

UNITED MICROELECTRONICS CORP
Form 6-K
September 15, 2006

1934 Act Registration No. 1-15128

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 OF
THE SECURITIES EXCHANGE ACT OF 1934

Dated September 15, 2006

For the month of August 2006

United Microelectronics Corporation

(Translation of Registrant's Name into English)

No. 3 Li Hsin Road II

Science Park

Hsinchu, Taiwan, R.O.C.

(Address of Principal Executive Office)

(Indicate by check mark whether the registrant files or will file annual reports under cover of form 20-F or Form 40-F.)

Form 20-F Form 40-F

(Indicate by check mark whether the registrant by furnishing the information contained in this form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.)

Yes No

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(If Yes is marked, indicated below the file number assigned to the registrant in connection with Rule 12g3-2(b): Not applicable)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

United Microelectronics Corporation

Date: 9/15/2006

By /s/ Chitung Liu
Chitung Liu
Chief Financial Officer

Exhibit

Exhibit	Description
99.1	Announcement on August 16, 2006: To announce related materials on acquisition of machinery and equipment
99.2	Announcement on August 17, 2006: To announce related materials on acquisition of machinery and equipment
99.3	Announcement on August 17, 2006: To announce related materials on disposal of MediaTek Incorporation securities
99.4	Announcement on August 21, 2006: To announce related materials on acquisition of machinery and equipment
99.5	Announcement on August 22, 2006: To announce related materials on acquisition of Promos Technologies. common shares
99.6	Announcement on August 24, 2006: To announce related materials on disposal of MediaTek Incorporation securities
99.7	Announcement on August 24, 2006: Important Resolutions from 10th term 2nd Board Meeting
99.8	Announcement on August 25, 2006: To announce related materials on acquisition of Promos Technologies common shares
99.9	Announcement on August 29, 2006: To announce related materials on acquisition of machinery and equipment
99.10	Announcement on September 1, 2006: To announce related materials on disposal of MediaTek Incorporation securities
99.11	Announcement on September 6, 2006: To announce related materials on acquisition of machinery and equipment
99.12	Announcement on September 7, 2006: July Revenue
99.13	Announcement on September 8, 2006: To announce related materials on disposal of MediaTek Incorporation securities
99.14	Announcement on September 12, 2006: To announce related materials on acquisition of Promos Technologies. common shares
99.15	Announcement on September 14, 2006: To announce related materials on acquisition of Promos Technologies. common shares
99.16	Announcement on September 15, 2006: 1) the trading and pledge of UMC common shares by directors, supervisors, executive officers and 10% shareholders of UMC 2) the acquisition and disposition of assets by UMC
99.17	United Microelectronics Corporation (and Subsidiaries) Financial Statements With Report of Independent Auditors for the Six-Month Periods Ended June 30, 2006 And 2005

To announce related materials on acquisition of machinery and equipment

1. Name and nature of the subject matter (e.g. land located at Sublot XX, Lot XX, North District, Taichung City): Machinery and equipment
2. Date of the occurrence of the event: 2006/08/10~2006/08/15
3. Transaction volume (e.g. XX square meters, equivalent to XX ping), unit price, total transaction price: Transaction volume: one lot; average unit price: \$579,622,500 NTD; total transaction price: \$ 579,622,500 NTD
4. Counterparty to the trade and its relationship with the company (if the trading counterpart is a natural person and is not an actual related party of the Company, the name of the trading counterpart is not required to be disclosed): ASML HONG KONG LTD. C/O; non-related party transaction
5. Where the counterpart to the trade is an actual related party, a public announcement shall also include the reason for choosing the related party as trading counterpart and the identity of the previous owner (including its relationship with the company and the trading counterpart), price of transfer and the date of acquisition: Not applicable
6. Where a person who owned the property within the past five years has been an actual related person of the company, a public announcement shall also include the dates and prices of acquisition and disposal by the related person and the person's relationship to the company at those times: Not applicable
7. Anticipated loss or profit from the disposal (not applicable in cases of acquisition of assets) (where originally deferred, the status or recognition shall be stated and explained): Not applicable
8. Terms of delivery or payment (including payment period and monetary amount): 1) 90% paid upon shipment; 10% paid after acceptance
2) 100% paid after acceptance
9. The manner of deciding on this transaction (such as tender invitation, price comparison, or price negotiation), the reference basis for the decision on price and the decision-making department: transaction: price negotiation; the reference basis for the decision on price: market price. The decision-making department: the Selection Meeting
10. Name of the professional appraisal institution and its appraisal amount: Not applicable
11. Reason for any significant discrepancy with the transaction amount, and opinion of the certifying CPA: Not applicable
12. Is the appraisal report price a limited price or specific price? Not applicable

13. Has an appraisal report not yet been obtained? Not applicable

14. Reason an appraisal report has not yet been obtained: Not applicable

15. Broker and broker's fee: Not applicable

16. Concrete purpose or use of the acquisition or disposition: to produce integrated circuits

17. Do the directors have any objection to the present transaction? no

18. Any other matters that need to be specified: none

To announce related materials on acquisition of machinery and equipment

1. Name and nature of the subject matter (e.g. land located at Sublot XX, Lot XX, North District, Taichung City): Machinery and equipment
2. Date of the occurrence of the event: 2006/08/04~2006/08/16
3. Transaction volume (e.g. XX square meters, equivalent to XX ping), unit price, total transaction price: Transaction volume: one lot; average unit price: \$ 910,484,460 NTD; total transaction price: \$ 910,484,460 NTD
4. Counterparty to the trade and its relationship with the company (if the trading counterpart is a natural person and is not an actual related party of the Company, the name of the trading counterpart is not required to be disclosed): APPLIED MATERIALS ASIA PACIFIC LTD; non-related party transaction
5. Where the counterpart to the trade is an actual related party, a public announcement shall also include the reason for choosing the related party as trading counterpart and the identity of the previous owner (including its relationship with the company and the trading counterpart), price of transfer and the date of acquisition: Not applicable
6. Where a person who owned the property within the past five years has been an actual related person of the company, a public announcement shall also include the dates and prices of acquisition and disposal by the related person and the person's relationship to the company at those times: Not applicable
7. Anticipated loss or profit from the disposal (not applicable in cases of acquisition of assets) (where originally deferred, the status or recognition shall be stated and explained): Not applicable
8. Terms of delivery or payment (including payment period and monetary amount): 1) 90% paid upon shipment; 10% paid after acceptance
2) 100% paid after acceptance
9. The manner of deciding on this transaction (such as tender invitation, price comparison, or price negotiation), the reference basis for the decision on price and the decision-making department: transaction: price negotiation; the reference basis for the decision on price: market price. The decision-making department: the Selection Meeting
10. Name of the professional appraisal institution and its appraisal amount: Not applicable
11. Reason for any significant discrepancy with the transaction amount, and opinion of the certifying CPA: Not applicable
12. Is the appraisal report price a limited price or specific price? Not applicable

13. Has an appraisal report not yet been obtained? Not applicable

14. Reason an appraisal report has not yet been obtained: Not applicable

15. Broker and broker's fee: Not applicable

16. Concrete purpose or use of the acquisition or disposition: to produce integrated circuits

17. Do the directors have any objection to the present transaction? no

18. Any other matters that need to be specified: none

To announce related materials on disposal of MediaTek Incorporation securities

1. Name of the securities: Common shares of MediaTek Incorporation

2. Trading date: 2006/08/14~2006/08/17

3. Trading volume, unit price, and total monetary amount of the transaction: trading volume: 1,200,000 shares; average unit price:\$292.67 NTD; total amount:\$351,207,500 NTD

4. Gain (or loss) (not applicable in case of acquisition of securities): \$ 338,795,376 NTD

5. Relationship with the underlying company of the trade: MediaTek Incorporation, none.

6. Current cumulative volume, amount, and shareholding percentage of holdings of the security being traded (including the current trade) and status of any restriction of rights (e.g. pledges): cumulative volume: 34,334,499 shares; amount: 355,136,706 NTD; percentage of holdings: 3.55%; status of restriction of rights: no

7. Current ratio of long or short term securities investment (including the current trade) to the total assets and shareholder's equity as shown in the most recent financial statement and the operational capital as shown in the most recent financial statement: ratio of total assets: 12.30%; ratio of shareholder's equity: 15.20%; the operational capital as shown in the most recent financial statement: \$96,736,519 thousand NTD

8. Concrete purpose/objective of the acquisition or disposal: financing operation

9. Do the directors have any objections to the present transaction? none

10. Any other matters that need to be specified: none

To announce related materials on acquisition of machinery and equipment

1. Name and nature of the subject matter (e.g. land located at Sublot XX, Lot XX, North District, Taichung City): Machinery and equipment
2. Date of the occurrence of the event: 2006/08/18
3. Transaction volume (e.g. XX square meters, equivalent to XX ping), unit price, total transaction price: Transaction volume: one lot; average unit price: \$ 576,985,950 NTD; total transaction price: \$ 576,985,950 NTD
4. Counterparty to the trade and its relationship with the company (if the trading counterpart is a natural person and is not an actual related party of the Company, the name of the trading counterpart is not required to be disclosed): ASML HONG KONG LTD. C/O; non-related party transaction
5. Where the counterpart to the trade is an actual related party, a public announcement shall also include the reason for choosing the related party as trading counterpart and the identity of the previous owner (including its relationship with the company and the trading counterpart), price of transfer and the date of acquisition: Not applicable
6. Where a person who owned the property within the past five years has been an actual related person of the company, a public announcement shall also include the dates and prices of acquisition and disposal by the related person and the person's relationship to the company at those times: Not applicable
7. Anticipated loss or profit from the disposal (not applicable in cases of acquisition of assets) (where originally deferred, the status or recognition shall be stated and explained): Not applicable
8. Terms of delivery or payment (including payment period and monetary amount): 1) 90% paid upon shipment; 10% paid after acceptance
2) 100% paid after acceptance
9. The manner of deciding on this transaction (such as tender invitation, price comparison, or price negotiation), the reference basis for the decision on price and the decision-making department: transaction: price negotiation; the reference basis for the decision on price: market price. The decision-making department: the Selection Meeting
10. Name of the professional appraisal institution and its appraisal amount: Not applicable
11. Reason for any significant discrepancy with the transaction amount, and opinion of the certifying CPA: Not applicable
12. Is the appraisal report price a limited price or specific price? Not applicable

13. Has an appraisal report not yet been obtained? Not applicable

14. Reason an appraisal report has not yet been obtained: Not applicable

15. Broker and broker's fee: Not applicable

16. Concrete purpose or use of the acquisition or disposition: to produce integrated circuits

17. Do the directors have any objection to the present transaction? no

18. Any other matters that need to be specified: none

To announce related materials on acquisition of Promos Technologies common shares

1. Name of the securities: Common shares of Promos Technologies.
2. Trading date: 2006/08/16~2006/08/22
3. Trading volume, unit price, and total monetary amount of the transaction: trading volume: 30,498,000 shares; average unit price: \$ 12.94 NTD; total amount: \$ 394,644,660 NTD
4. Gain (or loss) (not applicable in case of acquisition of securities): Not applicable
5. Relationship with the underlying company of the trade: None
6. Current cumulative volume, amount, and shareholding percentage of holdings of the security being traded (including the current trade) and status of any restriction of rights (e.g. pledges): cumulative volume: 370,730,000 shares; amount:NTD 4,728,652,310; percentage of holdings: 6.12%; status of restriction of rights: no
7. Current ratio of long or short term securities investment (including the current trade) to the total assets and shareholder's equity as shown in the most recent financial statement and the operational capital as shown in the most recent financial statement: ratio of total assets: 12.24% ratio of shareholder's equity: 15.13%; the operational capital as shown in the most recent financial statement: \$96,736,519 thousand NTD
8. Concrete purpose/objective of the acquisition or disposal: financial operation
9. Do the directors have any objections to the present transaction? none
10. Any other matters that need to be specified: none

To announce related materials on disposal of MediaTek Incorporation securities

1. Name of the securities: Common shares of MediaTek Incorporation
2. Trading date: 2006/08/18~2006/08/24
3. Trading volume, unit price, and total monetary amount of the transaction: trading volume: 1,196,000 shares; average unit price: \$ 295.65 NTD; total amount: \$ 353,595,000 NTD
4. Gain (or loss) (not applicable in case of acquisition of securities): \$ 341,224,250 NTD
5. Relationship with the underlying company of the trade: MediaTek Incorporation, none.
6. Current cumulative volume, amount, and shareholding percentage of holdings of the security being traded (including the current trade) and status of any restriction of rights (e.g. pledges): cumulative volume: 33,138,499 shares; amount: 342,765,956 NTD; percentage of holdings: 3.42%; status of restriction of rights: no
7. Current ratio of long or short term securities investment (including the current trade) to the total assets and shareholder's equity as shown in the most recent financial statement and the operational capital as shown in the most recent financial statement: ratio of total assets: 12.50%; ratio of shareholder's equity: 15.45%; the operational capital as shown in the most recent financial statement: \$96,736,519 thousand NTD
8. Concrete purpose/objective of the acquisition or disposal: financing operation
9. Do the directors have any objections to the present transaction? none
10. Any other matters that need to be specified: none

Important Resolutions from 10th term 2nd Board Meeting

1. Date of occurrence of the event:2006/08/24

2. Name of the company: United Microelectronics Corp.

3. Relationship to the company (listed company or affiliated company): Listed company

4. The shareholding ratios of mutual holding: N/A

5. Cause of occurrence:

The board meeting has approved important resolutions as the followings:

(1) To approve the financial statements for the 1st half of 2006.

(2) To approve a list of applicants for UMC Conversion Sales Program . The Company will assist the shareholders to issue and sell UMC ADRs.

6. Countermeasures: none

7. Any other matters that need to be specified: none

To announce related materials on acquisition of Promos Technologies common shares

1. Name of the securities: Common shares of Promos Technologies.
2. Trading date: 2006/08/24~2006/08/25
3. Trading volume, unit price, and total monetary amount of the transaction: trading volume: 43,237,000 shares; average unit price: \$12.98 NTD; total amount: \$ 561,119,853 NTD
4. Gain (or loss) (not applicable in case of acquisition of securities): Not applicable
5. Relationship with the underlying company of the trade: None
6. Current cumulative volume, amount, and shareholding percentage of holdings of the security being traded (including the current trade) and status of any restriction of rights (e.g. pledges): cumulative volume: 413,967,000 shares; amount:NTD 5,289,772,163; percentage of holdings: 6.83%; status of restriction of rights: no
7. Current ratio of long or short term securities investment (including the current trade) to the total assets and shareholder's equity as shown in the most recent financial statement and the operational capital as shown in the most recent financial statement: ratio of total assets: 12.42% ratio of shareholder's equity: 15.34%; the operational capital as shown in the most recent financial statement: \$96,736,519 thousand NTD
8. Concrete purpose/objective of the acquisition or disposal: financial operation
9. Do the directors have any objections to the present transaction? none
10. Any other matters that need to be specified: none

To announce related materials on acquisition of machinery and equipment

1. Name and nature of the subject matter (e.g. land located at Sublot XX, Lot XX, North District, Taichung City): Machinery and equipment
2. Date of the occurrence of the event: 2006/08/25~2006/08/28
3. Transaction volume (e.g. XX square meters, equivalent to XX ping), unit price, total transaction price: Transaction volume: a batch; average unit price: \$ 636,459,640 NTD; total transaction price: \$ 636,459,640 NTD
4. Counterparty to the trade and its relationship with the company (if the trading counterpart is a natural person and is not an actual related party of the Company, the name of the trading counterpart is not required to be disclosed): TOKYO ELECTRON LIMITED; non-related party transaction
5. Where the counterpart to the trade is an actual related party, a public announcement shall also include the reason for choosing the related party as trading counterpart and the identity of the previous owner (including its relationship with the company and the trading counterpart), price of transfer and the date of acquisition: Not applicable
6. Where a person who owned the property within the past five years has been an actual related person of the company, a public announcement shall also include the dates and prices of acquisition and disposal by the related person and the person's relationship to the company at those times: Not applicable
7. Anticipated loss or profit from the disposal (not applicable in cases of acquisition of assets) (where originally deferred, the status or recognition shall be stated and explained): Not applicable
8. Terms of delivery or payment (including payment period and monetary amount): 1) 90% paid upon shipment; 10% paid after acceptance
2) 100% paid after acceptance
9. The manner of deciding on this transaction (such as tender invitation, price comparison, or price negotiation), the reference basis for the decision on price and the decision-making department: transaction: price negotiation; the reference basis for the decision on price: market price. The decision-making department: the Selection Meeting
10. Name of the professional appraisal institution and its appraisal amount: Not applicable
11. Reason for any significant discrepancy with the transaction amount, and opinion of the certifying CPA: Not applicable
12. Is the appraisal report price a limited price or specific price? Not applicable

13. Has an appraisal report not yet been obtained? Not applicable

14. Reason an appraisal report has not yet been obtained: Not applicable

15. Broker and broker's fee: Not applicable

16. Concrete purpose or use of the acquisition or disposition: to produce integrated circuits

17. Do the directors have any objection to the present transaction? no

18. Any other matters that need to be specified: none

To announce related materials on disposal of MediaTek Incorporation securities

1. Name of the securities: Common shares of MediaTek Incorporation
2. Trading date: 2006/08/25~2006/09/01
3. Trading volume, unit price, and total monetary amount of the transaction: trading volume: 1,135,000 shares; average unit price: \$ 301.49 NTD; total amount: \$ 342,192,500 NTD
4. Gain (or loss) (not applicable in case of acquisition of securities): \$ 330,452,699 NTD
5. Relationship with the underlying company of the trade: MediaTek Incorporation, none.
6. Current cumulative volume, amount, and shareholding percentage of holdings of the security being traded (including the current trade) and status of any restriction of rights (e.g. pledges): cumulative volume: 32,003,499 shares; amount: 331,026,155 NTD; percentage of holdings: 3.31%; status of restriction of rights: no
7. Current ratio of long or short term securities investment (including the current trade) to the total assets and shareholder's equity as shown in the most recent financial statement and the operational capital as shown in the most recent financial statement: ratio of total assets: 13.18%; ratio of shareholder's equity: 16.63%; the operational capital as shown in the most recent financial statement: \$ 82,601,170 thousand NTD
8. Concrete purpose/objective of the acquisition or disposal: financing operation
9. Do the directors have any objections to the present transaction? none
10. Any other matters that need to be specified: none

To announce related materials on acquisition of machinery and equipment

1. Name and nature of the subject matter (e.g. land located at Sublot XX, Lot XX, North District, Taichung City): Machinery and equipment
2. Date of the occurrence of the event: 2006/09/04~2006/09/05
3. Transaction volume (e.g. XX square meters, equivalent to XX ping), unit price, total transaction price: Transaction volume: one lot; average unit price: \$ 798,611,650 NTD; total transaction price: \$ 798,611,650 NTD
4. Counterparty to the trade and its relationship with the company (if the trading counterpart is a natural person and is not an actual related party of the Company, the name of the trading counterpart is not required to be disclosed): NOVELLUS SYSTEMS, INC.; non-related party transaction
5. Where the counterpart to the trade is an actual related party, a public announcement shall also include the reason for choosing the related party as trading counterpart and the identity of the previous owner (including its relationship with the company and the trading counterpart), price of transfer and the date of acquisition: Not applicable
6. Where a person who owned the property within the past five years has been an actual related person of the company, a public announcement shall also include the dates and prices of acquisition and disposal by the related person and the person's relationship to the company at those times: Not applicable
7. Anticipated loss or profit from the disposal (not applicable in cases of acquisition of assets) (where originally deferred, the status or recognition shall be stated and explained): Not applicable
8. Terms of delivery or payment (including payment period and monetary amount): 1) 90% paid upon shipment; 10% paid after acceptance
2) 100% paid after acceptance
9. The manner of deciding on this transaction (such as tender invitation, price comparison, or price negotiation), the reference basis for the decision on price and the decision-making department: transaction: price negotiation; the reference basis for the decision on price: market price. The decision-making department: the Selection Meeting
10. Name of the professional appraisal institution and its appraisal amount: Not applicable
11. Reason for any significant discrepancy with the transaction amount, and opinion of the certifying CPA: Not applicable
12. Is the appraisal report price a limited price or specific price? Not applicable

13. Has an appraisal report not yet been obtained? Not applicable

14. Reason an appraisal report has not yet been obtained: Not applicable

15. Broker and broker's fee: Not applicable

16. Concrete purpose or use of the acquisition or disposition: to produce integrated circuits

17. Do the directors have any objection to the present transaction? no

18. Any other matters that need to be specified: none

United Microelectronics Corporation

September 7, 2006

This is to report the changes or status of 1) Sales volume 2) Funds lent to other parties 3) Endorsements and guarantees 4) Financial derivative transactions for the period of August 2005

1) Sales volume (NT\$ Thousand)

Period	Items	2006	2005	Changes	%
August	Invoice amount	8,277,724	8,220,082	57,642	0.70%
2006	Invoice amount	62,005,406	53,693,930	8,311,476	15.48%
August	Net sales	9,416,111	8,010,667	1,405,444	17.54%
2006	Net sales	68,753,291	54,804,546	13,948,745	25.45%

2) Funds lent to other parties (NT\$ Thousand)

Balance as of period end	This Month	Last Month	Limit of lending
UMC	0	0	38,140,222
UMC's subsidiaries	22,653	22,749	539,824

3) Endorsements and guarantees (NT\$ Thousand)

	Change in This Month	Balance as of period end	Limit of endorsements
UMC	(252,149)	2,025,923	76,280,445
UMC's subsidiaries	0	0	7,664,389
UMC endorses for subsidiaries		0	0
UMC's subsidiaries endorse for UMC		0	0
UMC endorses for PRC companies		0	0
UMC's subsidiaries endorse for PRC companies		0	0

4) Financial derivatives transactions

a) Hedging purpose : NT\$ thousand

Financial instruments	Forwards	Interests SWAP
Deposit Paid	0	0
Royalty Income (Paid)	0	0
Unwritten-off Trading Contracts	0	0
Net Profit from Fair Value	0	0
Written-off Trading Contracts	0	0

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<i>Realized profit (loss)</i>	0	0
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b Trading purpose : NT\$ thousand

<i>Financial instruments</i>	Credit-linked Deposits
<i>Deposit Paid</i>	0
<i>Unwritten-off Trading Contracts</i>	19,130,863
<i>Net Profit from Market Value</i>	(1,183,652)
<i>Written-off Trading Contracts</i>	0
<i>Realized profit (loss)</i>	0

To announce related materials on disposal of MediaTek Incorporation securities

1. Name of the securities: Common shares of MediaTek Incorporation

2. Trading date: 2006/09/04~2006/09/08
3. Trading volume, unit price, and total monetary amount of the transaction: trading volume: 1,070,000 shares; average unit price: \$ 327.19 NTD; total amount: \$ 350,098,000 NTD

4. Gain (or loss) (not applicable in case of acquisition of securities): \$ 339,030,522 NTD

5. Relationship with the underlying company of the trade: MediaTek Incorporation, none.

6. Current cumulative volume, amount, and shareholding percentage of holdings of the security being traded (including the current trade) and status of any restriction of rights (e.g. pledges): cumulative volume: 30,933,499 shares; amount: 319,958,677 NTD; percentage of holdings: 3.19%; status of restriction of rights: no

7. Current ratio of long or short term securities investment (including the current trade) to the total assets and shareholder's equity as shown in the most recent financial statement and the operational capital as shown in the most recent financial statement: ratio of total assets: 13.21%; ratio of shareholder's equity: 16.67%; the operational capital as shown in the most recent financial statement: \$ 82,601,170 thousand NTD

8. Concrete purpose/objective of the acquisition or disposal: financing operation

9. Do the directors have any objections to the present transaction? none

10. Any other matters that need to be specified: none

To announce related materials on acquisition of Promos Technologies common shares

1. Name of the securities: Common shares of Promos Technologies.

2. Trading date: 2006/08/28~2006/09/12

3. Trading volume, unit price, and total monetary amount of the transaction: trading volume: 51,236,000 shares; average unit price: \$ 13.60 NTD; total amount: \$ 696,822,741 NTD

4. Gain (or loss) (not applicable in case of acquisition of securities): Not applicable

5. Relationship with the underlying company of the trade: None

6. Current cumulative volume, amount, and shareholding percentage of holdings of the security being traded (including the current trade) and status of any restriction of rights (e.g. pledges): cumulative volume: 465,203,000 shares; amount:NTD 5,986,594,904; percentage of holdings: 7.68%; status of restriction of rights: no

7. Current ratio of long or short term securities investment (including the current trade) to the total assets and shareholder s equity as shown in the most recent financial statement and the operational capital as shown in the most recent financial statement: ratio of total assets: 13.01% ratio of shareholder s equity: 16.41%; the operational capital as shown in the most recent financial statement: \$ 82,601,170 thousand NTD

8. Concrete purpose/objective of the acquisition or disposal: financial operation

9. Do the directors have any objections to the present transaction? none

10. Any other matters that need to be specified: none

To announce related materials on acquisition of Promos Technologies common shares

1. Name of the securities: Common shares of Promos Technologies.
2. Trading date: 2006/09/13~2006/09/14
3. Trading volume, unit price, and total monetary amount of the transaction: trading volume: 61,547,000 shares; average unit price: \$ 13.72 NTD; total amount: \$ 844,519,478 NTD
4. Gain (or loss) (not applicable in case of acquisition of securities): Not applicable
5. Relationship with the underlying company of the trade: None
6. Current cumulative volume, amount, and shareholding percentage of holdings of the security being traded (including the current trade) and status of any restriction of rights (e.g. pledges): cumulative volume: 526,750,000 shares; amount:NTD 6,831,114,382; percentage of holdings: 8.69%; status of restriction of rights: no
7. Current ratio of long or short term securities investment (including the current trade) to the total assets and shareholder s equity as shown in the most recent financial statement and the operational capital as shown in the most recent financial statement: ratio of total assets: 13.20% ratio of shareholder s equity: 16.65%; the operational capital as shown in the most recent financial statement: \$ 82,601,170 thousand NTD
8. Concrete purpose/objective of the acquisition or disposal: financial operation
9. Do the directors have any objections to the present transaction? none
10. Any other matters that need to be specified: none

United Microelectronics Corporation

For the month of August, 2006

This is to report 1) the trading of directors, supervisors, executive officers and 10% shareholders of United Microelectronics Corporation (UMC) (NYSE: UMC) 2) the pledge and clear of pledge of UMC common shares by directors, supervisors, executive officers and 10% shareholders of UMC 3) the acquisition assets by UMC 4) the disposition of assets by UMC for the month of August, 2006.

1) The trading of directors, supervisors, executive officers and 10% shareholders

<i>Title</i>	<i>Name</i>	<i>Number of shares held as of July 31, 2006</i>	<i>Number of shares held as of August 31, 2006</i>	<i>Changes</i>
Director	Ting-Yu Lin	16,182,403	16,782,403	600,000
Vice President	Shih-Wei Sun	15,183,341	15,083,341	(100,000)
Vice President	Ing-Ji Wu	12,217,039	11,907,039	(310,000)
Vice President	Wen-Yang Chen	6,877,255	4,377,255	(2,500,000)
Vice President	Lee Chung	601,546	531,546	(70,000)
Vice President	Po-Wen Yen	1,612,551	1,462,551	(150,000)

Note: Shares transferred to children.

2) The pledge and clear of pledge of UMC common shares by directors, supervisors, executive officers and 10% shareholders :

<i>Title</i>	<i>Name</i>	<i>Number of shares pledge as of July 31, 2006</i>	<i>Number of shares pledge as of August 31, 2006</i>	<i>Changes</i>
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3) The acquisition assets (NT\$ Thousand)

<i>Description of assets</i>	<i>August 2006</i>	<i>2006</i>
Semiconductor Manufacturing Equipment	3,978,470	15,763,431
Fixed assets	45,697	259,788

4) The disposition of assets (NT\$ Thousand)

<i>Description of assets</i>	<i>August 2006</i>	<i>2006</i>
Semiconductor Manufacturing Equipment	24,151	197,865
Fixed assets	0	0

United Microelectronics Corporation (and Subsidiaries) Financial Statements With Report of Independent Auditors for the Six-Month Periods Ended June 30, 2006 And 2005

UNITED MICROELECTRONICS CORPORATION

FINANCIAL STATEMENTS

WITH REPORT OF INDEPENDENT AUDITORS

FOR THE SIX-MONTH PERIODS ENDED

JUNE 30, 2006 AND 2005

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.

REPORT OF INDEPENDENT AUDITORS

English Translation of a Report Originally Issued in Chinese

To the Board of Directors and Shareholders of

United Microelectronics Corporation

We have audited the accompanying balance sheets of United Microelectronics Corporation as of June 30, 2006 and 2005, and the related statements of income, statements of changes in stockholders' equity, and cash flows for the six-month periods ended June 30, 2006 and 2005. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. As described in Note 4(10) to the financial statements, certain long-term investments were accounted for under the equity method based on financial statements as of June 30, 2006 and 2005 of the investees, which were audited by other auditors. Our opinion insofar as it relates to the investment income amounting to NT\$499 million and NT\$144 million for the six-month periods ended June 30, 2006 and 2005, respectively, and the related long-term investment balances of NT\$5,706 million and NT\$5,559 million as of June 30, 2006 and 2005, respectively, is based solely on the reports of the other auditors.

We conducted our audits in accordance with auditing standards generally accepted in the Republic of China and Guidelines for Certified Public Accountants' Examination and Reports on Financial Statements, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits and the reports of the other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audits and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of United Microelectronics Corporation as of June 30, 2006 and 2005, and the results of its operations and its cash flows for the six-month periods ended June 30, 2006 and 2005, in conformity with the 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 to the financial statements, effective from January 1, 2006, United Microelectronics Corporation has adopted the R.O.C. Statement of Financial Accounting Standards No. 34, Accounting for Financial Instruments and No. 36, Disclosure and Presentation of Financial Instruments to account for the financial instruments.

As described in Note 3 to the financial statements, effective from January 1, 2005, United Microelectronics Corporation has adopted the R.O.C. Statement of Financial Accounting Standards No. 35, Accounting for Asset Impairment to account for the impairment of its assets. Effective from January 1, 2006, goodwill is no longer subject to amortization.

We have also audited the consolidated financial statements of United Microelectronics Corporation as of and for the six-month periods ended June 30, 2006 and 2005, and have expressed an unqualified opinion with explanatory paragraph on such financial statements.

July 19, 2006

Taipei, Taiwan

Republic of China

Notice to Readers

The accompanying audited 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 audit 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

BALANCE SHEETS

June 30, 2006 and 2005

(Expressed in Thousands of New Taiwan Dollars)

Assets	Notes	As of June 30,	
		2006	2005
Current assets			
Cash and cash equivalents	2, 4 (1)	\$ 90,049,580	\$ 68,065,457
Financial assets at fair value through profit or loss, current	2, 3, 4 (2)	1,506,063	2,286,070
Available-for-sale financial assets, current	2, 3, 4 (3)		772,509
Held-to-maturity financial assets, current	2, 3, 4 (4)	779,456	63,080
Notes receivable	4 (5)	2,755	288
Notes receivable - related parties	5	70,880	57,853
Accounts receivable, net	2, 4 (6)	5,308,537	5,082,399
Accounts receivable - related parties, net	2, 5	7,173,966	4,506,666
Other receivables	2, 5	722,558	611,559
Inventories, net	2, 4 (7)	10,383,292	7,898,701
Prepaid expenses		849,094	820,875
Deferred income tax assets, current	2, 4 (22)	2,720,051	3,413,529
Total current assets		119,566,232	93,578,986
Funds and investments			
Available-for-sale financial assets, noncurrent	2, 3, 4 (8)	37,864,803	5,171,355
Held-to-maturity financial assets, noncurrent	2, 3, 4 (4)	200,000	1,153,028
Financial assets measured at cost, noncurrent	2, 3, 4 (9)	2,265,728	2,544,521
Long-term investments accounted for under the equity method	2, 3, 4 (10)	33,261,799	37,304,798
Total funds and investments		73,592,330	46,173,702
Property, plant and equipment			
	2, 3, 4 (11), 7		
Land		1,132,576	1,132,576
Buildings		16,249,112	15,860,960
Machinery and equipment		380,689,179	348,877,930
Transportation equipment		78,461	88,095
Furniture and fixtures		2,300,342	2,119,552
Total cost		400,449,670	368,079,113
Less : Accumulated depreciation		(274,361,684)	(228,295,715)
Add : Construction in progress and prepayments		10,539,974	20,087,650
Property, plant and equipment, net		136,627,960	159,871,048
Intangible assets			
Goodwill	2, 3	3,745,122	4,168,997
Technological know-how	2	299,877	399,178
Total intangible assets		4,044,999	4,568,175

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Other assets			
Deferred charges	2	1,627,918	1,800,209
Deferred income tax assets, noncurrent	2, 4 (22)	4,414,737	3,922,375
Other assets - others	2, 4 (12), 6	1,956,997	2,069,695
Total other assets		7,999,652	7,792,279

Total assets \$ 341,831,173 \$ 311,984,190

Liabilities and Stockholders Equity	Notes	As of June 30,	
		2006	2005
Current liabilities			
Short-term loans	4 (13)	\$	\$ 1,645,280
Financial liabilities at fair value through profit or loss, current	2, 3, 4 (14)	1,188,290	27,475
Accounts payable		4,733,091	3,797,102
Income tax payable	2	1,188,953	60,389
Accrued expenses		5,781,758	5,274,099
Dividend payable	4 (20)	7,161,301	1,758,736
Payable on equipment		4,398,689	3,413,036
Other payables	4 (20)	311,960	27,006
Current portion of long-term liabilities	2, 4 (15)	10,312,904	5,250,000
Other current liabilities	7	1,888,116	820,413
Total current liabilities		36,965,062	22,073,536
Long-term liabilities			
Bonds payable	2, 4 (15)	30,279,246	28,347,240
Total long-term liabilities		30,279,246	28,347,240
Other liabilities			
Accrued pension liabilities	2, 4 (16)	3,044,682	2,962,723
Deposits-in		21,451	20,636
Deferred credits - intercompany profits	2	9,806	9,806
Other liabilities - others		551,252	510,637
Total other liabilities		3,627,191	3,503,802
Total liabilities		70,871,499	53,924,578
Capital			
Common stock	2, 4 (17), 4 (18), 4 (20)	188,452,341	177,794,314
Stock dividends for distribution		2,248,771	19,560,220
Capital reserve	2, 4 (17)		
Premiums		60,712,685	64,227,411
Change in equities of long-term investments		6,655,250	20,786,958
Retained earnings	4 (17), 4 (20)		
Legal reserve		16,699,508	15,996,839
Special reserve		322,150	1,744,171
Unappropriated earnings		3,434,838	3,622,790
Adjusting items in stockholders equity	2, 4 (8)		
Cumulative translation adjustment		(855,518)	(1,998,163)
Unrealized gain or loss on financial instruments		19,677,371	(9,597,290)
Treasury stock	2, 4 (10), 4 (17), 4 (19)	(26,387,722)	(34,077,638)
Total stockholders equity		270,959,674	258,059,612
Total liabilities and stockholders equity		\$ 341,831,173	\$ 311,984,190

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

English Translation of Financial Statements Originally Issued in Chinese

UNITED MICROELECTRONICS CORPORATION

STATEMENTS OF INCOME

For the six-month periods ended June 30, 2006 and 2005

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

	Notes	For the six-month period ended	
		2006	June 30, 2005
Operating revenues	2, 5		
Sales revenues		\$ 49,078,075	\$ 39,605,151
Less : Sales returns and discounts		(456,096)	(729,298)
Net sales		48,621,979	38,875,853
Other operating revenues		1,512,987	852,773
Net operating revenues		50,134,966	39,728,626
Operating costs	4 (21), 5		
Cost of goods sold		(40,738,614)	(36,279,398)
Other operating costs		(999,065)	(266,257)
Operating costs		(41,737,679)	(36,545,655)
Gross profit		8,397,287	3,182,971
Unrealized intercompany profit	2	(91,439)	(68,741)
Realized intercompany profit	2	120,153	154,417
Gross profit-net		8,426,001	3,268,647
Operating expenses	4 (21), 5		
Sales and marketing expenses		(1,373,023)	(1,050,885)
General and administrative expenses		(1,207,715)	(1,298,115)
Research and development expenses		(4,130,707)	(3,956,436)
Subtotal		(6,711,445)	(6,305,436)
Operating income (loss)		1,714,556	(3,036,789)
Non-operating income			
Interest revenue	2, 5	709,934	436,914
Investment gain accounted for under the equity method, net	2, 4 (10)	582,324	
Dividend income		26,371	36,789
Gain on disposal of property, plant and equipment	2	93,923	33,840
Gain on disposal of investments	2	18,708,934	6,439,830
Exchange gain, net	2	90,800	41,233
Gain on recovery of market value of inventories	2		315,151
Gain on valuation of financial liabilities	2	89,197	
Other income		440,236	390,360

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Subtotal		20,741,719	7,694,117		
Non-operating expenses					
Interest expense	4 (11)	(397,415)	(447,071)		
Investment loss accounted for under the equity method, net	2, 4 (10)		(2,144,439)		
Loss on disposal of property, plant and equipment	2	(23,501)	(63,344)		
Loss on decline in market value and obsolescence of inventories	2	(401,003)			
Financial expenses		(104,842)	(149,905)		
Impairment loss	2, 4 (10)	(21,807)			
Loss on valuation of financial assets	2	(590,466)			
Other losses		(36,390)	(34,472)		
Subtotal		(1,575,424)	(2,839,231)		
Income from continuing operations before income tax		20,880,851	1,818,097		
Income tax expense	2, 4 (22)	(1,354,548)	(397)		
Net income from continuing operations		19,526,303	1,817,700		
Cumulative effect of changes in accounting principles (the net amount after deducted tax expense \$0)	3	(1,188,515)			
Net income		\$ 18,337,788	\$ 1,817,700		
		Pre-tax	Post-tax	Pre-tax	Post-tax
Earnings per share-basic (NTD)	2, 4 (23)				
Income from continuing operations		\$ 1.15	\$ 1.08	\$ 0.10	\$ 0.10
Cumulative effect of changes in accounting principles		(0.07)	(0.07)		
Net income		\$ 1.08	\$ 1.01	\$ 0.10	\$ 0.10
Earnings per share-diluted (NTD)	2, 4 (23)				
Income before income tax		\$ 1.11	\$ 1.03	\$ 0.10	\$ 0.10
Cumulative effect of changes in accounting principles		(0.06)	(0.06)		
Net income		\$ 1.05	\$ 0.97	\$ 0.10	\$ 0.10
Pro forma information on earnings as if subsidiaries investment in the Company is not treated as treasury stock					
Net income	2, 4 (23)		\$ 18,337,788	\$ 1,817,700	
Earnings per share-basic (NTD)			\$ 1.00	\$ 0.09	
Earnings per share-diluted (NTD)			\$ 0.97	\$ 0.09	

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

English Translation of Financial Statements Originally Issued in Chinese

UNITED MICROELECTRONICS CORPORATION

STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

For the six-month periods ended June 30, 2006 and 2005

(Expressed in Thousands of New Taiwan Dollars)

	Notes	Common Stock	Capital Stock Dividends for Distribution	Collected in Advance	Capital Reserve	Legal Reserve	Special Reserve	Unappropriated Earnings	Unrealized Gain/Loss on Financial Instruments	Cumulative Translation Adjustment	Treasury Stock	Total
as of , 2005	4 (17)	\$ 177,919,819	\$	\$ 4,040	\$ 84,933,195	\$ 12,812,501	\$ 90,871	\$ 29,498,329	\$ (9,871,086)	\$ (1,319,452)	\$ (27,685,463)	\$ 266,000
ation of ined	4 (20)											
erve reserve						3,184,338		(3,184,338)				
idends							1,653,300	(1,653,300)				
idends			17,587,365					(1,758,736)				(1,758,736)
ation to and ors								(27,005)				
e bonus -			1,972,855					(1,972,855)				
of stock	2, 4 (19)										(8,570,374)	(8,570,374)
ion of stock	2, 4 (19)	(491,140)			(177,419)			(1,509,640)			2,178,199	
me in the of 2005								1,817,700				1,817,700
ent of serve d for equity	2				(20,055)							
in d gain ial nts of	2								273,796			273,796
of e stock	2, 4 (18)	361,595			278,648							640,243
stock ed from llected ce in ve n nt	2	4,040	(4,040)									
as of 2005		\$ 177,794,314	\$ 19,560,220	\$	\$ 85,014,369	\$ 15,996,839	\$ 1,744,171	\$ 3,622,790	\$ (9,597,290)	\$ (1,998,163)	\$ (34,077,638)	\$ 258,000
as of , 2006	4 (17)	\$ 197,947,033	\$	\$ 36,600	\$ 85,381,599	\$ 15,996,839	\$ 1,744,171	\$ 8,831,782	\$ (9,527,362)	\$ (241,153)	\$ (41,885,956)	\$ 258,000

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ct of SFAS	3 (3)					23,499,003	11,547		23,
ation of ined	4 (20)								
erve			702,669		(702,669)				
eserve				(1,422,021)	1,422,021				
idends					(7,161,267)				(7,
idends		895,158			(895,158)				
ation to and									
ors					(6,324)				
e bonus -									(
e bonus -		458,455			(458,455)				
eserve									
ed to stock of	4 (17)	895,158	(895,158)						
stock of	2, 4 (19)							(24,279,397)	(24,
ion of stock	2, 4 (17), 4 (19)	(10,000,000)	(3,269,100)		(6,371,128)			19,640,228	
ent of stock due									
i control									
idiary					(9,256,116)	2,620,135		20,137,403	13,
me in the of 2006					18,337,788				18,
ent of reserve									
d for equity	2		(15,280)						
ent of d									
nts	2		(14,110,993)				8,171		(14,
in									
d loss on -for-sale	2					(149,372)			(
assets									
in									
d gain									
ial									
nts of	2						3,234,967		3,
of stock	2, 4 (18)	468,708	276,867						
stock									
ed from									
ollected									
ce		36,600	(36,600)						
in									
ve									
n									
nt	2						(634,083)		(
as of 2006		\$ 188,452,341	\$ 2,248,771	\$ 67,367,935	\$ 16,699,508	\$ 322,150	\$ 3,434,838	\$ 19,677,371	\$ (855,518) \$ (26,387,722) \$ 270,

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

English Translation of Financial Statements Originally Issued in Chinese

UNITED MICROELECTRONICS CORPORATION

STATEMENTS OF CASH FLOWS

For the six-month periods ended June 30, 2006 and 2005

(Expressed in Thousands of New Taiwan Dollars)

	For the six-month period ended June 30,	
	2006	2005
Cash flows from operating activities:		
Net income	\$ 18,337,788	\$ 1,817,700
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	22,717,399	22,080,111
Amortization	921,607	1,111,695
Bad debt expenses (reversal)	7,825	(116,245)
Loss (gain) on decline (recovery) in market value and obsolescence of inventories	401,003	(315,151)
Cash dividends received under the equity method		7,500
Investment loss (gain) accounted for under the equity method	(582,324)	2,144,439
Loss on valuation of financial assets and liabilities	1,689,784	
Impairment loss	21,807	
Gain on disposal of investments	(18,708,934)	(6,439,830)
Loss (gain) on disposal of property, plant and equipment	(70,422)	29,504
Exchange loss (gain) on financial assets and liabilities	(13,861)	13,576
Exchange gain on long-term liabilities	(226,299)	(9,789)
Amortization of bond discounts	48,280	
Amortization of deferred income	(59,747)	(26,732)
Changes in assets and liabilities:		
Financial assets and liabilities at fair value through profit or loss, current	370,882	101,641
Notes and accounts receivable	(217,198)	2,004,339
Other receivables	111,015	(46,543)
Inventories	(829,918)	1,528,698
Prepaid expenses	(427,841)	(510,188)
Accounts payable	(9,516)	(920,209)
Accrued expenses	(3,706)	(3,287,674)
Other current liabilities	470,496	(124,763)
Capacity deposits	(9,400)	(201,216)
Accrued pension liabilities	40,904	272,212
Other liabilities - others	236,756	107,962
Net cash provided by operating activities	24,216,380	19,221,037
Cash flows from investing activities:		
Cash proceeds from merger		943,862
Acquisition of available-for-sale financial assets	(296,823)	(318,396)
Proceeds from disposal of available-for-sale financial assets	5,115,113	4,602,598
Proceeds from disposal of held-to-maturity financial assets		453,640
Acquisition of financial assets measured at cost		(323,616)
Proceeds from disposal of financial assets measured at cost	31,188	
Acquisition of long-term investments accounted for under the equity method	(3,465,263)	(1,685,256)
Proceeds from disposal of long-term investments accounted for under the equity method	7,801,029	2,627,313
Proceeds from liquidation of long-term investments		95,090
Acquisition of property, plant and equipment	(11,198,577)	(7,812,374)
Proceeds from disposal of property, plant and equipment	100,882	78,242

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Increase in deferred charges	(599,150)	(686,340)
Decrease (increase) in other assets - others	60,117	(129,531)
Increase in other receivables		(5,137,760)
Net cash used in investing activities	(2,451,484)	(7,292,528)

English Translation of Financial Statements Originally Issued in Chinese

UNITED MICROELECTRONICS CORPORATION

STATEMENTS OF CASH FLOWS

For the six-month periods ended June 30, 2006 and 2005

(Expressed in Thousands of New Taiwan Dollars)

	For the six-month period ended June 30,	
	2006	2005
(continued)		
Cash flows from financing activities:		
Decrease in short-term loans	\$	\$ (259,120)
Repayment of long-term loans		(16,153,714)
Redemption of bonds	(5,250,000)	(2,820,004)
Increase (decrease) in deposits-in	627	(1,437)
Purchase of treasury stock	(23,831,089)	(8,570,374)
Exercise of employee stock options	745,575	640,243
Net cash used in financing activities	(28,334,887)	(27,164,406)
Effect of exchange rate changes on cash and cash equivalents	22,948	(45,975)
Decrease in cash and cash equivalents	(6,547,043)	(15,281,872)
Cash and cash equivalents at beginning of period	96,596,623	83,347,329
Cash and cash equivalents at end of period	\$ 90,049,580	\$ 68,065,457
Supplemental disclosures of cash flow information:		
Cash paid for interest	\$ 777,461	\$ 1,130,964
Cash paid (refunded) for income tax	\$ 78,693	\$ (27,513)
Investing activities partially paid by cash:		
Acquisition of property, plant and equipment	\$ 10,319,403	\$ 4,947,474
Add: Payable at beginning of period	5,277,863	4,704,299
Payable transferred in from the Branch at beginning of period		1,573,637
Less: Payable at end of period	(4,398,689)	(3,413,036)
Cash paid for acquiring property, plant and equipment	\$ 11,198,577	\$ 7,812,374
Investing and financing activities not affecting cash flows:		
Principal amount of exchangeable bonds exchanged by bondholders	\$ 69,621	\$
Book value of reference available-for-sale financial assets delivered for exchange	(20,242)	
Elimination of related balance sheet accounts	15,302	
Recognition of gain on disposal of available-for-sale financial assets	\$ 64,681	\$

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

UNITED MICROELECTRONICS CORPORATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2006 and 2005

(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 individual customer needs. These services include intellectual property, embedded IC design, design verification, mask tooling, wafer fabrication, and testing. 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.

Based on the resolution of the board of directors meeting on February 26, 2004, the effective date of the Company s merger with SiS MICROELECTRONICS CORP. (SiSMC) was July 1, 2004. The Company was the surviving company, and SiSMC was the dissolved company. The merger was approved by the relevant government authorities. All the assets, liabilities, rights, and obligations of SiSMC have been fully incorporated into the Company since July 1, 2004.

Based on the resolution of the board of directors meeting on August 26, 2004, UMCI LTD. had transferred its businesses, operations, and assets to the Company s Singapore branch (the Branch) since April 1, 2005.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in conformity with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers and accounting principles generally accepted in the Republic of China (R.O.C.).

Summaries of significant accounting policies are as follows:

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make 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 translated into New Taiwan Dollars at the exchange rates prevailing at the transaction dates. Receivables, other monetary assets, and liabilities denominated in foreign currencies are translated into New Taiwan Dollars at the exchange rates prevailing at the balance sheet date. Exchange gains or losses are included in the current reporting period's results. However, exchange gains or losses from investments in foreign entities are recognized as a cumulative translation adjustment in stockholders' equity.

Non-currency assets and liabilities denominated in foreign currencies and marked to market with changes in market value charged to the statement of income, are valued at the spot exchange rate at the balance sheet date, with arising exchange gains or losses recognized in the current reporting period. For similar assets and liabilities where the changes in market value are charged to stockholders' equity, the spot exchange rate at the balance sheet date is used and any resulting exchange gains or losses are recorded as adjustment items to stockholders' equity. The exchange rate at the date of transaction is used to record non-currency assets and liabilities which are denominated in foreign currencies and measured at cost.

Translation of Foreign Currency Financial Statements

The financial statements of the Branch are translated into New Taiwan Dollars using the spot rates as of each financial statement 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 stockholders' 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

Based on the R.O.C. Statement of Financial Accounting Standard (SFAS) No. 34, "Accounting for Financial Instruments" and the "Guidelines Governing the Preparation of Financial Reports by Securities Issuers", financial assets are classified as financial assets at fair value through profit or loss, held-to-maturity financial assets, financial assets measured at cost, and available-for-sale financial assets. Financial liabilities are classified as financial liabilities at fair value through profit or loss.

The Company's purchases and sales of financial assets and liabilities are recognized on the trade date, the date that Company commits to purchasing or selling the asset and liability. Financial assets and financial liabilities are initially recognized at fair value plus the acquisition or issuance costs. Accounting policies prior to, and including, December 31, 2005 are described in Note 3.

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

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

Financial assets or financial liabilities are subsequently measured at fair value and changes in fair value are recognized as profit or loss. Stocks of listed companies, convertible bonds, and close-end funds are measured at closing prices at the balance sheet date. Open-end funds are measured at the unit price of the net assets at the balance sheet date. The fair value of derivative financial instruments is determined by using valuation techniques commonly used by market participants to price the instrument.

b. Held-to-maturity financial assets

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

If there is any objective evidence of impairment, impairment loss is recognized by the Company. If subsequently the impairment loss has recovered, and such recovery is evidently related to improvements in events or factors that have originally caused the impairment loss, the Company shall reverse the amount, which will be recorded as profit in the current period. The new cost basis as a result of the reversal shall not exceed the amortized cost prior to the impairment.

c. Financial assets measured at cost

Unlisted stocks, funds, and others without reliable market prices are measured at cost. Where objective evidence of impairment exists, the Company shall recognize impairment loss, which shall not be reversed in subsequent periods.

d. Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets neither classified as financial assets at fair value through profit or loss, nor held-to-maturity financial assets, loans and receivables. Subsequent measurement is measured at fair value. Stocks of listed companies are measured at closing prices at the balance sheet date. The gain or loss arising from the change in fair value, excluding impairment loss and exchange gain or loss, is recognized as an adjustment to stockholders' equity until such investment is reclassified or disposed of, upon which the cumulative gain or loss previously charged to stockholders' equity will be recorded in the income statement.

The Company recognizes impairment loss when there is any objective evidence of impairment. Any reduction in the loss of equity investments in subsequent periods will be recognized as an adjustment to stockholders' equity. For debt instruments, if the reduction is clearly related to improvements in the factors or events that have originally caused the impairment, the amount shall be reversed and recognized in the current period's statement of income.

Allowance for Doubtful Accounts

The allowance for doubtful accounts is provided based on management's judgment and on the evaluation of collectibility 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 adjusted to actual costs using the weighted-average method at the end of each month. Inventories are stated at the lower of aggregate cost or market value at the balance sheet date. The market values of raw materials and supplies are determined on the basis of replacement cost while work in process and finished goods are determined by net realizable values. An allowance for loss on decline in market value and obsolescence is provided when necessary.

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 to income over a period of 5 years.

Investment income or loss from investments in both listed and unlisted investees is accounted for under the equity method provided that the Company owns at least 20% of the outstanding voting rights of the investees or has significant influence on operating decisions of the investees. The difference of the acquisition cost and the underlying equity in the investee's net assets is amortized over 5 years. However, effective from January 1, 2006, such a difference is no longer amortized. Arising differences from new acquisitions are analyzed and accounted for in the manner similar to the allocation of acquisition cost as provided in the R.O.C. SFAS No. 25, Business Combination Accounting Treatment under Purchase Method, where goodwill is not subject to amortization.

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

Unrealized intercompany gains and losses arising from downstream transactions with investees accounted for under the equity method are eliminated in proportion to the Company's ownership percentage, while those from transactions with majority-owned (above 50%) subsidiaries are eliminated entirely.

Unrealized intercompany gains and losses arising from upstream transactions with investees accounted for under the equity method are eliminated in proportion to the Company's ownership percentage. Unrealized intercompany gains and losses arising from transactions between investees accounted for under the equity method are eliminated in proportion to the Company's ownership percentage, while those arising from transactions between majority-owned subsidiaries are eliminated in proportion to the Company's ownership percentage in the subsidiary incurred with a gain or loss.

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

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 expenditure and are depreciated accordingly. When property, plant and equipment are disposed, their original cost and accumulated depreciation are to be written off and the related gain or loss is classified as non-operating income or expenses. Idle assets are transferred to other assets according to the lower of net book or net realizable value, with the difference charged to non-operating expenses.

Depreciation is provided on a straight-line basis using the estimated economic life of the assets less salvage value, if any. When the estimated economic life expires, property, plant and equipment which are still in use, are depreciated over the newly estimated remaining useful life using the salvage value. 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; furniture and fixtures 5 years.

Intangible Assets

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

Technological know-how is stated at cost and amortized over its estimated economic life using the straight-line method.

The Company assesses whether there is any indication of impairment other than temporary. If any such indication exists, the recoverable amount is estimated and impairment loss is recognized accordingly. 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: patent license fees - the term of contract or estimated economic life of the related technology; and software - 3 years.

Prior to, and including December 31, 2005, the issuance costs of convertible and exchangeable bonds were classified as deferred charges and amortized over the life of the bonds. Since January 1, 2006, the amortized amounts as of December 31, 2005 were reclassified as discount of bonds as a deduction to bonds payable. The amounts are amortized based on the interest method during remaining life of the bonds. Where the difference between straight-line method and interest method is slight, the bond discounts shall be amortized based on the straight-line method.

The Company assesses whether there is any indication of other than temporary impairment. If any such indication exists, the recoverable amount is estimated and impairment loss is recognized accordingly. The book value after recognizing the impairment loss is recorded as the new cost basis.

Convertible and Exchangeable Bonds

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

When convertible bondholders exercise their conversion rights, the book value of bonds is credited to common stock at an amount equal to the par value of the common stock and the excess is credited to the capital reserve; no gain or loss is recognized on bond conversion.

When exchangeable bondholders exercise their rights to exchange for the reference shares, the book value of the bonds is to be offset against the book value of the investments in reference shares and the related stockholders' equity accounts, with the difference recognized as gain or loss on disposal of investments.

Based on the R.O.C. SFAS No. 34, *Accounting for Financial Instruments*, as of January 1, 2006, derivative financial instruments embedded in convertible bonds shall be bifurcated and accounted as financial liabilities with changes in market value recognized in earnings if the economic and risk characteristics of the embedded derivative instrument and the host contract are not clearly and closely related.

Pension Plan

All regular employees are entitled to a defined benefit pension plan that is managed by an independently administered pension fund committee within the Company. The fund is deposited under the committee's name in the Central Trust of China and hence, not associated with the Company. Therefore the fund shall not 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. In accordance with the Act, employees may choose to elect either the Act, by retaining their seniority before the enforcement of the Act, or the pension mechanism of the Labor Standards Law. For employees who elect the Act, the Company will make monthly contributions of no less than 6% of the employees' monthly wages to the employees' individual pension accounts.

The accounting for pension is computed in accordance with the R.O.C. SFAS No. 18. For the defined benefit pension plan, the net pension cost is calculated based on an actuarial valuation, and 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. For the defined contribution pension plan, the Company recognizes the pension amount as expense in the period in which the contribution becomes due.

Employee Stock Option Plan

The Company applies the intrinsic value method to recognize the difference between the market price of the stock and the exercise price of its employee stock option as compensation cost. Starting January 1, 2004, the Company also discloses pro forma net income and earnings per share under the fair value method for options granted since January 1, 2004.

Treasury Stock

The Company adopted the R.O.C. SFAS No. 30, Accounting for Treasury Stocks, which requires that treasury stock held by the Company to be accounted for under the cost method. Cost of treasury stock is shown as a deduction to stockholders' equity, while gain or loss from selling treasury stock is treated as an adjustment to capital reserve. The Company's stock held by its subsidiaries is also treated as treasury stock in the Company's account.

Revenue Recognition

The main sales term of the Company is Free on Board (FOB) or Free Carrier (FCA). Revenue is recognized when the ownership and risk of the products have been transferred to customers and the possibility of sales collection is reasonably assured. Allowance for sales returns and discounts is estimated based on customer complaints and historical experiences. Such provisions are recognized in the reporting period the products are sold.

Capital Expenditure versus Operating Expenditure

Expenditure shall be capitalized when it is probable that future economic benefits associated with the expenditure will flow to the Company and the expenditure amount exceeds a predetermined level. Otherwise it is charged as expense when incurred.

Income Tax

The Company adopted the R.O.C. SFAS No. 22, Accounting for Income Taxes for inter-period and intra-period income tax allocation. Provision for income tax includes deferred income tax resulting from temporary differences, loss carry-forward and investment tax credits. Deferred income tax assets and liabilities are recognized for the expected tax consequences of temporary differences between the tax bases of assets and liabilities and their reported amounts in the financial statements using enacted tax rates and laws that will be in effect when the difference is expected to reverse. 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, then it is classified as either current or noncurrent based on the expected reversal date of the temporary difference.

According to the R.O.C. 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. The IBTA is a supplemental tax at 10% (set up by the Executive Yuan) that is payable if the income tax payable pursuant to the R.O.C. Income Tax Act is below the minimum amount as prescribed by the IBTA, and is calculated based on taxable income defined under 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 per Share

Earnings per share is computed according to the R.O.C. SFAS No. 24, Earnings Per Share. Basic earnings 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 per share is computed by taking basic earnings per share into consideration plus additional common shares that would have been outstanding if the dilutive share equivalents had been issued. The net income (loss) would also be adjusted for the interest and other income or expenses derived from any underlying dilutive share equivalents. The weighted-average outstanding shares are adjusted retroactively for stock dividends and bonus share issues.

Asset Impairment

Pursuant to the R.O.C. SFAS No. 35, 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 carrying amount with the recoverable amount of the assets or the cash-generating unit (CGU) 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, whether there is any indication that the impairment loss may no longer exist or may have diminished. If there is any such indication, the Company recalculates the recoverable amount of the asset. If the recoverable amount increases as a result of the increase in the estimated service potential of the assets, the Company reverses the impairment loss such that the resulting carrying amount of the asset shall 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, there is an impairment loss. In allocating impairment losses, the portion of goodwill allocated is to be written down first. After goodwill has been written off, the remaining impairment loss, if any, is to be shared among other assets pro rata to their carrying amount. The write-down in goodwill cannot be reversed under any circumstance in subsequent periods.

Impairment loss (reversal) is classified as non-operating losses (income).

3. ACCOUNTING CHANGE

Asset Impairment

The Company adopted the R.O.C. SFAS No. 35, Accounting for Asset Impairment to account for the impairment of its assets for its financial statements effective on January 1, 2005. No retroactive adjustment is required under the standard. Such a change in accounting principles did not have any impact on the Company's net income, basic earnings per share after tax for the six-month period ended June 30, 2005 as well as the total assets as of June 30, 2005.

Goodwill

The Company adopted the amendments to the R.O.C. SFAS No. 1, Conceptual Framework of Financial Accounting and Preparation of Financial Statements, SFAS No. 5, Long-Term Investments in Equity Securities, and SFAS No. 25, Business Combinations - Accounting Treatment under Purchase Method, which have all discontinued the amortization of goodwill effective on January 1, 2006. The above changes in accounting principles has increased the Company's total assets as of June 30, 2006 by NT\$ 429 million, and increased the Company's net income and earnings per share by NT\$429 million and NT\$0.02, respectively, for the six-month period ended June 30, 2006.

Financial Instruments

- (1) The Company adopted the R.O.C. SFAS No. 34, Accounting for Financial Instruments and SFAS No. 36, Disclosure and Presentation of Financial Instruments to account for the financial instruments for its financial statements beginning on and after January 1, 2006. Some items have already been reclassified according to the R.O.C. Guidelines Governing the Preparation of Financial Reports by Securities Issuers, SFAS No. 34 and No. 36 for the six-month period ended June 30, 2005.
- (2) The accounting policies prior to, and including, December 31, 2005 are as follows:

- a. **Marketable Securities**

Marketable securities are recorded at cost at acquisition and are stated at the lower of aggregate cost or market value at the balance sheet date. Cash dividends are recognized as dividend income at the point of receipt. Costs of money market funds and short-term notes are identified specifically while other marketable securities are determined by the weighted-average method. The market values of listed debts, equity securities and closed-end funds are determined by the average closing price during the last month of the fiscal year. The market value for open-end funds is determined by the net asset value at the balance sheet date. The amount by which the aggregate cost exceeds the market value is reported as a loss in the current year. In subsequent periods, recoveries of the market value are recognized as a gain to the extent that the market value does not exceed the original aggregate cost of the investment.

- b. **Long-Term Investment Cost Method or Lower of Cost or Market Value Method**

Investments of less than 20% of the outstanding voting rights in listed investees, where significant influence on operating decisions of the investees does not reside with the Company, are accounted for by the lower of aggregate cost or market value method. The unrealized loss resulting from the decline in market value of investments that are held for the purpose of long-term investment is deducted from the stockholders equity. The market value at the balance sheet date is determined by the average closing price during the last month of the reporting period. Investments of less than 20% of the outstanding voting rights in unlisted investees are accounted for under the cost method. Impairment losses for the investees will be recognized if an other than temporary impairment is evident and the book value after recognizing the losses shall be treated as the new cost basis of such investment.

- c. **Derivative Financial Instruments**

The net receivables or payables resulting from interest rate swap and forward contracts were recorded under current assets or current liabilities.

- (3) The above changes in accounting principles increased the Company's total assets, total liabilities, and stockholders' equity as of January 1, 2006 by NT\$23,648 million, NT\$1,326 million, and NT\$22,322 million, respectively; and resulted in an unfavorable cumulative effect of changes in accounting principles of NT\$1,189 million to be deducted from net income, thereby reducing earnings per share by NT\$0.07 for the six-month period ended June 30, 2006.

4. CONTENTS OF SIGNIFICANT ACCOUNTS

(1) CASH AND CASH EQUIVALENTS

	As of June 30,	
	2006	2005
Cash:		
Cash on hand	\$ 1,874	\$ 1,617
Checking and savings accounts	3,167,141	1,932,245
Time deposits	79,104,197	57,396,748
Subtotal	82,273,212	59,330,610
Cash equivalents:		
Government bonds acquired under repurchase agreements	7,776,368	8,734,847
Total	\$ 90,049,580	\$ 68,065,457

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

	As of June 30,	
	2006	2005
Held for trading		
Listed stocks	\$ 1,138,214	\$ 628,747
Convertible bonds	313,439	1,657,323
Open-end funds	54,410	
Total	\$ 1,506,063	\$ 2,286,070

During the six-month period ended June 30, 2006, net loss arising from the changes in fair value of financial assets at fair value through profit or loss, current, was NT\$547 million.

(3) AVAILABLE-FOR-SALE FINANCIAL ASSET, CURRENT

	As of June 30,	
	2006	2005
Common stock	\$	\$ 772,509

(4) HELD-TO-MATURITY FINANCIAL ASSETS

	As of June 30,	
	2006	2005
Credit-linked deposits and repackage bonds	\$ 979,456	\$ 1,216,108
Less: Non-current portion	(200,000)	(1,153,028)
Total	\$ 779,456	\$ 63,080

(5) NOTES RECEIVABLE

	As of June 30,	
	2006	2005
Notes receivable	\$ 2,755	\$ 288

(6) ACCOUNTS RECEIVABLE, NET

	As of June 30,	
	2006	2005
Accounts receivable	\$ 5,498,927	\$ 5,190,555
Less: Allowance for sales returns and discounts	(133,071)	(23,981)
Less: Allowance for doubtful accounts	(57,319)	(84,175)
Net	\$ 5,308,537	\$ 5,082,399

(7) INVENTORIES, NET

	As of June 30,	
	2006	2005
Raw materials	\$ 933,763	\$ 126,994
Supplies and spare parts	1,691,672	1,734,764
Work in process	8,325,959	6,760,326
Finished goods	305,657	520,695
Total	11,257,051	9,142,779
Less: Allowance for loss on decline in market value and obsolescence	(873,759)	(1,244,078)
Net	\$ 10,383,292	\$ 7,898,701

Inventories were not pledged.

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

a. Details of available-for-sale financial assets are as follows :

	As of June 30,	
	2006	2005
Common stock	\$ 36,448,324	\$ 5,171,355
Preferred stock	1,416,479	
Total	\$ 37,864,803	\$ 5,171,355

b. The Company recognized net loss of NT\$149 million due to the changes in fair value as an adjustment to stockholders' equity for the six-month period ended June 30, 2006.

(9) FINANCIAL ASSETS MEASURED AT COST, NONCURRENT

	As of June 30,	
	2006	2005
Common stock	\$ 1,458,246	\$ 1,758,239
Preferred stock	300,000	300,000
Funds	507,482	486,282
Total	\$ 2,265,728	\$ 2,544,521

(10) 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 Company	As of June 30,			
	2006 Amount	Percentage of Ownership or Voting Rights	2005 Amount	Percentage of Ownership or Voting Rights
<u>Listed companies</u>				
UMC JAPAN	\$ 6,134,625	50.09	\$ 7,269,416	47.42
HOLTEK SEMICONDUCTOR INC.	922,620	24.67	797,730	25.23
ITE TECH. INC.	347,675	22.04	292,828	22.21
UNIMICRON TECHNOLOGY CORP.	4,531,744	20.40	3,640,017	20.85
FARADAY TECHNOLOGY CORP. (Note A)			907,782	18.38
SILICON INTEGRATED SYSTEMS CORP. (Note A)			4,048,689	16.16
NOVATEK MICROELECTRONICS CORP. (Note A)			1,428,604	13.24
Subtotal	11,936,664		18,385,066	

Investee Company	As of June 30,		2005 Percentage of Ownership or Voting Rights
	2006 Amount	2006 Percentage of Ownership or Voting Rights	
<u>Unlisted companies</u>			
UMC GROUP (USA)	\$ 803,681	100.00	\$ 708,829 100.00
UNITED MICROELECTRONICS (EUROPE) B.V.	276,285 &		