

**Consolidated Financial Statements**

UMC Electronics Co., Ltd. and Consolidated Subsidiaries

English Translation

The following is an English translation of the original Japanese document.

**Consolidated Balance Sheets**

(Thousands of yen)

	2015/3 (As of March 31, 2016)	The 2nd quarter (As of September 30, 2016)
<b>Assets</b>		
Current assets		
Cash and deposits	13,074,194	11,214,442
Notes and accounts receivable-trade	17,274,633	17,204,362
Finished goods	1,537,126	1,623,085
Work in process	553,402	440,464
Raw materials and supplies	8,272,835	8,768,005
Other	1,215,752	1,177,300
<b>Total current assets</b>	<b>41,927,944</b>	<b>40,427,660</b>
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	5,180,145	4,532,793
Machinery, equipment and vehicles, net	4,783,471	4,856,133
Other, net	3,189,954	3,681,935
<b>Total property, plant and equipment</b>	<b>13,153,570</b>	<b>13,070,862</b>
Intangible assets	492,674	431,712
Investments and other assets		
Investment securities	238,780	957,271
Long-term prepaid expenses	532,468	407,824
Other	377,947	319,903
<b>Total Investments and other assets</b>	<b>1,149,196</b>	<b>1,684,998</b>
<b>Total noncurrent assets</b>	<b>14,795,441</b>	<b>15,187,574</b>
<b>Total assets</b>	<b>56,723,386</b>	<b>55,615,234</b>
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	16,583,893	18,363,454
Short-term loans payable	3,789,110	3,033,882
Current portion of long-term loans payable	5,547,406	5,002,363
Current portion of bonds	184,000	184,000
Income taxes payable	594,574	752,860
Provision for bonuses	178,341	297,517
Provision for business structure improvement	—	98,818
Other	1,802,887	2,521,751
<b>Total current liabilities</b>	<b>28,680,213</b>	<b>30,254,648</b>
Noncurrent liabilities		
Bonds payable	264,000	172,000
Long-term loans payable	10,654,367	9,733,774
Liabilities for retirement benefits	2,022	2,327
Other	1,159,066	958,475
<b>Total noncurrent liabilities</b>	<b>12,079,456</b>	<b>10,866,577</b>
<b>Total liabilities</b>	<b>40,759,669</b>	<b>41,121,226</b>

(Thousands of yen)

	2015/3 (As of March 31, 2016)	The 2nd quarter (As of September 30, 2016)
Net assets		
Shareholders' equity		
Capital stock	1,334,000	1,334,000
Capital surplus	5,513,746	5,513,881
Retained earnings	8,744,610	8,702,618
Treasury stock	(144,158)	(144,158)
Total shareholders' equity	15,448,199	15,406,342
Accumulated comprehensive income		
Valuation difference on available-for-sale	(41,753)	3,478
Deferred gains or losses on hedges	(12,381)	(10,621)
Foreign currency translation adjustment	565,654	(911,669)
Total accumulated comprehensive income	511,518	(918,812)
Non-controlling interests	3,998	6,478
Total net assets	15,963,716	14,494,008
Total liabilities and net assets	56,723,386	55,615,234

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**Consolidated Statements of Income**

(Thousands of yen)

	<b>The 2nd quarter (2016.4.1-2016.9.30)</b>
Net sales	52,248,834
Cost of sales	48,835,701
Gross profit	3,413,132
Selling, general and administrative expenses	1,942,530
Operating income	1,470,602
Non-operating income	
Interest income	5,065
Dividends income	4,255
Other	18,636
Total non-operating income	27,957
Non-operating expenses	
Interest expenses	176,571
Foreign exchange losses	309,496
Other	10,001
Total non-operating expenses	496,069
Ordinary income	1,002,490
Extraordinary income	
Gain on sales of non-current assets	186
Total extraordinary income	186
Extraordinary losses	
Loss on retirement of non-current assets	0
Loss on valuation of investment securities	538
Business structure improvement expenses	319,751
Total extraordinary loss	320,289
Profit before income taxes	682,387
Total income taxes	363,881
Net profit	318,505
Profit (loss) attributable to non-controlling interests	1,614
Profit attributable to owners of parent	316,890

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**Consolidated Statements of Comprehensive Income**

(Thousands of yen)

	<b>The 2nd quarter (2016.4.1-2016.9.30)</b>
Profit	318,505
Other comprehensive income	
Valuation difference on available-for-sale securities	45,231
Deferred gains or losses on hedges	1,760
Foreign currency translation adjustment	(1,477,323)
Total other comprehensive income	(1,430,331)
Comprehensive income	(1,111,825)
(Content)	
Comprehensive income for the parent company's shareholders	(1,113,440)
Comprehensive income attributable to non-controlling interests	1,614