



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⁾

	December 31, 2009 (audited)			September 30, 2009 (unaudited)		December 31, 2008 (audited)		QoQ		YoY	
	USD	NTD	%	NTD	%	NTD	%	Amount	%	Amount	%
ASSETS											
Current Assets											
Cash and Cash Equivalents	\$5,347	\$171,276	28.8	\$156,935	29.0	\$194,614	34.8	\$14,341	9.1	(\$23,338)	(12.0)
Investments in Marketable Financial Instruments	766	24,521	4.1	23,384	4.3	16,836	3.0	1,137	4.9	7,685	45.6
Accounts Receivable - Trade	1,105	35,382	5.9	35,881	6.6	18,497	3.3	(499)	(1.4)	16,885	91.3
Inventories, Net	653	20,914	3.5	19,176	3.5	14,877	2.7	1,738	9.1	6,037	40.6
Other Current Assets	240	7,711	1.4	8,865	1.7	7,795	1.4	(1,154)	(13.0)	(84)	(1.1)
Total Current Assets	<u>8,111</u>	<u>259,804</u>	<u>43.7</u>	<u>244,241</u>	<u>45.1</u>	<u>252,619</u>	<u>45.2</u>	<u>15,563</u>	<u>6.4</u>	<u>7,185</u>	<u>2.8</u>
Long-Term Investments	1,182	37,845	6.4	38,553	7.1	39,982	7.2	(708)	(1.8)	(2,137)	(5.3)
Properties, Plant and Equipment	30,204	967,419	162.7	911,844	168.3	862,461	154.3	55,575	6.1	104,958	12.2
Less: Accumulated Depreciation	(21,660)	(693,744)	(116.7)	(675,028)	(124.6)	(618,816)	(110.7)	(18,716)	2.8	(74,928)	12.1
Properties, Plant and Equipment, Net	<u>8,544</u>	<u>273,675</u>	<u>46.0</u>	<u>236,816</u>	<u>43.7</u>	<u>243,645</u>	<u>43.6</u>	<u>36,859</u>	<u>15.6</u>	<u>30,030</u>	<u>12.3</u>
Other Assets	730	23,372	3.9	22,287	4.1	22,671	4.0	1,085	4.9	701	3.1
Total Assets	<u>\$18,567</u>	<u>\$594,696</u>	<u>100.0</u>	<u>\$541,897</u>	<u>100.0</u>	<u>\$558,917</u>	<u>100.0</u>	<u>\$52,799</u>	<u>9.7</u>	<u>\$35,779</u>	<u>6.4</u>
LIABILITIES AND SHAREHOLDERS' EQUITY											
Current Liabilities											
Accounts Payables	\$365	\$11,689	2.0	\$10,633	2.0	\$6,043	1.1	\$1,056	9.9	\$5,646	93.4
Payables to Contractors and Equipment Suppliers	903	28,924	4.9	15,666	2.9	7,999	1.4	13,258	84.6	20,925	261.6
Accrued Expenses and Other Current Liabilities	1,173	37,571	6.2	28,401	5.2	34,543	6.2	9,170	32.3	3,028	8.8
Current Portion of Bonds Payable and Long-Term Debts	30	949	0.2	309	0.1	8,222	1.5	640	207.7	(7,273)	(88.5)
Total Current Liabilities	<u>2,471</u>	<u>79,133</u>	<u>13.3</u>	<u>55,009</u>	<u>10.2</u>	<u>56,807</u>	<u>10.2</u>	<u>24,124</u>	<u>43.9</u>	<u>22,326</u>	<u>39.3</u>
Bonds Payable	140	4,500	0.8	4,500	0.8	4,500	0.8	-	-	-	-
Other Long-Term Liabilities	375	12,015	2.0	15,761	2.9	17,237	3.1	(3,746)	(23.8)	(5,222)	(30.3)
Total Liabilities	<u>2,986</u>	<u>95,648</u>	<u>16.1</u>	<u>75,270</u>	<u>13.9</u>	<u>78,544</u>	<u>14.1</u>	<u>20,378</u>	<u>27.1</u>	<u>17,104</u>	<u>21.8</u>
Shareholders' Equity Attributable to Shareholders of the Parent											
Capital Stock at Par Value	8,087	259,027	43.6	259,007	47.8	256,254	45.8	20	0.0	2,773	1.1
Capital Surplus	1,732	55,486	9.3	55,440	10.2	49,875	8.9	46	0.1	5,611	11.2
Legal Capital Reserve ⁽²⁾	2,414	77,317	13.0	77,317	14.3	67,324	12.0	-	-	9,993	14.8
Special Capital Reserve ⁽²⁾	-	-	-	-	-	392	0.1	-	-	(392)	(100.0)
Unappropriated Earnings ⁽²⁾	3,265	104,565	17.5	71,899	13.3	102,338	18.3	32,666	45.4	2,227	2.2
Treasury Stock	-	-	-	-	-	-	-	-	-	-	-
Others	(41)	(1,312)	(0.2)	(778)	(0.2)	194	0.1	(534)	68.8	(1,506)	(777.5)
Total Equity Attributable to Shareholders of the Parent	<u>15,457</u>	<u>495,083</u>	<u>83.2</u>	<u>462,885</u>	<u>85.4</u>	<u>476,377</u>	<u>85.2</u>	<u>32,198</u>	<u>7.0</u>	<u>18,706</u>	<u>3.9</u>
Minority Interests	124	3,965	0.7	3,742	0.7	3,996	0.7	223	6.0	(31)	(0.7)
Total Shareholders' Equity	<u>15,581</u>	<u>499,048</u>	<u>83.9</u>	<u>466,627</u>	<u>86.1</u>	<u>480,373</u>	<u>85.9</u>	<u>32,421</u>	<u>6.9</u>	<u>18,675</u>	<u>3.9</u>
Total Liabilities & Shareholders' Equity	<u>\$18,567</u>	<u>\$594,696</u>	<u>100.0</u>	<u>\$541,897</u>	<u>100.0</u>	<u>\$558,917</u>	<u>100.0</u>	<u>\$52,799</u>	<u>9.7</u>	<u>\$35,779</u>	<u>6.4</u>

Note :

(1) Amounts in New Taiwan dollars have been translated into U.S. dollars at the rate of NT\$32.030 as of December 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 December 31, 2009, September 30, 2009, December 31, 2008

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

Except for Per Share Amounts and Shares Outstanding)

	4Q 2009			3Q 2009		4Q 2008		QoQ		YoY	
	USD	NTD	%	NTD	%	NTD	%	Amount	%	Amount	%
Net Sales	\$2,849	\$92,094	100.0	\$89,936	100.0	\$64,562	100.0	\$2,158	2.4	\$27,532	42.6
Cost of Sales	(1,466)	(47,399)	(51.5)	(47,078)	(52.3)	(44,367)	(68.7)	(321)	0.7	(3,032)	6.8
Gross Profit	1,383	44,695	48.5	42,858	47.7	20,195	31.3	1,837	4.3	24,500	121.3
Operating Expenses											
Research and Development Expenses	(203)	(6,567)	(7.1)	(6,202)	(6.9)	(4,826)	(7.5)	(365)	5.9	(1,741)	36.1
General and Administrative Expenses	(101)	(3,269)	(3.6)	(3,541)	(3.9)	(2,285)	(3.5)	272	(7.7)	(984)	43.0
Sales and Marketing Expenses	(38)	(1,217)	(1.3)	(1,131)	(1.3)	(1,062)	(1.6)	(86)	7.6	(155)	14.6
Total Operating Expenses	(342)	(11,053)	(12.0)	(10,874)	(12.1)	(8,173)	(12.7)	(179)	1.6	(2,880)	35.2
Income from Operations	1,041	33,642	36.5	31,984	35.6	12,022	18.6	1,658	5.2	21,620	179.8
Non-Operating Income, Net	44	1,427	1.6	519	0.6	1,412	2.2	908	174.7	15	1.0
Investment Gains	9	299	0.3	454	0.5	(340)	-0.5	(155)	(34.0)	639	(187.9)
Income before Income Tax	1,094	35,368	38.4	32,957	36.6	13,094	20.3	2,411	7.3	22,274	170.1
Income Tax Expenses	(77)	(2,508)	(2.7)	(2,285)	(2.5)	(452)	(0.7)	(223)	9.8	(2,056)	454.7
Net Income	1,017	32,860	35.7	30,672	34.1	12,642	19.6	2,188	7.1	20,218	159.9
Minority Interests	(6)	(194)	(0.2)	(121)	(0.1)	(196)	(0.3)	(73)	60.2	2	(0.8)
Net Income Attributable to Shareholders of the Parent	1,011	32,666	35.5	30,551	34.0	12,446	19.3	2,115	6.9	20,220	162.5
Earnings per Share - Diluted	\$0.04	\$1.26		\$1.18		\$0.48		\$0.08	7.2	\$0.78	162.7
Earnings per ADR - Diluted ⁽²⁾	\$0.19	\$6.30		\$5.88		\$2.40		\$0.42	7.2	\$3.90	162.7
Weighted Average Outstanding Shares - Diluted ('M) ⁽³⁾		25,916		25,984		25,942					

Note:

(1) Amounts in New Taiwan dollars have been translated into U.S. dollars at the weighted average rate of NTD32.320 for the fourth quarter of 2009.

(2) 1 ADR equals 5 ordinary shares.

(3) Total diluted weighted average outstanding shares were 25,942M shares for 4Q08 after the retroactive adjustments for stock dividends and stock bonus.



TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LIMITED AND SUBSIDIARIES

Audited Consolidated Condensed Income Statements

For the Year Ended December 31, 2009 and 2008

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

Except for Per Share Amounts and Shares Outstanding)

	For the Year Ended December 31								
	2009			2008		YoY			
	USD	NTD	%	NTD	%	Amount	%		
Net Sales	\$8,998	\$295,742	100.0	\$333,158	100.0	(\$37,416)	(11.2)		
Cost of Sales	(5,063)	(166,413)	(56.3)	(191,408)	(57.5)	24,995	(13.1)		
Gross Profit	3,935	129,329	43.7	141,750	42.5	(12,421)	(8.8)		
Operating Expenses									
Research and Development Expenses	(657)	(21,593)	(7.3)	(21,481)	(6.4)	(112)	0.5		
General and Administrative Expenses	(343)	(11,286)	(3.8)	(11,097)	(3.3)	(189)	1.7		
Sales and Marketing Expenses	(137)	(4,488)	(1.5)	(4,737)	(1.4)	249	(5.3)		
Total Operating Expenses	(1,137)	(37,367)	(12.6)	(37,315)	(11.1)	(52)	0.1		
Income from Operations	2,798	91,962	31.1	104,435	31.4	(12,473)	(11.9)		
Non-Operating Income, Net	105	3,455	1.2	6,335	1.9	(2,880)	(45.5)		
Investment Gains (Losses)	1	46	-	702	0.2	(656)	(93.4)		
Income before Income Tax	2,904	95,463	32.3	111,472	33.5	(16,009)	(14.4)		
Income Tax Expenses	(182)	(5,997)	(2.0)	(10,949)	(3.3)	4,952	(45.2)		
Net Income	2,722	89,466	30.3	100,523	30.2	(11,057)	(11.0)		
Minority Interests	(8)	(248)	(0.1)	(590)	(0.2)	342	(57.9)		
Net Income Attributable to Shareholders of the Parent	2,714	89,218	30.2	99,933	30.0	(10,715)	(10.7)		
Earnings per Share - Diluted	\$0.10	\$3.44		\$3.81		(\$0.37)	(9.6)		
Earnings per ADR - Diluted ⁽²⁾	\$0.52	\$17.21		\$19.05		(\$1.84)	(9.6)		
Weighted Average Outstanding Shares - Diluted ('M) ⁽³⁾		25,914		26,236					

Note:

(1) Amounts in New Taiwan dollars have been translated into U.S. dollars at the weighted average rate of NTD 32.868 for the year ended December 31, 2009.

(2) 1 ADR equals 5 ordinary shares.

(3) Total diluted weighted average outstanding shares were 26,236M shares for the year ended December 31, 2008 after the retroactive adjustment for stock dividends.



TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LIMITED AND SUBSIDIARIES
Consolidated Condensed Statements of Cash Flows

For the Year Ended December 31, 2009 and for the Three Months Ended December 31, 2009, September 30, 2009, and December 31, 2008

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

	2009 (audited)		4Q 2009 (unaudited)	3Q 2009 (unaudited)	4Q 2008 (unaudited)
	USD	NTD	NTD	NTD	NTD
Cash Flows from Operating Activities:					
Net Income	\$ 2,714	\$ 89,218	\$ 32,666	\$ 30,551	\$ 12,446
Net Income Attributable to Minority Interest	8	248	194	121	196
Depreciation & Amortization	2,459	80,815	20,277	20,001	20,961
Deferred Income Tax	(53)	(1,752)	(630)	(426)	154
Equity in Losses (Earnings) of Equity Method Investees, Net	(1)	(46)	(299)	(454)	340
Changes in Working Capital & Others	(260)	(8,517)	9,791	(3,138)	29,147
Net Cash Provided by Operating Activities	4,867	159,966	61,999	46,655	63,244
Cash Flows from Investing Activities:					
Acquisitions of:					
Marketable Financial Instruments	(1,552)	(51,025)	(19,979)	(20,827)	(33,059)
Investments Accounted for Using Equity Method	(1)	(43)	(11)	(32)	(1)
Property, Plant and Equipment	(2,671)	(87,785)	(42,715)	(32,038)	(11,258)
Financial Assets Carried at Cost	(10)	(321)	(51)	(139)	(73)
Proceeds from Disposal or maturity of:					
Marketable Financial Instruments	1,338	43,985	16,394	1,886	63,368
Property, Plant and Equipment	1	24	17	2	24
Financial Assets Carried at Cost	4	131	37	19	73
Others	(44)	(1,434)	(794)	(381)	(1,061)
Net Cash Used In Investing Activities	(2,935)	(96,468)	(47,102)	(51,510)	18,013
Cash Flows from Financing Activities:					
Decrease in Guarantee Deposits	(15)	(478)	(151)	(77)	(140)
Proceeds from Exercise of Stock Options	8	261	70	162	5
Bonus Paid to Directors and Supervisors	-	-	-	-	-
Repayment of Long-Term Bonds Payable	(243)	(8,000)	-	-	-
Cash Dividends Paid for Common Stock	(2,339)	(76,876)	-	(76,876)	-
Repurchase of Treasury Stock	-	-	-	-	-
Cash Bonus Paid to Employees	-	-	-	-	-
Others	(11)	(378)	(196)	(191)	(163)
Net Cash Used in Financing Activities	(2,600)	(85,471)	(277)	(76,982)	(298)
Net Increase (Decrease) in Cash and Cash Equivalents	(668)	(21,973)	14,620	(81,837)	80,959
Effect of Exchange Rate Changes and Others	(42)	(1,365)	(279)	(745)	1,209
Cash and Cash Equivalents at Beginning of Period	5,921	194,614	156,935	239,517	112,446
Cash and Cash Equivalents at End of Period	\$ 5,211	\$ 171,276	\$ 171,276	\$ 156,935	\$ 194,614

Note:

(1) Amounts in New Taiwan dollars have been translated into U.S. dollars at the weighted average rate of NTD32.868 for the year ended December 31, 2009.