



**TAIWAN SEMICONDUCTOR MANUFACTURING CO., LTD.**  
**UNCONSOLIDATED STATEMENT OF CASH FLOWS**  
**For Year Ended December 31, 1999**

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

	<u>1999</u>		<u>1998</u>
	<u>USD</u>	<u>NTD</u>	<u>NTD</u>
<b>Cash Flows from Operating Activities:</b>			
Net Income	760	24,560	15,344
Depreciation & Amortization	559	18,041	14,593
Investment Loss (Income) recognized by equity method	37	1,192	2,707
Gain on sale of long-term investments	(0)	(10)	(757)
Loss on Disposal of Properties	1	32	(0)
Deferred Tax on Investment Tax Credit	(12)	(384)	(2,471)
Accretion in Redemption Value of Bonds	18	586	876
Changes in Working Capital & Others	(138)	(4,443)	3,647
Net Cash Provided from Operating Activities	<u>1,225</u>	<u>39,574</u>	<u>33,939</u>
<b>Cash Flows from Investing Activities:</b>			
Decrease(Increase) in Short-Term Investments	168	5,425	(690)
Acquisition of Fixed Assets	(924)	(29,842)	(28,066)
Proceeds from disposal of properties	1	37	3
Increase in Long-Term Investments	(375)	(12,106)	(1,676)
Proceeds from Sales of Long-Term Stock Investments	0	16	1,467
Decrease(Increase) in Deposit out/Deferred Assets	(13)	(428)	(271)
Net Cash Used in Investing Activities	<u>(1,142)</u>	<u>(36,897)</u>	<u>(29,234)</u>
<b>Cash Flows from Financing Activities:</b>			
Increase (Decrease) in Short-Term Credit Instruments			(250)
Increase in Issuance of Bonds	310	10,000	9,773
Increase(Decrease) in ECB	(17)	(549)	
Increase (Decrease) Long-Term Bank Loans	(83)	(2,693)	(5,333)
Decrease in Guarantee Deposits	(29)	(938)	(2,390)
Bonus to Employees/Directors/Supervisors	(4)	(138)	(162)
Adjustment for Forward Contract Payable			(585)
Net Cash Provided by Financing Activities	<u>176</u>	<u>5,681</u>	<u>1,053</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>259</u>	<u>8,358</u>	<u>5,758</u>
Cash and Cash Equivalents at Beginning of Period	257	8,292	2,534
Cash and Cash Equivalents at End of Period	<u>515</u>	<u>16,650</u>	<u>8,292</u>

Note (1) : New Taiwan dollars have been translated into U.S. dollars at the rate of NTD 32.30 per U.S. dollar at the end of December 31, 1999.