



TSMC Reports First Quarter EPS of NT\$0.06

Hsin-Chu, Taiwan, R.O.C., April 30, 2009 -- TSMC today announced consolidated revenue of NT\$39.5 billion, net income of NT\$1.56 billion, and diluted earnings per share of NT\$0.06 (US\$0.01 per ADS unit) for the first quarter ended March 31, 2009.

Year-over-year, first quarter revenue decreased 54.8% while net income and diluted EPS decreased 94.5% and 94.4%, respectively. Compared to fourth quarter of 2008, first quarter results represent a 38.8% decrease in revenue, and a decrease of 87.5% in net income and in diluted EPS. All figures were prepared in accordance with R.O.C. GAAP on a consolidated basis.

As a result of deepening economic recession worldwide and customers' inventory adjustment, first quarter saw a sharp decline in the demand for semiconductors across all applications. Gross margin for the quarter was 18.9%, operating margin was 3.1%, and net margin was 3.9%.

Advanced process technologies (0.13-micron and below) accounted for 65% of wafer revenues with 90-nanometer process technology accounting for 25%, 65-nanometer 23%, and 45/40 nanometer reaching 1% of total wafer sales.

"Although global economic conditions continue to decline, a few signs of economic stabilization began to emerge. Consumption of electronics in the last two quarters exceeded production and surpassed semiconductor companies' low expectations. Meanwhile, companies began to launch new products, while China started implementing various stimulus programs. The dynamic has resulted in a substantial increase in order levels. After sharp declines in two consecutive quarters, TSMC is seeing a strong rebound in its second quarter business and believes overall business in the second half of 2009 will be considerably better than that of the first half," said Lora Ho, VP and Chief Financial Officer of TSMC. "Based on our current business outlook, management expects overall performance for second quarter 2009 to be as follows":

- Revenue is expected to be between NT\$71 billion and NT\$74 billion;
- Gross profit margin is expected to be between 43.5% and 45.5%;
- Operating profit margin is expected to be between 30.5% and 32.5%.

The management further expects that 2009 capital expenditure will be around US\$1.5 billion.

Conference Call & Webcast Notice:

TSMC's quarterly review conference call will be held at 8 a.m. Eastern Time (8 p.m. Taiwan Time) on Thursday, April 30, 2009. The conference call will also be webcast live on the Internet. Investors wishing to access the live webcast should visit TSMC's web site at <http://www.tsmc.com> at least 15 minutes prior to the broadcast. Instructions will be provided on the web site to facilitate the download and installation of necessary audio applications. Investors without Internet access may listen to the conference call, in listen-only mode, by dialing **1-617-213-8837** in the U.S., **852-3002-1672** in Hong Kong, and **44-207-365-8426** in the U.K. (Password: TSMC). An archived version of the webcast will be available on TSMC's web site for six months following the Company's quarterly review conference call and webcast.

Profile

TSMC is the world ' s largest dedicated semiconductor foundry, providing the industry ' s leading process technology and the foundry ' s largest portfolio of process-proven libraries, IPs, design tools and reference flows. The Company ' s total managed capacity in 2008 exceeded nine million (8-inch equivalent) wafers, including capacity from two advanced 12-inch GIGAFABs™, four eight-inch fabs, one six-inch fab, as well as TSMC ' s wholly owned subsidiaries, WaferTech and TSMC China, and its joint venture fab, SSMC. TSMC is the first foundry to provide 40nm production capabilities. Its corporate headquarters are in Hsinchu, Taiwan. For more information about TSMC please visit <http://www.tsmc.com>.

(Management Report and Tables Follow)

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Safe Harbor Notice:

The statements included in this press release that are not historical in nature are "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. TSMC cautions readers that forward-looking statements are subject to significant risks and uncertainties and are based on TSMC's current expectations. Actual results may differ materially from those contained in such forward-looking statements for a variety of reasons including, among others, risks associated with cyclical and market conditions in the semiconductor industry; demand and supply for TSMC's foundry manufacturing capacity in particular and for foundry manufacturing capacity in general; intense competition; the failure of one or more significant customers to continue to place the same level of orders with us; TSMC's ability to remain a technological leader in the semiconductor industry; TSMC's ability to manage its capacity; TSMC's ability to obtain, preserve and defend its intellectual property rights; natural disasters and other unexpected events which may disrupt production; and exchange rate fluctuations. Additional information as to these and other risk factors that may cause TSMC's actual results to differ materially from TSMC's forward-looking statements may be found in TSMC's Annual Report on Form 20-F, filed with the United States Securities and Exchange Commission (the "SEC") on April 17, 2009, 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.