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## United Microelectronics Corp. Q1 2009 Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

(Operator Instructions) Your first question comes from Randy Abrams - Credit Suisse.

#### Randy Abrams - Credit Suisse

Yes that you. Could you talk about, given the 110% for the second quarter, maybe talk about outlook even beyond that? I know it is early but to think about beyond that, do you think customers are getting to the point that they are tracking consumption and do you expect continued growth off of the second quarter going into the second half?

#### Shiwei Sun

So for all of beyond Q2 we will report to you next time during our conference call, However we think Q2 revenue will be climbing month by month. As far as the customer situation is, the visibility for us is not very clear. We are very cautious, however we think Q2 revenue will grow month by month.

#### Randy Abrams - Credit Suisse

Okay and then maybe if you could characterize the 110% growth, how much do you think is coming from your existing customers coming back to order from inventory restocking? How much do you think if any is market share gains and then are you seeing any orders from concerns on availability just with the foundries coming back from a slow first quarter and maybe being slow to turn back on? Maybe talk about the elements for that real strong growth, where do you think it is coming from?

#### Shiwei Sun

I assume the latter part of the question, I think our observation from our customers is that they are all very much cautious and careful about their inventory level, As far as how much is from the inventory replenishment or others real consumer recovery and this is sustainable demand, it is hard for us to discern.

#### Randy Abrams - Credit Suisse

Okay and for the He Jian, with you announcing it today, are you getting any sense from the regulators if they are opening up a bit to allowing you to acquire the 15% stake and move ahead? Have you gotten anything from the regulators that they are loosening up a bit? If you could give a quick snapshot of He Jian, how much overlap of existing customers and applications and how much would be new for UMC?

**Chitung Liu**

Hi Randy this is Chitung. Basically what we are trying to do here is to go get the authority by our shareholder meeting's approval then we can go to the government to study the whole application process and the completion of the acquisition is really subject to the government approval. For the time being unless we get the GM approval, the shareholder approval, it is really too early to talk about the government attitude on this issue. Certainly in our own judgment that the current government, in terms of their policy is certainly more favorable to further opening up of the rejection and that is part of the reason why we are willing to bring this proposal to the board and later on to the shareholder's meeting.

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