



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, 2012 (unaudited)			December 31, 2011 (audited)		March 31, 2011 (unaudited)		QoQ		YoY	
	USD	NTD	%	NTD	%	NTD	%	Amount	%	Amount	%
ASSETS											
Current Assets											
Cash and Cash Equivalents	\$5,785	\$170,820	20.5	\$143,472	18.6	\$129,445	17.3	\$27,348	19.1	\$41,375	32.0
Investments in Marketable Financial Instruments	333	9,833	1.2	7,150	0.9	33,966	4.5	2,683	37.5	(24,133)	(71.1)
Accounts Receivable - Trade	1,626	48,015	5.8	40,948	5.3	46,826	6.2	7,067	17.3	1,189	2.5
Inventories	940	27,759	3.3	24,841	3.2	31,787	4.2	2,918	11.7	(4,028)	(12.7)
Other Current Assets	396	11,696	1.4	8,849	1.1	8,509	1.2	2,847	32.2	3,187	37.5
Total Current Assets	9,080	268,123	32.2	225,260	29.1	250,533	33.4	42,863	19.0	17,590	7.0
Long-term Investments	1,011	29,844	3.6	34,459	4.5	38,934	5.2	(4,615)	(13.4)	(9,090)	(23.3)
Properties, Plant and Equipment	47,782	1,410,957	169.6	1,366,627	176.5	1,231,916	164.2	44,330	3.2	179,041	14.5
Less: Accumulated Depreciation	(30,514)	(901,041)	(108.3)	(876,252)	(113.2)	(795,326)	(106.0)	(24,789)	2.8	(105,715)	13.3
Properties, Plant and Equipment, Net	17,268	509,916	61.3	490,375	63.3	436,590	58.2	19,541	4.0	73,326	16.8
Intangible and Other Assets	813	24,007	2.9	24,171	3.1	24,069	3.2	(164)	(0.7)	(62)	(0.3)
Total Assets	\$28,172	\$831,890	100.0	\$774,265	100.0	\$750,126	100.0	\$57,625	7.4	\$81,764	10.9
LIABILITIES AND SHAREHOLDERS' EQUITY											
Current Liabilities											
Short-term Loans	\$1,175	\$34,688	4.2	\$25,927	3.3	\$34,176	4.6	\$8,761	33.8	\$512	1.5
Accounts Payables	480	14,168	1.7	11,859	1.5	13,351	1.8	2,309	19.5	817	6.1
Payables to Contractors and Equipment Suppliers	1,154	34,071	4.1	35,541	4.6	33,906	4.5	(1,470)	(4.1)	165	0.5
Accrued Expenses and Other Current Liabilities	1,462	43,180	5.1	39,117	5.1	41,083	5.5	4,063	10.4	2,097	5.1
Current Portion of Bonds Payable and Long-term Debts	3	94	-	4,563	0.6	4,741	0.6	(4,469)	(97.9)	(4,647)	(98.0)
Total Current Liabilities	4,274	126,201	15.1	117,007	15.1	127,257	17.0	9,194	7.9	(1,056)	(0.8)
Bonds Payable	1,185	35,000	4.2	18,000	2.3	-	-	17,000	94.4	35,000	
Other Long-term Liabilities	241	7,107	0.9	7,214	1.0	10,477	1.4	(107)	(1.5)	(3,370)	(32.2)
Total Liabilities	5,700	168,308	20.2	142,221	18.4	137,734	18.4	26,087	18.3	30,574	22.2
Shareholders' Equity Attributable to Shareholders of the Parent											
Capital Stock at Par Value	8,778	259,206	31.2	259,162	33.5	259,142	34.5	44	0.0	64	0.0
Capital Surplus	1,897	56,008	6.7	55,847	7.2	55,782	7.4	161	0.3	226	0.4
Legal Capital Reserve	3,468	102,400	12.3	102,400	13.2	86,239	11.5	-	-	16,161	18.7
Special Capital Reserve	218	6,434	0.8	6,434	0.8	1,313	0.2	-	-	5,121	390.0
Unappropriated Earnings	8,359	246,831	29.7	213,357	27.6	214,505	28.6	33,474	15.7	32,326	15.1
Others	(338)	(9,947)	(1.2)	(7,606)	(1.0)	(9,307)	(1.2)	(2,341)	30.8	(640)	6.9
Equity Attributable to Shareholders of the Parent	22,382	660,932	79.5	629,594	81.3	607,674	81.0	31,338	5.0	53,258	8.8
Minority Interests	90	2,650	0.3	2,450	0.3	4,718	0.6	200	8.2	(2,068)	(43.8)
Total Shareholders' Equity	22,472	663,582	79.8	632,044	81.6	612,392	81.6	31,538	5.0	51,190	8.4
Total Liabilities & Shareholders' Equity	\$28,172	\$831,890	100.0	\$774,265	100.0	\$750,126	100.0	\$57,625	7.4	\$81,764	10.9

Note :

(1) Amounts in New Taiwan dollars have been translated into U.S. dollars at the rate of NT\$29.529 as of March 31, 2012.



TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LIMITED AND SUBSIDIARIES

Unaudited Consolidated Condensed Income Statements

For the Three Months Ended March 31, 2012, December 31, 2011 and March 31, 2011

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

Except for Per Share Amounts and Shares Outstanding)

	1Q 2012			4Q 2011		1Q 2011		QoQ		YoY	
	USD	NTD	%	NTD	%	NTD	%	Amount	%	Amount	%
Net Sales	\$3,552	\$105,508	100.0	\$104,712	100.0	\$105,377	100.0	\$796	0.8	\$131	0.1
Cost of Sales	(1,857)	(55,147)	(52.3)	(57,940)	(55.3)	(53,706)	(51.0)	2,793	(4.8)	(1,441)	2.7
Gross Profit	1,695	50,361	47.7	46,772	44.7	51,671	49.0	3,589	7.7	(1,310)	(2.5)
Operating Expenses											
Research and Development Expenses	(308)	(9,163)	(8.7)	(8,754)	(8.4)	(7,964)	(7.6)	(409)	4.7	(1,199)	15.1
General and Administrative Expenses	(157)	(4,659)	(4.4)	(3,911)	(3.7)	(3,343)	(3.2)	(748)	19.1	(1,316)	39.4
Sales and Marketing Expenses	(37)	(1,101)	(1.0)	(1,177)	(1.2)	(1,201)	(1.0)	76	(6.5)	100	(8.3)
Total Operating Expenses	(502)	(14,923)	(14.1)	(13,842)	(13.3)	(12,508)	(11.8)	(1,081)	7.8	(2,415)	19.3
Income from Operations	1,193	35,438	33.6	32,930	31.4	39,163	37.2	2,508	7.6	(3,725)	(9.5)
Non-Operating Income, Net	6	195	0.2	710	0.7	629	0.6	(515)	(72.5)	(434)	(69.0)
Equity in Earnings of Equity Method Investees, Net	1	21	0.0	(19)	0.0	520	0.5	40	(210.5)	(499)	(96.0)
Income before Income Tax	1,200	35,654	33.8	33,621	32.1	40,312	38.3	2,033	6.0	(4,658)	(11.6)
Income Tax Expenses	(77)	(2,289)	(2.2)	(2,057)	(1.9)	(3,885)	(3.7)	(232)	11.3	1,596	(41.1)
Net Income	1,123	33,365	31.6	31,564	30.2	36,427	34.6	1,801	5.7	(3,062)	(8.4)
Net Income Attributable to Minority Interests	4	109	0.1	14	-	(149)	(0.2)	95	678.6	258	(173.2)
Net Income Attributable to Shareholders of the Parent	1,127	33,474	31.7	31,578	30.2	36,278	34.4	1,896	6.0	(2,804)	(7.7)
Earnings per Share - Diluted	\$0.04	\$1.29		\$1.22		\$1.40		\$0.07	6.0	(\$0.11)	(7.7)
Earnings per ADR - Diluted ⁽²⁾	\$0.22	\$6.46		\$6.09		\$7.00		\$0.37	6.0	(\$0.54)	(7.7)
Weighted Average Outstanding Shares - Diluted ('M) ⁽³⁾		25,926		25,924		25,924					

Note:

(1) Amounts in New Taiwan dollars have been translated into U.S. dollars at the weighted average rate of NTD29.707 for the first quarter of 2012.

(2) 1 ADR equals 5 ordinary shares.

(3) Total diluted weighted average outstanding shares were both 25,924M shares for 4Q11 and 1Q11 after the retroactive adjustments for exercise price of stock option.



TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LIMITED AND SUBSIDIARIES

Consolidated Condensed Statements of Cash Flows

For the Three Months Ended March 31, 2012, December 31, 2011, and March 31, 2011

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

	1Q 2012 (unaudited)		4Q 2011 (unaudited)	1Q 2011 (unaudited)
	USD	NTD	NTD	NTD
Cash Flows from Operating Activities:				
Net Income Attributable to Shareholders of the Parent	\$ 1,127	\$ 33,474	\$ 31,578	\$ 36,278
Net Income Attributable to Minority Interest	(4)	(109)	(14)	149
Depreciation & Amortization	943	28,005	27,742	24,816
Deferred Income Tax	(20)	(608)	(978)	1,037
Equity in Earnings of Equity Method Investees, Net	(1)	(21)	19	(520)
Changes in Working Capital & Others	(125)	(3,692)	14,490	(5,282)
Net Cash Provided by Operating Activities	1,920	57,049	72,837	56,478
Cash Flows from Investing Activities:				
Acquisitions of:				
Marketable Financial Instruments	-	(1)	(931)	(13,865)
Property, Plant and Equipment	(1,635)	(48,571)	(29,772)	(81,262)
Financial Assets Carried at Cost	-	-	(246)	(2)
Proceeds from Disposal or Redemption of:				
Marketable Financial Instruments	23	684	937	13,459
Property, Plant and Equipment	-	13	191	381
Financial Assets Carried at Cost	2	45	19	63
Others	(14)	(419)	(345)	3,653
Net Cash Used In Investing Activities	(1,624)	(48,249)	(30,147)	(77,573)
Cash Flows from Financing Activities:				
Increase (Decrease) in Short-term Loans	295	8,761	(10,093)	2,962
Decrease in Guarantee Deposits	(1)	(38)	(68)	(74)
Proceeds from Exercise of Employee Stock Options	5	136	62	127
Proceeds from Issuance of Bonds	572	17,000	-	-
Repayment of Bonds Payable	(151)	(4,500)	-	-
Others	(42)	(1,218)	(2,747)	754
Net Cash Used in Financing Activities	678	20,141	(12,846)	3,769
Net Increase (Decrease) in Cash and Cash Equivalents	974	28,941	29,844	(17,326)
Effect of Exchange Rate Changes	(54)	(1,593)	(1,208)	(1,116)
Cash and Cash Equivalents at Beginning of Period	4,830	143,472	114,836	147,887
Cash and Cash Equivalents at End of Period	\$ 5,750	\$ 170,820	\$ 143,472	\$ 129,445

Note:

(1) Amounts in New Taiwan dollars have been translated into U.S. dollars at the weighted average rate of NTD29.707 for the three months ended March 31, 2012.