

TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD

Form 6-K

July 26, 2007

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 July 2007
Taiwan Semiconductor Manufacturing Company Ltd.
(Translation of Registrant's Name Into English)
No. 8, Li-Hsin Rd. 6,
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 Reports Second Quarter EPS of NT\$0.96

Hsin-Chu, Taiwan, R.O.C., July 26, 2007 TSMC today announced consolidated revenue of NT\$74.92 billion, net income of NT\$25.48 billion, and diluted earnings per share of NT\$0.96 (US\$0.15 per ADS unit) for the second quarter ended June 30, 2007.

Year-over-year, second quarter revenue decreased 8.8% while net income and diluted EPS both decreased 25.1%. On a sequential basis, second quarter results represent a 15.4% increase in revenue, and an increase of 35.3% both in net income and in diluted EPS. All figures were prepared in accordance with R.O.C. GAAP on a consolidated basis. Second quarter results were in-line with the guidance given on April 26. Advanced process technologies (0.13-micron and below) accounted for 53% of wafer revenues with 90-nanometer process technology accounting for 26% and 65-nanometer reaching 3% of total wafer sales. Gross margin was 43%, operating margin was 33%, and net margin increased 5 percentage points to 34% from the previous quarter.

The recovery of our business, which started in March, has continued through the second quarter, and the momentum is expected to last through the third quarter, said Lora Ho, VP and Chief Financial Officer of TSMC. Relative to the second quarter, the computer segment shows the strongest growth while the communication and consumer segments growth will also continue, albeit at a lower pace, said Ho. Based on our current business outlook, management's expectations for third quarter 2007 performance are as follows :

Revenue is expected to be between NT\$85 billion and NT\$87 billion;

Gross profit margin is expected to be between 43% and 45%;

Operating profit margin is expected to be between 33% and 35%.

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TSMC's 2007 second quarter consolidated results :

(Unit: NT\$ million, except for EPS)

| | 2Q07 | 2Q06 | YoY Inc. (Dec.) % | 1Q07 Amount | QoQ Inc. (Dec.) % |
|------------------------|---------|---------|-------------------------|----------------|-------------------------|
| | Amount* | Amount | | | |
| Net sales | 74,918 | 82,118 | (8.8) | 64,897 | 15.4 |
| Gross profit | 32,180 | 42,498 | (24.3) | 24,610 | 30.8 |
| Income from operations | 24,734 | 35,323 | (30.0) | 17,877 | 38.4 |
| Income before tax | 28,024 | 36,272 | (22.7) | 20,068 | 39.6 |
| Net income | 25,484 | 34,002 | (25.1) | 18,839 | 35.3 |
| EPS(NT\$) | 0.96** | 1.29*** | (25.1) | 0.71**** | 35.3 |

* 2007 second quarter figures have not been approved by Board of Directors

** Based on 26,409 million weighted average outstanding shares

*** Based on 26,394 million weighted average outstanding shares

**** Based on 26,406 million weighted average outstanding shares

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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: July 26, 2007

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