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UMC Reports Second Quarter 2026 Results

2026 CAPEX raised to US$2bn to support phased expansion plan
Q2 2026 operating income increases 32.6% QoQ while Q3 utilization to exceed 90%

Second Quarter 2026 Overview[1]:
- **Revenue: NT$68.73 billion (US$2.18 billion)**
- **Gross margin: 32.5%; Operating margin: 21.8%**
- **Revenue from 22/28nm: 37%**
- **Capacity utilization rate: 85%**
- **Net income attributable to shareholders of the parent: NT$42.26 billion (US$1.34 billion)**
- **Earnings per share: NT$3.39; earnings per ADS: US$0.537**

Taipei, Taiwan, ROC – July 29, 2026 – United Microelectronics Corporation (NYSE: UMC; TWSE: 2303) ("UMC" or "The Company"), a leading global semiconductor foundry, today announced its consolidated operating results for the second quarter of 2026.

Second quarter consolidated revenue was NT$68.73 billion, increasing 12.6% from NT$61.04 billion in 1Q26. Compared to a year ago, 2Q26 revenue increased 17.0%. Consolidated gross margin for 2Q26 was 32.5%. Net income attributable to the shareholders of the parent was NT$42.26 billion, with earnings per ordinary share of NT$3.39.

Jason Wang, CEO of UMC, said, "In the second quarter, our wafer shipments increased 10.6% quarter-on-quarter, driven by strong demand in the communication and consumer segments, further improving utilization rate to 85%. Revenue from our 22/28nm business continues to set record highs, with 22nm revenue representing 17.5% of second-quarter sales. Earlier this month, we announced the company's first mass-production delivery of 12-inch photonic ICs to a customer, a major milestone for UMC that demonstrates the company's high-volume silicon

[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 June 30, 2026, the three-month period ending March 31, 2026, and the equivalent three-month period that ended June 30, 2025. For all 2Q26 results, the U.S. dollar amounts have been translated at the weighted-average exchange rate of NT$31.59 per U.S. dollar for the three-month period ended June 30, 2026.

photonics manufacturing capability on 12-inch wafers as we prepare to launch our silicon photonics platform available for general customer use in 2027."

CEO Wang added, "Looking ahead to the third quarter, we expect demand momentum to remain stable across the computer, communication, and consumer segments, with shipments projected to increase by high-single digits. Driven by strong demand for power management ICs, sensors, and microcontrollers, our 8-inch portfolio is seeing a strong rebound, and utilization is expected to improve significantly in the third quarter. With our 12-inch capacity already at a healthy utilization rate supporting core businesses, we must also prepare in advance to ensure UMC is well positioned to capture future opportunities driven by AI. To ensure we are ready to scale rapidly to support our customers, we announced today that our Board of Directors has approved a plan to expand cleanroom capacity at our Singapore P4 facility and to construct a new fab in Tainan, Taiwan. The plan will be executed in phases, enabling UMC to remain focused on capital discipline while flexibly deploying capacity to fulfill customer demand. As a result, 2026 capital expenditure budget will be revised upward to US$2 billion."

CEO Wang said, "In the second quarter, UMC was proud to be selected for inclusion in the FTSE4Good TIP Taiwan ESG Index, which evaluates top-performing Taiwan-listed companies based on international sustainability standards, for the tenth consecutive year. For investors interested in learning more about UMC's sustainability targets and progress, the company's 2025 Sustainability Report will be available on our website by the end of July."

Summary of Operating Results

Operating Results					
(Amount: NT$ million)	2Q26	1Q26	QoQ % change	2Q25	YoY % change
Operating Revenues	68,733	61,038	12.6	58,758	17.0
Gross Profit	22,323	17,818	25.3	16,878	32.3
Operating Expenses	(7,906)	(7,099)	11.4	(6,467)	22.2
Net Other Operating Income and Expenses	533	557	(4.3)	409	30.3
Operating Income	14,950	11,276	32.6	10,820	38.2
Net Non-Operating Income and Expenses	30,236	5,367	463.3	(666)	-
Net Income Attributable to Shareholders of the Parent	42,260	16,171	161.3	8,903	374.7
EPS (NT$ per share)	3.39	1.29		0.71	
(US$ per ADS)	0.537	0.204		0.121	
Exchange rate (USD/NTD)	31.59	31.63		29.28	

Note：Sums may not equal totals due to rounding.

Second quarter operating revenues increased 12.6% sequentially to NT$68.73 billion. Revenue contribution from 40nm and below technologies represented 52% of wafer revenue. Gross profit increased 25.3% QoQ to NT$22.32 billion, or 32.5% of revenue. Operating expenses increased 11.4% to NT$7.91 billion. Net other operating income decreased 4.3% to NT$0.53 billion. Net non-operating income totaled NT$30.24 billion. Net income attributable to shareholders of the parent amounted to NT$42.26 billion.

Earnings per ordinary share for the quarter was NT$3.39. Earnings per ADS was US$0.537. The basic weighted average number of shares outstanding in 2Q26 was 12,475,080,302, compared with 12,491,206,358 shares in 1Q26 and 12,484,877,493 shares in 2Q25. The diluted weighted average number of shares outstanding was 12,541,653,000 in 2Q26, compared with 12,583,475,228 shares in 1Q26 and 12,534,082,055 shares in 2Q25. The fully diluted shares counted on June 30, 2026 were approximately 12,527,228,000.

Detailed Financials Section

Operating revenues increased to NT$68.73 billion. COGS increased 7.4% QoQ to NT$46.41 billion. Gross profit increased 25.3% QoQ to NT$22.32 billion. Operating expenses increased 11.4% QoQ to NT$7.91 billion, as G&A increased 32.2% to NT$2.43 billion, R&D increased 3.8% to NT$4.75 billion and Sales & Marketing increased 6.3% to NT$0.73 billion. Net other operating income was NT$0.53 billion. In 2Q26, operating income increased 32.6% QoQ to NT$14.95 billion.

COGS & Expenses

(Amount: NT$ million)	2Q26	1Q26	QoQ % change	2Q25	YoY % change
Operating Revenues	68,733	61,038	12.6	58,758	17.0
COGS	(46,410)	(43,219)	7.4	(41,880)	10.8
Depreciation	(14,649)	(13,719)	6.8	(12,317)	18.9
Other Mfg. Costs	(31,761)	(29,500)	7.7	(29,563)	7.4
Gross Profit	22,323	17,818	25.3	16,878	32.3
Gross Margin (%)	32.5%	29.2%		28.7%	
Operating Expenses	(7,906)	(7,099)	11.4	(6,467)	22.2
Sales & Marketing	(733)	(689)	6.3	(591)	23.9
G&A	(2,426)	(1,834)	32.2	(1,682)	44.2
R&D	(4,747)	(4,575)	3.8	(4,194)	13.2
Expected Credit Impairment Gain (Loss)	0	0	(100.0)	(0)	-
Net Other Operating Income & Expenses	533	557	(4.3)	409	30.3
Operating Income	14,950	11,276	32.6	10,820	38.2

Note：Sums may not equal totals due to rounding.

Net non-operating income in 2Q26 was NT$30.24 billion, primarily reflecting the NT$30.05 billion in net investment gain and the NT$0.22 billion in net interest income.

Non-Operating Income and Expenses

(Amount: NT$ million)	2Q26	1Q26	2Q25
Non-Operating Income and Expenses	30,236	5,367	(666)
Net Interest Income and Expenses	218	88	309
Net Investment Gain and Loss	30,045	4,997	326
Exchange Gain and Loss	3	303	(1,280)
Other Gain and Loss	(29)	(20)	(20)

Note：Sums may not equal totals due to rounding.

In 2Q26, cash inflow from operating activities was NT$33.70 billion. Cash outflow from investing activities totaled NT$7.43 billion, including NT$9.73 billion in capital expenditures, resulting in free cash flow of NT$23.97 billion. Cash outflow from financing activities was NT$10.75 billion, primarily due to NT$5.50 billion redemption of bonds, NT$3.10 billion treasury stock acquired and NT$1.89 billion repayment of bank loans. Net cash inflow in 2Q26 amounted to NT$15.69 billion. Over the next 12 months, the company expects to repay NT$6.40 billion in bank loans.

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Cash Flow Summary

(Amount: NT$ million)	For the 3-Month Period Ended Jun. 30, 2026	For the 3-Month Period Ended Mar. 31, 2026
Cash Flow from Operating Activities	33,698	21,981
Net income before tax	45,186	16,644
Depreciation & Amortization	16,238	15,987
Share of profit of associates and joint ventures	(23,606)	(2,815)
Income tax paid	(2,173)	(464)
Changes in working capital & others	(1,948)	(7,370)
Cash Flow from Investing Activities	(7,427)	(21,348)
Increase in financial assets measured at amortized cost	(1,938)	(7,101)
Acquisition of PP&E	(8,823)	(12,526)
Acquisition of investments accounted for under the equity method	(10)	(643)
Acquisition of intangible assets	(658)	(681)
Others	4,001	(397)
Cash Flow from Financing Activities	(10,753)	(3,686)
Bank loans	(1,894)	(3,039)
Redemption of bonds	(5,500)	-
Treasury stock acquired	(3,096)	-
Others	(263)	(647)
Effect of Exchange Rate	171	1,411
Net Cash Flow	15,687	(1,641)
Beginning balance	109,019	110,660
Ending balance	124,706	109,019

Note：Sums may not equal totals due to rounding.

Cash and cash equivalents increased to NT$124.71 billion. Days sales outstanding decreased 1 day to 49 days, while days of inventory decreased 5 days to 75 days.

Current Assets			
(Amount: NT$ billion)	**2Q26**	**1Q26**	**2Q25**
Cash and Cash Equivalents	124.71	109.02	111.99
Accounts Receivable	38.65	35.60	32.38
Days Sales Outstanding	49	50	52
Inventories, net	37.92	38.65	34.02
Days of Inventory	75	80	76
Total Current Assets	230.26	216.44	195.18

Current liabilities increased to NT$106.31 billion. Long-term credit / bonds decreased to NT$45.57 billion. Total liabilities increased to NT$222.05 billion, while debt to equity ratio increased to 50%.

Liabilities			
(Amount: NT$ billion)	**2Q26**	**1Q26**	**2Q25**
Total Current Liabilities	106.31	79.61	110.39
Accounts Payable	9.06	9.07	8.54
Short-Term Credit / Bonds	11.97	22.89	21.30
Payables on Equipment	7.16	7.98	8.35
Dividends Payable	32.70	-	35.79
Other	45.42	39.67	36.41
Long-Term Credit / Bonds	45.57	47.17	41.60
Total Liabilities	222.05	193.20	211.10
Debt to Equity	50%	47%	63%

Analysis of Revenue

Revenue from Asia Pacific increased to 66%, while business from North America increased to 22% of sales. Business from Europe decreased to 8%, while contribution from Japan decreased to 4%.

Revenue Breakdown by Region

Region	2Q26	1Q26	4Q25	3Q25	2Q25
North America	22%	21%	21%	25%	20%
Asia Pacific	66%	65%	64%	63%	67%
Europe	8%	9%	11%	8%	8%
Japan	4%	5%	4%	4%	5%

Revenue contribution from 22/28nm increased to 37% of wafer revenue, while 40nm contribution decreased to 15% of sales.

Revenue Breakdown by Geometry (1)

Geometry	2Q26	1Q26	4Q25	3Q25	2Q25
14nm and below	0%	0%	0%	0%	0%
14nm<x<=28nm	37%	34%	36%	35%	40%
28nm<x<=40nm	15%	18%	17%	17%	15%
40nm<x<=65nm	18%	18%	17%	18%	17%
65nm<x<=90nm	7%	8%	8%	8%	7%
90nm<x<=0.13um	8%	7%	7%	8%	7%
0.13um<x<=0.18um	10%	10%	10%	9%	9%
0.18um<x<=0.35um	4%	4%	4%	4%	4%
0.5um and above	1%	1%	1%	1%	1%

Revenue from fabless customers accounted for 85% of revenue.

Revenue Breakdown by Customer Type (1)

Customer Type	2Q26	1Q26	4Q25	3Q25	2Q25
Fabless	85%	86%	80%	81%	81%
IDM	15%	14%	20%	19%	19%

Revenue from the communication segment accounted for 39%, while business from computer applications was 13% of sales. Business from consumer applications accounted for 32%, while other segments was 16% of revenue.

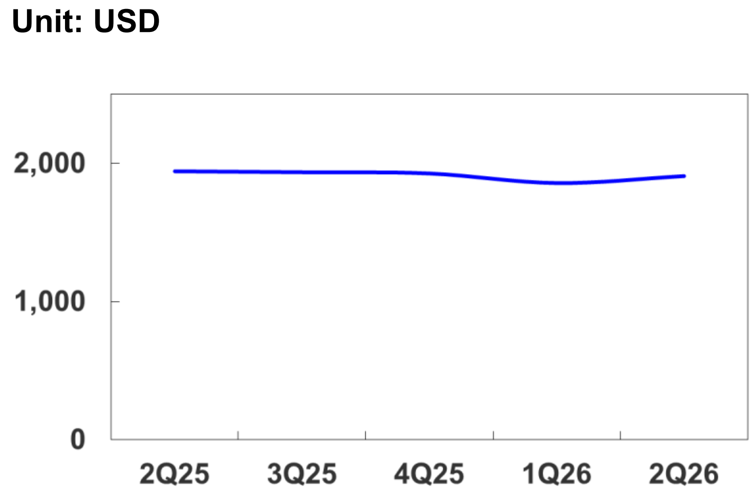
Revenue Breakdown by Application (1) (2)

Application	2Q26	1Q26	4Q25	3Q25	2Q25
Computer	13%	12%	12%	12%	11%
Communication	39%	39%	42%	42%	41%
Consumer	32%	32%	28%	29%	33%
Others	16%	17%	18%	17%	15%

(1) Revenue in this section represents wafer sales.
(2) ***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.

Blended ASP Trend

Blended average selling price (ASP) increased in 2Q26.



Shipment and Utilization Rate[2]

Wafer shipments increased 10.6% QoQ to 1,129K during the second quarter, while quarterly capacity was 1,305K. Overall utilization rate in 2Q26 was 85%.

Wafer Shipments

	2Q26	1Q26	4Q25	3Q25	2Q25
Wafer Shipments (12" K equivalents)	1,129	1,021	994	1,000	967

Quarterly Capacity Utilization Rate

	2Q26	1Q26	4Q25	3Q25	2Q25
Utilization Rate	85%	79%	78%	78%	76%
Total Capacity (12" K equivalents)	1,305	1,283	1,305	1,305	1,290

[2] Utilization Rate = Quarterly Wafer Out / Quarterly Capacity

Capacity[3]

Total capacity in the second quarter was 1,305K 12-inch equivalent wafers. Capacity will increase to 1,325K 12-inch equivalent wafers in the third quarter of 2026.

Annual Capacity in ***thousands of wafers***

FAB		Geometry (um)	2025	2024	2023	2022
WTK	6"	5 – 0.15	317	331	328	335
8A	8"	3 – 0.11	857	829	811	765
8C	8"	0.35 – 0.11	500	477	473	459
8D	8"	0.18 – 0.11	471	473	440	410
8E	8"	0.6 – 0.11	522	524	490	469
8F	8"	0.18 – 0.11	583	578	570	550
8S	8"	0.18 – 0.11	466	455	447	443
8N	8"	0.5 – 0.11	996	1,013	996	952
12A	12"	0.13 – 0.014	1,629	1,556	1,305	1,170
12i	12"	0.13 – 0.040	684	678	655	655
12X	12"	0.080 – 0.022	347	318	317	314
12M	12"	0.13 – 0.040	471	455	438	436
Total(1)			5,163	5,022	4,674	4,458
YoY Growth Rate			3%	7%	5%	6%

Quarterly Capacity in ***thousands of wafers***

FAB		3Q26E	2Q26	1Q26	4Q25
WTK	6"	80	80	78	80
8A	8"	215	215	212	215
8C	8"	125	125	123	125
8D	8"	118	118	116	118
8E	8"	131	131	129	131
8F	8"	146	146	144	146
8S	8"	117	117	115	117
8N	8"	250	250	246	250
12A	12"	409	409	402	409
12i	12"	192	172	169	172
12X	12"	95	95	93	95
12M	12"	119	119	117	119
Total		1,325	1,305	1,283	1,305

(1) One 6-inch wafer is converted into 0.25 ($6^2/12^2$) 12-inch equivalent wafer; one 8-inch wafer is converted into 0.44 ($8^2/12^2$) 12-inch equivalent wafers. Total capacity figures are expressed in 12-inch equivalent wafers.

CAPEX

CAPEX spending in 2Q26 totaled US$308 million. 2026 cash-based CAPEX budget will be US$2.0 billion.

Capital Expenditure by Year - in US$ billion

Year	2025	2024	2023	2022	2021
CAPEX	$ 1.6	$ 2.9	$ 3.0	$ 2.7	$ 1.8

2026 CAPEX Plan

8"	12"	Total
10%	90%	US$2.0 billion

3 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.

Third Quarter 2026 Outlook & Guidance

Quarter-over-Quarter Guidance:

- Wafer Shipments: Will increase by high-single digit
- ASP in USD: Remain firm
- Gross Profit Margin: Mid-30% range
- Capacity Utilization: 90%+
- 2026 CAPEX: US$2.0 billion

Recent Developments / Announcements

Apr. 30, 2026	UMC Achieves Highest Corporate Governance Ranking among Taiwan Listed Companies for 12th Consecutive Year
May. 14, 2026	UMC Announces Release of 14nm eHV FinFET Platform, Advancing Innovation in Next-Generation Smartphone Displays
May. 27, 2026	UMC Shareholders Approve NT$2.60 Cash Dividend at Annual Shareholders' Meeting
Jul. 14, 2026	SILITH and UMC Achieve Mass Production Milestone for Silicon Photonics
Jul. 29, 2026	UMC Announces Fab Expansion in Singapore and Construction of New Fab in Tainan to Meet Accelerating AI Demand

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

Conference Call / Webcast Announcement

Wednesday, July 29, 2026

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

Dial-in numbers and Access Codes:

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A live webcast and replay of the 2Q26 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 Notice and Disclaimer

This press release contains forward-looking statements within the meaning of Section 27A of the United States Securities Act of 1933, as amended, or the Securities Act, 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. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. The words “may,” “will,” “is/are likely to,” “anticipate,” “believe,” “estimate,” “expect,” “intend,” “plan” and similar expressions are intended to identify a number of these forward-looking statements. These forward-looking statements include, but are not limited to, statements relating to anticipated quarterly Fab capacity, foundry capital expenditure plan and other statements that are not historical information.

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) risks associated with international business activities; (iv) dependence upon key personnel; (v) general economic conditions, including those related to the semiconductor, communications, consumer electronics and computer industries; (vi) possible disruptions in commercial activities caused by natural and human-induced events and disasters, and outbreaks of contagious diseases; (vii) fluctuations in foreign currency exchange rates; and (viii) geopolitical conflicts, including political relationships between U.S., China and Taiwan.] Further information regarding these and other risks is included in UMC’s filings with the United States Securities and Exchange Commission, including but not limited to UMC’s Annual Report on Form 20-F for the fiscal year ended December 31, 2025. All information provided in this presentation is as of the date of this presentation and is 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 presentation are prepared and published in accordance with Taiwan International Financial Reporting Standards, or TIFRSs, recognized by the Financial Supervisory Commission in the Republic of China, or 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 -