

UNITED MICROELECTRONICS CORP
Form 6-K
September 20, 2005

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, 2005

For the month of August 2005

United Microelectronics Corporation

(Translation of Registrant's Name into English)

No. 3 Li Hsin Road II

Science Park

Hsinchu, Taiwan, R.O.C.

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(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

(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: 9/16/2005

By /s/ Stan Hung

Stan Hung
Chief Financial Officer

Exhibit

Exhibit	Description
99.1	Announcement on August 16, 2005: Represent subsidiary Company Hsun Chieh Investment Co., Ltd to announce information on disposal of Mega Financial Holding Co., Ltd. securities
99.2	Announcement on August 16, 2005: Represent subsidiary Company Hsun Chieh Investment Co., Ltd to announce information on disposal of Faraday Technology Corp. securities
99.3	Announcement on August 22, 2005: Represent subsidiary Company Hsun Chieh Investment Co., Ltd to announce information on disposal of Unimicron Technology Corp. securities
99.4	Announcement on August 23, 2005: Rambus and UMC expand availability of Rambus PCI Express PHY IP for a broader range of process technologies
99.5	Announcement on August 29, 2005: To announce related materials on acquisition of machinery and equipment
99.6	Announcement on August 30, 2005: To announce related materials on acquisition of machinery and equipment
99.7	Announcement on August 30, 2005: UMC Clarifies Misleading Media Story Regarding Investment Activities
99.8	Announcement on September 6, 2005: Represent subsidiary Company Hsun Chieh Investment Co., Ltd to announce information on disposal of Mega Financial Holding Co., Ltd. securities
99.9	Announcement on September 6, 2005: To announce related materials on acquisition of machinery and equipment
99.10	Announcement on September 7, 2005: To announce related materials on acquisition of machinery and equipment
99.11	Announcement on September 7, 2005: August Revenue
99.12	Announcement on September 9, 2005: The board meeting approved a resolution to change the purpose of the Company's 8th phase of Share Repurchase Program
99.13	Announcement on September 12, 2005: Represent subsidiary Company Hsun Chieh Investment Co., Ltd to announce information on disposal of Unimicron Technology Corp. securities
99.14	Announcement on September 15, 2005: To announce related materials on acquisition of machinery and equipment
99.15	Announcement on September 15, 2005: To announce related materials on acquisition of machinery and equipment
99.16	Announcement on September 15, 2005: 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 Financial Statements with Report of Independent Auditors For The Six-Month Periods Ended June 30, 2005 and 2004
99.18	United Microelectronics Corporation and Subsidiaries Unaudited Consolidated Financial Statements with Review Report of Independent Accountants For The Six-Month Period Ended June 30, 2005

Represent subsidiary Company Hsun Chieh Investment Co., Ltd to announce information on disposal of Mega Financial Holding Co., Ltd. securities

1. Name of the securities: Common shares of Mega Financial Holding Co., Ltd.
2. Trading date: 2005/07/27~2005/08/16
3. Trading volume, unit price, and total monetary amount of the transaction: trading volume: 14,200,000 shares; average unit price: \$21.37 NTD; total amount: \$303,519,100 NTD
4. Gain (or loss) (not applicable in case of acquisition of securities): Loss of \$145,565,961 NTD
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: 30,948,683 shares; amount: 978,774,027 NTD; percentage of holdings: 0.27%; 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: 83.39%; ratio of shareholder's equity: 83.58%; the operational capital as shown in the most recent financial statement: \$852,073 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

Represent subsidiary Company Hsun Chieh Investment Co., Ltd to announce information on disposal of Faraday Technology Corp. securities

1. Name of the securities: Common shares of Faraday Technology Corp.
2. Trading date: 2005/07/29~2005/08/16
3. Trading volume, unit price, and total monetary amount of the transaction: trading volume: 5,200,000 shares; average unit price: \$61.82 NTD; total amount: \$321,444,300 NTD
4. Gain (or loss) (not applicable in case of acquisition of securities): Loss of \$62,867,610 NTD
5. Relationship with the underlying company of the trade: investee company under equity method
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: 4,885,452 shares; amount: 361,064,881 NTD; percentage of holdings: 1.88%; 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: 83.39 %; ratio of shareholder's equity: 83.58 %; the operational capital as shown in the most recent financial statement: \$852,073 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

Represent subsidiary Company Hsun Chieh Investment Co., Ltd to announce information on disposal of Unimicron Technology Corp. securities

1. Name of the securities: Common shares of Unimicron Technology Corp.
2. Trading date: 2005/07/28~2005/08/22
3. Trading volume, unit price, and total monetary amount of the transaction: trading volume: 12,320,000 shares; average unit price: \$25.24 NTD; total amount: \$310,926,850 NTD
4. Gain (or loss) (not applicable in case of acquisition of securities): Gain of \$ 84,691,119 NTD
5. Relationship with the underlying company of the trade: investee company under equity method
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: 79,052,265 shares; amount: 1,435,321,286 NTD; percentage of holdings: 9.06%; 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: 82.07 %; ratio of shareholder's equity: 82.25 %; the operational capital as shown in the most recent financial statement: \$852,073 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

Rambus and UMC expand availability of RAMBUS PCI Express PHY IP for a broader range of process technologies

1. Date of occurrence of the event: 2005/08/23

2. Cause of occurrence:

LOS ALTOS, Calif. and HSINCHU, Taiwan August 23, 2005 Rambus Inc. (Nasdaq: RMBS), one of the world's premier technology licensing companies specializing in high-speed chip interfaces and UMC, a world leading semiconductor foundry (NYSE: UMC, TAIEX: 2303), today announced that they have extended the availability of Rambus's patented PCI Express* PHY cells to UMC's 180nm, 150nm, and 90nm processes. This development expands on the existing 130nm licensing agreement between the two companies, which was signed in 2004.

Under the agreement, UMC foundry customers gain access to Rambus's broad portfolio of PCI Express-based interfaces. The Rambus PCI Express PHY cells have been designed to provide chip developers with a solution that optimizes link utilization, latency, power consumption and silicon footprint. The PCI Express interface standard is one of the industry's most successful for chip-to-chip interconnects and can be found in system applications ranging from supercomputers to PCs and digital TVs.

UMC customers currently in production with Rambus's PCI Express PHY cells include the high-volume PC chipset manufacturers ULi Electronics and the high-volume PC graphics manufacturer XGI Technology, Inc. Rambus PCI Express PHY cells are also in production in various bridge and communication IC products based on the UMC foundry process.

By partnering with UMC, Rambus continues to enable mass adoption for advanced interface technology that results in faster, lower cost, and more capable systems, said Laura Stark, vice president of Rambus's Platform Solutions Group. In addition, the availability of this combined offering helps chip and system developers bring new capabilities to market with lower risk.

We are pleased to expand our licensing agreement with Rambus to make its proven IP solutions available to a broader range of technologies, including our mainstream 90nm process, said Ken Liou, director of UMC's IP and Design Support Division. This agreement allows our customers designing SoCs targeting PCI Express applications to benefit from Rambus's broad offering of PCI Express PHY cells.

3. Countermeasures: none

4. 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: 2005/01/25~2005/08/26
3. Transaction volume (e.g. XX square meters, equivalent to XX ping), unit price, total transaction price: Transaction volume: 34; average unit price: \$15,228,162 NTD; total transaction price: \$517,757,504
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

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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: 2005/08/22~2005/08/29
3. Transaction volume (e.g. XX square meters, equivalent to XX ping), unit price, total transaction price: Transaction volume: 7; average unit price: \$93,771,896 NTD; total transaction price: \$656,403,270 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

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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

UMC Clarifies Misleading Media Story Regarding Investment Activities

1. Name of the reporting media: Taiwan Next Magazine
2. Date of the report: 2005/08/25~2005/08/30
3. Content of the report: UMC was under serious financial pressure due to the fact that one of its invested companies
4. Summary of the information provided by investors: None
5. Company's explanation of the reportage or provided information:

HSINCHU, Taiwan, August 30, 2005 UMC responded today to a news story that appeared in Taiwan Next Magazine stating that UMC was under serious financial pressure due to the fact that one of its invested companies, with a paid-in capital of NT\$200 million, had closed its operations. To clarify the situation, UMC is in a very robust financial position with assets in excess of NT\$100 billion. Furthermore, UMC's invested companies are numerous and include many extremely successful companies, such as Mediatek, Novatek, and Faraday, to name a few. Taiwan Next Magazine's reports are completely detached from reality and are intended to mislead the public and stir unwarranted controversy. UMC reserves the right to seek legal action against Taiwan Next Magazine for the misleading reports that appear in their article.

6. Countermeasures: None
7. Any other matters that need to be specified: None

Represent subsidiary Company Hsun Chieh Investment Co., Ltd to announce information on disposal of Mega Financial Holding Co., Ltd. securities

1. Name of the securities: Common shares of Mega Financial Holding Co., Ltd.
2. Trading date: 2005/08/17~2005/09/06
3. Trading volume, unit price, and total monetary amount of the transaction: trading volume: 14,000,000 shares; average unit price: \$21.56 NTD; total amount: \$301,907,200 NTD
4. Gain (or loss) (not applicable in case of acquisition of securities): Loss of \$ 140,852,719 NTD
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: 16,948,683 shares; amount: 536,014,108 NTD; percentage of holdings: 0.15%; 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: 83.19%; ratio of shareholder's equity: 83.38%; the operational capital as shown in the most recent financial statement: \$852,073 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: 2004/09/30~2005/09/05
3. Transaction volume (e.g. XX square meters, equivalent to XX ping), unit price, total transaction price: Transaction volume: 37; average unit price: \$13,688,701 NTD; total transaction price: \$506,481,949 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): AGILENT TECHNOLOGIES SINGAPORE; 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

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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: 2005/09/06
3. Transaction volume (e.g. XX square meters, equivalent to XX ping), unit price, total transaction price: Transaction volume: 1; average unit price: \$567,905,690 NTD; total transaction price: \$567,905,690 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

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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, 2005

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)

<u>Period</u>	<u>Items</u>	<u>2005</u>	<u>2004</u>	<u>Changes</u>	<u>%</u>
August	Invoice amount	8,220,082	12,354,727	- 4,134,645	-33.47%
2005	Invoice amount	53,693,930	79,842,399	- 26,148,469	-32.75%
August	Net sales	8,010,667	11,514,242	- 3,503,575	-30.43%
2005	Net sales	54,804,546	77,218,871	- 22,414,325	-29.03%

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

<u>Balance as of period end</u>	<u>This Month</u>	<u>Last Month</u>	<u>Limit of lending</u>
UMC	0	0	35,657,091
UMC's subsidiaries	22,646	22,059	565,680

3) Endorsements and guarantees (NT\$ Thousand)

	<u>Change in This Month</u>	<u>Balance as of period end</u>	<u>Limit of endorsements</u>
UMC	0	0	71,167,928
UMC's subsidiaries	0	0	8,054,240
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

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a Hedging purpose : NT\$ thousand

<i>Financial instruments</i>	Forwards	Interests SWAP
<i>Deposit Paid</i>	0	0
<i>Royalty Income (Paid)</i>	0	0
<i>Unwritten-off Trading Contracts</i>	4,115,160	15,000,000
<i>Net Profit from Fair Value</i>	(84,589)	(654,851)
<i>Written-off Trading Contracts</i>	26,697,665	0
<i>Realized profit (loss)</i>	(235,789)	0

b Trading purpose : NT\$ thousand

<i>Financial instruments</i>	Credit-linked Deposits
<i>Deposit Paid</i>	0
<i>Unwritten-off Trading Contracts</i>	1,227,400
<i>Net Profit from Market Value</i>	7,711
<i>Written-off Trading Contracts</i>	465,465
<i>Realized profit (loss)</i>	27,746

The board meeting approved a resolution to change the purpose of the Company's 8th phase of Share Repurchase Program

1. Date of the board of directors resolution: 2005/09/09
2. Purpose of the share repurchase after the change: For issuance of convertible bond
3. Original types of shares to be repurchased: Common shares
4. Original ceiling on total monetary amount of the share repurchase: 88,647,166 thousand NTD
5. Original scheduled period for the repurchase: 2005/05/16~2005/07/15
6. Original number of shares to be repurchased: 500,000,000 shares
7. Original repurchase price range: \$28.45~\$13.75 per share. If the market price of the Company stock is below the above range, the Company will continue to repurchase shares.
8. Original method for the repurchase: Purchase from Taiwan Stock Exchange
9. Original ratio of the shares to be repurchased to total issued shares of the Company:2.80%
10. Number and monetary amount of the Company's own shares held at the time of reporting: 692,067,000 shares; NTD 18,954,371,121.
11. Status of repurchases within three years prior to the time of reporting: From 2002/2/20 to 2004/7/15, 861,069,000 Company shares were repurchased.
12. Status of repurchases that have been reported but not yet completed:

The 1st repurchase is planned at 400,000,000 shares, but actually repurchased 37,425,000 shares. The reason for incomplete repurchase is to consider the stabilization of share price during the repurchase period, and to consider shareholder's rights, and employee's willingness to exercise the option in the future.

The 2nd repurchase is planned at 400,000,000 shares, but actually repurchased 0 shares. The reason for incomplete repurchase is to consider the stabilization of share price during the repurchase period, and to consider shareholder's rights, and employee's willingness to exercise the option in the future.

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The 3rd repurchase is planned at 130,000,000 shares, but actually repurchased 129,035,000 shares. The reason for incomplete repurchase is because on the last repurchase date (9/28), the Company failed to repurchase 965,000 shares out of the 22,023,000 shares planned to repurchase at that date.

The 4th repurchase is planned at 100,000,000 shares, but actually repurchased 49,114,000 shares. The reason for incomplete repurchase is to consider the stabilization of share price during the repurchase period, and to consider shareholder's rights, and employee's willingness to exercise the option in the future.

The 6th repurchase is planned at 500,000,000 shares, but actually repurchased 99,195,000 shares. The reason for incomplete repurchase is to consider the stabilization of share price during the repurchase period, and to consider shareholder's rights, and employee's willingness to exercise the option in the future.

The 7th repurchase is planned at 360,000,000 shares, but actually repurchased 192,067,000 shares. The reason for incomplete repurchase is to consider the stabilization of share price during the repurchase period, and to consider shareholder's rights, and employee's willingness to exercise the option in the future.

13. Minutes of the board of directors meeting that passed the resolution to change the purpose of the share repurchase: 9th term, 21th Board Meeting Minutes on 2005/09/09
14. The rules for transfer of shares set forth in Article 10 of the Guidelines for Repurchase of Shares by Listed and OTC Companies: Not applicable
15. The rules for conversion or subscription of shares set forth in Article 11 of the Guidelines for Repurchase of Shares by Listed and OTC Companies:
 - 1) Purpose: To purchase raw materials overseas
 - 2) Issue Size: Up to US\$500 million. Adjustments will be made according to market conditions
 - 3) Issue Date: Tentatively set during the third quarter 2005. The Securities are expected to be issued within three months after obtaining the approval of the Financial Supervisory Commission, Executive Yuan (FSC) of the R.O.C., and if necessary, application will be made with the FSC for extension of another three months.
 - 4) Maturity Date: The Maturity Date shall be the earlier of thirty months from the Issue Date or February 15, 2008.
 - 5) Conversion Property: Each bondholder will have the right to convert the Securities into the Issuer's ADSs supporting by existing shares of the Issuer.
 - 6) Conversion: Unless previously redeemed, converted, repurchased or cancelled and except during the Closed Period or suspension period (if any) the Securities may be converted at least 30 days after the Issue Date to 10 days prior to the Maturity Date into ADSs.
16. Declaration that the financial state of the Company has been considered by the board of directors and that its capital maintenance will not be affected: Not applicable
17. Appraisal by a CPA or securities underwriter of the reasonableness of the share repurchase price: Not applicable
18. Other particular specified by the Securities and Futures Commission: Not applicable

Represent subsidiary Company Hsun Chieh Investment Co., Ltd to announce information on disposal of Unimicron Technology Corp. securities

1. Name of the securities: Common shares of Unimicron Technology Corp.
2. Trading date: 2005/08/23~2005/09/12
3. Trading volume, unit price, and total monetary amount of the transaction: trading volume: 13,405,000 shares; average unit price: \$22.52 NTD; total amount: \$301,884,100 NTD
4. Gain (or loss) (not applicable in case of acquisition of securities): Gain of \$ 58,494,716 NTD
5. Relationship with the underlying company of the trade: investee company under equity method
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: 65,647,265 shares; amount: 1,191,931,902 NTD; percentage of holdings: 6.86%; 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: 81.98 %; ratio of shareholder's equity: 82.17 %; the operational capital as shown in the most recent financial statement: \$852,073 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: 2005/09/05~2005/09/14
3. Transaction volume (e.g. XX square meters, equivalent to XX ping), unit price, total transaction price: Transaction volume: 3; average unit price: \$171,277,400 NTD; total transaction price: \$513,832,200 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

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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: 2005/08/29~2005/09/14
3. Transaction volume (e.g. XX square meters, equivalent to XX ping), unit price, total transaction price: Transaction volume: 14; average unit price: \$91,426,746 NTD; total transaction price: \$1,279,974,441 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

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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

For the month of August, 2005

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, 2005

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

<i>Title</i>	<i>Name</i>	<i>Number of shares</i>		<i>Changes</i>
		<i>held as of</i> <i>July 31, 2004</i>	<i>held as of</i> <i>August 31, 2005</i>	
President	Peter Chang	8,748,039	10,777,440	2,029,401
Business Group President	Hong-Jen Wu	25,243,501	25,032,937	(210,564)*
Supervisor	Tzyy-Jang Tseng	17,835,959	19,650,715	1,814,756
Vice President	Henry Liu	10,194,148	11,693,391	1,499,243
Vice President	Tai-Sheng Feng	1,054,866	1,543,439	488,573
Vice President	Nick Nee	4,190,306	4,870,568	680,262
Vice President	Ing-Ji Wu	11,413,338	12,817,039	1,403,701
Vice President	Lee Chung	160,000	566,468	406,468

Note: 3,000,000 shares were transferred to trust account; 2,789,436 shares were dividends and bonus.

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</i>		<i>Changes</i>
		<i>pledge as of</i> <i>July 31, 2004</i>	<i>pledge as of</i> <i>August 31, 2005</i>	
Vice President	Nick Nee	4,150,000	4,000,000	(150,000)

3) The acquisition assets (NT\$ Thousand)

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<u>Description of assets</u>	<u>August</u>	<u>2005</u>
Semiconductor Manufacturing Equipment	1,416,328	7,044,906
Fixed assets	18,309	207,667

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

<u>Description of assets</u>	<u>August</u>	<u>2005</u>
Semiconductor Manufacturing Equipment	5,055	78,214
Fixed assets	0	0

UNITED MICROELECTRONICS CORPORATION
FINANCIAL STATEMENTS
WITH REPORT OF INDEPENDENT AUDITORS
FOR THE SIX-MONTH PERIODS ENDED
JUNE 30, 2005 AND 2004

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, 2005 and 2004, and the related statements of income, changes in stockholders' equity and cash flows for the six-month periods ended June 30, 2005 and 2004. 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(7) to the financial statements, certain long-term investments were accounted for under the equity method based on financial statements as of June 30, 2005 and 2004, of the investees, which were audited by other auditors. Our opinion insofar as it relates to the investment income amounting to NT\$144 million and NT\$306 million for the six-month periods ended June 30, 2005 and 2004, respectively, and the related long-term investment balances of NT\$5,559 million and NT\$5,337 million as of June 30, 2005 and 2004, 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, 2005 and 2004, and the results of its operations and its cash flows for the six-month periods ended June 30, 2005 and 2004, 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, 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.

We have also reviewed the consolidated financial statements of United Microelectronics Corporation as of and for the six-month period ended June 30, 2005, and have expressed an unqualified review report with explanatory paragraph on such financial statements.

July 19, 2005

Taipei, Taiwan

Republic of China

Notice to Readers

The accompanying 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, 2005 and 2004

(Expressed in Thousands of New Taiwan Dollars)

	Notes	As of June 30,	
		2005	2004
Assets			
Current assets			
Cash and cash equivalents	2, 4(1)	\$ 68,065,457	\$ 82,488,024
Marketable securities, net	2, 4(2)	3,058,579	3,102,600
Notes receivable	4(3)	288	1,156
Notes receivable - related parties	5	57,853	114,583
Accounts receivable, net	2, 4(4)	3,756,298	5,789,501
Accounts receivable - related parties, net	2, 5	5,832,767	9,795,673
Other receivables	2	611,559	742,537
Other financial assets, current	2, 4(5), 10	63,080	180,248
Inventories, net	2, 4(6)	7,898,701	8,617,086
Prepaid expenses		820,875	803,466
Deferred income tax assets, current	2, 4(19)	3,413,529	2,828,940
Total current assets		93,578,986	114,463,814
Funds and long-term investments			
	2, 4(7)		
Long-term investments accounted for under the equity method		37,304,798	66,436,346
Long-term investments accounted for under the cost method		7,715,876	8,306,704
Total funds and long-term investments		45,020,674	74,743,050
Other financial assets, noncurrent	2, 4(5), 10	1,153,028	1,710,788
Property, plant and equipment			
	2, 4(8), 6, 7		
Land		1,132,576	1,132,576
Buildings		15,860,960	12,119,790
Machinery and equipment		348,877,930	256,262,691
Transportation equipment		88,095	80,546
Furniture and fixtures		2,119,552	1,941,066
Leased assets			47,783
Total cost		368,079,113	271,584,452
Less : Accumulated depreciation		(228,295,715)	(169,437,104)
Add : Construction in progress and prepayments		20,087,650	15,443,534
Property, plant and equipment, net		159,871,048	117,590,882
Intangible assets			
Patents	2		994

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Goodwill	2, 4(21)	4,168,997	
Technology know-how	2	399,178	
Total intangible assets		4,568,175	994
Other assets			
Deferred charges	2	1,800,209	1,462,493
Deferred income tax assets, noncurrent	2, 4(19)	3,922,375	4,381,964
Other assets - others	2, 4(9)	2,069,695	2,260,227
Total other assets		7,792,279	8,104,684
Total assets		\$ 311,984,190	\$ 316,614,212
Liabilities and Stockholders Equity			
Current liabilities			
Short-term loans	4(10)	\$ 1,645,280	\$ 2,028,600
Accounts payable		3,797,102	4,883,728
Income tax payable	2	60,389	60,389
Accrued expenses		5,274,099	5,687,428
Dividend payable		1,758,736	
Payable on equipment		3,413,036	7,266,813
Other payables	10	54,481	
Current portion of long-term interest-bearing liabilities	4(11), 4(12), 5, 6	5,250,000	8,815,049
Other current liabilities	7	820,413	1,347,220
Total current liabilities		22,073,536	30,089,227
Long-term interest-bearing liabilities			
Bonds payable	2, 4(7), 4(11)	28,347,240	33,809,661
Long-term loans	4(12), 6		26,372
Total long-term interest-bearing liabilities		28,347,240	33,836,033
Other liabilities			
Accrued pension liabilities	2, 4(13)	2,962,723	2,468,281
Deposits-in		20,636	7,478
Deferred credits - intercompany profits	2	9,806	4,084,362
Other liabilities - others		510,637	
Total other liabilities		3,503,802	6,560,121
Total liabilities		53,924,578	70,485,381
Capital			
Common stock	2, 4(14), 4(15), 4(21)	177,794,314	161,407,435
Stock dividends for distribution		19,560,220	13,996,855
Capital reserve	2, 4(7), 4(15), 4(21)		
Premiums		64,227,411	58,220,744
Change in equities of long-term investments		20,786,958	20,957,291
Retained earnings	4(17)		
Legal reserve		15,996,839	12,812,501
Special reserve		1,744,171	90,871
Unappropriated earnings		3,622,790	20,138,527
Adjusting items in stockholders equity	2		
Unrealized loss on long-term investments		(9,597,290)	(9,459,714)
Cumulative translation adjustment		(1,998,163)	572,967
Treasury stock	2, 4(16)	(34,077,638)	(32,608,646)

Total stockholders equity	<u>258,059,612</u>	<u>246,128,831</u>
Total liabilities and stockholders equity	<u>\$ 311,984,190</u>	<u>\$ 316,614,212</u>

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, 2005 and 2004

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

	Notes	For the six-month period ended June 30,	
		2005	2004
Operating revenues	2, 5		
Sales revenues		\$ 39,605,151	\$ 53,416,080
Less : Sales returns and discounts		(729,298)	(475,846)
Net sales		38,875,853	52,940,234
Other operating revenues		852,773	1,562,537
Net operating revenues		39,728,626	54,502,771
Operating costs	4(18)		
Cost of goods sold	5	(36,279,398)	(35,741,875)
Other operating costs		(266,257)	(1,052,767)
Operating costs		(36,545,655)	(36,794,642)
Gross profit		3,182,971	17,708,129
Unrealized intercompany profit	2	(68,741)	(145,159)
Realized intercompany profit	2	154,417	106,702
Gross profit-net		3,268,647	17,669,672
Operating expenses	4(18), 5		
Sales and marketing expenses		(1,050,885)	(959,559)
General and administrative expenses		(1,298,115)	(1,137,058)
Research and development expenses		(3,956,436)	(2,693,909)
Subtotal		(6,305,436)	(4,790,526)
Operating (loss) income		(3,036,789)	12,879,146
Non-operating income			
Interest revenue		436,914	493,767
Dividend income		36,789	180,726
Gain on disposal of property, plant and equipment	2	33,840	130,254
Gain on disposal of investments	2, 4(11)	6,439,830	8,700,594
Exchange gain, net	2, 10	41,233	
Gain on recovery of market value of inventory	2	315,151	
Other income		390,360	95,549

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Subtotal		7,694,117	9,600,890
Non-operating expenses			
Interest expense	4(8)	(447,071)	(683,331)
Investment loss accounted for under the equity method, net	2, 4(7)	(2,144,439)	(664,616)
Loss on disposal of property, plant and equipment	2	(63,344)	(110,525)
Exchange loss, net	2, 10		(377,006)
Loss on decline in market value and obsolescence of inventories	2		(143,212)
Financial expenses		(149,905)	(235,042)
Other losses	2, 4(11)	(34,472)	(637,038)
Subtotal		(2,839,231)	(2,850,770)
Income before income tax		1,818,097	19,629,266
Income tax expense	2, 4(19)	(397)	(33,483)
Net income		\$ 1,817,700	\$ 19,595,783
Earnings per share-basic (NTD)			
Income before income tax	2, 4(20)	\$ 0.11	\$ 1.18
Net income		\$ 0.11	\$ 1.17
Earnings per share-diluted (NTD)			
Income before income tax	2, 4(20)	\$ 0.11	\$ 1.15
Net income		\$ 0.11	\$ 1.15
Pro forma information on earnings as if subsidiaries investment in the Company is not treated as treasury stock			
Net income	2, 4(20)	\$ 1,817,700	\$ 19,595,783
Earnings per share-basic (NTD)		\$ 0.10	\$ 1.13
Earnings per share-diluted (NTD)		\$ 0.10	\$ 1.11

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, 2005 and 2004

(Expressed in Thousands of New Taiwan Dollars)

	Notes	Capital			Retained Earnings				Unrealized Loss on Long-term Investments	Cumulative Translation Adjustment	Treasury Stock	Total
		Common Stock	Stock Dividends for Distribution	Collected in Advance	Capital Reserve	Legal Reserve	Special Reserve	Unappropriated Earnings				
Balance as of January 1, 2004	4(14)	\$ 161,407,435	\$	\$	\$ 80,074,184	\$ 11,410,475	\$ 1,346,994	\$ 14,036,822	\$ (9,537,237)	\$ 913,877	\$ (27,410,626)	\$ 232,241,924
Appropriation of 2003 retained earnings	4(17)											
Legal reserve						1,402,026		(1,402,026)				
Special reserve							(1,256,123)	1,256,123				
Stock dividends			12,224,284					(12,224,284)				
Directors and supervisors remuneration									(12,618)			(12,618)
Employees bonus			1,111,273					(1,111,273)				
Transfer of reserved capital to common stock	4(17)		661,298		(661,298)							
Purchase of treasury stock	2, 4(16)										(5,198,020)	(5,198,020)
Net income in the first half of 2004								19,595,783				19,595,783
Adjustment of capital reserve accounted for under the equity method	2				(234,851)							(234,851)
Changes in unrealized loss on long-term investments of investees	2								77,523			77,523
Changes in cumulative translation adjustment	2									(340,910)		(340,910)

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Balance as of June 30, 2004		\$ 161,407,435	\$ 13,996,855	\$ 79,178,035	\$ 12,812,501	\$ 90,871	\$ 20,138,527	\$ (9,459,714)	\$ 572,967	\$ (32,608,646)	\$ 246,128,831
Balance as of January 1, 2005	4(14)	\$ 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)	\$ 266,382,754
Appropriation of 2004 retained earnings	4(17)										
Legal reserve				3,184,338			(3,184,338)				
Special reserve						1,653,300	(1,653,300)				
Cash dividends							(1,758,736)				(1,758,736)
Stock dividends			17,587,365				(17,587,365)				
Directors and supervisors remuneration							(27,005)				(27,005)
Employees bonus			1,972,855				(1,972,855)				
Purchase of treasury stock	2, 4(16)									(8,570,374)	(8,570,374)
Cancellation of treasury stock	2, 4(16)	(491,140)		(177,419)			(1,509,640)			2,178,199	
Net income in the first half of 2005							1,817,700				1,817,700
Adjustment of capital reserve accounted for under the equity method	2			(20,055)							(20,055)
Changes in unrealized loss on long-term investments of investees	2							273,796			273,796
Exercise of employees stock options	2, 4(15)	361,595		278,648							640,243
Common stock transferred from capital collected in advance		4,040	(4,040)								
Changes in cumulative translation adjustment	2								(678,711)		(678,711)
Balance as of June 30, 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)	\$ 258,059,612

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, 2005 and 2004

(Expressed in Thousands of New Taiwan Dollars)

	For the six-month period ended June 30,	
	2005	2004
Cash flows from operating activities:		
Net income	\$ 1,817,700	\$ 19,595,783
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation	22,080,111	18,279,654
Amortization	1,111,695	524,038
Bad debt expenses (reversal)	(116,245)	4,626
(Gain) loss on decline in market value and obsolescence of inventories	(315,151)	143,212
Cash dividends received under the equity method	7,500	
Investment loss accounted for under the equity method	2,144,439	664,616
Gain on disposal of investments	(6,439,830)	(8,700,594)
Loss (gain) on disposal of property, plant and equipment	29,504	(19,729)
Gain on settlement of exchangeable bonds	(9,789)	(93,517)
Amortization of bond premiums		(10,050)
Loss on reacquisition of bonds		59
Amortization of deferred income	(26,732)	
Changes in assets and liabilities:		
Notes and accounts receivable	2,004,339	(1,773,507)
Other receivables	(46,543)	(187,662)
Inventories	1,528,698	(1,392,539)
Prepaid expenses	(510,188)	(127,321)
Other financial assets	101,641	116,840
Accounts payable	(920,209)	755,433
Income tax payable		10,696
Accrued expenses	(3,287,674)	1,154,462
Other current liabilities	(124,763)	76,168
Compensation interest payable		(126,111)
Capacity deposits	(201,216)	(10,909)
Accrued pension liabilities	272,212	215,790
Other liabilities - others	107,962	
Net cash provided by operating activities	19,207,461	29,099,438
Cash flows from investing activities:		
Increase in marketable securities, net		(1,514,788)
Cash proceeds from merger	943,862	
Decrease in other financial assets, net	467,216	1,307,966
Acquisition of long-term investments	(2,327,268)	(8,121,139)
Proceeds from disposal of long-term investments	7,229,911	1,080,085
Proceeds from liquidation of long-term investments	95,090	
Acquisition of property, plant and equipment	(7,812,374)	(17,106,714)
Proceeds from disposal of property, plant and equipment	78,242	227,505
Increase in deferred charges	(686,340)	(405,467)

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(Increase) decrease in other assets, net	(129,531)	629,590
Increase in other receivables	(5,137,760)	
	<u> </u>	<u> </u>
Net cash used in investing activities	&nb	