



TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LTD.
UNCONSOLIDATED BALANCE SHEET

As of December 31, 1997 and 1996

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

ASSETS	1997		1996
	USD	NTD	NTD
Cash	78	2,534	8,692
Short Term Investment	153	4,971	0
Accounts Receivables	293	9,544	4,583
Inventories	145	4,720	2,751
Other Current Assets	62	2,022	503
Total Current Assets	730	23,791	16,529
Long Term Investment 2.	590	19,220	12,609
Fixed Assets	2,708	88,200	60,205
Less Accumulated Depreciation	-814	-26,502	-18,226
Net Fixed Assets	1,894	61,698	41,979
Other Assets	117	3,805	2,019
Total Assets	3,332	108,514	73,136
LIABILITIES			
Short Term Bank Loan	8	250	0
Accounts Payable	302	9,839	5,358
Total Current Liabilities	310	10,089	5,358
Corporation Bond	368	11,983	0
Long Term Debt	246	8,026	5,720
Other Long Term Liabilities	276	9,001	9,944
Total Liabilities	1,200	39,099	21,022
SHAREHOLDERS' EQUITY			
Capital Stock	1,253	40,813	26,542
Capital Surplus	2	62	59
Legal Reserve	151	4,929	2,992
Retained Earnings			
-Previous Year	177	5,756	3,170
-Current Year	551	17,957	19,361
Cumulated Translation Adjustment	-3	-102	-11
Total Equity	2,131	69,414	52,114
Total Liabilities & Shareholders' Equity	3,332	108,514	73,136

Note 1 : New Taiwan dollars amounts have been translated into U.S. dollars at the rate of NTD 32.57 per U.S. dollars on Dec. 31, 1997.

Note 2: As of December 31, 1997, total investments in WaferTech and Vanguard International Semiconductor were NT\$10.8 billion and NT\$5.7 billion, respectively.