

TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD

Form 6-K

January 10, 2005

1934 Act Registration No. 1-14700

**SECURITIES AND EXCHANGE
COMMISSION**

Washington, DC 20549

FORM 6-K

**REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 OF
THE SECURITIES EXCHANGE ACT OF 1934**

For the month of December 2004

Taiwan Semiconductor Manufacturing Company Ltd.

(Translation of Registrant's Name Into English)

**No. 8, Li-Hsin Rd. 6,
Hsinchu Science Park,
Taiwan**

(Address of Principal Executive Offices)

(Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.)

Form 20-F

Form 40-F

(Indicate by check mark whether the registrant by furnishing the information contained in this form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.)

Yes

No

(If "Yes" is marked, indicated below the file number assigned to the registrant in connection with Rule 12g3-2(b):
82: _____.)

TSMC December 2004 Sales Report

Hsinchu, Taiwan, January 7, 2005 - Taiwan Semiconductor Manufacturing Company Ltd. (TSMC) (TAIEX: 2330, NYSE: TSM) today said that net sales for December 2004 totaled NT\$19,919 million. Full-year sales for 2004 increased 26.8 percent over 2003, to a record high of NT\$255,992 million. In US dollar terms, full-year sales for 2004 increased 30.3 percent over 2003.

Due to a decrease in wafer shipments, December 2004 net sales decreased 5.1 percent versus November 2004. On a year-over-year basis, December 2004 net sales grew 5.0 percent, said Ms. Lora Ho, vice president and chief financial officer of TSMC.

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Sales Report: (Unit: NT\$ million)

| | 2004 ⁽¹⁾ | 2003 | Growth Rate |
|--------------------------|---------------------|---------|-------------|
| Net Sales | | | |
| December | 19,919 | 18,965 | 5.0% |
| January through December | 255,992 | 201,904 | 26.8% |

(1): Year 2004 figures have not been audited.

TSMC Spokesperson:

Ms. Lora Ho
Vice President and CFO
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TSMC Deputy Spokesperson:

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Taiwan Semiconductor Manufacturing Company Limited

January 07, 2005

This is to report the changes or status of 1) sales volume, 2) funds lent to other parties, 3) endorsements and guarantees, and 4) financial derivative transactions for the period of December 2004.

1) Sales volume (in NT\$ thousand)

| <i>Period</i> | <i>Items</i> | <i>2004</i> | <i>2003</i> | <i>Changes</i> | <i>(%)</i> |
|------------------|-----------------------|-------------|-------------|----------------|------------|
| <i>Dec</i> | <i>Invoice amount</i> | 21,583,663 | 17,674,210 | 3,909,453 | 22.12% |
| <i>Jan - Dec</i> | <i>Invoice amount</i> | 252,526,938 | 191,309,920 | 61,217,018 | 32.00% |
| <i>Dec</i> | <i>Net sales</i> | 19,919,338 | 18,965,436 | 953,902 | 5.03% |
| <i>Jan - Dec</i> | <i>Net sales</i> | 255,992,427 | 201,904,341 | 54,088,085 | 26.79% |

2) Funds lent to other parties (in NT\$ thousand)

| | <i>Limit of lending</i> | <i>Dec</i> | <i>Bal. as of period end</i> |
|----------------------------|-------------------------|------------|------------------------------|
| <i>TSMC</i> | 75,852,558 | - | - |
| <i>TSMC's subsidiaries</i> | 31,532,975 | (40,320) * | 4,468,380 |

* The deviation was due to the fluctuation in currency exchange rate.

3) Endorsements and guarantees (in NT\$ thousand)

| | <i>Limit of endorsements</i> | <i>Dec</i> | <i>Bal. as of period end</i> |
|--|------------------------------|--------------|------------------------------|
| <i>TSMC</i> | 94,815,698 | (14,199,000) | 3,191,700 |
| <i>TSMC's subsidiaries</i> | N/A | - | - |
| <i>TSMC endorses for subsidiaries</i> | | (14,199,000) | 3,191,700 |
| <i>TSMC's subsidiaries endorse for TSMC</i> | | - | - |
| <i>TSMC endorses for PRC companies</i> | | - | - |
| <i>TSMC's subsidiaries endorse for PRC companies</i> | | - | - |

4) Financial derivative transactions (in thousand)

a-1. Hedging purpose (for assets / liabilities denominated in foreign currencies)

| | | | |
|--|---------------------|--------------|----------------------|
| <i>Underlying assets / liabilities</i> | <i>Liabilities:</i> | <i>YEN:</i> | 0 |
| | | <i>EUR:</i> | 118,500 |
| | <i>Assets:</i> | <i>US\$:</i> | 2,312,081 |
| | | | FX forward contracts |
| <i>Financial instruments</i> | | | |
| <i>Recognized profit (loss)</i> | | | (NT\$174,253) |

a-2. Hedging purpose (for the position of fixed rate liabilities / floating rate assets)

| | | | |
|---------------------------------|--------------|-------|--------------------|
| Underlying assets / liabilities | Liabilities: | NT\$: | 3,000,000 |
| | | US\$: | 0 |
| | Assets: | US\$: | - |
| <i>Financial instruments</i> | | | Interest rate swap |
| <i>Recognized profit (loss)</i> | | | - |

b. Trading purpose: None.



SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Taiwan Semiconductor Manufacturing
Company Ltd.

Date: January 7, 2005

By: /s/ Lora Ho
Lora Ho
Vice President & Chief Financial
Officer