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TAIWAN FUND INC
Form N-Q
January 30, 2006

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number: 811-4893

THE TAIWAN FUND, INC.

(Exact name of registrant as specified in charter)

225 FRANKLIN STREET
BOSTON, MA 02110

(Address of principal executive offices) (Zip code)

(Name and Address of Agent for Service)

Copy to:

The Taiwan Fund, Inc.
c/o State Street Bank and Trust Company
Attention: Mary Moran Zeven,
Assistant Secretary
225 Franklin Street
Boston, MA 02110

Leonard B. Mackey, Jr., Esq.
Clifford Chance U.S. LLP
31 West 52nd Street
New York, New York 10019

Registrant's telephone number, including area code: (800) 636-9242

Date of fiscal year end: August 31, 2005

Date of reporting period: November 30, 2005

ITEM 1: SCHEDULE OF INVESTMENTS

THE TAIWAN FUND, INC.
Investments/November 30, 2005 (Showing Percentage of Total Value of Investment
in Securities) (unaudited)

| | SHARES | US\$ VALUE (NOTE C) |
|--|--------|---------------------------|
|--|--------|---------------------------|

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| | | |
|--|------------|---------------|
| COMMON STOCKS -- 95.0% | | |
| BASIC INDUSTRIES -- 9.6% | | |
| IRON & STEEL -- 4.9% | | |
| China Steel Corp. | 16,460,000 | \$ 12,327,013 |
| | | ----- |
| PETROLEUM SERVICES -- 2.8% | | |
| Formosa Petrochemical Corp. | 3,800,000 | 6,916,203 |
| | | ----- |
| PLASTICS -- 1.9% | | |
| Nan Ya Plastics Corp. | 4,002,000 | 4,818,090 |
| | | ----- |
| TOTAL BASIC INDUSTRIES | | 24,061,306 |
| | | ----- |
| FINANCE -- 6.9% | | |
| FINANCIAL SERVICES -- 6.9% | | |
| Cathay Financial Holding Co. Ltd. | 5,000,000 | 9,055,511 |
| Chinatrust Financial Holding Co. Ltd. | 10,166,972 | 8,175,319 |
| | | ----- |
| TOTAL FINANCE | | 17,230,830 |
| | | ----- |
| TECHNOLOGY -- 77.0% | | |
| ELECTRONIC COMPONENTS -- 11.9% | | |
| Catcher Technology Co Ltd | 500,000 | 3,535,678 |
| Kinsus Interconnect Technology Corp. | 3,450,000 | 8,543,808 |
| Phoenix Precision Technology Corp. (a) | 2,000,000 | 3,198,520 |
| Silitech Technology Corp. | 1,000,000 | 3,878,802 |
| Tripod Technology Corp. | 4,560,000 | 10,626,009 |
| | | ----- |
| | | 29,782,817 |
| | | ----- |
| ELECTRONICS -- 8.7% | | |
| Asia Optical Co In Twd10 | 879,000 | 5,389,581 |
| Cheng Uei Precision Industry Co. Ltd. | 3,300,000 | 11,027,734 |
| Merry Electronics Co. Ltd. | 2,400,000 | 5,377,810 |
| | | ----- |
| | | 21,795,125 |
| | | ----- |
| IC DESIGN -- 11.4% | | |
| CHIPBOND Technology Corp. | 2,000,000 | 3,109,009 |
| MediaTek, Inc. | 1,980,000 | 20,706,539 |
| RichTek Technology Corp. | 1,470,000 | 4,649,192 |
| | | ----- |
| | | 28,464,740 |
| | | ----- |
| MEMORY IC -- 3.2% | | |
| Powerchip Semiconductor Corp. | 14,368,000 | 7,930,898 |
| | | ----- |
| PC & PERIPHERALS -- 17.8% | | |
| Asustek Computer, Inc. | 4,100,000 | 11,621,488 |
| Foxconn Technology Co. Ltd. | 1,540,000 | 7,168,027 |
| Hon Hai Precision Industry Co. Ltd. (a) | 3,104,222 | 15,699,173 |
| Simplo Technology Co. Ltd. | 2,855,000 | 6,618,833 |
| Waffer Technology Co. Ltd. | 3,686,000 | 3,497,331 |
| | | ----- |
| | | 44,604,852 |
| | | ----- |
| SEMICONDUCTOR MANUFACTURING -- 12.7% | | |
| Novatek Microelectronics Corp. Ltd. | 1,300,000 | 7,078,814 |
| Powertech Technology Inc. | 1,795,000 | 5,270,039 |
| Siliconware Precision Industries Co. (a) | 7,000,000 | 7,424,923 |

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| | SHARES | US\$ VALUE (NOTE C) |
|--|------------------|---------------------------|
| | ----- | ----- |
| Taiwan Semiconductor Manufacturing Co. United Microelectronics Corp. Ltd. | 6,800,976 683 | \$ 12,073,759 381 |
| | | ----- |
| | | 31,847,916 |
| | | ----- |
| TELECOMMUNICATIONS -- 4.3% | | |
| Chunghwa Telecom Co. Ltd. | 3,600,000 | 6,122,540 |
| Zyxel Communications Corp. | 2,500,000 | 4,527,756 |
| | | ----- |
| | | 10,650,296 |
| | | ----- |
| TFT-LCD -- 7.0% | | |
| Au Optronics Corp. | 6,213,000 | 8,898,092 |
| Chi Mei Optoelectronics Corp. | 3,000,000 | 3,647,566 |
| Radiant Opto-Electronics Corp. | 1,962,000 | 4,882,243 |
| | | ----- |
| | | 17,427,901 |
| | | ----- |
| TOTAL TECHNOLOGY | | 192,504,545 |
| | | ----- |
| TRANSPORTATION -- 1.5% | | |
| TRANSPORTATION -- 1.5% | | |
| Yang Ming Marine Transport | 6,000,000 | 3,768,406 |
| | | ----- |
| TOTAL COMMON STOCKS (Identified Cost -- \$176,594,006) | | 237,565,087 |
| | | ----- |

| | PRINCIPAL AMOUNT NT\$ | |
|-------------------------------------|-----------------------------|-----------|
| | ----- | ----- |
| CERTIFICATE OF DEPOSIT -- 1.2% | | |
| Taishin International Bank (b) | 99,789,305 | 2,977,407 |
| | | ----- |
| COMMERCIAL PAPER -- 3.8% | | |
| Bai Ding Investment (b) | | |
| 1.36%, 12/21/05 | 10,000,000 | 298,118 |
| Cathay United Commercial Bank (b) | | |
| 1.35%, 12/09/05 | 47,897,021 | 1,429,101 |
| China Airlines (b) | | |
| 1.41%, 03/24/06 | 99,300,108 | 2,962,812 |
| China Bills Finance Corp. (b) | | |
| 1.31%, 12/02/05 | 9,981,078 | 297,805 |
| China Develop Bank Chiau Branch (b) | | |
| 1.40%, 02/23/06 | 10,000,000 | 297,373 |
| China Trust Commercial Bank (b) | | |

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| | | |
|--|------------|-----------|
| 1.35%, 12/16/05 E Sun(b) | 19,979,395 | 596,124 |
| 1.36%, 01/12/06 E. Sun Bank(b) | 10,000,000 | 299,706 |
| 1.37%, 09/01/06 Far Eastern International Bank(b) | 50,202,143 | 1,497,878 |
| 1.36%, 01/12/06 Grand Bills Finance Corp. | 10,000,000 | 299,683 |
| 1.3200%, 12/08/2005(b) | 24,975,425 | 745,190 |

See Notes to Schedule of Investments.

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INVESTMENTS/November 30, 2005 (unaudited) (continued)

| | PRINCIPAL AMOUNT NT\$ | |
|--|-----------------------------|----------------|
| | ----- | |
| 1.3500%, 03/24/2006(b) | \$ 24,864,505 | \$ 741,881 |
| TOTAL COMMERCIAL PAPER (Identified Cost -- \$9,488,645) | | 9,465,671 |
| | | ----- |
| TOTAL INVESTMENTS -- 100.0% (Cost -- \$189,072,548*) | | \$ 250,008,165 |
| | | ===== |

See Notes to Schedule of Investments.

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NOTES TO SCHEDULE OF INVESTMENTS

- (a) Non-income producing
- (b) Certificates of Deposit and Commercial Paper that are traded through Bills Finance Corporations must be guaranteed by either a bank, a trust company or a Bills Finance Corporation. Since there is no recognized credit rating system in the Republic of China, the guarantee may not be comparable to a guarantee issued by a U.S. institution.

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- (c) All securities, including those traded over-the-counter for which market quotations are readily available, are valued at the last sales price prior to the time of determination of the Fund's net asset value per share or, if there were no sales on such date, at the closing price quoted for such securities (but if bid and asked quotations are available, at the mean between the last current bid and asked prices, rather than such quoted closing price). In certain instances where the price determined above may not represent fair market value, the value is determined in such manner as the Board of Directors may prescribe. Short-term investments, having a maturity of 60 days or less, are valued at amortized cost, which approximates market value, with accrued interest or discount earned included in interest receivable.
- * At November 30, 2005, aggregate gross unrealized appreciation for all securities for which there was an excess of value over financial reporting cost was \$66,464,544 and aggregate gross unrealized depreciation for all securities for which there was an excess of financial reporting cost over value was \$5,528,926 and net appreciation for financial reporting purposes was \$60,935,618. At November 30, 2005, aggregate cost for financial reporting purposes was \$189,072,548.

ITEM 2. CONTROLS AND PROCEDURES

- (a) The registrant's principal executive and principal financial officers have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act") (17 CFR 270.30a-3(c))) are effective, as of a date within 90 days of the filing date of this Form N-Q that includes the disclosure required by this paragraph based on their evaluation of the controls and procedures required by Rule 30a-3(b) under the 1940 Act (17 CFR 270.30a-3(b)) and Rules 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934 (17 CFR 240.13a-15(b) or 240.15d-15(b)).
- (b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act (17 CFR 270.30a-3(d))) that occurred during the registrant's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

ITEM 3. EXHIBITS

The certification required by Rule 30a-2(a) of the Investment Company Act of 1940 (17 CFR 270.30a-2(a)), as amended, is attached as an exhibit to this filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the Registrant has duly caused this report to be

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signed on its behalf by the undersigned, thereunto duly authorized.

THE TAIWAN FUND, INC.

By: /s/ Benny T. Hu

Benny T. Hu
President of The Taiwan Fund, Inc.

Date: January 27, 2006

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Adelina Louie

Adelina Louie
Treasurer of The Taiwan Fund, Inc.

Date: January 19, 2006

By: /s/ Benny T. Hu

Benny T. Hu
President of The Taiwan Fund, Inc.

Date: January 27, 2006