

TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD

Form 6-K

August 10, 2006

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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 August 2006**  
**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: \_\_\_\_\_.)

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TSMC July 2006 Sales Report

Taiwan Semiconductor Manufacturing Company Limited

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**Table of Contents****TSMC July 2006 Sales Report**

**Hsinchu, Taiwan, R.O.C. August 10, 2006** TSMC (TAIEX: 2330, NYSE: TSM) today announced its net sales for July 2006: on an unconsolidated basis, sales were NT\$27,567 million, an increase of 1.0 percent over June 2006 and an increase of 32.2 percent over July 2005. Revenues for January through July 2006 totaled NT\$186,087 million, an increase of 37.8 percent over the same period in 2005.

On a consolidated basis, net sales for July 2006 were NT\$27,959 million, an increase of 1.1 percent over June 2006; revenues for January through July 2006 totaled NT\$187,968 million.

**TSMC Sales Report (Unconsolidated):**

(Unit: NT\$ million)

|                      | 2006*   | 2005    | Increase (Decrease)<br>% |
|----------------------|---------|---------|--------------------------|
| Net Sales            |         |         |                          |
| July                 | 27,567  | 20,847  | 32.2                     |
| January through July | 186,087 | 135,017 | 37.8                     |

\* Year 2006 figures have not been audited.

**TSMC Spokesperson:**

Ms. Lora Ho

Vice President and CFO

Tel: 886-3-566-4602

**TSMC Acting Spokesperson:**

Mr. J.H. Tzeng

PR Department Manager, TSMC

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**For further information, please contact:**

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*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 July 2006.*

*1) Sales volume (in NT\$ thousand)*

| <i>Period</i>    | <i>Items</i>     | <i>2006</i>        | <i>2005</i>        |
|------------------|------------------|--------------------|--------------------|
| <i>July</i>      | <i>Net sales</i> | <i>27,566,707</i>  | <i>20,847,066</i>  |
| <i>Jan.-July</i> | <i>Net sales</i> | <i>186,087,397</i> | <i>135,016,500</i> |

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

|                            | <i>Limit of lending</i> | <i>July</i> | <i>Bal. as of period end</i> |
|----------------------------|-------------------------|-------------|------------------------------|
| <i>TSMC</i>                | <i>95,586,606</i>       |             |                              |
| <i>TSMC s subsidiaries</i> | <i>32,361,880</i>       | <i>0</i>    | <i>0</i>                     |

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

|  | <i>Limit of endorsements</i> | <i>July</i>    | <i>Bal. as of period end</i> |
|--|------------------------------|----------------|------------------------------|
| <i>TSMC</i>  | <i>119,483,257</i>           | <i>21,420*</i> | <i>1,965,360</i>             |
| <i>TSMC s subsidiaries</i>                           | <i>N/A</i>                   |                |                              |
| <i>TSMC endorses for subsidiaries</i>                |                              | <i>21,420*</i> | <i>1,965,360</i>             |
| <i>TSMC s subsidiaries endorse for TSMC</i>          |                              |                |                              |
| <i>TSMC endorses for PRC companies</i>               |                              |                |                              |
| <i>TSMC s subsidiaries endorse for PRC companies</i> |                              |                |                              |

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

*4) Financial derivative transactions (in NT\$ thousand)**TSMC*

*Hedging purpose (for assets / liabilities denominated in foreign currencies)*

|                                 | <i>Forward</i>              | <i>Swap</i>       | <i>Others</i>      |                  |
|---------------------------------|-----------------------------|-------------------|--------------------|------------------|
|                                 |                             |                   | <i>Buy put</i>     | <i>Sell call</i> |
| <i>Margin Payment</i>           |                             |                   |                    |                  |
| <i>Premium Income (Expense)</i> |                             |                   |                    |                  |
| <i>Outstanding</i>              | <i>Notional Amount</i>      | <i>311,625</i>    | <i>75,077,007</i>  |                  |
| <i>Contracts</i>                | <i>Mark to Market</i>       |                   |                    |                  |
|                                 | <i>Profit/Loss</i>          | <i>(1,512)</i>    | <i>(487,145)</i>   |                  |
| <i>Expired Contracts</i>        | <i>Notional Amount</i>      | <i>12,106,245</i> | <i>251,381,186</i> | <i>639,620</i>   |
|                                 | <i>Realized Profit/Loss</i> | <i>37,581</i>     | <i>(452,430)</i>   | <i>639,620</i>   |

*TSMC s subsidiaries*

*Hedging purpose (for assets / liabilities denominated in foreign currencies)*

|                                 | <i>Forward</i>         | <i>Swap</i>  | <i>Others</i>  |                  |
|---------------------------------|------------------------|--------------|----------------|------------------|
|                                 |                        |              | <i>Buy put</i> | <i>Sell call</i> |
| <i>Margin Payment</i>           |                        |              |                |                  |
| <i>Premium Income (Expense)</i> |                        |              |                |                  |
| <i>Outstanding</i>              | <i>Notional Amount</i> | <i>7,070</i> |                |                  |

|                  |                             |         |
|------------------|-----------------------------|---------|
| <i>Contracts</i> | <i>Mark to Market</i>       |         |
|                  | <i>Profit/Loss</i>          | 99      |
| <i>Expired</i>   | <i>Notional Amount</i>      | 463,844 |
| <i>Contracts</i> | <i>Realized Profit/Loss</i> | 2,650   |

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**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: August 10, 2006

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