



**UNITED MICROELECTRONICS CORPORATION**  
**Unaudited Condensed Unconsolidated Balance Sheet**

As of June 30, 2003

Figures in Million of New Taiwan Dollars (NT\$) and U.S. Dollars (US\$)

	June 30, 2003		
	US\$	NT\$	%
<b>ASSETS</b>			
Current Assets			
Cash and Cash Equivalents	2,165	74,940	24.8%
Short-term Investments	27	918	0.3%
Notes & Accounts Receivables	374	12,941	4.3%
Inventories	217	7,499	2.5%
Other Current Assets	190	6,592	2.2%
Total Current Assets	<u>2,973</u>	<u>102,890</u>	<u>34.1%</u>
Non-Current Assets			
Funds and Long-term Investments	1,711	59,207	19.6%
Other Financial Assets	56	1,932	0.6%
Property, Plant and Equipment	3,737	129,341	42.8%
Intangible Assets	0	13	0.0%
Other Assets	254	8,795	2.9%
Total Non-Current Assets	<u>5,758</u>	<u>199,288</u>	<u>65.9%</u>
<b>TOTAL ASSETS</b>	<u><u>8,731</u></u>	<u><u>302,178</u></u>	<u><u>100.0%</u></u>
<b>LIABILITIES</b>			
Current Liabilities			
Payables	399	13,806	4.6%
Current Portion of Long-term Liabilities	441	15,269	5.0%
Other Current Liabilities	57	1,975	0.7%
Total Current Liabilities	<u>897</u>	<u>31,050</u>	<u>10.3%</u>
Non-Current Liabilities			
Bonds Payable	1,359	47,035	15.6%
Long-term Loans	117	4,052	1.3%
Other Liabilities	118	4,062	1.3%
Total Non-Current Liabilities	<u>1,594</u>	<u>55,149</u>	<u>18.2%</u>
<b>TOTAL LIABILITIES</b>	<u>2,491</u>	<u>86,199</u>	<u>28.5%</u>
<b>STOCKHOLDERS' EQUITY</b>			
Capital Stock	4,664	161,408	53.4%
Capital Reserve	2,310	79,955	26.5%
Retained Earnings, Unrealized Long-term Investment Loss and Translation Adjustment	172	5,969	2.0%
Treasury Stock	(906)	(31,353)	-10.4%
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<u>6,240</u>	<u>215,979</u>	<u>71.5%</u>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<u><u>8,731</u></u>	<u><u>302,178</u></u>	<u><u>100.0%</u></u>

Note : New Taiwan Dollars have been translated into U.S. Dollars at the June 30, 2003 exchange rate of NT\$ 34.61 per U.S. Dollar.  
All figures are in ROC GAAP.



**UNITED MICROELECTRONICS CORPORATION**  
**Unaudited Condensed Unconsolidated Income Statement**

*Figures in Million of New Taiwan Dollars (NT\$) and U.S. Dollars (US\$)*

*Except Per Share and Per ADS Data*

	Year Over Year Comparison					Quarter Over Quarter Comparison				
	Three-Month Period Ended					Three-Month Period Ended				
	June 30, 2003		June 30, 2002		%	June 30, 2003		March 31, 2003		%
	US\$	NT\$	US\$	NT\$	Chg.	US\$	NT\$	US\$	NT\$	Chg.
Net Sales	627	21,706	537	18,580	16.8%	627	21,706	517	17,898	21.3%
Cost of Goods Sold	(483)	(16,723)	(416)	(14,375)	16.3%	(483)	(16,723)	(438)	(15,158)	10.3%
Net Gross Profit	144	4,983	121	4,205	18.5%	144	4,983	79	2,740	81.9%
	23.0%	23.0%	22.6%	22.6%		23.0%	23.0%	15.3%	15.3%	
Operating Expenses										
- Sales & Marketing	13	457	3	99	361.6%	13	457	8	266	71.8%
- General & Administrative	16	565	30	1,049	-46.1%	16	565	15	510	10.8%
- Research & Development	43	1,477	59	2,048	-27.9%	43	1,477	36	1,265	16.8%
	72	2,499	92	3,196	-21.8%	72	2,499	59	2,041	22.4%
Operating Income (Loss)	72	2,484	29	1,009	146.2%	72	2,484	20	699	255.4%
	11.5%	11.5%	5.4%	5.4%		11.5%	11.5%	3.9%	3.9%	
Net Non-Operating Income (Expenses)	18	610	99	3,441	-82.3%	18	610	(8)	(295)	-
Income (loss) before Income Tax	90	3,094	128	4,450	-30.5%	90	3,094	12	404	665.8%
	14.3%	14.3%	23.9%	23.9%		14.3%	14.3%	2.3%	2.3%	
Income Tax (Expense) Benefit	(12)	(407)	-	(4)	10075.0%	(12)	(407)	-	(1)	40600.0%
Net Income (Loss)	78	2,687	128	4,446	-39.6%	78	2,687	12	403	566.7%
	12.4%	12.4%	23.9%	23.9%		12.4%	12.4%	2.3%	2.3%	
Earnings (loss) per share	0.005	0.18	0.009	0.30		0.005	0.18	0.001	0.03	
Earnings (loss) per ADS <sup>(2)</sup>	0.026	0.90	0.043	1.50		0.026	0.90	0.004	0.15	
Weighted Average Number of Shares Outstanding (in millions)		14,639		14,751			14,639		14,727	

Note:

(1) New Taiwan Dollars have been translated into U.S. Dollars at the June 30, 2003 exchange rate of NT\$ 34.61 per U.S. Dollar.

All figures are in ROC GAAP.

(2) 1 ADS equals 5 ordinary shares.



**UNITED MICROELECTRONICS CORPORATION**  
**Unaudited Condensed Unconsolidated Income Statement**

*Figures in Million of New Taiwan Dollars (NT\$) and U.S. Dollars (US\$)  
 Except Per Share and Per ADS Data*

	For the Three-Month Period Ended June 30, 2003			For the Year Ended June 30, 2003		
	US\$	NT\$	%	US\$	NT\$	%
Net Sales	627	21,706	100%	1,144	39,604	100%
Cost of Goods Sold	(483)	(16,723)	-77.0%	(921)	(31,881)	-80.5%
Net Gross Profit	144	4,983	23.0%	223	7,723	19.5%
Operating Expenses						
- Sales & Marketing	13	457	2.1%	21	723	1.8%
- General & Administrative	16	565	2.6%	31	1,075	2.8%
- Research & Development	43	1,477	6.8%	79	2,742	6.9%
	72	2,499	11.5%	131	4,540	11.5%
Operating Income (Loss)	72	2,484	11.5%	92	3,183	8.0%
Net Non-Operating Income (Expenses)	18	610	2.8%	9	315	0.8%
Income (loss) before Income Tax	90	3,094	14.3%	101	3,498	8.8%
Income Tax (Expense) Benefit	(12)	(407)	-1.9%	(12)	(408)	-1.0%
Net Income (Loss)	78	2,687	12.4%	89	3,090	7.8%
Earnings (loss) per share	0.005	0.18		0.006	0.21	
Earnings (loss) per ADS <sup>(2)</sup>	0.026	0.90		0.030	1.05	
Weighted Average Number of Shares Outstanding (in millions)		14,639			14,683	

Note:

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**UNITED MICROELECTRONICS CORPORATION**  
**Unaudited Condensed Unconsolidated Statement of Cash Flows**

For The Six Months Ended June 30, 2003  
Figures in Million of New Taiwan Dollars (NT\$) and U.S. Dollars (US\$)

	US\$	NT\$
<b>Cash flows from operating activities :</b>		
Net Income	89	3,090
Depreciation & Amortization	536	18,533
Bad debt expense	2	62
Long-term investment loss accounted for under the equity method	(4)	(145)
Loss on decline in market value of long-term investments	3	90
Inventory loss	26	901
Gain on disposal of investments	(34)	(1,176)
Gain on disposal of property, plant and equipment	(1)	(32)
Exchange gain on long-term liabilities	(3)	(90)
Loss on reacquisition of bonds	0	5
Change in working capital & others	(27)	(922)
Net cash provided from operating activities	<u>587</u>	<u>20,316</u>
<b>Cash flows from investing activities :</b>		
Decrease in short-term investments	46	1,553
Decrease in other financial assets	48	1,650
Increase in long-term investments	(142)	(4,914)
Proceeds from disposal of long-term investments	11	393
Acquisition of property, plant and equipment	(157)	(5,420)
Proceeds from disposal of property, plant and equipment	12	429
Increase in deposits-out	(0)	(8)
Increase in deferred expenses / other assets	(9)	(298)
Net cash used in investing activities	<u>(191)</u>	<u>(6,615)</u>
<b>Cash flows from financing activities :</b>		
Decrease in short-term loans	(3)	(100)
Decrease in long-term loans	(204)	(7,060)
Proceeds from bonds issued	433	15,000
Reacquisition of bonds	(50)	(1,737)
Deposits-in	0	0
Treasury stock	(59)	(2,056)
Net cash provided from financing activities	<u>117</u>	<u>4,047</u>
Net increase in cash and cash equivalents	<u>513</u>	<u>17,748</u>
Cash and cash equivalents at beginning of period	1,652	57,192
Cash and cash equivalents at end of period	<u>2,165</u>	<u>74,940</u>

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