

TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD

Form 6-K

February 26, 2013

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 February 2013**

# **Taiwan Semiconductor Manufacturing Company Ltd.**

**(Translation of Registrant's Name Into English)**

**No. 8, Li-Hsin Rd. 6,**

**Hsinchu Science Park,**

**Taiwan**

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(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 .)

**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: February 26, 2013

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

**Taiwan Semiconductor Manufacturing Company Limited**

**Financial Statements for the**

**Years Ended December 31, 2012 and 2011 and**

**Independent Auditors Report**

**INDEPENDENT AUDITORS' REPORT**

The Board of Directors and Shareholders

Taiwan Semiconductor Manufacturing Company Limited

We have audited the accompanying balance sheets of Taiwan Semiconductor Manufacturing Company Limited as of December 31, 2012 and 2011, and the related statements of income, changes in shareholders' equity and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the Rules Governing the Audit of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Those rules and standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Taiwan Semiconductor Manufacturing Company Limited as of December 31, 2012 and 2011, and the results of its operations and its cash flows for the years then ended in conformity with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers, requirements of the Business Accounting Law and Guidelines Governing Business Accounting with respect to financial accounting standards, and accounting principles generally accepted in the Republic of China.

We have also audited, in accordance with the Rules Governing the Audit of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China, the consolidated financial statements of Taiwan Semiconductor Manufacturing Company Limited and subsidiaries as of and for the year ended December 31, 2012 and 2011 on which we have issued an unqualified opinion.

February 5, 2013

Notice to Readers

*The accompanying financial statements are intended only to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such financial statements are those generally accepted and applied in the Republic of China.*

*For the convenience of readers, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.*

## Taiwan Semiconductor Manufacturing Company Limited

## BALANCE SHEETS

DECEMBER 31, 2012 AND 2011

(In Thousands of New Taiwan Dollars, Except Par Value)

| ASSETS  | 2012               |           | 2011               |           |
|---|--------------------|-----------|--------------------|-----------|
|   | Amount             | %         | Amount             | %         |
| <b>CURRENT ASSETS</b>   |                    |           |                    |           |
| Cash and cash equivalents (Notes 2 and 4)                                 | \$ 109,150,810     | 12        | \$ 85,262,521      | 11        |
| Financial assets at fair value through profit or loss (Notes 2, 5 and 23) | 38,824             |           | 14,925             |           |
| Available-for-sale financial assets (Notes 2, 6 and 23)                   | 1,845,052          |           | 2,617,134          |           |
| Held-to-maturity financial assets (Notes 2, 7 and 23)                     | 701,146            |           | 701,136            |           |
| Receivables from related parties (Notes 3 and 24)                         | 40,987,444         | 4         | 24,777,534         | 3         |
| Notes and accounts receivable (Note 3)                                    | 15,726,431         | 2         | 19,894,386         | 3         |
| Allowance for doubtful receivables (Notes 2, 3 and 8)                     | (474,037)          |           | (485,120)          |           |
| Allowance for sales returns and others (Notes 2 and 8)                    | (5,732,738)        | (1)       | (4,887,879)        |           |
| Other receivables from related parties (Notes 3 and 24)                   | 274,963            |           | 188,028            |           |
| Other financial assets  | 175,261            |           | 122,010            |           |
| Inventories (Notes 2 and 9)   | 35,296,391         | 4         | 22,853,397         | 3         |
| Deferred income tax assets (Notes 2 and 17)                               | 7,728,464          | 1         | 5,779,544          | 1         |
| Prepaid expenses and other current assets                                 | 2,097,329          |           | 1,725,736          |           |
| <b>Total current assets</b>   | <b>207,815,340</b> | <b>22</b> | <b>158,563,352</b> | <b>21</b> |
| <b>LONG-TERM INVESTMENTS (Notes 2, 7, 10, 11 and 23)</b>                  |                    |           |                    |           |
| Investments accounted for using equity method                             | 139,264,161        | 15        | 128,200,718        | 17        |
| Held-to-maturity financial assets   |                    |           | 702,291            |           |
| Financial assets carried at cost  | 483,759            |           | 497,835            |           |
| <b>Total long-term investments</b>  | <b>139,747,920</b> | <b>15</b> | <b>129,400,844</b> | <b>17</b> |
| <b>PROPERTY, PLANT AND EQUIPMENT (Notes 2, 12 and 24)</b>                 |                    |           |                    |           |
| Cost  |                    |           |                    |           |
| Buildings   | 173,344,932        | 18        | 149,495,478        | 20        |
| Machinery and equipment   | 1,202,761,097      | 127       | 984,978,666        | 129       |
| Office equipment  | 16,683,484         | 2         | 13,824,434         | 2         |
|   | 1,392,789,513      | 147       | 1,148,298,578      | 151       |
| Accumulated depreciation  | (924,961,566)      | (98)      | (804,740,797)      | (106)     |
| Advance payments and construction in progress                             | 118,775,347        | 13        | 110,815,752        | 14        |
| <b>Net property, plant and equipment</b>                                  | <b>586,603,294</b> | <b>62</b> | <b>454,373,533</b> | <b>59</b> |
| <b>INTANGIBLE ASSETS</b>  |                    |           |                    |           |
| Goodwill (Note 2)   | 1,567,756          |           | 1,567,756          |           |
| Deferred charges, net (Notes 2 and 13)                                    | 4,882,081          | 1         | 4,719,244          | 1         |
| <b>Total intangible assets</b>  | <b>6,449,837</b>   | <b>1</b>  | <b>6,287,000</b>   | <b>1</b>  |

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| OTHER ASSETS                                |                       |            |                       |            |
|---|-----------------------|------------|-----------------------|------------|
| Refundable deposits                         | 2,394,826             |            | 4,491,735             | 1          |
| Deferred income tax assets (Notes 2 and 17) | 2,244,947             |            | 7,221,824             | 1          |
| Others (Notes 2 and 24)                     | 917,019               |            | 1,069,586             |            |
| Total other assets                          | 5,556,792             |            | 12,783,145            | 2          |
| <b>TOTAL</b>                                | <b>\$ 946,173,183</b> | <b>100</b> | <b>\$ 761,407,874</b> | <b>100</b> |

| LIABILITIES AND<br>SHAREHOLDERS EQUITY   | 2012          |    | 2011          |    |
|--|---------------|----|---------------|----|
|  | Amount        | %  | Amount        | %  |
| <b>CURRENT LIABILITIES</b>   |               |    |               |    |
| Short-term loans (Note 14)   | \$ 34,714,929 | 4  | \$ 25,926,528 | 3  |
| Financial liabilities at fair value through profit or loss (Notes 2, 5 and 23) | 6,274         |    |               |    |
| Accounts payable   | 13,392,221    | 1  | 9,522,688     | 1  |
| Payables to related parties (Note 24)  | 3,230,342     |    | 2,992,582     |    |
| Income tax payable (Notes 2 and 17)  | 15,196,399    | 2  | 10,647,797    | 1  |
| Accrued profit sharing to employees and bonus to directors (Note 19)           | 11,186,591    | 1  | 9,055,704     | 1  |
| Payables to contractors and equipment suppliers                                | 44,371,108    | 5  | 33,811,970    | 5  |
| Accrued expenses and other current liabilities (Note 23)                       | 16,698,014    | 2  | 13,057,161    | 2  |
| Current portion of bonds payable (Notes 15 and 23)                             |               |    | 4,500,000     | 1  |
| Total current liabilities  | 138,795,878   | 15 | 109,514,430   | 14 |
| <b>LONG-TERM LIABILITIES</b>   |               |    |               |    |
| Bonds payable (Notes 15 and 23)  | 80,000,000    | 9  | 18,000,000    | 2  |
| Other long-term payables (Note 23)   | 54,000        |    |               |    |
| Total long-term liabilities  | 80,054,000    | 9  | 18,000,000    | 2  |
| <b>OTHER LIABILITIES</b>   |               |    |               |    |
| Accrued pension cost (Notes 2 and 16)  | 3,926,276     |    | 3,860,898     | 1  |
| Guarantee deposits   | 199,315       |    | 439,032       |    |
| Total other liabilities  | 4,125,591     |    | 4,299,930     | 1  |
| Total liabilities  | 222,975,469   | 24 | 131,814,360   | 17 |

| CAPITAL STOCK - NT\$10 PAR VALUE (Note 19) |             |    |             |    |
|--|-------------|----|-------------|----|
| Authorized: 28,050,000 thousand shares     |             |    |             |    |
| Issued: 25,924,435 thousand shares in 2012 |             |    |             |    |
| 25,916,222 thousand shares in 2011         | 259,244,357 | 27 | 259,162,226 | 34 |