



Unleash Innovation

# 2024 Third Quarter Earnings Conference

October 17, 2024

# Agenda

- **Welcome**
- **3Q24 Financial Results and 4Q24 Outlook**
- **Key Messages**
  
- **Q&A**

**Jeff Su, IR Director**

**Wendell Huang, CFO**

**Wendell Huang, CFO**

**C.C. Wei, Chairman & CEO**



# Safe Harbor Notice

- TSMC's statements of its current expectations are forward-looking statements subject to significant risks and uncertainties and actual results may differ materially from those contained in the forward-looking statements.
- Information as to those factors that could cause actual results to vary can be found in TSMC's 2023 Annual Report on Form 20-F filed with the United States Securities and Exchange Commission (the "SEC") on April 18, 2024 and such other documents as TSMC may file with, or submit to, the SEC from time to time.
- Except as required by law, we undertake no obligation to update any forward-looking statement, whether as a result of new information, future events, or otherwise.

# Statements of Comprehensive Income

## Selected Items from Statements of Comprehensive Income

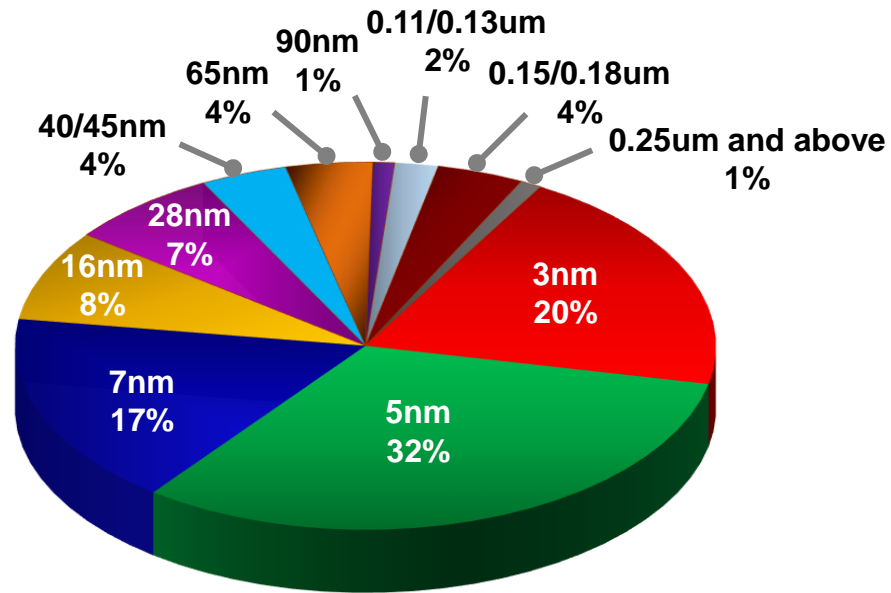
*(In NT\$ billions unless otherwise noted)*

	3Q24	3Q24 Guidance	2Q24	3Q23	3Q24 Over 2Q24	3Q24 Over 3Q23
Net Revenue (US\$ billions)	23.50	22.4-23.2	20.82	17.28	+12.9%	+36.0%
Net Revenue	759.69		673.51	546.73	+12.8%	+39.0%
<b>Gross Margin</b>	<b>57.8%</b>	<b>53.5%-55.5%</b>	<b>53.2%</b>	<b>54.3%</b>	<b>+4.6 pts</b>	<b>+3.5 pts</b>
Operating Expenses	(79.08)		(70.30)	(68.70)	+12.5%	+15.1%
<b>Operating Margin</b>	<b>47.5%</b>	<b>42.5%-44.5%</b>	<b>42.5%</b>	<b>41.7%</b>	<b>+5.0 pts</b>	<b>+5.8 pts</b>
Non-Operating Items	23.42		19.75	13.87	+18.6%	+68.8%
Net Income Attributable to Shareholders of the Parent Company	325.26		247.85	211.00	+31.2%	+54.2%
<b>Net Profit Margin</b>	<b>42.8%</b>		<b>36.8%</b>	<b>38.6%</b>	<b>+6.0 pts</b>	<b>+4.2 pts</b>
EPS (NT Dollar)	12.54		9.56	8.14	+31.2%	+54.2%
ROE	33.4%		26.7%	25.8%	+6.7 pts	+7.6 pts
Shipment (Kpcs, 12"-equiv. Wafer)	3,338		3,125	2,902	+6.8%	+15.0%
Average Exchange Rate--USD/NTD	32.32	32.50	32.35	31.64	-0.1%	+2.1%

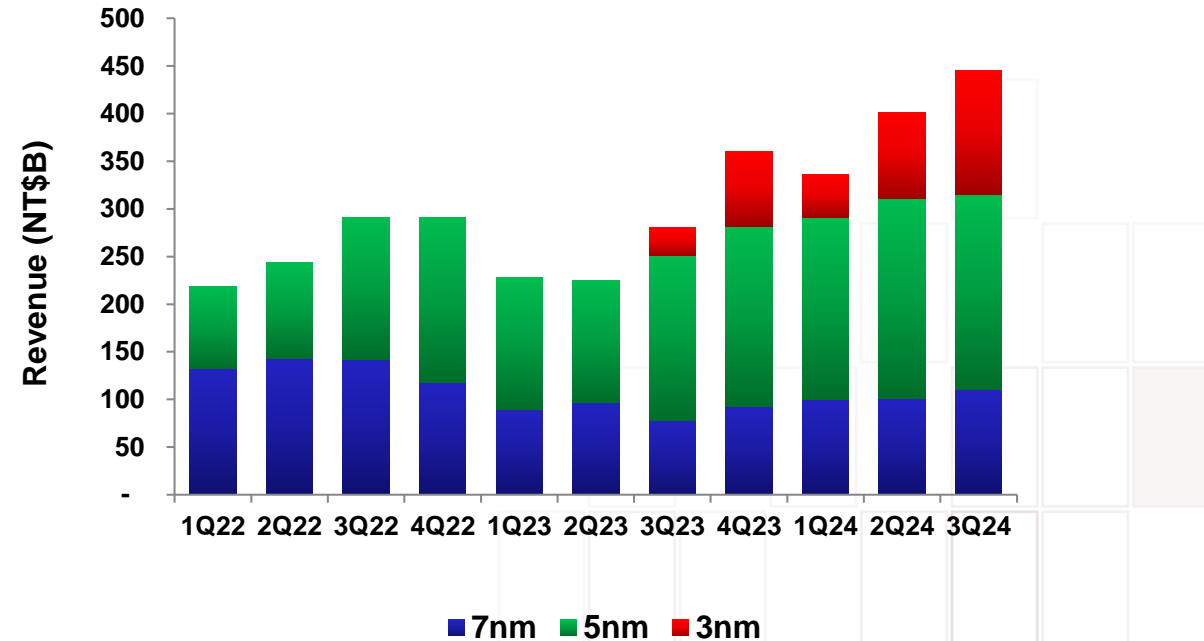
\* Diluted weighted average outstanding shares were 25,928mn units in 3Q24

\*\* ROE figures are annualized based on average equity attributable to shareholders of the parent company

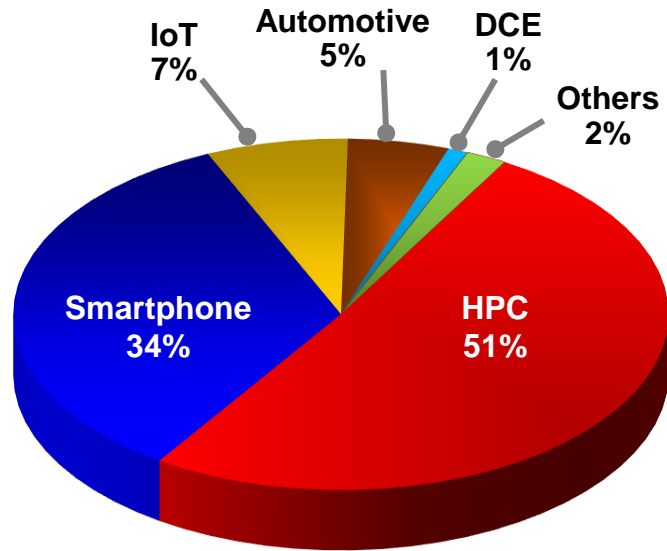
# 3Q24 Revenue by Technology



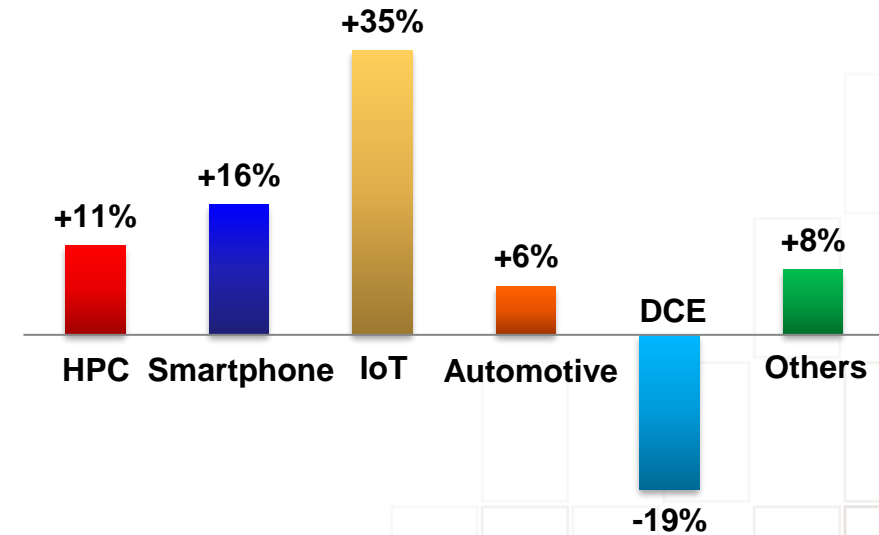
7nm and Below Revenue



# 3Q24 Revenue by Platform



Growth Rate by Platform (QoQ)



# Balance Sheets & Key Indices

Selected Items from Balance Sheets <i>(In NT\$ billions)</i>	3Q24		2Q24		3Q23	
	Amount	%	Amount	%	Amount	%
Cash & Marketable Securities	2,167.60	35.2%	2,048.64	34.3%	1,551.32	28.3%
Accounts Receivable	249.97	4.1%	210.21	3.5%	222.83	4.1%
Inventories	292.88	4.7%	272.49	4.5%	262.09	4.8%
Long-term Investments	127.33	2.1%	140.22	2.4%	116.35	2.1%
Net PP&E	3,071.60	49.8%	3,105.86	51.9%	3,132.66	57.1%
<b>Total Assets</b>	<b>6,165.66</b>	<b>100.0%</b>	<b>5,982.36</b>	<b>100.0%</b>	<b>5,484.56</b>	<b>100.0%</b>
Current Liabilities	1,080.40	17.5%	1,048.92	17.5%	970.04	17.7%
Long-term Interest-bearing Debts	936.16	15.2%	974.34	16.3%	937.49	17.1%
<b>Total Liabilities</b>	<b>2,143.74</b>	<b>34.8%</b>	<b>2,162.22</b>	<b>36.1%</b>	<b>2,111.74</b>	<b>38.5%</b>
<b>Total Shareholders' Equity</b>	<b>4,021.92</b>	<b>65.2%</b>	<b>3,820.14</b>	<b>63.9%</b>	<b>3,372.82</b>	<b>61.5%</b>
<b>Key Indices</b>						
A/R Turnover Days	28		28		35	
Inventory Turnover Days	87		83		96	
Current Ratio (x)	2.6		2.5		2.1	
Asset Productivity (x)	1.0		0.9		0.7	

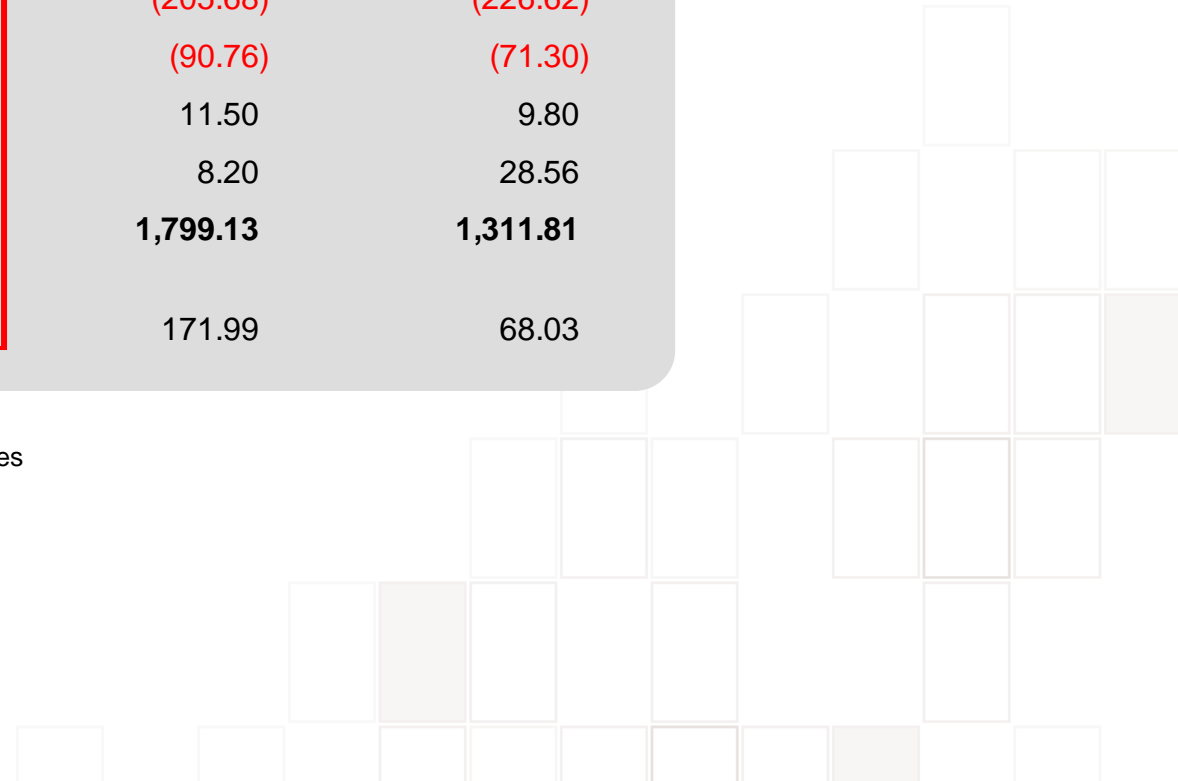
\* Total outstanding shares were 25,933mn units at 9/30/24

\*\* Asset productivity = Annualized net revenue / Average net PP&E

# Cash Flows

<i>(In NT\$ billions)</i>	<b>3Q24</b>	<b>2Q24</b>	<b>3Q23</b>
<b>Beginning Balance</b>	<b>1,799.13</b>	<b>1,698.20</b>	<b>1,276.72</b>
Cash from operating activities	391.99	377.67	294.65
Capital expenditures	(207.08)	(205.68)	(226.62)
Cash dividends	(90.76)	(90.76)	(71.30)
Bonds payable	(5.25)	11.50	9.80
Investments and others	(1.25)	8.20	28.56
<b>Ending Balance</b>	<b>1,886.78</b>	<b>1,799.13</b>	<b>1,311.81</b>
Free Cash Flow *	184.91	171.99	68.03

\* Free cash flow = Cash from operating activities – Capital expenditures





# Recap of Recent Major Events

- **Amkor and TSMC to Expand Partnership and Collaborate on Advanced Packaging in Arizona (2024/10/04)**
- **European Semiconductor Manufacturing Company Breaks Ground on Dresden Fab (2024/08/20)**
- **TSMC Board of Directors Approved NT\$4.00 Cash Dividend for the Second Quarter of 2024 and Set December 12 as the Ex-Dividend Date, December 18 as the Record Date and January 9, 2025 as the Distribution Date (2024/08/13)**

- Please visit TSMC's website (<https://www.tsmc.com>) and Market Observation Post System (<https://mops.twse.com.tw>) for details and other announcements



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