



TAIWAN SEMICONDUCTOR MANUFACTURING CO., LTD.

UNCONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended June 30, 2000

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

	Pre-merger		Post Merger	
	USD	NTD	USD	NTD
Cash Flows from Operating Activities:				
Net Income	761	23,441	766	23,576
Net Income from acquiree - WSMC			(4)	(135)
Depreciation & Amortization	381	11,737	381	11,737
Investment Loss (Income) recognized by equity method	(11)	(343)	(11)	(343)
Gain on sale of long-term investments				
Loss on Disposal of Properties	1	38	1	38
Deferred Tax on Investment Tax Credit	1	22	1	22
Accretion in Redemption Value of Bonds				
Decrease(Increase) in Short-Term Investments	8	236	8	236
Changes in Working Capital & Others	(52)	(1,604)	(52)	(1,604)
Net Cash Provided from Operating Activities	1,089	33,527	1,089	33,527
Cash Flows from Investing Activities:				
Net Cash in-flow from acquiree - WSMC & TSMC				1,412
Acquisition of Fixed Assets	(796)	(24,525)	(796)	(24,525)
Proceeds from disposal of properties	2	62	2	62
Increase in Long-Term Investments	(30)	(916)	(30)	(916)
Proceeds from Sales of Long-Term Stock Investments				
Decrease(Increase) in Deposit out/Deferred Assets	(9)	(264)	(9)	(264)
Net Cash Used in Investing Activities	(833)	(25,642)	(833)	(24,229)
Cash Flows from Financing Activities:				
Increase (Decrease) in Short-Term Credit Instruments				
Decrease in Commercial Paper Payable				
Increase in Issuance of Bonds				
Increase(Decrease) in ECB				
Increase (Decrease) Long-Term Bank Loans				
Increase(Decrease) in Issue new share	790	24,323	790	24,323
Repayment of Long-Term Bank Loans				
Decrease in Guarantee Deposits	(14)	(445)	(14)	(445)
Increase in Payments Received in Advance - Equipment				
Bonus to Employees/Directors/Supervisors	(7)	(215)	(7)	(215)
Adjustment for Forward Contract Payable				
Net Cash Provided by Financing Activities	768	23,663	768	23,663
Net Increase (Decrease) in Cash and Cash Equivalents	1,024	31,548	1,024	32,961
Cash and Cash Equivalents at Beginning of Period	525	16,650	525	16,650
Cash and Cash Equivalents at End of Period	1,519	48,198	1,564	49,611

Note (1) : New Taiwan dollars have been translated into U.S. dollars at the weighted average rate of NTD 30.795 per U.S. dollar for the first half-year of 2000.