

TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD

Form 6-K

January 09, 2003

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 January 2003

Taiwan Semiconductor Manufacturing Company Ltd.
(Translation of Registrant's Name Into English)

No.121 Park Avenue III
Science-Based Industrial Park
Hsin-chu, 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 Monthly Sales Report -- December 2002

Hsin-Chu, Taiwan, January 9, 2003-- Taiwan Semiconductor Manufacturing Company Ltd. ("TSMC" or "the Company") (TAIEX: 2330, NYSE: TSM) today announced that net sales for December 2002 totaled NT\$11,278 million, while revenues from January to December 2002 totaled NT\$160,898 million.

TSMC Spokesperson Mr. Harvey Chang noted that the Company's book-to-bill ratio was above 1.0 in both November and December 2002, indicating steady growth in orders. However, TSMC realized a decrease in unit sales for December 2002 as the holiday season drew to a close, resulting in a 22.7% revenue decline compared to the month prior and a 3.9% decrease on a year-over-year basis. The Company's sales revenues from January through December 2002 represented a 27.8% increase over the corresponding 2001 period.

Mr. Chang noted that net sales for the fourth quarter of 2002 were slightly higher than those for the third quarter because fourth quarter revenues came

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partially from inventory for the end of the third quarter of 2002. The Company's utilization rate was 61 percent in the fourth quarter of 2002 as previously forecast, although relatively low over the third quarter of 2002. Gross margins are expected to decline five to six percentage points over the same period.

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Sales Report: (Unit: NT\$ million)

| Net Sales | 2002/(1)/ | 2001 | Growth |
|--------------------------|-----------|---------|--------|
| December | 11,278 | 11,733 | -3.9% |
| January through December | 160,898 | 125,888 | 27.8% |

(1): Year 2002 figures have not been audited.

TSMC Spokesperson:

Mr. Harvey Chang
Senior Vice President
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Taiwan Semiconductor Manufacturing Company Limited
January 09, 2003

This is to report the changes or status of 1)Sales volume 2) funds lent to other parties 3) Endorsements and quarantees 4) Financial derivative transactions for the period of December 2002.

1) Sales volume (NT\$: Thousand)

| Time | Items | 2002 | 2001 | Changes | (%) |
|------------|----------------|-------------|-------------|------------|--------|
| Dec. | Invoice amount | 12,612,131 | 9,425,369 | 3,186,762 | 33.81% |
| Jan. -Dec. | Invoice amount | 163,369,433 | 125,256,525 | 38,112,908 | 30.43% |
| Dec. | Net sales | 11,277,901 | 11,733,275 | -455,374 | -3.88% |

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| | | | | | |
|------------|-----------|-------------|-------------|------------|--------|
| Jan. -Dec. | Net sales | 160,898,329 | 125,888,003 | 35,010,326 | 27.81% |
|------------|-----------|-------------|-------------|------------|--------|

2) Funds lent to other parties (NT\$ Thousand)

| | Limit of lending | December | Bal. As of period end |
|---------------------|------------------|----------|-----------------------|
| TSMC | 39,845,773 | - | - |
| TSMC's subsidiaries | 27,099,972 | (590) | 347,530 |

3) Endorsements and guarantees (NT\$ Thousand)

| | Limit of endorsements | December | Bal. As of period end |
|---|-----------------------|----------|-----------------------|
| TSMC | 59,768,660 | (40,120) | 23,632,040 |
| TSMC's subsidiaries | N/A | | 0 |
| TSMC endorses for subsidiaries | | (40,120) | 23,632,040 |
| TSMC's subsidiaries endorse for TSMC | | 0 | 0 |
| TSMC endorses for PRC companies | | 0 | 0 |
| TSMC's subsidiaries endorse for PRC companies | | 0 | 0 |

4) Financial derivatives transactions

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

| | | | |
|---------------------------------|--------------|----------------------|---------------|
| | Liabilities: | YEN: | 4,274,850,000 |
| Underlying assets / liabilities | | EUR: | 89,000,000 |
| | Assets: | US\$ | 715,000,000 |
| Financial instruments | | FX forward contracts | |
| Realized profit (loss) | | | NT\$5,798,233 |

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

| | | |
|---------------------------------|--------------|--------------------|
| Underlying assets / liabilities | Liabilities: | NT\$5,000,000,000 |
| Financial instruments | | Interest rate swap |
| Realized profit (loss) | | - |

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 9, 2003

By /s/ Harvey Chang

Harvey Chang
Senior Vice President & Chief Financial Officer