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UMC Reports First Quarter 2025 Results

**22nm revenue surges 46% QoQ on display driver and networking chip demand
Inauguration of new Singapore fab to support future 22nm growth**

First Quarter 2025 Overview¹:

- **Revenue: NT\$57.86 billion (US\$1.74 billion)**
- **Gross margin: 26.7%; Operating margin: 16.9%**
- **Revenue from 22/28nm: 37%**
- **Capacity utilization rate: 69%**
- **Net income attributable to shareholders of the parent: NT\$7.78 billion (US\$234 million)**
- **Earnings per share: NT\$0.62; earnings per ADS: US\$0.093**

Taipei, Taiwan, ROC – April 23, 2025 – United Microelectronics Corporation (NYSE: UMC; TWSE: 2303) (“UMC” or “The Company”), a leading global semiconductor foundry, today announced its consolidated operating results for the first quarter of 2025.

First quarter consolidated revenue was NT\$57.86 billion, decreasing 4.2% from NT\$60.39 billion in 4Q24. Compared to a year ago, 1Q25 revenue increased 5.9%. Consolidated gross margin for 1Q25 was 26.7%. Net income attributable to the shareholders of the parent was NT\$7.78 billion, with earnings per ordinary share of NT\$0.62.

Jason Wang, co-president of UMC, said, “Our results in the first quarter were in line with previous guidance, with flattish wafer shipments and the one-time pricing adjustment at the beginning of the year to reflect market conditions. First-quarter highlights include 22/28nm revenue hitting a record high, representing 37% of total sales. That was driven by a 46% quarter-over-quarter increase in 22nm revenue from products such as OLED display driver ICs, image signal processors as well as digital TV, WiFi and audio codec chips. We expect customers to tape-out additional 22nm products in the coming quarters as customers increasingly migrate to our 22nm

¹ Unless otherwise stated, all financial figures discussed in this announcement are prepared in accordance with TIFRSs recognized by Financial Supervisory Commission in the ROC, which is different from IFRSs issued by the International Accounting Standards Board. They represent comparisons among the three-month period ending March 31, 2025, the three-month period ending December 31, 2024, and the equivalent three-month period that ended March 31, 2024. For all 1Q25 results, New Taiwan Dollar (NT\$) amounts have been converted into U.S. Dollars at the March 31, 2025 exchange rate of NT\$ 33.18 per U.S. Dollar.

logic and specialty platforms for next-generation applications. Earlier this month, we also officially inaugurated our new Singapore Phase 3 fab, which will provide additional 22nm capacity to support future growth. Pilot runs are underway and is on schedule to ramp up to volume production early 2026. The expansion in Singapore also further broadens our geographic diversification, enabling customers to strengthen their supply chain resilience. In February, our Board of Directors proposed a cash dividend of NT\$2.85 per share, which is subject to approval from shareholders in the upcoming annual general meeting."

Co-president Wang added, "Looking ahead to the second quarter, we are expecting a moderate rebound in demand across all segments according to near-term alignment with customers. Beyond that, we are cautious about wafer demand projections as policies and markets are still adjusting to the recent tariff announcements. To navigate this challenging environment, we are working closely with customers to monitor trends in end market demand. We are also strengthening our competitive advantages by focusing on execution of key technology projects, such as the 12nm collaboration with U.S. partner, and ensuring our customers have access to geographically diverse manufacturing options. In addition, we are implementing cost reduction plans and accelerating AI and intelligent manufacturing systems to enhance operational efficiency. Through these key focuses, we are confident that UMC can maintain our financial and business resilience."

Co-president Wang said, "In the first quarter, UMC was honored to receive high ratings in two key sustainability benchmarks. In the Sustainability Yearbook 2025 published by S&P Global, UMC is the only semiconductor company globally to earn the 'Top 1%' ranking based on the company's Corporate Sustainability Assessment (CSA) score. UMC also stood out in the CDP's annual assessment as the sole semiconductor company to be awarded the highest 'A' rating in both Climate Change and Water Security categories."

Summary of Operating Results

Operating Results					
(Amount: NT\$ million)	1Q25	4Q24	QoQ % change	1Q24	YoY % change
Operating Revenues	57,859	60,386	(4.2)	54,632	5.9
Gross Profit	15,447	18,343	(15.8)	16,899	(8.6)
Operating Expenses	(6,123)	(6,748)	(9.3)	(5,747)	6.5
Net Other Operating Income and Expenses	462	362	27.6	513	(9.9)
Operating Income	9,786	11,957	(18.2)	11,665	(16.1)
Net Non-Operating Income and Expenses	(439)	(1,443)	(69.5)	1,056	-
Net Income Attributable to Shareholders of the Parent	7,777	8,497	(8.5)	10,456	(25.6)
EPS (NT\$ per share)	0.62	0.68		0.84	
(US\$ per ADS)	0.093	0.104		0.131	
Exchange rate (USD/NTD)	33.18	32.78		31.99	

Note : Sums may not equal totals due to rounding.

First quarter operating revenues declined 4.2% sequentially to NT\$57.86 billion. Revenue contribution from 40nm and below technologies represented 53% of wafer revenue. Gross profit decreased 15.8% QoQ to NT\$15.45 billion, or 26.7% of revenue. Operating expenses decreased 9.3% to NT\$6.12 billion. Net other operating income increased 27.6% to NT\$0.46 billion. Net non-operating expenses totaled NT\$0.44 billion. Net income attributable to shareholders of the parent amounted to NT\$7.78 billion.

Earnings per ordinary share for the quarter was NT\$0.62. Earnings per ADS was US\$0.093. The basic weighted average number of shares outstanding in 1Q25 was 12,484,780,989, compared with 12,481,192,676 shares in 4Q24 and 12,414,087,724 shares in 1Q24. The diluted weighted average number of shares outstanding was 12,579,207,466 in 1Q25, compared with 12,610,756,874 shares in 4Q24 and 12,577,525,057 shares in 1Q24. The fully diluted shares counted on March 31, 2025 were approximately 12,579,207,000.

Detailed Financials Section

Operating revenues decreased to NT\$57.86 billion. COGS grew 0.9% to NT\$42.41 billion, which included a 4.1% sequential increase in depreciation. Gross profit decreased 15.8% QoQ to NT\$15.45 billion. Operating expenses decreased to NT\$6.12 billion, as G&A declined 13.9% QoQ to NT\$1.54 billion, R&D declined 8.5% to NT\$3.96 billion, and Sales & Marketing also declined 0.7% to NT\$0.62 billion. Net other operating income was NT\$0.46 billion. In 1Q25, operating income declined 18.2% QoQ to NT\$9.79 billion.

COGS & Expenses					
(Amount: NT\$ million)	1Q25	4Q24	QoQ % change	1Q24	YoY % change
Operating Revenues	57,859	60,386	(4.2)	54,632	5.9
COGS	(42,412)	(42,043)	0.9	(37,733)	12.4
Depreciation	(12,321)	(11,841)	4.1	(9,335)	32.0
Other Mfg. Costs	(30,091)	(30,202)	(0.4)	(28,398)	6.0
Gross Profit	15,447	18,343	(15.8)	16,899	(8.6)
Gross Margin (%)	26.7%	30.4%		30.9%	
Operating Expenses	(6,123)	(6,748)	(9.3)	(5,747)	6.5
Sales & Marketing	(619)	(623)	(0.7)	(684)	(9.5)
G&A	(1,542)	(1,791)	(13.9)	(1,702)	(9.4)
R&D	(3,964)	(4,334)	(8.5)	(3,407)	16.3
Expected Credit Impairment Gain	2	0	523.3	46	(94.7)
Net Other Operating Income & Expenses	462	362	27.6	513	(9.9)
Operating Income	9,786	11,957	(18.2)	11,665	(16.1)

Note : Sums may not equal totals due to rounding.

Net non-operating expenses in 1Q25 was NT\$0.44 billion, primarily reflecting the NT\$0.77 billion in net investment loss, offset by the NT\$0.22 billion in net interest income, and the NT\$0.12 billion in exchange gain.

Non-Operating Income and Expenses			
(Amount: NT\$ million)	1Q25	4Q24	1Q24
Non-Operating Income and Expenses	(439)	(1,443)	1,056
Net Interest Income and Expenses	219	290	676
Net Investment Gain and Loss	(769)	(2,614)	(324)
Exchange Gain and Loss	115	877	697
Other Gain and Loss	(5)	4	7

Note : Sums may not equal totals due to rounding.

In 1Q25, cash inflow from operating activities was NT\$23.83 billion. Cash outflow from investing activities totaled NT\$10.51 billion, which included NT\$14.57 billion in capital expenditure, resulting in free cash flow of NT\$9.26 billion. Cash outflow from financing was NT\$13.78 billion, primarily from NT\$13.02 billion in bank loans. Net cash flow in 1Q25 amounted to NT\$1.35 billion. Over the next 12 months, the company expects to repay NT\$5.62 billion in bank loans.

Cash Flow Summary		
(Amount: NT\$ million)	For the 3-Month Period Ended Mar. 31, 2025	For the 3-Month Period Ended Dec. 31, 2024
Cash Flow from Operating Activities	23,826	32,977
Net income before tax	9,347	10,514
Depreciation & Amortization	14,128	13,463
Share of loss of associates and joint ventures	208	1,800
Income tax paid	(585)	(137)
Changes in working capital & others	728	7,337
Cash Flow from Investing Activities	(10,506)	(16,968)
Acquisition of PP&E	(14,153)	(18,275)
Acquisition of intangible assets	(329)	(877)
Others	3,976	2,184
Cash Flow from Financing Activities	(13,776)	(14,305)
Bank loans	(13,018)	(10,495)
Redemption of bonds	-	(3,400)
Others	(758)	(410)
Effect of Exchange Rate	1,810	(111)
Net Cash Flow	1,354	1,593
Beginning balance	105,000	103,407
Ending balance	106,354	105,000

Note : Sums may not equal totals due to rounding.

Cash and cash equivalents increased to NT\$106.35 billion. Days of inventory decreased 3 days to 77 days.

Current Assets			
(Amount: NT\$ billion)	1Q25	4Q24	1Q24
Cash and Cash Equivalents	106.35	105.00	119.43
Accounts Receivable	34.80	33.34	30.68
Days Sales Outstanding	54	51	50
Inventories, net	35.43	35.78	34.59
Days of Inventory	77	80	85
Total Current Assets	192.32	189.68	205.16

Current liabilities decreased to NT\$72.87 billion. Long-term credit/bonds decreased to NT\$44.63 billion. Total liabilities decreased to NT\$182.13 billion, leading to a debt to equity ratio of 47%.

Liabilities			
(Amount: NT\$ billion)	1Q25	4Q24	1Q24
Total Current Liabilities	72.87	75.26	88.40
Accounts Payable	9.27	7.63	7.46
Short-Term Credit / Bonds	17.63	19.51	25.60
Payables on Equipment	8.46	10.52	13.97
Other	37.51	37.60	41.37
Long-Term Credit / Bonds	44.63	55.53	43.45
Total Liabilities	182.13	192.02	188.85
Debt to Equity	47%	51%	50%

Analysis of Revenue²

Revenue from Asia Pacific increased to 66%, while business from North America was 22% of sales. Business from Europe decreased to 7%, while contribution from Japan was 5%.

Revenue Breakdown by Region

Region	1Q25	4Q24	3Q24	2Q24	1Q24
North America	22%	25%	26%	25%	25%
Asia Pacific	66%	61%	65%	64%	63%
Europe	7%	11%	5%	7%	8%
Japan	5%	3%	4%	4%	4%

Revenue Breakdown by Geometry

Revenue contribution from 22/28nm increased to 37% of wafer revenue, while 40nm contribution remained at 16% of sales.

Geometry	1Q25	4Q24	3Q24	2Q24	1Q24
14nm and below	0%	0%	0%	0%	0%
14nm<x<=28nm	37%	34%	35%	33%	33%
28nm<x<=40nm	16%	16%	13%	12%	14%
40nm<x<=65nm	16%	16%	15%	15%	18%
65nm<x<=90nm	8%	11%	10%	12%	10%
90nm<x<=0.13um	7%	10%	10%	11%	9%
0.13um<x<=0.18um	10%	9%	11%	10%	11%
0.18um<x<=0.35um	5%	4%	5%	5%	4%
0.5um and above	1%	0%	1%	2%	1%

Revenue Breakdown by Customer Type

Revenue from fabless customers accounted for 82% of revenue.

Customer Type	1Q25	4Q24	3Q24	2Q24	1Q24
Fabless	82%	84%	85%	87%	82%
IDM	18%	16%	15%	13%	18%

Revenue Breakdown by Application⁽¹⁾

Revenue from the communication segment accounted for 40%, while business from computer applications was 11% of sales. Business from consumer applications increased to 34%, while other segments was 15% of revenue.

Application	1Q25	4Q24	3Q24	2Q24	1Q24
Computer	11%	13%	13%	15%	13%
Communication	40%	39%	42%	39%	48%
Consumer	34%	29%	31%	31%	23%
Others	15%	19%	14%	15%	16%

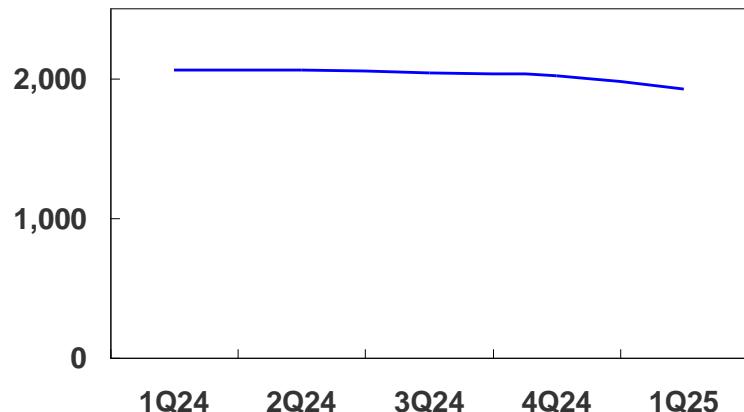
⁽¹⁾ **Computer** consists of ICs such as CPU, GPU, HDD controllers, DVD/CD-RW control ICs, PC chipset, audio codec, keyboard controller, monitor scaler, USB, I/O chipset, WLAN. **Communication** consists of handset components, broadband, bluetooth, Ethernet, LAN, DSP, etc. **Consumer** consists of ICs used for DVD players, DTV, STB, MP3/MP4, flash controller, game consoles, DSC, smart cards, toys, etc.

² Revenue in this section represents wafer sales

Blended ASP Trend

Blended average selling price (ASP) declined in 1Q25.

Unit: USD



Shipment and Utilization Rate³

Wafer shipments remained flat, accounting for 910K in the first quarter, while quarterly capacity was 1,264K. Overall utilization rate in 1Q25 slightly declined to 69%.

Wafer Shipments

	1Q25	4Q24	3Q24	2Q24	1Q24
Wafer Shipments (12" K equivalents)	910	909	896	831	810

Quarterly Capacity Utilization Rate

	1Q25	4Q24	3Q24	2Q24	1Q24
Utilization Rate	69%	70%	71%	68%	65%
Total Capacity (12" K equivalents)	1,264	1,280	1,274	1,257	1,212

³ Utilization Rate = Quarterly Wafer Out / Quarterly Capacity

Capacity⁴

Total capacity in the first quarter decreased to 1,264K 12-inch equivalent wafers. Capacity will grow in the second quarter of 2025 to 1,290K 12-inch equivalent wafers.

Annual Capacity in thousands of wafers

FAB		Geometry (um)	2024	2023	2022	2021
WTK	6"	5 – 0.15	331	328	335	329
8A	8"	3 – 0.11	829	811	765	755
8C	8"	0.35 – 0.11	477	473	459	459
8D	8"	0.18 – 0.09	473	440	410	380
8E	8"	0.6 – 0.14	524	490	469	457
8F	8"	0.18 – 0.11	578	570	550	514
8S	8"	0.18 – 0.11	455	447	443	408
8N	8"	0.5 – 0.11	1,013	996	952	917
12A	12"	0.13 – 0.014	1,556	1,305	1,170	1,070
12i	12"	0.13 – 0.040	678	655	655	641
12X	12"	0.080 – 0.022	318	317	314	284
12M	12"	0.13 – 0.040	455	438	436	395
Total⁽¹⁾			5,022	4,674	4,458	4,201
YoY Growth Rate			7%	5%	6%	3%

Quarterly Capacity in thousands of wafers

FAB		2Q25E	1Q25	4Q24	3Q24
WTK	6"	80	78	83	83
8A	8"	215	212	207	207
8C	8"	125	123	119	119
8D	8"	118	116	118	118
8E	8"	131	129	131	131
8F	8"	146	144	145	145
8S	8"	117	115	114	114
8N	8"	250	246	254	254
12A	12"	409	402	409	403
12i	12"	172	169	172	172
12X	12"	80	78	80	80
12M	12"	119	113	115	115
Total		1,290	1,264	1,280	1,274

⁽¹⁾ One 6-inch wafer is converted into 0.25 (6²/12²) 12-inch equivalent wafer; one 8-inch wafer is converted into 0.44 (8²/12²) 12-inch equivalent wafers. Total capacity figures are expressed in 12-inch equivalent wafers.

CAPEX

CAPEX spending in 1Q25 totaled US\$443 million. 2025 cash-based CAPEX budget will be US\$1.8 billion.

Capital Expenditure by Year - in US\$ billion

Year	2024	2023	2022	2021	2020
CAPEX	\$ 2.9	\$ 3.0	\$ 2.7	\$ 1.8	\$ 1.0

2025 CAPEX Plan

8"	12"	Total
10%	90%	US\$1.8 billion

⁴ Estimated capacity numbers are based on *calculated maximum output* rather than *designed capacity*. The actual capacity numbers may differ depending upon equipment delivery schedules, pace of migration to more advanced process technologies, and other factors affecting production ramp-up.

Second Quarter 2025 Outlook & Guidance**Quarter-over-Quarter Guidance:**

- Wafer Shipments: Will increase by 5-7%
- ASP in USD: Will remain flat
- Gross Profit Margin: Will be approximately 30%
- Capacity Utilization: mid-70% range
- 2025 CAPEX: US\$1.8 billion

Recent Developments / Announcements

Jan. 14, 2025	UMC's Flagship Fab Designated One of 189 Smart Manufacturing Lighthouses by the World Economic Forum
Feb. 10, 2025	UMC Recognized with Double 'A' score for Climate Change and Water Security Leadership in CDP A List for Three Consecutive Years
Feb. 14, 2025	UMC Ranks Top 1% in the Semiconductor Industry in S&P Global Sustainability Yearbook 2025
Feb. 26, 2025	UMC Board of Directors Announces Proposals for its Annual Shareholders Meeting
Apr. 01, 2025	UMC Unveils New Fab Expansion in Singapore in Grand Opening Ceremony

Please visit UMC's website for further details regarding the above announcements

Conference Call / Webcast Announcement

Wednesday, April 23, 2025

Time: 5:00 PM (Taipei) / 5:00 AM (New York) / 10:00 AM (London)

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A live webcast and replay of the 1Q25 results announcement will be available at
www.umc.com under the “Investors / Events” section.

About UMC

UMC (NYSE: UMC, TWSE: 2303) is a leading global semiconductor foundry company. The company provides high-quality IC fabrication services, focusing on logic and various specialty technologies to serve all major sectors of the electronics industry. UMC's comprehensive IC processing technologies and manufacturing solutions include Logic/Mixed-Signal, embedded High-Voltage, embedded Non-Volatile-Memory, RFSOI, BCD etc. Most of UMC's 12-in and 8-in fabs with its core R&D are in Taiwan, with additional ones throughout Asia. UMC has a total of 12 fabs in production with a combined capacity of more than 400,000 wafers per month (12-in equivalent), and all of them are certified with IATF 16949 automotive quality standards. UMC is headquartered in Hsinchu, Taiwan, plus local offices in the United States, Europe, China, Japan, Korea, and Singapore, with a worldwide total of 20,000 employees. For more information, please visit: <http://www.umc.com>.

Safe Harbor Statements

This press release contains forward-looking statements within the meaning of Section 27A of the United States Securities Act of 1933, as amended, and Section 21E of the United States Securities Exchange Act of 1934, as amended, and as defined in the United States Private Securities Litigation Reform Act of 1995. These forward-looking statements include, but are not limited to, statements regarding anticipated financial results for the first quarter of 2025; the expected wafer shipment and ASP; the anticipated annual budget; capex strategies; environmental protection goals and water management strategies; impact of foreign currency exchange rates; expected foundry capacities; the ability to obtain new business opportunities; and information under the heading "Second Quarter 2025 Outlook and Guidance."

These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual performance, financial condition or results of operations of UMC to be materially different from what is stated or may be implied in such forward-looking statements. Investors are cautioned that actual events and results could differ materially from those statements as a result of a number of factors including, but not limited to: (i) dependence upon the frequent introduction of new services and technologies based on the latest developments in the industry in which UMC operates; (ii) the intensely competitive semiconductor, communications, consumer electronics and computer industries and markets; (iii) the risks associated with international business activities; (iv) dependence upon key personnel; (v) general economic and political conditions; (vi) possible disruptions in commercial activities caused by natural and human-induced events and disasters, including natural disasters, terrorist activity, armed conflict and highly contagious diseases; (vii) reduced end-user purchases relative to expectations and orders; and (viii) fluctuations in foreign currency exchange rates. Further information regarding these and other risk factors is included in UMC's filings with the United States Securities and Exchange Commission, including its Annual Report on Form 20-F. All information provided in this release is as of the date of this release and are based on assumptions that UMC believes to be reasonable as of this date, and UMC does not undertake any obligation to update any forward-looking statement as a result of new information, future events or otherwise, except as required under applicable law.

The financial statements included in this release are prepared and published in accordance with Taiwan International Financial Reporting Standards, or TIFRSs, recognized by the Financial Supervisory Commission in the ROC, which is different from International Financial Reporting Standards, or IFRSs, issued by the International Accounting Standards Board. Investors are cautioned that there may be significant differences between TIFRSs and IFRSs. In addition, TIFRSs and IFRSs differ in certain significant respects from generally accepted accounting principles in the ROC and generally accepted accounting principles in the United States.

- FINANCIAL TABLES TO FOLLOW -