



TAIWAN SEMICONDUCTOR MANUFACTURING CO., LTD.

UNCONSOLIDATED STATEMENT OF CASH FLOWS

For the Twelve Months Ended Dec. 31, 2001 and 2000

(Figures in Million of New Taiwan dollars (NTD) and U.S. dollars (USD))⁽¹⁾

	12 MTHS 2001		12 MTHS 2000
	USD	NTD	NTD
Cash Flows from Operating Activities:			
Net Income	429	14,483	65,106
Net Income of the merged companies			(135)
Depreciation & Amortization	1,446	48,876	33,051
Investment Loss (Income) Recognized by Equity Method	190	6,430	(779)
Deferred Tax on Investment Tax Credit	(114)	(3,841)	(1,060)
Changes in Working Capital & Others	169	5,719	(8,383)
Net Cash Provided from Operating Activities	2,121	71,666	87,800
Cash Flows from Investing Activities:			
Decrease in Short-Term Investments			236
Acquisition of Fixed Assets	(2,012)	(68,002)	(79,270)
Proceeds from Disposal of Properties	9	298	219
(Increase) Decrease in Deposit out	6	195	(771)
Increase in Long-Term Investments	(135)	(4,564)	(11,867)
Proceeds from Sales of Long-Term Stock Investments	5	162	
Increase in Deferred Assets	(43)	(1,466)	(1,090)
Proceeds from the merger activity			1,412
Net Cash Used in Investing Activities	(2,171)	(73,376)	(91,130)
Cash Flows from Financing Activities:			
Increase (Decrease) in Short-Term Credit Instruments			(12,635)
Decrease in Commercial Paper Payable			(5,479)
Increase in Issuance of Bonds			9,000
Increase (Decrease) Long-Term Bank Loans			(7,550)
Decrease Obligation under Capital Lease	(1)	(50)	
Increase in Guarantee Deposits & Others	4	125	1,901
Cash Dividend - Preferred Shares	(1)	(41)	
Bonus paid to Directors and Supervisors	(17)	(584)	(215)
Issue Stocks			37,323
Net Cash Used in Financing Activities	(16)	(551)	22,344
Net Increase (Decrease) in Cash and Cash Equivalents	(67)	(2,261)	19,014
Cash and Cash Equivalents at Beginning of Period	1,055	35,664	16,650
Cash and Cash Equivalents at End of Period	988	33,404	35,664

* Have been audited by TNS-external auditor.

Note : (1) New Taiwan dollar amounts have been translated into U.S. dollars at the rate of NTD33.8 per U.S. dollar .