached the decision of liquidation at its shareholders' meeting. The Company had ceased to recognize investment income of UWAVE thereafter.

ATTACHMENT 9 (Names, locations and related information of investee companys as of March 31, 2009)  
(Amount in thousand; Currency denomination in NTD unless otherwise specified)

**UNITED MICRODISPLAY OPTRONICS CORP.**

Investee company	Address	Main businesses and products	Initial Investment (Note 1)		Investment as of March 31, 2009			Net income (loss) of investee company	Investment income (loss) recognized	Note
			Ending balance	Beginning balance	Number of shares (thousand)	Percentage of ownership (%)	Book value			
UMO (HK) LIMITED	Hongkong	Investment holding	USD -	USD -	15,600	100.00	\$-	\$-	\$-	Note 2

Note 1: Initial investment amounts denominated in foreign currencies are expressed in thousands.

Note 2: On October, 2008, UMO(HK) LIMITED has filed for liquidation and it is under the process of liquidation.

**SOARING CAPITAL CORP.**

Investee company	Address	Main businesses and products	Initial Investment (Note 1)		Investment as of March 31, 2009			Net income (loss) of investee company	Investment income (loss) recognized	Note
			Ending balance	Beginning balance	Number of shares (thousand)	Percentage of ownership (%)	Book value (thousand)			
UNITRUTH ADVISOR (SHANGHAI) CO., LTD.	China	Investment Holding and advisory	USD 800	USD 800	-	100.00	USD 633	USD (88)	USD (88)	Note 2

Note 1: Initial investment amounts denominated in foreign currencies are expressed in thousands.

Note 2: No shares since it belongs to limited company.

**UMC CAPITAL CORP.**

Investee company	Address	Main businesses and products	Initial Investment (Note 1)		Investment as of March 31, 2009			Net income (loss) of investee company	Investment income (loss) recognized	Note
			Ending balance	Beginning balance	Number of shares (thousand)	Percentage of ownership (%)	Book value (thousand)			
UMC CAPITAL (USA)	Sunnyvale, California, USA	Investment holding	USD 200	USD 200	200	100.00	USD 390	USD 6	USD 6	
ECP VITA LTD.	British Virgin Islands	Insurance	USD 1,000	USD 1,000	1,000	100.00	USD 3,245	USD 199	USD 199	
ACHIEVE MADE INTERNATIONAL LTD.	British Virgin Islands	Internet Content Provider	USD 1,750	USD 1,750	808	48.03	USD 845	USD (92)	USD (44)	
UC FUND II	Cayman Islands	Investment holding	USD 2,850	USD 2,850	5,000	35.45	USD 3,569	USD (77)	USD (28)	
TRANSLINK CAPITAL PARTNERS I.L.P.	Cayman Islands	Investment holding	USD 2,950	USD 2,600	-	11.52	USD 1,899	USD (362)	USD (205)	Note 2

Note 1: Initial investment amounts denominated in foreign currencies are expressed in thousands.

Note 2: No shares since it belongs to partnership fund organization.

**UNITED MICROELECTRONICS CORPORATION**

Investee company	Main Businesses and Products	Total Amount of Paid-in Capital (Note 1)	Method of Investment	Accumulated Outflow of Investment from Taiwan as of January 1, 2009 (Note 1)	Investment Flows		Accumulated Outflow of Investment from Taiwan as of March 31, 2009 (Note 1)	Percentage of Ownership	Investment income (loss) recognized (Note3)	Carrying Value as of March 31, 2009 (Note 1)	Accumulated Inward Remittance of Earnings as of March 31, 2009
					Outflow	Inflow					
UNIMICRON TECHNOLOGY (SUZHOU) CORP.	PCB production	RMB 587,852	(Note2)	USD 20,000	\$-	\$-	USD 20,000	25.25%	\$(19,150)	USD 17,264	\$-
CHU DONG MULTIMEDIA TECHNOLOGY (SHANGHAI) CO., LTD.	Development & technical design of multimedia	USD 6,000	(Note4)	-	(Note4)	-	(Note4)	-	-	USD 612	-
JIAOYUE SOFTWARE (SHANGHAI) CO., LTD.	Development & design of computer software	USD 1,000	(Note4)	-	(Note4)	-	(Note4)	-	-	USD 102	-
TOUCH EQUIPMENT LEASING (SHANGHAI) CO., LTD.	Development & technical design of multimedia	USD 4,000	(Note4)	-	(Note4)	-	(Note4)	-	-	USD 408	-
RE BO CULTURE BROADCASTING LTD.(BEIJING)	TV program producing , Advertisement , Added value service	(Note5)	(Note5)	-	(Note5)	-	(Note5)	-	-	-	-
U-YOU INFORMATION TECHNOLOGY (SHANGHAI) CO., LTD.	Commercial consult of TV shopping , Business market plans and business management consult, etc.	(Note6)	(Note6)	-	(Note6)	-	(Note6)	-	-	-	-
KU6 (BEIJING) TECHNOLOGY CO., LTD.	Computer software and Computer system integrate, and data processing, etc.	(Note7)	(Note7)	-	(Note7)	-	(Note7)	-	-	-	-
UNITRUTH ADVISOR (SHANGHAI) CO., LTD.	Investment Holding and advisory	USD 800	(Note8)	USD 800	-	-	USD 800	100%	USD (88)	USD 633	-
MYMYTI NETWORK TECHNOLOGY CO., LTD.	Computer system services , Commercial consult, etc.	(Note9)	(Note9)	-	(Note9)	-	(Note9)	-	-	-	-
Accumulated Investment in Mainland China as of March 31, 2009			Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment							
USD 26,282 (Note4, 5, 6, 7, 8, 9)			USD 32,961	\$110,077,614							

Note 1: Initial investment amounts denominated in foreign currencies are expressed in thousands.

Note 2: Indirect investment in UNIMICRON TECHNOLOGY (SUZHOU) CORP. was through UNIMICRON HOLDING LIMITED (Samoa).

Note 3: Recognized on the basis of the reviewed financial statements for the same period.

Note 4: TLC Capital Co., Ltd. (TLC) indirectly invests in Mainland China via holding preferred shares issued by Touch Media International Holdings (Cayman) (Touch Media).

TOUCH TECHNOLOGY DEVELOPMENT (SHANGHAI) CO., LTD. changed its name to TOUCH EQUIPMENT LEASING (SHANGHAI) CO., LTD., and it was approved by the competent authority. As of March 31, 2009, TLC had wired USD 5,000 thousand to Touch Media for the stated investment.

Note 5: TLC Capital Co., Ltd. (TLC) indirectly invests in Mainland China via investing in Zebra Media Inc. (Cayman) (Zebra) by its investee company, CTC Capital Partners I, L.P. (Cayman) (CTC).

Due to CTC only holds preferred shares and does not have significant influence on Zebra, the detail information of investments that Zebra made in Mainland China were not available on a timely basis. As of March 31, 2009, CTC had wired USD 122 thousand to Zebra for the stated investment.

Note 6: TLC Capital Co., Ltd. (TLC) indirectly invests in Mainland China via investing in TFY HOLDING LTD. (BVI) (TFY) by its investee company, CTC Capital Partners I, L.P. (Cayman) (CTC).

Due to CTC only holds preferred shares and does not have significant influence on TFY, the detail information of investments that TFY made in Mainland China were not available on a timely basis. As of March 31, 2009, CTC had wired USD 58 thousand to TFY for the stated investment.

Note 7: TLC Capital Co., Ltd. (TLC) indirectly invests in KU6 (BEIJING) TECHNOLOGY CO., LTD. via investing in KU6 HOLDING LTD. (KU6).

Due to TLC only holds preferred shares and does not have significant influence on KU6, the detail information of investments that KU6 made in Mainland China were not available on a timely basis. As of March 31, 2009, TLC had wired USD 5,000 thousand to KU6 for the stated investment.

Note 8: TLC Capital Co., Ltd. (TLC) indirectly invests in UNITRUTH ADVISOR (SHANGHAI) CO., LTD.(UNITRUTH) via investing in SOARING CAPITAL CORP. (SOARING).

As of March 31, 2009, TLC had wired USD 800 thousand to SOARING for the stated investment.

Note 9: TLC Capital Co., Ltd. (TLC) indirectly invests in MYMYTI NETWORK TECHNOLOGY CO., LTD. (MYMYTI) via investing in CTC Capital Partners I, L.P. (Cayman) (CTC).

Due to TLC indirectly invests in MYMYTI and does not have significant influence on MYMYTI, the detail information of investments that CTC made in Mainland China were not available on a timely basis. As of March 31, 2009, TLC had wired USD 482 thousand to MYMYTI for the stated investment.