

## Global Unichip Corp. (GUC) Reports Financial Results for 4Q09

Hsinchu – February 5, 2010 -- Global Unichip Corporation (TAIEX: 3443) today reported financial results for its fourth quarter ended December 31, 2009. Net sales were NT\$2,124 million, operating income was NT\$63 million and net income was NT\$69 million, or NT\$0.52 per share (diluted).

### Financial Summary

<i>(In NT\$M except EPS and percentage)</i>	Three months ended		QoQ	Three months ended	
	12/31/2009	09/30/2009		12/31/2008	YoY
Net Sales	2,124	2,228	-5%	2,291	-7%
Income from Operations	63	129	-51%	155	-59%
Net Income	69	132	-48%	163	-58%
EPS (NT\$)	0.52	1.01	-49%	1.27	-59%
Cash Flow from Operations	-110	-149	-26%	153	-172%

You can find more detailed financial information under GUC Investor Relations @ [http:// www.globalunichip.com](http://www.globalunichip.com)

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## Net Sales Analysis

Net sales in 4Q09 were NT\$2,124 million. This represents a decrease in net sales of 5% compared with the NT\$2,228 million in 3Q09 and a decrease of 7% compared with the NT\$2,291 million in 4Q08.

The following shows net sales of each reported segment and the comparison of QoQ and YoY.

	Three months ended 12/31/2009		Three months ended 09/30/2009		QoQ	Three months ended 12/31/2008		YoY
	Amount	% of net sales	Amount	% of net sales		Amount	% of net sales	
<i>(In NT\$M except percentages)</i>								
<b>NRE</b>	348	17%	433	19%	-20%	441	19%	-21%
<b>Turnkey</b>	1,747	82%	1,752	79%	0%	1,796	79%	-3%
<b>Others</b>	29	1%	43	2%	-33%	54	2%	-46%
<b>Net Sales</b>	2,124	100%	2,228	100%	-5%	2,291	100%	-7%

The decrease of 20% in NRE segment compared with 3Q09 was mainly due to less NRE recognition for which have been in the NRE pipeline.

Tables below show sales and ratios in segment, technology, region, and application compared with the previous quarter and the same period of time in 2008.

<b>NRE by Technology</b> <i>(In NT\$M except percentages)</i>	Three months ended 12/31/2009		Three months ended 09/30/2009		Three months ended 12/31/2008	
	Amount	%	Amount	%	Amount	%
40nm	1	0%	61	14%	7	2%
65nm	216	62%	227	53%	190	43%
90nm	63	18%	49	11%	124	28%
0.13um	19	6%	35	8%	47	11%
0.18um Above	49	14%	61	14%	73	16%
<b>Total</b>	<b>348</b>	<b>100%</b>	<b>433</b>	<b>100%</b>	<b>441</b>	<b>100%</b>

As a result of continued ramp-up of 65/90nm NRE projects, revenues from 65/90nm increased to 62% and 18% in 4Q09 from 53% and 11% in 3Q09 respectively. Overall, revenues from advanced technologies of 40/65/90nm accounted for 80% of NRE revenues in 4Q09, two percentage points increase from 3Q09, and seven percentage points increase from 4Q08.

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<b>Turnkey by Technology</b> <i>(In NT\$M except percentages)</i>	Three months ended 12/31/2009		Three months ended 09/30/2009		Three months ended 12/31/2008	
	Amount	%	Amount	%	Amount	%
65nm	351	20%	380	22%	14	1%
90nm	203	12%	121	7%	275	15%
0.13um	820	47%	844	48%	1,183	66%
0.18um Above	373	21%	407	23%	324	18%
<b>Total</b>	<b>1,747</b>	<b>100%</b>	<b>1,752</b>	<b>100%</b>	<b>1,796</b>	<b>100%</b>

Revenues from advanced technologies represented 32% of Turnkey revenues in 4Q09, three percentage points increase from 3Q09, and sixteen percentage points increase from 4Q08.

<b>Net Sales by Technology</b> <i>(In NT\$M except percentages)</i>	Three months ended 12/31/2009		Three months ended 09/30/2009		Three months ended 12/31/2008	
	Amount	%	Amount	%	Amount	%
40nm	1	0%	61	3%	7	0%
65nm	572	27%	623	28%	208	9%
90nm	270	13%	180	8%	412	18%
0.13um	849	40%	886	40%	1,246	54%
0.18um Above	432	20%	478	21%	418	19%
<b>Total</b>	<b>2,124</b>	<b>100%</b>	<b>2,228</b>	<b>100%</b>	<b>2,291</b>	<b>100%</b>

Advanced technologies including 40/65/90nm accounted for 40% of net sales in 4Q09.

<b>Net Sales by Application</b> <i>(In NT\$M except percentages)</i>	Three months ended 12/31/2009		Three months ended 09/30/2009		Three months ended 12/31/2008	
	Amount	%	Amount	%	Amount	%
Communication	1,272	60%	1,175	53%	1,105	48%
Computer	62	3%	58	2%	118	5%
Consumer	732	34%	959	43%	1,021	45%
Others	58	3%	36	2%	47	2%
<b>Total</b>	<b>2,124</b>	<b>100%</b>	<b>2,228</b>	<b>100%</b>	<b>2,291</b>	<b>100%</b>

Revenues from communication increased to 60% of net sales in 4Q09, seven percentage points up from prior quarter.

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Net Sales by Reigon <i>(In NT\$M except percentages)</i>	Three months ended 12/31/2009		Three months ended 09/30/2009		Three months ended 12/31/2008	
	Amount	%	Amount	%	Amount	%
Taiwan	98	5%	113	5%	229	10%
USA	1,534	72%	1,385	62%	1,515	66%
China	80	4%	249	11%	205	9%
Japan	154	7%	187	8%	248	11%
Korea	184	9%	216	10%	26	1%
Europe	74	3%	78	4%	68	3%
Total	2,124	100%	2,228	100%	2,291	100%

Revenues from the U.S. accounted for 72% of net sales in 4Q09, ten percentage points up from 3Q09.

## Net Sales, Cost of Sales and Gross Margin

<i>(In NT\$M except percentages)</i>	Three months ended 12/31/2009		Three months ended 09/30/2009		QoQ	Three months ended 12/31/2008		YoY
	Amount	% of net sales	Amount	% of net sales		Amount	% of net sales	
<b>Net Sales</b>	2,124	100.0%	2,228	100.0%	-5%	2,291	100.0%	-7%
<b>Cost of sales</b>	1,719	80.9%	1,773	79.6%	-3%	1,813	79.1%	-5%
<b>Gross profit</b>	405	19.1%	455	20.4%	-11%	478	20.9%	-15%

Gross margin in 4Q09 was 19.1%. The 1.3 percentage points decline in gross margin was primarily due to lower NRE revenues in 4Q09.

## Expenses in Sales, Marketing, General, Administration, Research and Development

	Three months ended 12/31/2009		Three months ended 09/30/2009		QoQ	Three months ended 12/31/2008		YoY
	Amount	% of net sales	Amount	% of net sales		Amount	% of net sales	
<i>(In NT\$M except percentages)</i>								
<b>SG&amp;A Exp</b>	121	5.7%	97	4.3%	25%	135	5.9%	-10%
<b>R&amp;D Exp</b>	221	10.4%	229	10.3%	-3%	188	8.2%	18%
<b>Total operating expenses</b>	342	16.1%	326	14.6%	5%	323	14.1%	6%

Total operating expenses in 4Q09 increased by NT\$16 million to NT\$342 million, representing 16.1% of net sales, compared to 14.6% of net sales in 3Q09. The increase in SG&A expense was due to reserve of bad debt.

<i>(In NT\$M except shares and EPS)</i>	Three months ended 12/31/2009			Three months ended 09/30/2009			Three months ended 12/31/2008		
	Net Income	Shares (million)	EPS (NT\$)	Net Income	Shares (million)	EPS (NT\$)	Net Income	Shares (million)	EPS (NT\$)
	69	130.95	0.52	132	130.95	1.01	163	128.35	1.27

Net income in 4Q09 was NT\$69 million and diluted EPS was NT\$0.52 in 4Q09.

## Financial Condition Review

	Unit: NT\$M		
	4Q'08	3Q'09	4Q'09
<b>Assets</b>			
Cash	871	786	620
Available-for-sale financial assets	0	150	170
A/R and N/R - Net	861	988	1,061
Inventory	1,152	1,159	1,178
Other current assets	212	276	241
<b>Total Current Assets</b>	<b>3,096</b>	<b>3,359</b>	<b>3,270</b>
Long Term Investment	49	57	74
Net Fixed Assets	487	453	441
Other Assets	389	315	289
<b>Total Assets</b>	<b>4,021</b>	<b>4,184</b>	<b>4,074</b>
<b>Liabilities</b>			
Current Liabilities	1,336	1,434	1,276
Long-term Liabilities	46	45	20
<b>Total Liabilities</b>	<b>1,382</b>	<b>1,479</b>	<b>1,296</b>
<b>Shareholders' Equity</b>			
Common shares	1,247	1,315	1,320
Other equities	1,392	1,390	1,458
<b>Total Shareholders' Equity</b>	<b>2,639</b>	<b>2,705</b>	<b>2,778</b>

## Key Indices

	4Q'08	3Q'09	4Q'09
Current ratio(%)	231.79	234.21	256.30
A/R turnover days	33	41	42
Inv. turnover days	49	66	65
Net Working Capital (NT\$M)	1,760	1,925	1,994

At the end of 4Q09, we had NT\$790 million in cash and cash equivalents. This cash position drop of NT\$146 million is mainly due to outflow of account payables. Account receivable and inventory were NT\$1,061 million and NT\$1,178 million respectively.

Total liabilities decreased to NT\$1,296 million by NT\$183 million due to decrease of account payables.

Net working capital was at NT\$1,994 million and current ratio increased to 256%.

Days of A/R turnover and Inventory turnover were 42 and 65 respectively.

## Cash flow analysis

	Unit: NT\$M				
	4Q'08	1Q'09	2Q'09	3Q'09	4Q'09
<b>Cash Flow from Operating Activities:</b>	<b>153</b>	<b>491</b>	<b>339</b>	<b>(149)</b>	<b>(110)</b>
Net Income	163	119	93	132	69
Depreciation & Amortization	73	74	70	71	71
Other Op Sources/(Uses)	(83)	298	176	(352)	(250)
<b>Cash Flow from Investing Activities:</b>	<b>(104)</b>	<b>(622)</b>	<b>(234)</b>	<b>509</b>	<b>(61)</b>
Acquisition of Available-for-Sale Financial Assets	(505)	(560)	(180)	(150)	(230)
Acquisition of Fixed Assets	(30)	(19)	(22)	(14)	(5)
Acquisition of Deferred Assets	(65)	(39)	(32)	(68)	(20)
Proceeds from Disposal of Available-for-Sale Financial Assets	506	0	0	741	210
Other Investing Sources/(Uses)	(10)	(4)	0	0	(16)
<b>Cash Flow from Financing Activities:</b>	<b>(26)</b>	<b>7</b>	<b>2</b>	<b>(428)</b>	<b>5</b>
Long-Term Liabilities	0	0	0	0	0
Option Exercise	6	7	2	2	5
Cash Dividends and Bonus	(32)	0	0	(430)	0
Other Financing Sources/(Uses)	0	0	0	0	0
<b>Net Cash Position Change</b>	<b>23</b>	<b>(124)</b>	<b>107</b>	<b>(68)</b>	<b>(166)</b>
<b>Beginning Cash Balance</b>	<b>848</b>	<b>871</b>	<b>747</b>	<b>854</b>	<b>786</b>
<b>Ending Cash Balance</b>	<b>871</b>	<b>747</b>	<b>854</b>	<b>786</b>	<b>620</b>

Cash drained from operating activities totaled NT\$110 million in 4Q09 as a result of cash outflow from account payables.

Investing activities used cash of NT\$61 million in 4Q09 mainly due to the acquisition of available-for-sale financial assets.

Financing activities generated NT\$5 million in 4Q09 due to option exercise.

## Achievements

- Revenues from advanced technologies (40/65/90nm) accounted for 40% of 4Q09 revenue, and 34% of 2009 revenue.
- Revenues from advanced technologies (40/65/90nm) accounted for 80% of 4Q09 NRE revenue, and 80% of 2009 NRE revenue.
- More and more 40nm new engagement.
- Some early 28nm opportunities under engagement.
- Platform-based SoC solutions including solid-state-disk and surveillance applications started shipment in 4Q09.

## Profile

Founded in 1998, Global Unichip Corporation (GUC) has since been a pioneer in the SoC (System on Chip) Design Foundry industry. GUC is a publicly traded company on the Taiwan Stock Exchange under the symbol 3443. The company is headquartered in Hsinchu of Taiwan, with design centers and branch offices in China, Europe, Japan, Korea and the U.S. GUC provides total solutions from silicon-proven IPs to complex time-to-market SoC turnkey services. GUC is committed to providing the most advanced and the best price-performance silicon solutions through close partnership with tsmc, GUC's major shareholder, and other key packaging and testing power houses. With state of the art EDA tools, advanced methodologies, and experienced technical team, GUC ensures the highest quality and lowest risks to achieve first silicon success. GUC offers services to customers throughout Greater China, Japan, Korea, North America, and Europe. Our track-record in complex SoC designs has brought benefits to customers in time to revenue at the lowest risk.

For more information about GUC, please visit our company website at <http://www.globalunichip.com>