



TAIWAN SEMICONDUCTOR MANUFACTURING CO., LTD.
UNCONSOLIDATED STATEMENT OF CASH FLOWS
For Year Ended September 30, 1999
 (Figures in Million of New Taiwan dollars (NTD) and U.S. dollars (USD)) ⁽¹⁾

	<u>3Q 1999</u>		<u>2Q 1999</u>	<u>YTD 1999</u>
	<u>USD</u>	<u>NTD</u>	<u>NTD</u>	<u>NTD</u>
Cash Flows from Operating Activities:				
Net Income	191	6,137	6,022	16,249
Depreciation & Amortization	148	4,762	4,246	12,986
Investment Loss (Income) recognized by equity method	26	842	432	1,442
Deferred Tax on Investment Tax Credit	-16	-523	-297	-968
Changes in Working Capital & Others	-1	-46	-1,693	-2,331
Net Cash Provided from Operating Activities	<u>348</u>	<u>11,172</u>	<u>8,710</u>	<u>27,378</u>
Cash Flows from Investing Activities:				
Increase in Short-Term Investments	7	229	95	312
Acquisition of Fixed Assets	-247	-7,909	-5,125	-17,702
Proceeds from disposal of properties	0	11	1	12
Increase in Long-Term Investments	-281	-9,027	-405	-9,436
Proceeds from Sales of Long-Term Stock Investments	0	12		12
Increase in Deposit out/Deferred Assets	-5	-158	-99	-299
Net Cash Used in Investing Activities	<u>-525</u>	<u>-16,842</u>	<u>-5,533</u>	<u>-27,102</u>
Cash Flows from Financing Activities:				
Increase (Decrease) in Short-Term Credit Instruments	85	2,735	706	3,441
Increase in Issuance of Bonds	-6	-188	-244	-204
Increase (Decrease) Long-Term Bank Loans	96	3,090	-2,831	1,545
Decrease in Guarantee Deposits	-25	-797	-1,150	-2,731
Bonus to Employees/Directors/Supervisors			-138	-138
Net Cash Provided by Financing Activities	<u>66</u>	<u>4,839</u>	<u>-3,657</u>	<u>1,912</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>-111</u>	<u>-831</u>	<u>-480</u>	<u>2,188</u>
Cash and Cash Equivalents at Beginning of Period	356	11,311	11,792	8,292
Cash and Cash Equivalents at End of Period	<u>330</u>	<u>10,480</u>	<u>11,311</u>	<u>10,480</u>

Note (1) : New Taiwan dollars have been translated into U.S. dollars at the weighted average rate of NTD 32.08 per U.S. dollar for the third quarter of 1999.