



**TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LIMITED AND SUBSIDIARIES**

**Consolidated Condensed Balance Sheets**

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

| ASSETS   | September 30, 2018 (Unaudited) |                     |              | June 30, 2018 (Unaudited) |              | September 30, 2017 (Unaudited) |              | QoQ                |               | YoY               |               |
|--|--------------------------------|---------------------|--------------|---------------------------|--------------|--------------------------------|--------------|--------------------|---------------|-------------------|---------------|
|  | USD                            | NTD                 | %            | NTD                       | %            | NTD                            | %            | Amount             | %             | Amount            | %             |
| <b>Current Assets</b>                                    |                                |                     |              |                           |              |                                |              |                    |               |                   |               |
| Cash and Cash Equivalents                                | \$ 16,022                      | \$ 488,732          | 24.8         | \$ 632,230                | 30.8         | \$ 408,077                     | 22.2         | \$ (143,498)       | (22.7)        | \$ 80,655         | 19.8          |
| Investments in Marketable Financial Instruments          | 3,779                          | 115,287             | 5.9          | 116,692                   | 5.7          | 93,699                         | 5.1          | (1,405)            | (1.2)         | 21,588            | 23.0          |
| Accounts Receivable                                      | 4,247                          | 129,540             | 6.6          | 88,196                    | 4.3          | 118,726                        | 6.4          | 41,344             | 46.9          | 10,814            | 9.1           |
| Inventories  | 3,453                          | 105,337             | 5.3          | 99,032                    | 4.8          | 73,894                         | 4.0          | 6,305              | 6.4           | 31,443            | 42.6          |
| Other Current Assets                                     | 666                            | 20,328              | 1.0          | 22,893                    | 1.1          | 10,466                         | 0.6          | (2,565)            | (11.2)        | 9,862             | 94.2          |
| <b>Total Current Assets</b>                              | <b>28,167</b>                  | <b>859,224</b>      | <b>43.6</b>  | <b>959,043</b>            | <b>46.7</b>  | <b>704,862</b>                 | <b>38.3</b>  | <b>(99,819)</b>    | <b>(10.4)</b> | <b>154,362</b>    | <b>21.9</b>   |
| <b>Non-current Assets</b>                                |                                |                     |              |                           |              |                                |              |                    |               |                   |               |
| Long-term Investments                                    | 977                            | 29,803              | 1.5          | 28,835                    | 1.4          | 40,903                         | 2.2          | 968                | 3.4           | (11,100)          | (27.1)        |
| Property, Plant and Equipment                            | 34,372                         | 1,048,517           | 53.2         | 1,034,268                 | 50.4         | 1,065,757                      | 57.9         | 14,249             | 1.4           | (17,240)          | (1.6)         |
| Intangible and Other Non-current Assets                  | 1,060                          | 32,345              | 1.7          | 31,267                    | 1.5          | 29,902                         | 1.6          | 1,078              | 3.4           | 2,443             | 8.2           |
| <b>Total Non-current Assets</b>                          | <b>36,409</b>                  | <b>1,110,665</b>    | <b>56.4</b>  | <b>1,094,370</b>          | <b>53.3</b>  | <b>1,136,562</b>               | <b>61.7</b>  | <b>16,295</b>      | <b>1.5</b>    | <b>(25,897)</b>   | <b>(2.3)</b>  |
| <b>Total Assets</b>                                      | <b>\$ 64,576</b>               | <b>\$ 1,969,889</b> | <b>100.0</b> | <b>\$ 2,053,413</b>       | <b>100.0</b> | <b>\$ 1,841,424</b>            | <b>100.0</b> | <b>\$ (83,524)</b> | <b>(4.1)</b>  | <b>\$ 128,465</b> | <b>7.0</b>    |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>              |                                |                     |              |                           |              |                                |              |                    |               |                   |               |
| <b>Current Liabilities</b>                               |                                |                     |              |                           |              |                                |              |                    |               |                   |               |
| Short-term Loans   | \$ 2,425                       | \$ 73,975           | 3.7          | \$ 30,835                 | 1.5          | \$ 54,430                      | 2.9          | \$ 43,140          | 139.9         | \$ 19,545         | 35.9          |
| Accounts Payable   | 994                            | 30,305              | 1.5          | 30,663                    | 1.5          | 28,988                         | 1.6          | (358)              | (1.2)         | 1,317             | 4.5           |
| Payables to Contractors and Equipment Suppliers          | 1,921                          | 58,590              | 3.0          | 39,603                    | 1.9          | 47,975                         | 2.6          | 18,987             | 47.9          | 10,615            | 22.1          |
| Cash Dividends Payable                                   | -                              | -                   | -            | 207,519                   | 10.1         | -                              | -            | (207,519)          | (100.0)       | -                 | -             |
| Accrued Expenses and Other Current Liabilities           | 4,060                          | 123,860             | 6.3          | 138,477                   | 6.7          | 108,058                        | 5.9          | (14,617)           | (10.6)        | 15,802            | 14.6          |
| Current Portion of Bonds Payable and Bank Loans          | 1,144                          | 34,900              | 1.8          | 15,900                    | 0.8          | 59,071                         | 3.2          | 19,000             | 119.5         | (24,171)          | (40.9)        |
| <b>Total Current Liabilities</b>                         | <b>10,544</b>                  | <b>321,630</b>      | <b>16.3</b>  | <b>462,997</b>            | <b>22.5</b>  | <b>298,522</b>                 | <b>16.2</b>  | <b>(141,367)</b>   | <b>(30.5)</b> | <b>23,108</b>     | <b>7.7</b>    |
| <b>Non-current Liabilities</b>                           |                                |                     |              |                           |              |                                |              |                    |               |                   |               |
| Bonds Payable  | 1,865                          | 56,900              | 2.9          | 83,400                    | 4.1          | 91,800                         | 5.0          | (26,500)           | (31.8)        | (34,900)          | (38.0)        |
| Other Non-current Liabilities                            | 509                            | 15,529              | 0.8          | 16,381                    | 0.8          | 19,690                         | 1.1          | (852)              | (5.2)         | (4,161)           | (21.1)        |
| <b>Total Non-current Liabilities</b>                     | <b>2,374</b>                   | <b>72,429</b>       | <b>3.7</b>   | <b>99,781</b>             | <b>4.9</b>   | <b>111,490</b>                 | <b>6.1</b>   | <b>(27,352)</b>    | <b>(27.4)</b> | <b>(39,061)</b>   | <b>(35.0)</b> |
| <b>Total Liabilities</b>                                 | <b>12,918</b>                  | <b>394,059</b>      | <b>20.0</b>  | <b>562,778</b>            | <b>27.4</b>  | <b>410,012</b>                 | <b>22.3</b>  | <b>(168,719)</b>   | <b>(30.0)</b> | <b>(15,953)</b>   | <b>(3.9)</b>  |
| <b>Equity Attributable to Shareholders of the Parent</b> |                                |                     |              |                           |              |                                |              |                    |               |                   |               |
| Capital Stock at Par Value                               | 8,500                          | 259,304             | 13.2         | 259,304                   | 12.6         | 259,304                        | 14.1         | -                  | -             | -                 | -             |
| Capital Surplus  | 1,846                          | 56,312              | 2.8          | 56,308                    | 2.7          | 56,281                         | 3.0          | 4                  | -             | 31                | 0.1           |
| Legal Capital Reserve                                    | 9,049                          | 276,034             | 14.0         | 276,034                   | 13.5         | 241,723                        | 13.1         | -                  | -             | 34,311            | 14.2          |
| Special Capital Reserve                                  | 882                            | 26,907              | 1.4          | 26,907                    | 1.3          | -                              | -            | -                  | -             | 26,907            | -             |
| Unappropriated Earnings                                  | 31,955                         | 974,796             | 49.5         | 886,529                   | 43.2         | 892,598                        | 48.5         | 88,267             | 10.0          | 82,198            | 9.2           |
| Others   | (596)                          | (18,181)            | (0.9)        | (15,081)                  | (0.7)        | (19,189)                       | (1.0)        | (3,100)            | 20.6          | 1,008             | (5.3)         |
| <b>Equity Attributable to Shareholders of the Parent</b> | <b>51,636</b>                  | <b>1,575,172</b>    | <b>80.0</b>  | <b>1,490,001</b>          | <b>72.6</b>  | <b>1,430,717</b>               | <b>77.7</b>  | <b>85,171</b>      | <b>5.7</b>    | <b>144,455</b>    | <b>10.1</b>   |
| <b>Noncontrolling Interests</b>                          | <b>22</b>                      | <b>658</b>          | <b>-</b>     | <b>634</b>                | <b>-</b>     | <b>695</b>                     | <b>-</b>     | <b>24</b>          | <b>3.8</b>    | <b>(37)</b>       | <b>(5.3)</b>  |
| <b>Total Shareholders' Equity</b>                        | <b>51,658</b>                  | <b>1,575,830</b>    | <b>80.0</b>  | <b>1,490,635</b>          | <b>72.6</b>  | <b>1,431,412</b>               | <b>77.7</b>  | <b>85,195</b>      | <b>5.7</b>    | <b>144,418</b>    | <b>10.1</b>   |
| <b>Total Liabilities &amp; Shareholders' Equity</b>      | <b>\$ 64,576</b>               | <b>\$ 1,969,889</b> | <b>100.0</b> | <b>\$ 2,053,413</b>       | <b>100.0</b> | <b>\$ 1,841,424</b>            | <b>100.0</b> | <b>\$ (83,524)</b> | <b>(4.1)</b>  | <b>\$ 128,465</b> | <b>7.0</b>    |

Note :  
(1) Amounts in New Taiwan dollars have been translated into U.S. dollars at the rate of NT\$30.505 as of September 30, 2018.

**TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LIMITED AND SUBSIDIARIES**  
**Consolidated Condensed Statements of Comprehensive Income (Unaudited)**  
**For the Three Months Ended September 30, 2018, June 30, 2018, September 30, 2017**  
**(Expressed in Millions of New Taiwan Dollars ("NTD") and U.S. Dollars ("USD") <sup>(1)</sup>)**  
**Except for Per Share Amounts and Shares Outstanding)**

|  | 3Q 2018  |            |        | 2Q 2018    |        | 3Q 2017    |        | QoQ        |         | YoY        |         |
|--|----------|------------|--------|------------|--------|------------|--------|------------|---------|------------|---------|
|  | USD      | NTD        | %      | NTD        | %      | NTD        | %      | NTD        | %       | NTD        | %       |
| Net Revenue  | \$ 8,486 | \$ 260,348 | 100.0  | \$ 233,276 | 100.0  | \$ 252,107 | 100.0  | \$ 27,072  | 11.6    | \$ 8,241   | 3.3     |
| Cost of Revenue                                    | (4,465)  | (136,981)  | (52.6) | (121,746)  | (52.2) | (126,227)  | (50.1) | (15,235)   | 12.5    | (10,754)   | 8.5     |
| Gross Profit                                       | 4,021    | 123,367    | 47.4   | 111,530    | 47.8   | 125,880    | 49.9   | 11,837     | 10.6    | (2,513)    | (2.0)   |
| Operating Expenses                                 |          |            |        |            |        |            |        |            |         |            |         |
| Research and Development Expenses                  | (713)    | (21,886)   | (8.4)  | (19,891)   | (8.5)  | (21,045)   | (8.3)  | (1,995)    | 10.0    | (841)      | 4.0     |
| Sales, General and Administrative Expenses         | (204)    | (6,243)    | (2.4)  | (6,548)    | (2.8)  | (6,492)    | (2.6)  | 305        | (4.7)   | 249        | (3.8)   |
| Total Operating Expenses                           | (917)    | (28,129)   | (10.8) | (26,439)   | (11.3) | (27,537)   | (10.9) | (1,690)    | 6.4     | (592)      | 2.1     |
| Other Operating Income and Expenses                | 1        | 7          | -      | (663)      | (0.3)  | (287)      | (0.1)  | 670        | NM      | 294        | NM      |
| Income from Operations                             | 3,105    | 95,245     | 36.6   | 84,428     | 36.2   | 98,056     | 38.9   | 10,817     | 12.8    | (2,811)    | (2.9)   |
| Non-operating Income and Expenses                  |          |            |        |            |        |            |        |            |         |            |         |
| Share of Profits of Associates                     | 33       | 998        | 0.4    | 266        | 0.1    | 752        | 0.3    | 732        | 275.2   | 246        | 32.7    |
| Net Interest Income (Expenses)                     | 100      | 3,078      | 1.2    | 2,944      | 1.2    | 1,282      | 0.5    | 134        | 4.6     | 1,796      | 140.1   |
| Other Gains and Losses                             | (14)     | (424)      | (0.2)  | (51)       | -      | 428        | 0.2    | (373)      | (731.4) | (852)      | (199.1) |
| Total Non-operating Income and Expenses            | 119      | 3,652      | 1.4    | 3,159      | 1.3    | 2,462      | 1.0    | 493        | 15.6    | 1,190      | 48.3    |
| Income Before Income Tax                           | 3,224    | 98,897     | 38.0   | 87,587     | 37.5   | 100,518    | 39.9   | 11,310     | 12.9    | (1,621)    | (1.6)   |
| Income Tax Expenses                                | (320)    | (9,799)    | (3.8)  | (15,294)   | (6.5)  | (10,569)   | (4.2)  | 5,495      | (35.9)  | 770        | (7.3)   |
| Net Income   | 2,904    | 89,098     | 34.2   | 72,293     | 31.0   | 89,949     | 35.7   | 16,805     | 23.2    | (851)      | (0.9)   |
| Other Comprehensive Income (Losses)                | (126)    | (3,881)    | (1.5)  | 19,256     | 8.2    | (903)      | (0.4)  | (23,137)   | (120.2) | (2,978)    | (329.8) |
| Comprehensive Income                               | \$ 2,778 | \$ 85,217  | 32.7   | \$ 91,549  | 39.2   | \$ 89,046  | 35.3   | \$ (6,332) | (6.9)   | \$ (3,829) | (4.3)   |
| Net Income Attributable to:                        |          |            |        |            |        |            |        |            |         |            |         |
| Shareholders of the Parent                         | \$ 2,903 | \$ 89,072  | 34.2   | \$ 72,290  | 31.0   | \$ 89,925  | 35.7   | \$ 16,782  | 23.2    | \$ (853)   | (0.9)   |
| Noncontrolling Interests                           | 1        | 26         | -      | 3          | -      | 24         | -      | 23         | 766.7   | 2          | 8.3     |
|  | \$ 2,904 | \$ 89,098  | 34.2   | \$ 72,293  | 31.0   | \$ 89,949  | 35.7   | \$ 16,805  | 23.2    | \$ (851)   | (0.9)   |
| Earnings per Share - Diluted                       | \$ 0.11  | \$ 3.44    |        | \$ 2.79    |        | \$ 3.47    |        | \$ 0.65    | 23.2    | \$ (0.03)  | (0.9)   |
| Earnings per ADR - Diluted (2)                     | \$ 0.56  | \$ 17.18   |        | \$ 13.94   |        | \$ 17.34   |        | \$ 3.24    | 23.2    | \$ (0.16)  | (0.9)   |
| Weighted Average Outstanding Shares - Diluted ('M) |          | 25,930     |        | 25,930     |        | 25,930     |        |            |         |            |         |

Note:

(1) Amounts in New Taiwan dollars have been translated into U.S. dollars at the weighted average rate of NT\$30.678 for the third quarter of 2018.

(2) 1 ADR equals 5 ordinary shares.

**TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LIMITED AND SUBSIDIARIES**  
**Consolidated Condensed Statements of Comprehensive Income (Unaudited)**

(Expressed in Millions of New Taiwan Dollars ("NTD") and U.S. Dollars ("USD") <sup>(1)</sup>  
Except for Per Share Amounts and Shares Outstanding)

|  | For the Nine Months Ended September 30 |                   |             |                   |             |                  |             |
|--|--|-------------------|-------------|-------------------|-------------|------------------|-------------|
|  | 2018                                   |                   |             | 2017              |             | YoY              |             |
|  | USD                                    | NTD               | %           | NTD               | %           | NTD              | %           |
| Net Revenue  | \$ 24,799                              | \$ 741,703        | 100.0       | \$ 699,877        | 100.0       | \$ 41,826        | 6.0         |
| Cost of Revenue                                    | (12,771)                               | (381,948)         | (51.5)      | (343,799)         | (49.1)      | (38,149)         | 11.1        |
| Gross Profit                                       | 12,028                                 | 359,755           | 48.5        | 356,078           | 50.9        | 3,677            | 1.0         |
| Operating Expenses                                 |  |                   |             |                   |             |                  |             |
| Research and Development Expenses                  | (2,080)                                | (62,206)          | (8.4)       | (59,515)          | (8.5)       | (2,691)          | 4.5         |
| Sales, General and Administrative Expenses         | (638)                                  | (19,091)          | (2.5)       | (19,545)          | (2.8)       | 454              | (2.3)       |
| Total Operating Expenses                           | (2,718)                                | (81,297)          | (10.9)      | (79,060)          | (11.3)      | (2,237)          | 2.8         |
| Other Operating Income and Expenses                | (65)                                   | (1,958)           | (0.3)       | (354)             | (0.1)       | (1,604)          | (453.1)     |
| Income from Operations                             | 9,245                                  | 276,500           | 37.3        | 276,664           | 39.5        | (164)            | (0.1)       |
| Non-operating Income and Expenses                  |  |                   |             |                   |             |                  |             |
| Share of Profits of Associates                     | 65                                     | 1,946             | 0.3         | 2,037             | 0.3         | (91)             | (4.5)       |
| Net Interest Income (Expenses)                     | 280                                    | 8,368             | 1.1         | 4,214             | 0.6         | 4,154            | 98.6        |
| Other Gains and Losses                             | (13)                                   | (386)             | (0.1)       | 1,543             | 0.2         | (1,929)          | (125.0)     |
| Total Non-operating Income and Expenses            | 332                                    | 9,928             | 1.3         | 7,794             | 1.1         | 2,134            | 27.4        |
| Income before Income Tax                           | 9,577                                  | 286,428           | 38.6        | 284,458           | 40.6        | 1,970            | 0.7         |
| Income Tax Expenses                                | (1,179)                                | (35,249)          | (4.7)       | (40,617)          | (5.8)       | 5,368            | (13.2)      |
| Net Income   | 8,398                                  | 251,179           | 33.9        | 243,841           | 34.8        | 7,338            | 3.0         |
| Other Comprehensive Income (Losses)                | 274                                    | 8,188             | 1.1         | (20,846)          | (2.9)       | 29,034           | NM          |
| Comprehensive Income                               | <u>\$ 8,672</u>                        | <u>\$ 259,367</u> | <u>35.0</u> | <u>\$ 222,995</u> | <u>31.9</u> | <u>\$ 36,372</u> | <u>16.3</u> |
| Net Income Attributable to:                        |  |                   |             |                   |             |                  |             |
| Shareholders of the Parent                         | \$ 8,397                               | \$ 251,147        | 33.9        | \$ 243,825        | 34.8        | \$ 7,322         | 3.0         |
| Noncontrolling interests                           | 1                                      | 32                | -           | 16                | -           | 16               | 100.0       |
|  | <u>\$ 8,398</u>                        | <u>\$ 251,179</u> | <u>33.9</u> | <u>\$ 243,841</u> | <u>34.8</u> | <u>\$ 7,338</u>  | <u>3.0</u>  |
| Earnings per Share - Diluted                       | <u>\$ 0.32</u>                         | <u>\$ 9.69</u>    |             | <u>\$ 9.40</u>    |             | <u>\$ 0.29</u>   | <u>3.0</u>  |
| Earnings per ADR - Diluted (2)                     | <u>\$ 1.62</u>                         | <u>\$ 48.43</u>   |             | <u>\$ 47.02</u>   |             | <u>\$ 1.41</u>   | <u>3.0</u>  |
| Weighted Average Outstanding Shares - Diluted ('M) |  | 25,930            |             | 25,930            |             |                  |             |

Note:

(1) Amounts in New Taiwan dollars have been translated into U.S. dollars at the weighted average rate of NT\$29.909 for the nine months ended September 30, 2018.

(2) 1 ADR equals 5 ordinary shares.

**TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LIMITED AND SUBSIDIARIES**

**Consolidated Condensed Cash Flow Statements**

For the Nine Months Ended September 30, 2018 and for the Three Months Ended September 30, 2018, June 30, 2018 and September 30, 2017

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

|   | Nine Months 2018<br>(Unaudited) |                   | 3Q 2018<br>(Unaudited) | 2Q 2018<br>(Unaudited) | 3Q 2017<br>(Unaudited) |
|---|---------------------------------|-------------------|------------------------|------------------------|------------------------|
|   | USD                             | NTD               | NTD                    | NTD                    | NTD                    |
| <b>Cash Flows from Operating Activities:</b>                        |                                 |                   |                        |                        |                        |
| Income Before Income Tax  | \$ 9,577                        | \$ 286,428        | \$ 98,897              | \$ 87,587              | \$ 100,518             |
| Depreciation & Amortization   | 7,239                           | 216,516           | 73,609                 | 71,409                 | 71,164                 |
| Share of Profits of Associates                                      | (65)                            | (1,946)           | (998)                  | (266)                  | (752)                  |
| Income Taxes Paid   | (1,073)                         | (32,088)          | (379)                  | (31,329)               | (24,452)               |
| Changes in Working Capital & Others                                 | (2,820)                         | (84,328)          | (77,046)               | 2,372                  | (29,694)               |
| Net Cash Generated by Operating Activities                          | <u>12,858</u>                   | <u>384,582</u>    | <u>94,083</u>          | <u>129,773</u>         | <u>116,784</u>         |
| <b>Cash Flows from Investing Activities:</b>                        |                                 |                   |                        |                        |                        |
| Interest Received   | \$ 355                          | \$ 10,612         | \$ 3,976               | \$ 3,496               | \$ 2,344               |
| Cash Dividend Received  | 114                             | 3,421             | 3,048                  | 373                    | 4,103                  |
| Acquisitions of:  |                                 |                   |                        |                        |                        |
| Property, Plant and Equipment                                       | (6,736)                         | (201,477)         | (69,949)               | (59,681)               | (61,714)               |
| Marketable Financial Instruments                                    | (2,430)                         | (72,690)          | (24,954)               | (23,170)               | (18,311)               |
| Financial Assets Carried at Cost                                    | -                               | -                 | -                      | -                      | (715)                  |
| Proceeds from Disposal or Redemption of:                            |                                 |                   |                        |                        |                        |
| Property, Plant and Equipment                                       | 4                               | 136               | 19                     | 70                     | 83                     |
| Marketable Financial Instruments                                    | 2,215                           | 66,248            | 25,765                 | 19,811                 | 10,774                 |
| Financial Assets Carried at Cost                                    | -                               | -                 | -                      | -                      | 8                      |
| Others  | (109)                           | (3,258)           | (1,378)                | (975)                  | (2,235)                |
| Net Cash Used In Investing Activities                               | <u>(6,587)</u>                  | <u>(197,008)</u>  | <u>(63,473)</u>        | <u>(60,076)</u>        | <u>(65,663)</u>        |
| <b>Cash Flows from Financing Activities:</b>                        |                                 |                   |                        |                        |                        |
| Increase (Decrease) in Short-term Loans                             | \$ 322                          | \$ 9,627          | \$ 43,371              | \$ (27,969)            | \$ -                   |
| Repayment of Bonds and Interest – Prepaid                           | -                               | -                 | -                      | 33,999                 | -                      |
| Repayment of Bonds  | (1,940)                         | (58,025)          | (7,500)                | (33,725)               | (28,100)               |
| Repayment of Long-term Bank Loans                                   | -                               | -                 | -                      | -                      | (2)                    |
| Interest Paid   | (93)                            | (2,796)           | (1,253)                | (545)                  | (1,524)                |
| Cash Dividends Paid for Common Stock                                | (6,936)                         | (207,443)         | (207,443)              | -                      | (181,513)              |
| Others  | (26)                            | (771)             | 390                    | (1,106)                | (1,654)                |
| Net Cash Used in Financing Activities                               | <u>(8,673)</u>                  | <u>(259,408)</u>  | <u>(172,435)</u>       | <u>(29,346)</u>        | <u>(212,793)</u>       |
| <b>Effect of Exchange Rate Changes on Cash and Cash Equivalents</b> | \$ 240                          | \$ 7,174          | \$ (1,673)             | \$ 14,096              | \$ (718)               |
| <b>Net Increase (Decrease) in Cash and Cash Equivalents</b>         | <u>(2,162)</u>                  | <u>(64,660)</u>   | <u>(143,498)</u>       | <u>54,447</u>          | <u>(162,390)</u>       |
| <b>Cash and Cash Equivalents at Beginning of Period</b>             | <u>18,503</u>                   | <u>553,392</u>    | <u>632,230</u>         | <u>577,783</u>         | <u>570,467</u>         |
| <b>Cash and Cash Equivalents at End of Period</b>                   | <u>\$ 16,341</u>                | <u>\$ 488,732</u> | <u>\$ 488,732</u>      | <u>\$ 632,230</u>      | <u>\$ 408,077</u>      |

Note:

(1) Amounts in New Taiwan dollars have been translated into U.S. dollars at the weighted average rate of NT\$29.909 for the nine months ended September 30, 2018.