



TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LIMITED AND SUBSIDIARIES

Consolidated Condensed Balance Sheets

(Expressed in Millions of New Taiwan Dollars ("NTD") and U.S. Dollars ("USD")) ⁽¹⁾

	March 31, 2009 (unaudited)			December 31, 2008 (audited)		March 31, 2008 (unaudited)		QoQ		YoY	
	USD	NTD	%	NTD	%	NTD	%	Amount	%	Amount	%
ASSETS											
Current Assets											
Cash and Cash Equivalents	\$6,583	\$223,262	40.4	\$194,614	34.8	\$144,277	24.2	\$28,648	14.7	\$78,985	54.7
Investments in Marketable Financial Instruments	192	6,527	1.2	16,836	3.0	66,034	11.1	(10,309)	(61.2)	(59,507)	(90.1)
Accounts Receivable - Trade, Net	408	13,822	2.5	18,497	3.3	37,950	6.3	(4,675)	(25.3)	(24,128)	(63.6)
Inventories, Net	436	14,775	2.7	14,877	2.7	21,890	3.7	(102)	(0.7)	(7,115)	(32.5)
Other Current Assets	299	10,171	1.8	7,795	1.4	11,304	1.9	2,376	30.5	(1,133)	(10.0)
Total Current Assets	7,918	268,557	48.6	252,619	45.2	281,455	47.2	15,938	6.3	(12,898)	(4.6)
Long-Term Investments	1,052	35,682	6.5	39,982	7.2	33,693	5.6	(4,300)	(10.8)	1,989	5.9
Property, Plant and Equipment	25,568	867,199	156.9	862,461	154.3	817,464	136.9	4,738	0.5	49,735	6.1
Less: Accumulated Depreciation	(18,873)	(640,121)	(115.8)	(618,816)	(110.7)	(555,854)	(93.1)	(21,305)	3.4	(84,267)	15.2
Property, Plant and Equipment, Net	6,695	227,078	41.1	243,645	43.6	261,610	43.8	(16,567)	(6.8)	(34,532)	(13.2)
Other Assets	633	21,458	3.8	22,671	4.0	20,285	3.4	(1,213)	(5.4)	1,173	5.8
Total Assets	\$16,298	\$552,775	100.0	\$558,917	100.0	\$597,043	100.0	(\$6,142)	(1.1)	(\$44,268)	(7.4)
LIABILITIES AND SHAREHOLDERS' EQUITY											
Current Liabilities											
Accounts Payable	\$172	\$5,824	1.1	\$6,043	1.1	\$10,338	1.7	(\$219)	(3.6)	(\$4,514)	(43.7)
Payables to Contractors and Equipment Suppliers	152	5,145	0.9	7,999	1.4	12,256	2.1	(2,854)	(35.7)	(7,111)	(58.0)
Accrued Expenses and Other Current Liabilities	1,006	34,120	6.1	34,543	6.2	31,162	5.2	(423)	(1.2)	2,958	9.5
Current Portion of Bonds Payable and Long-Term Liabilities	8	286	0.1	8,222	1.5	8,280	1.4	(7,936)	(96.5)	(7,994)	(96.5)
Total Current Liabilities	1,338	45,375	8.2	56,807	10.2	62,036	10.4	(11,432)	(20.1)	(16,661)	(26.9)
Bonds Payable	133	4,500	0.8	4,500	0.8	4,500	0.8	-	-	-	-
Other Long-Term Liabilities	518	17,587	3.2	17,237	3.1	17,537	2.9	350	2.0	50	0.3
Total Liabilities	1,989	67,462	12.2	78,544	14.1	84,073	14.1	(11,082)	(14.1)	(16,611)	(19.8)
Shareholders' Equity Attributable to Shareholders of the Parent											
Capital Stock at Par Value	7,556	256,260	46.4	256,254	45.8	256,292	42.9	6	0.0	(32)	(0.0)
Capital Surplus	1,473	49,965	9.0	49,875	8.9	51,696	8.7	90	0.2	(1,731)	(3.3)
Legal Capital Reserve ⁽²⁾	1,985	67,324	12.2	67,324	12.0	56,406	9.4	-	-	10,918	19.4
Special Capital Reserve ⁽²⁾	12	392	0.1	392	0.1	630	0.1	-	-	(238)	(37.8)
Unappropriated Earnings ⁽²⁾	3,063	103,896	18.8	102,338	18.3	151,597	25.4	1,558	1.5	(47,701)	(31.5)
Treasury Stock	-	-	-	-	-	(918)	(0.2)	-	-	918	(100.0)
Others	109	3,710	0.6	194	0.1	(6,410)	(1.0)	3,516	1813.8	10,120	(157.9)
Total Equity Attributable to Shareholders of the Parent	14,198	481,547	87.1	476,377	85.2	509,293	85.3	5,170	1.1	(27,746)	(5.4)
Minority Interests	111	3,766	0.7	3,996	0.7	3,677	0.6	(230)	(5.7)	89	2.4
Total Shareholders' Equity	14,309	485,313	87.8	480,373	85.9	512,970	85.9	4,940	1.0	(27,657)	(5.4)
Total Liabilities & Shareholders' Equity	\$16,298	\$552,775	100.0	\$558,917	100.0	\$597,043	100.0	(\$6,142)	(1.1)	(\$44,268)	(7.4)

Note :

(1) Amounts in New Taiwan dollars have been translated into U.S. dollars at the rate of NT\$33.917 as of March 31, 2009.

(2) Certain prior period balances have been reclassified to conform to the current period presentation.



TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LIMITED AND SUBSIDIARIES

Unaudited Consolidated Condensed Income Statements

For the Three Months Ended March 31, 2009, December 31, 2008, and March 31, 2008

(Expressed in Millions of New Taiwan Dollars ("NTD") and U.S. Dollars ("USD")⁽¹⁾)

Except for Per Share Amounts and Shares Outstanding)

	1Q 2009			4Q 2008		1Q 2008		QoQ		YoY	
	USD	NTD	%	NTD	%	NTD	%	Amount	%	Amount	%
Net Sales	\$1,164	\$39,500	100.0	\$64,562	100.0	\$87,480	100.0	(\$25,062)	(38.8)	(\$47,980)	(54.8)
Cost of Sales	(943)	(32,020)	(81.1)	(44,367)	(68.7)	(49,241)	(56.3)	12,347	(27.8)	17,221	(35.0)
Gross Profit	221	7,480	18.9	20,195	31.3	38,239	43.7	(12,715)	(63.0)	(30,759)	(80.4)
Operating Expenses											
Research and Development Expenses	(110)	(3,729)	(9.4)	(4,826)	(7.5)	(5,270)	(6.0)	1,097	(22.7)	1,541	(29.2)
General and Administrative Expenses	(47)	(1,595)	(4.0)	(2,285)	(3.5)	(2,662)	(3.0)	690	(30.2)	1,067	(40.1)
Sales and Marketing Expenses	(28)	(947)	(2.4)	(1,062)	(1.7)	(1,184)	(1.4)	115	(10.8)	237	(20.0)
Total Operating Expenses	(185)	(6,271)	(15.9)	(8,173)	(12.7)	(9,116)	(10.4)	1,902	(23.3)	2,845	(31.2)
Income from Operations	36	1,209	3.1	12,022	18.6	29,123	33.3	(10,813)	(89.9)	(27,914)	(95.8)
Non-Operating Income, Net	10	353	0.9	1,412	2.2	1,872	2.1	(1,059)	(75.1)	(1,519)	(81.2)
Investment Gains (Loss)	(24)	(813)	(2.1)	(340)	(0.5)	577	0.7	(473)	138.6	(1,390)	(240.7)
Income before Income Tax	22	749	1.9	13,094	20.3	31,572	36.1	(12,345)	(94.3)	(30,823)	(97.6)
Income Tax Benefits (Expenses)	22	739	1.9	(452)	(0.7)	(3,336)	(3.8)	1,191	(263.5)	4,075	(122.2)
Net Income	44	1,488	3.8	12,642	19.6	28,236	32.3	(11,154)	(88.2)	(26,748)	(94.7)
Minority Interests	2	71	0.1	(196)	(0.3)	(93)	(0.1)	267	(136.3)	164	(176.8)
Net Income Attributable to Shareholders of the Parent	46	1,559	3.9	12,446	19.3	28,143	32.2	(10,887)	(87.5)	(26,584)	(94.5)
Earnings per Share - Diluted	\$0.00	\$0.06		\$0.48		\$1.08		(\$0.42)	(87.5)	(\$1.02)	(94.4)
Earnings per ADR - Diluted ⁽²⁾	\$0.01	\$0.30		\$2.42		\$5.38		(\$2.12)	(87.5)	(\$5.08)	(94.4)
Weighted Average Outstanding Shares - Diluted ('M) ⁽³⁾		25,792		25,655		26,167					

Note:

(1) Amounts in New Taiwan dollars have been translated into U.S. dollars at the weighted average rate of NTD 33.922 for the first quarter of 2009.

(2) 1 ADR equals 5 ordinary shares.

(3) Total diluted weighted average outstanding shares were 26,167M shares for 1Q08 after the retroactive adjustments for stock dividends and stock bonus.



TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LIMITED AND SUBSIDIARIES

Consolidated Condensed Statements of Cash Flows

For The Three Months Ended March 31, 2009, December 31, 2008, and March 31, 2008

(Expressed in Millions of New Taiwan Dollars ("NTD") and U.S. Dollars ("USD")) ⁽¹⁾

	1Q 2009 (unaudited)		4Q 2008 (unaudited)	1Q 2008 (unaudited)
	USD	NTD	NTD	NTD
Cash Flows from Operating Activities:				
Net Income	\$ 46	\$ 1,559	\$ 12,446	\$ 28,143
Net Income (Loss) Attributable to Minority Interest	(2)	(71)	196	93
Depreciation & Amortization	604	20,483	20,961	19,831
Deferred Income Tax	(41)	(1,394)	154	435
Equity in Loss (Earnings) of Equity Method Investees, Net	24	813	340	(577)
Changes in Working Capital & Others	159	5,398	29,147	9,370
Net Cash Provided by Operating Activities	790	26,788	63,244	57,295
Cash Flows from Investing Activities:				
Acquisitions of:				
Marketable Financial Instruments	(273)	(9,251)	(33,059)	(13,902)
Investments Accounted for Using Equity Method	-	-	(1)	-
Property, Plant and Equipment	(166)	(5,617)	(11,258)	(15,313)
Financial Assets Carried at Cost	(2)	(83)	(73)	(213)
Proceeds from Disposal or Maturity of:				
Marketable Financial Instruments	680	23,053	63,368	26,816
Property, Plant and Equipment	-	2	24	1
Financial Assets Carried at Cost	-	-	73	93
Others	1	32	(1,061)	(607)
Net Cash Provided by (Used In) Investing Activities	240	8,136	18,013	(3,125)
Cash Flows from Financing Activities:				
Decrease in Guarantee Deposits	(5)	(165)	(140)	(371)
Proceeds from Exercise of Stock Options	-	15	5	81
Repayment of Long-Term Bonds Payable	(236)	(8,000)	-	-
Repurchase of Treasury Stock	-	-	-	(3,054)
Others	9	275	(163)	58
Net Cash Used in Financing Activities	(232)	(7,875)	(298)	(3,286)
Net Increase in Cash and Cash Equivalents	798	27,049	80,959	50,884
Effect of Exchange Rate Changes and Others	47	1,599	1,209	(1,593)
Cash and Cash Equivalents at Beginning of Period	5,737	194,614	112,446	94,986
Cash and Cash Equivalents at End of Period	\$ 6,582	\$ 223,262	\$ 194,614	\$ 144,277

Note: (1) Amounts in New Taiwan dollars have been translated into U.S. dollars at the weighted average rate of NTD33.922 for the three months ended March 31, 2009.