



TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LIMITED

Condensed Balance Sheets (Unconsolidated)

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

	December 31, 2005			September 30, 2005		December 31, 2004 ⁽²⁾		QoQ		YoY	
	USD	NTD	%	NTD	%	NTD	%	Amount	%	Amount	%
ASSETS											
Current Assets											
Cash and Cash Equivalents	\$ 2,599	\$ 85,384	16.8	\$ 58,467	12.1	\$ 65,532	13.4	\$ 26,917	46.0	\$ 19,852	30.3
Short Term Investments, Net	1,432	47,055	9.3	48,822	10.1	52,979	10.9	(1,767)	(3.6)	(5,924)	(11.2)
Accounts Receivable - Trade, Net	1,108	36,396	7.2	37,248	7.7	27,155	5.6	(852)	(2.3)	9,241	34.0
Inventories, Net	495	16,258	3.2	15,070	3.1	14,172	2.9	1,188	7.9	2,086	14.7
Other Current Assets	380	12,469	2.4	5,447	1.2	13,829	2.8	7,022	128.9	(1,360)	(9.8)
Total Current Assets	<u>6,014</u>	<u>197,562</u>	<u>38.9</u>	<u>165,054</u>	<u>34.2</u>	<u>173,667</u>	<u>35.6</u>	<u>32,508</u>	<u>19.7</u>	<u>23,895</u>	<u>13.8</u>
Long Term Investments	<u>2,455</u>	<u>80,660</u>	<u>15.9</u>	<u>78,958</u>	<u>16.3</u>	<u>73,293</u>	<u>15.0</u>	<u>1,702</u>	<u>2.2</u>	<u>7,367</u>	<u>10.1</u>
Properties, Plant and Equipment	17,453	573,337	113.0	565,426	117.0	527,982	108.4	7,911	1.4	45,355	8.6
Less: Accumulated Depreciation	(10,934)	(359,191)	(70.8)	(346,517)	(71.7)	(300,006)	(61.6)	(12,674)	3.7	(59,185)	19.7
Properties, Plant and Equipment, Net	<u>6,519</u>	<u>214,146</u>	<u>42.2</u>	<u>218,909</u>	<u>45.3</u>	<u>227,976</u>	<u>46.8</u>	<u>(4,763)</u>	<u>(2.2)</u>	<u>(13,830)</u>	<u>(6.1)</u>
Other Assets	<u>462</u>	<u>15,172</u>	<u>3.0</u>	<u>20,185</u>	<u>4.2</u>	<u>12,617</u>	<u>2.6</u>	<u>(5,013)</u>	<u>(24.8)</u>	<u>2,555</u>	<u>20.3</u>
Total Assets	<u>\$ 15,450</u>	<u>\$ 507,540</u>	<u>100.0</u>	<u>\$ 483,106</u>	<u>100.0</u>	<u>\$ 487,553</u>	<u>100.0</u>	<u>\$ 24,434</u>	<u>5.1</u>	<u>\$ 19,987</u>	<u>4.1</u>
LIABILITIES AND SHAREHOLDERS' EQUITY											
Current Liabilities											
Accounts Payables	\$ 344	\$ 11,294	2.2	\$ 10,042	2.1	\$ 9,687	2.0	\$ 1,252	12.5	\$ 1,607	16.6
Payables to Contractors and Equipment Suppliers	270	8,859	1.7	10,815	2.2	31,154	6.4	(1,956)	(18.1)	(22,295)	(71.6)
Accrued Expenses and Other Current Liabilities	366	12,031	2.4	11,547	2.4	9,298	1.9	484	4.2	2,733	29.4
Current Portion of Bonds Payable	<u>0</u>	<u>0</u>	<u>0.0</u>	<u>10,500</u>	<u>2.2</u>	<u>10,500</u>	<u>2.2</u>	<u>(10,500)</u>	<u>(100.0)</u>	<u>(10,500)</u>	<u>(100.0)</u>
Total Current Liabilities	<u>980</u>	<u>32,184</u>	<u>6.3</u>	<u>42,904</u>	<u>8.9</u>	<u>60,639</u>	<u>12.5</u>	<u>(10,720)</u>	<u>(25.0)</u>	<u>(28,455)</u>	<u>(46.9)</u>
Bonds Payable	594	19,500	3.8	19,500	4.0	19,500	4.0	0	0.0	0	0.0
Other Long Term Liabilities	311	10,225	2.1	9,591	2.0	8,449	1.7	634	6.6	1,776	21.0
Total Liabilities	<u>1,885</u>	<u>61,909</u>	<u>12.2</u>	<u>71,995</u>	<u>14.9</u>	<u>88,588</u>	<u>18.2</u>	<u>(10,086)</u>	<u>(14.0)</u>	<u>(26,679)</u>	<u>(30.1)</u>
Shareholders' Equity											
Capital Stock	7,528	247,300	48.7	247,273	51.2	232,520	47.7	27	0.0	14,780	6.4
Capital Surplus	1,739	57,118	11.3	56,777	11.7	56,537	11.6	341	0.6	581	1.0
Retained Earnings	4,346	142,771	28.1	108,871	22.6	113,730	23.3	33,900	31.1	29,041	25.5
Treasury Stock	(28)	(918)	(0.2)	(1,550)	(0.3)	(1,595)	(0.3)	632	(40.8)	677	(42.4)
Others	<u>(20)</u>	<u>(640)</u>	<u>(0.1)</u>	<u>(260)</u>	<u>(0.1)</u>	<u>(2,227)</u>	<u>(0.5)</u>	<u>(380)</u>	<u>146.3</u>	<u>1,587</u>	<u>(71.2)</u>
Total Shareholders' Equity	<u>13,565</u>	<u>445,631</u>	<u>87.8</u>	<u>411,111</u>	<u>85.1</u>	<u>398,965</u>	<u>81.8</u>	<u>34,520</u>	<u>8.4</u>	<u>46,666</u>	<u>11.7</u>
Total Liabilities & Shareholders' Equity	<u>\$ 15,450</u>	<u>\$ 507,540</u>	<u>100.0</u>	<u>\$ 483,106</u>	<u>100.0</u>	<u>\$ 487,553</u>	<u>100.0</u>	<u>\$ 24,434</u>	<u>5.1</u>	<u>\$ 19,987</u>	<u>4.1</u>

Note : (1) Amounts in NTD have been translated into USD at the rate of NT\$32.85 as of December 31, 2005.

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



TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LIMITED

Condensed Income Statements (Unconsolidated)

For the Three Months Ended December 31, 2005, September 30, 2005 and December 31, 2004

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

Except for Per Share Amounts and Shares Outstanding)

	Q4 2005			Q3 2005		Q4 2004		QoQ		YoY	
	USD	NTD	%	NTD	%	NTD	%	Amount	%	Amount	%
Net Sales	\$ 2,426	\$ 81,161	100.0	\$ 69,258	100.0	\$ 63,875	100.0	\$ 11,903	17.2	\$ 17,286	27.1
Cost of Sales	(1,234)	(41,296)	(50.9)	(38,733)	(55.9)	(36,722)	(57.5)	(2,563)	6.6	(4,574)	12.5
Gross Profit	1,192	39,865	49.1	30,525	44.1	27,153	42.5	9,340	30.6	12,712	46.8
Operating Expenses											
Research and Development Expenses	(102)	(3,423)	(4.2)	(3,341)	(4.8)	(3,568)	(5.6)	(82)	2.5	145	(4.1)
General and Administrative Expenses	(56)	(1,860)	(2.3)	(1,881)	(2.8)	(2,153)	(3.4)	21	(1.1)	293	(13.6)
Sales and Marketing Expenses	(11)	(358)	(0.4)	(373)	(0.5)	(404)	(0.6)	15	(4.2)	46	(11.3)
Total Operating Expenses	(169)	(5,641)	(6.9)	(5,595)	(8.1)	(6,125)	(9.6)	(46)	0.8	484	(7.9)
Income from Operations	1,023	34,224	42.2	24,930	36.0	21,028	32.9	9,294	37.3	13,196	62.8
Non-Operating Incomes (Expenses), Net	28	952	1.1	(19)	0.0	457	0.7	971	(5,319.4)	495	108.3
Investment Gains (Losses)	7	225	0.3	(491)	(0.7)	609	1.0	716	(145.8)	(384)	(63.0)
Income before Income Tax	1,058	35,401	43.6	24,420	35.3	22,094	34.6	10,981	45.0	13,307	60.2
Income Tax Benefits (Expenses)	(45)	(1,501)	(1.8)	68	0.1	90	0.1	(1,569)	(2,337.1)	(1,591)	(1,758.6)
Net Income	\$ 1,013	\$ 33,900	41.8	\$ 24,488	35.4	\$ 22,184	34.7	\$ 9,412	38.4	\$ 11,716	52.8
Earnings per Common Shares - Diluted	0.04	1.37		0.99		0.90		0.38	38.4	0.09	52.7
Earnings per ADR ⁽²⁾	0.21	6.86		4.96		4.49					
Weighted Average Outstanding Shares ('M) ⁽³⁾		24,693		24,690		24,724					

Note: (1) Amounts in NTD have been translated into USD at the weighted average rate of NTD33.456 for the fourth quarter of 2005.

(2) 1 ADR equals 5 ordinary shares.

(3) Total diluted weighted average outstanding shares were 24,693M shares for 4Q05 and 24,724M shares for 4Q04 after the retroactive adjustments for stock dividends and stock bonus.



TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LIMITED

Condensed Income Statements (Unconsolidated)

For the Twelve Months Ended December 31, 2005 and 2004

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

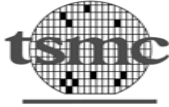
Except for Per Share Amounts and Shares Outstanding)

	2005			2004		YoY	
	USD	NTD	%	NTD	%	Amount	%
Net Sales	\$ 8,228	\$ 264,588	100.0	\$ 255,992	100.0	\$ 8,596	3.4
Cost of Sales	(4,644)	(149,344)	(56.4)	(145,831)	(57.0)	(3,513)	2.4
Gross Profit	3,584	115,244	43.6	110,161	43.0	5,083	4.6
Operating Expenses							
Research and Development Expenses	(417)	(13,396)	(5.1)	(12,516)	(4.9)	(880)	7.0
General and Administrative Expenses	(233)	(7,485)	(2.8)	(9,367)	(3.7)	1,882	(20.1)
Sales and Marketing Expenses	(42)	(1,349)	(0.5)	(1,455)	(0.6)	106	(7.2)
Total Operating Expenses	(692)	(22,230)	(8.4)	(23,338)	(9.1)	1,108	(4.7)
Income from Operations	2,892	93,014	35.2	86,823	33.9	6,191	7.1
Non-Operating Incomes (Expenses), Net	59	1,857	0.7	916	0.4	941	102.9
Investment Gains (Losses)	(33)	(1,052)	(0.4)	4,040	1.6	(5,092)	(126.0)
Income before Income Tax	2,918	93,819	35.5	91,779	35.9	2,040	2.2
Income Tax Benefits (Expenses)	(8)	(244)	(0.1)	537	0.2	(781)	(145.5)
Net Income	\$ 2,910	\$ 93,575	35.4	\$ 92,316	36.1	\$ 1,259	1.4
Diluted Earnings Per Ordinary Share	0.12	3.79		3.73		0.06	1.5
Earnings Per ADR ⁽²⁾	0.59	18.95		18.67			
Weighted Average Outstanding Shares ('M) ⁽³⁾		24,693		24,724			

Note:(1) Amounts in NTD have been translated into USD at the weighted average rate of NTD 32.157 for the twelve months of 2005

(2) 1 ADR equals 5 ordinary shares.

(3) Total weighted average outstanding shares were 24,693M shares for the twelve months ended December 31, 2005 and 24,724M shares for the twelve months ended December 31, 2004 after the retroactive adjustments for stock dividends and stock bonus



TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LIMITED
Condensed Statement of Cash Flows (Unconsolidated)

For the Twelve Months Ended December 31, 2005

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

	12 Months 2005		4Q 2005	3Q 2005	4Q 2004 ⁽²⁾
	USD	NTD	NTD	NTD	NTD
Cash Flows from Operating Activities:					
Net Income	2,910	93,575	33,900	24,488	22,184
Depreciation & Amortization	2,114	67,991	16,554	17,107	16,615
Deferred Income Tax	(102)	(3,279)	(950)	(1,179)	(226)
Investment Loss(Income) Recognized by Equity Method	33	1,052	(225)	491	(608)
Changes in Working Capital & Others	(275)	(8,859)	(422)	(2,959)	(1,231)
Net Cash Provided from Operating Activities	4,680	150,480	48,857	37,948	36,734
Cash Flows from Investing Activities:					
Decrease(Increase) in Short Term Investments	184	5,924	1,767	587	(6,851)
Increase in Long Term Investments	(530)	(17,038)	(6,936)	(3,683)	(9,091)
Acquisition of Properties, Plant and Equipment	(2,291)	(73,659)	(13,323)	(9,142)	(20,521)
Proceeds from Disposal of Long Term Investments	326	10,474	5,945	3,014	-
Proceeds from Disposal of Properties, Plant and Equipment	65	2,087	585	71	1,404
Decrease in Others	(26)	(846)	(112)	(229)	(1,407)
Net Cash Used By Investing Activities	(2,272)	(73,058)	(12,074)	(9,382)	(36,466)
Cash Flows from Financing Activities:					
Cash Dividend - Common Shares	(1,446)	(46,504)	-	(46,504)	-
Bonus Paid to Employees, Directors and Supervisors	(103)	(3,318)	-	(3,086)	-
Repayment of Long Term Bonds Payable	(327)	(10,500)	(10,500)	-	(5,000)
Increase(Decrease) in Guarantee Deposits	77	2,481	529	845	(112)
Proceeds from Exercise of Stock Options	8	271	105	49	4
Net Cash Used By Financing Activities	(1,791)	(57,570)	(9,866)	(48,696)	(5,108)
Net Increase (Decrease) in Cash and Cash Equivalents	617	19,852	26,917	(20,130)	(4,840)
Cash and Cash Equivalents at Beginning of Period	2,038	65,532	58,467	78,597	70,372
Cash and Cash Equivalents at End of Period	2,655	85,384	85,384	58,467	65,532

Note: (1) Amounts in NTD have been translated into USD at the rate of NTD32.157, the weighted average rate for the twelve months ended December 31, 2005.

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



TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LIMITED AND SUBSIDIARIES

Condensed Balance Sheets (Consolidated)

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

	December 31, 2005			September 30, 2005		December 31, 2004		QoQ		YoY	
	USD	NTD	%	NTD	%	NTD	%	Amount	%	Amount	%
ASSETS											
Current Assets											
Cash and Cash Equivalents	\$ 2,937	\$ 96,484	18.6	\$ 69,582	14.0	\$ 74,303	14.9	\$ 26,902	38.7	\$ 22,181	29.9
Short Term Investments, Net	1,443	47,399	9.1	49,260	9.9	54,108	10.8	(1,861)	(3.8)	(6,709)	(12.4)
Accounts Receivable - Trade, Net	1,171	38,478	7.4	39,140	7.9	27,544	5.5	(662)	(1.7)	10,934	39.7
Inventories, Net	540	17,728	3.4	16,239	3.3	15,556	3.1	1,489	9.2	2,172	14.0
Other Current Assets	370	12,166	2.4	4,880	1.0	12,938	2.6	7,286	149.3	(772)	(6.0)
Total Current Assets	6,461	212,255	40.9	179,101	36.1	184,449	36.9	33,154	18.5	27,806	15.1
Long Term Investment	1,292	42,428	8.2	40,331	8.1	38,102	7.6	2,097	5.2	4,326	11.4
Properties, Plant and Equipment	19,572	642,948	123.8	635,513	128.1	590,166	118.3	7,435	1.2	52,782	8.9
Less: Accumulated Depreciation	(12,119)	(398,125)	(76.7)	(384,200)	(77.4)	(331,255)	(66.4)	(13,925)	3.6	(66,870)	20.2
Properties, Plant and Equipment, Net	7,453	244,823	47.1	251,313	50.7	258,911	51.9	(6,490)	(2.6)	(14,088)	(5.4)
Other Assets	609	20,003	3.8	25,371	5.1	17,992	3.6	(5,368)	(21.2)	2,011	11.2
Total Assets	\$ 15,815	\$ 519,509	100.0	\$ 496,116	100.0	\$ 499,454	100.0	\$ 23,393	4.7	\$ 20,055	4.0
LIABILITIES AND SHAREHOLDERS' EQUITY											
Current Liabilities											
Short-term loan payable	\$ 10	\$ 328	0.1	\$ 1,125	0.2	\$ 382	0.1	(\$797.00)	(70.8)	(\$54)	(14.2)
Accounts Payables	340	11,165	2.1	9,852	2.0	9,481	1.9	1,313	13.3	1,684	17.7
Payables to Contractors and Equipment Suppliers	276	9,066	1.7	11,247	2.3	33,428	6.7	(2,181)	(19.4)	(24,362)	(72.9)
Accrued Expenses and Other Current Liabilities	443	14,558	2.8	13,846	2.8	10,128	2.1	712	5.1	4,430	43.8
Current Portion of Bonds Payable	0	5	0.1	10,505	2.1	10,500	2.1	(10,500)	(99.9)	(10,495)	(99.9)
Total Current Liabilities	1,069	35,122	6.8	46,575	9.4	63,919	12.9	(11,453)	(24.6)	(28,797)	(45.1)
Bonds Payable	594	19,500	3.8	19,500	3.9	19,500	3.9	0	0.0	0	0.0
Other Long Term Liabilities	567	18,649	3.5	18,144	3.7	16,994	3.3	505	2.8	1,655	9.7
Total Liabilities	2,230	73,271	14.1	84,219	17.0	100,413	20.1	(10,948)	(13.0)	(27,142)	(27.0)
Shareholders' Equity Attributable to Shareholders of the Parent											
Common Stock	7,528	247,300	47.6	247,273	49.8	232,520	46.6	27	0.0	14,780	6.4
Capital Surplus	1,739	57,118	11.0	56,777	11.3	56,537	11.3	341	0.6	581	1.0
Retained Earnings	4,346	142,771	27.5	108,871	22.0	113,730	22.8	33,900	31.1	29,041	25.5
Treasury Stock	(28)	(918)	(0.2)	(1,550)	(0.3)	(1,595)	(0.3)	632	(40.8)	677	(42.4)
Others	(19)	(641)	(0.1)	(260)	(0.1)	(2,227)	(0.5)	(381)	(146.3)	1,586	(71.2)
Total equity attributable to shareholders of the parent	13,566	445,630	85.8	411,111	82.7	398,965	79.9	34,519	8.4	46,665	11.7
Minority interest	19	608	0.1	786	0.3	76	0.0	(178)	(22.6)	532	703.3
Total shareholders' equity	13,585	446,238	85.9	411,897	83.0	399,041	79.9	34,341	8.3	47,197	11.8
Total Liabilities & Shareholders' Equity	\$ 15,815	\$ 519,509	100.0	\$ 496,116	100.0	\$ 499,454	100.0	\$ 23,393	4.7	\$ 20,055	4.0

Note : (1) Amounts in NTD have been translated into USD at the rate of NT\$32.85 as of December 31, 2005

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

TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LIMITED AND SUBSIDIARIES



Condensed Income Statements (Consolidated)

For the Three Months Ended December 31, 2005 and September 30, 2005
(Expressed in Million New Taiwan Dollars ("NTD") and U.S. Dollars ("USD")⁽¹⁾
Except For Per Share Amount and Shares Outstanding)

	Q4 2005			Q3 2005		QoQ	
	USD	NTD	%	NTD	%	Amount	%
Net Sales	\$ 2,368	\$ 79,228	100.0	\$ 70,501	100.0	\$ 8,727	12.4
Cost of Sales	(1,133)	(37,915)	(47.9)	(39,544)	(56.1)	1,629	(4.1)
Gross Profit	1,235	41,313	52.1	30,957	43.9	10,356	33.5
Operating Expenses							
Research and Development Expenses	(107)	(3,570)	(4.5)	(3,473)	(4.9)	(97)	2.8
General and Administrative Expenses	(57)	(1,910)	(2.4)	(2,410)	(3.5)	500	(20.8)
Sales and Marketing Expenses	(43)	(1,424)	(1.8)	(897)	(1.3)	(527)	58.7
Total Operating Expenses	(207)	(6,904)	(8.7)	(6,780)	(9.7)	(124)	1.8
Income from Operations	1,028	34,409	43.4 #	24,177	34.2	10,232	42.3
Non-Operating Incomes (Expenses), Net	20	640	0.8	19	0.1	621	3,162.4
Investment Gains (Losses)	15	540	0.7	271	0.4	269	98.9
Income before Income Tax	1,063	35,589	44.9	24,467	34.7 #	11,122	45.5
Income Tax Benefits (Expenses)	(51)	(1,692)	(2.1)	57	0.1	(1,749)	(3,049.9)
Net Income	\$ 1,012	\$ 33,897	42.8	\$ 24,524	34.8	\$ 9,373	38.2
Attributable to:							
Shareholders of the parent	\$ 1,012	\$ 33,900	42.8	\$ 24,488	34.7	\$ 9,412	27.8
Minority Interest	-	(3)	0.0	36	0.1	(39)	1,300.0
	\$ 1,012	\$ 33,897	42.8	\$ 24,524	34.8	\$ 9,373	27.7
Earnings per Common Shares - Diluted	\$ 0.04	\$ 1.37		\$ 0.99			
Earnings per ADR ⁽²⁾	\$ 0.21	\$ 6.86		\$ 4.97			
Weighted Average Outstanding Shares ('M) ⁽³⁾		24,693		24,690			

Note: (1) Amounts in NTD have been translated into USD at the weighted average rate of NTD33.456 for the fourth quarter of 2005.

(2) 1 ADR equals 5 ordinary shares.

(3) Total diluted weighted average outstanding shares were 24,693M shares for 4Q05 and 24,690M shares for 3Q05 after the retroactive adjustments for stock dividends and stock bonus.



TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LIMITED AND SUBSIDIARIES

Condensed Income Statements (Consolidated)

For the Twelve Months Ended December 31, 2005 and 2004

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

Except for Per Share Amount and Shares Outstanding)

	2005			2004		YoY	
	USD	NTD	%	NTD	%	Amount	%
Net Sales	\$ 8,289	\$ 266,565	100.0	\$ 257,213	100.0	\$ 9,352	3.6
Cost of Sales	(4,614)	(148,362)	(55.7)	(141,394)	(55.0)	(6,968)	4.9
Gross Profit	3,675	118,203	44.3	115,819	45.0	2,384	2.1
Operating Expenses							
Research and Development Expenses	(436)	(14,017)	(5.3)	(12,515)	(4.9)	(1,502)	12.0
General and Administrative Expenses	(283)	(9,086)	(3.4)	(11,454)	(4.5)	2,368	(20.7)
Sales and Marketing Expenses	(128)	(4,132)	(1.5)	(3,368)	(1.3)	(764)	22.7
Total Operating Expenses	(847)	(27,235)	(10.2)	(27,337)	(10.7)	102	(0.4)
Income from Operations	2,828	90,968	34.1	88,482	34.3	2,485	2.8
Non-Operating Incomes (Expenses), Net	58	1,862	0.7	1,391	0.5	472	33.9
Investment Gains (Losses)	45	1,434	0.6	2,093	0.8	(658)	(31.6)
Income before Income Tax	2,931	94,264	35.4	91,966	35.6	2,299	2.5
Income Tax Benefits (Expenses)	(19)	(631)	(0.3)	363	0.1	(995)	(273.5)
Net Income	\$ 2,912	\$ 93,633	35.1	\$ 92,329	35.7	\$ 1,304	1.4
Attributable to:							
Shareholders of the parent	\$ 2,910	\$ 93,575	35.1	\$ 92,316	35.7	\$ 1,259	1.3
Minority Interest	2	58	0.1	13	0.0	45	77.6
	\$ 2,912	\$ 93,633	35.2	\$ 92,329	35.7	\$ 1,304	1.4
Diluted Earnings Per Ordinary Share	\$ 0.12	\$ 3.82		\$ 3.95			
Earnings Per ADR ⁽²⁾	\$ 0.59	\$ 19.10		\$ 19.75			
Weighted Average Outstanding Shares ('M) ⁽³⁾		24,693		24,724			

Note:(1) Amounts in NTD have been translated into USD at the weighted average rate of NTD 32.157 for the twelve months of 2005.

(2) 1 ADR equals 5 ordinary shares.

(3) Total diluted weighted average outstanding shares were 24,693M shares for the twelve months ended December 31, 2005 and 24,724M shares for the twelve months ended December 31, 2004 after the retroactive adjustments for stock dividends and stock bonus.

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



For the Twelve Months Ended December 31, 2005

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

	12 Months 2005		4Q 2005	3Q 2005
	USD	NTD	NTD	NTD
Cash Flows from Operating Activities:				
Net Income	\$ 2,910	\$ 93,575	\$ 33,900	\$ 24,488
Net Income attributable to minority interest	2	58	(3)	36
Depreciation & Amortization	2,352	75,649	18,664	19,006
Deferred Income Tax	(104)	(3,354)	(953)	(1,220)
Investment Loss(Income) From Equity Method Investees	(45)	(1,433)	(539)	(271)
Changes in Working Capital & Others	(232)	(7,482)	(983)	(2,125)
Net Cash Provided from Operating Activities	4,883	157,013	50,086	39,914
Cash Flows from Investing Activities:				
Decrease(Increase) in Short Term Investments	216	6,954	1,779	424
Increase in Long Term Investments	(456)	(14,675)	(7,615)	(3,697)
Acquisition of Properties, Plant and Equipment	(2,484)	(79,879)	(13,618)	(10,599)
Proceeds from Disposal of Long Term Investments	328	10,534	5,965	3,035
Proceeds from Disposal of Properties, Plant and Equipment	15	481	206	147
Decrease in Others	(27)	(855)	(101)	(231)
Net Cash Used By Investing Activities	(2,408)	(77,440)	(13,384)	(10,921)
Cash Flows from Financing Activities:				
Cash Dividend - Common Shares	(1,444)	(46,420)	-	(46,420)
Bonus Paid to Employees, Directors and Supervisors	(103)	(3,318)	-	(3,086)
Repayment of Long Term Bonds Payable	(327)	(10,500)	(9,504)	(49)
Increase(Decrease) in Guarantee Deposits	77	2,484	531	847
Proceeds from Exercise of Stock Options	8	271	105	166
Increase(Decrease) in Others	(15)	(486)	(1,150)	549
Net Cash Used By Financing Activities	(1,804)	(57,969)	(10,018)	(47,993)
		0		
Net Increase (Decrease) in Cash and Cash Equivalents	671	21,604	26,684	(19,000)
Effect of exchange rate changes on cash and cash equivalents and others	11	349	363	33
Effect of first inclusion for consolidation of certain subsidiaries	7	229	(145)	144
Cash and Cash Equivalents at Beginning of Period	2,311	74,302	69,582	88,405
Cash and Cash Equivalents at End of Period	\$ 3,000	\$ 96,484	\$ 96,484	\$ 69,582

Note : (1) Amounts in NTD have been translated into USD at the rate of NTD32.157, the weighted average rate for the twelve months ended December 31, 2005.

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