



TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LIMITED AND SUBSIDIARIES

Consolidated Condensed Balance Sheet

(Expressed in Millions of New Taiwan Dollars ("NTD") and U.S. Dollars ("USD")) ⁽¹⁾

ASSETS	March 31, 2022 (Unaudited)			December 31, 2021 (Audited)		March 31, 2021 (Unaudited)		QoQ		YoY	
	USD	NTD	%	NTD	%	NTD	%	Amount	%	Amount	%
Current Assets											
Cash and Cash Equivalents	\$ 40,268	\$ 1,151,590	28.8	\$ 1,064,990	28.6	\$ 664,728	22.8	\$ 86,600	8.1	\$ 486,862	73.2
Investments in Marketable Financial Instruments	4,562	130,466	3.3	123,465	3.3	131,994	4.5	7,001	5.7	(1,528)	(1.2)
Accounts Receivable	7,463	213,428	5.3	198,302	5.3	167,479	5.7	15,126	7.6	45,949	27.4
Inventories	6,998	200,119	5.0	193,102	5.2	154,568	5.3	7,017	3.6	45,551	29.5
Other Current Assets	931	26,635	0.7	27,214	0.7	21,018	0.7	(579)	(2.1)	5,617	26.7
Total Current Assets	60,222	1,722,238	43.1	1,607,073	43.1	1,139,787	39.0	115,165	7.2	582,451	51.1
Non-current Assets											
Long-term Investments	1,600	45,737	1.2	29,384	0.8	29,130	1.0	16,353	55.7	16,607	57.0
Property, Plant and Equipment	73,583	2,104,331	52.7	1,975,119	53.0	1,658,551	56.8	129,212	6.5	445,780	26.9
Right-of-use, Intangible and Other Non-current Assets	4,209	120,371	3.0	113,927	3.1	91,663	3.2	6,444	5.7	28,708	31.3
Total Non-current Assets	79,392	2,270,439	56.9	2,118,430	56.9	1,779,344	61.0	152,009	7.2	491,095	27.6
Total Assets	\$ 139,614	\$ 3,992,677	100.0	\$ 3,725,503	100.0	\$ 2,919,131	100.0	\$ 267,174	7.2	\$ 1,073,546	36.8
LIABILITIES AND SHAREHOLDERS' EQUITY											
Current Liabilities											
Short-term Loans	\$ 5,055	\$ 144,551	3.6	\$ 114,921	3.1	\$ 137,124	4.7	\$ 29,630	25.8	\$ 7,427	5.4
Accounts Payable	1,752	50,104	1.2	48,723	1.3	38,598	1.3	1,381	2.8	11,506	29.8
Payables to Contractors and Equipment Suppliers	4,298	122,916	3.1	145,742	3.9	109,037	3.7	(22,826)	(15.7)	13,879	12.7
Cash Dividends Payable	4,987	142,617	3.6	142,617	3.8	129,652	4.5	-	-	12,965	10.0
Accrued Expenses and Other Current Liabilities	12,095	345,888	8.7	282,933	7.6	247,237	8.5	62,955	22.3	98,651	39.9
Current Portion of Bonds Payable and Bank Loans	587	16,792	0.4	4,567	0.1	-	-	12,225	267.7	16,792	-
Total Current Liabilities	28,774	822,868	20.6	739,503	19.8	661,648	22.7	83,365	11.3	161,220	24.4
Non-current Liabilities											
Bonds Payable	22,017	629,650	15.8	610,071	16.4	276,838	9.5	19,579	3.2	352,812	127.4
Other Non-current Liabilities	7,647	218,690	5.5	205,196	5.5	39,648	1.3	13,494	6.6	179,042	451.6
Total Non-current Liabilities	29,664	848,340	21.3	815,267	21.9	316,486	10.8	33,073	4.1	531,854	168.0
Total Liabilities	58,438	1,671,208	41.9	1,554,770	41.7	978,134	33.5	116,438	7.5	693,074	70.9
Equity Attributable to Shareholders of the Parent											
Capital Stock at Par Value	9,068	259,318	6.5	259,304	7.0	259,304	8.9	14	-	14	-
Capital Surplus	2,280	65,215	1.6	64,762	1.7	64,753	2.2	453	0.7	462	0.7
Legal Capital Reserve	10,880	311,147	7.8	311,147	8.4	311,147	10.7	-	-	-	-
Special Capital Reserve	2,189	62,609	1.5	59,304	1.6	54,680	1.9	3,305	5.6	7,929	14.5
Unappropriated Earnings	58,204	1,664,506	41.7	1,536,378	41.2	1,297,445	44.4	128,128	8.3	367,061	28.3
Treasury Stock	(30)	(872)	-	-	-	-	-	(872)	-	(872)	-
Others	(1,661)	(47,493)	(1.2)	(62,609)	(1.7)	(48,393)	(1.7)	15,116	24.1	900	1.9
Equity Attributable to Shareholders of the Parent	80,930	2,314,430	57.9	2,168,286	58.2	1,938,936	66.4	146,144	6.7	375,494	19.4
Noncontrolling Interests	246	7,039	0.2	2,447	0.1	2,061	0.1	4,592	187.7	4,978	241.5
Total Shareholders' Equity	81,176	2,321,469	58.1	2,170,733	58.3	1,940,997	66.5	150,736	6.9	380,472	19.6
Total Liabilities & Shareholders' Equity	\$ 139,614	\$ 3,992,677	100.0	\$ 3,725,503	100.0	\$ 2,919,131	100.0	\$ 267,174	7.2	\$ 1,073,546	36.8

Note :
(1) Amounts in New Taiwan dollars have been translated into U.S. dollars at the rate of NT\$28.598 as of March 31, 2022.

TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LIMITED AND SUBSIDIARIES

Consolidated Condensed Statements of Comprehensive Income (Unaudited)

For the Three Months Ended March 31, 2022, December 31, 2021, March 31, 2021

(Expressed in Millions of New Taiwan Dollars ("NTD") and U.S. Dollars ("USD"))⁽¹⁾

Except for Per Share Amounts and Shares Outstanding)

	1Q 2022			4Q 2021		1Q 2021		QoQ		YoY	
	USD	NTD	%	NTD	%	NTD	%	NTD	%	NTD	%
Net Revenue	\$ 17,567	\$ 491,076	100.0	\$ 438,189	100.0	\$ 362,410	100.0	\$ 52,887	12.1	\$ 128,666	35.5
Cost of Revenue	(7,794)	(217,873)	(44.4)	(207,434)	(47.3)	(172,571)	(47.6)	(10,439)	5.0	(45,302)	26.3
Gross Profit	9,773	273,203	55.6	230,755	52.7	189,839	52.4	42,448	18.4	83,364	43.9
Operating Expenses											
Research and Development Expenses	(1,290)	(36,048)	(7.3)	(32,239)	(7.4)	(30,756)	(8.5)	(3,809)	11.8	(5,292)	17.2
Sales, General and Administrative Expenses	(449)	(12,563)	(2.6)	(15,639)	(3.6)	(8,356)	(2.3)	3,076	(19.7)	(4,207)	50.3
Total Operating Expenses	(1,739)	(48,611)	(9.9)	(47,878)	(11.0)	(39,112)	(10.8)	(733)	1.5	(9,499)	24.3
Other Operating Income and Expenses	(28)	(802)	(0.1)	(105)	-	(189)	(0.1)	(697)	(663.8)	(613)	(324.3)
Income from Operations	8,006	223,790	45.6	182,772	41.7	150,538	41.5	41,018	22.4	73,252	48.7
Non-operating Income and Expenses											
Share of Profits of Associates	61	1,726	0.3	1,651	0.4	1,267	0.4	75	4.5	459	36.2
Net Interest Income (Expenses)	(17)	(467)	(0.1)	(712)	(0.2)	689	0.2	245	34.4	(1,156)	(167.8)
Other Gains and Losses	64	1,783	0.4	1,108	0.3	2,570	0.7	675	60.9	(787)	(30.6)
Total Non-operating Income and Expenses	108	3,042	0.6	2,047	0.5	4,526	1.3	995	48.6	(1,484)	(32.8)
Income Before Income Tax	8,114	226,832	46.2	184,819	42.2	155,064	42.8	42,013	22.7	71,768	46.3
Income Tax Expenses	(857)	(23,959)	(4.9)	(18,446)	(4.2)	(15,325)	(4.2)	(5,513)	29.9	(8,634)	56.3
Net Income	7,257	202,873	41.3	166,373	38.0	139,739	38.6	36,500	21.9	63,134	45.2
Other Comprehensive Income (Losses)	552	15,412	3.2	(2,677)	(0.6)	5,967	1.6	18,089	NM	9,445	158.3
Comprehensive Income	\$ 7,809	\$ 218,285	44.5	\$ 163,696	37.4	\$ 145,706	40.2	\$ 54,589	33.3	\$ 72,579	49.8
Net Income Attributable to:											
Shareholders of the Parent	\$ 7,252	\$ 202,733	41.3	\$ 166,232	37.9	\$ 139,690	38.6	\$ 36,501	22.0	\$ 63,043	45.1
Noncontrolling Interests	5	140	-	141	0.1	49	-	(1)	(0.7)	91	185.7
	\$ 7,257	\$ 202,873	41.3	\$ 166,373	38.0	\$ 139,739	38.6	\$ 36,500	21.9	\$ 63,134	45.2
Earnings per Share - Diluted	\$ 0.28	\$ 7.82		\$ 6.41		\$ 5.39		\$ 1.41	22.0	\$ 2.43	45.1
Earnings per ADR - Diluted (2)	\$ 1.40	\$ 39.09		\$ 32.05		\$ 26.94		\$ 7.04	22.0	\$ 12.15	45.1
Weighted Average Outstanding Shares - Diluted ('M)		25,930		25,930		25,930					

Note:

(1) Amounts in New Taiwan dollars have been translated into U.S. dollars at the weighted average rate of NT\$27.954 for the first quarter of 2022.

(2) 1 ADR equals 5 ordinary shares.

TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LIMITED AND SUBSIDIARIES

Consolidated Condensed Cash Flow Statements (Unaudited)

For the Three Months Ended March 31, 2022, December 31, 2021 and March 31, 2021

(Expressed in Millions of New Taiwan Dollars ("NTD") and U.S. Dollars ("USD")) ⁽¹⁾

	1Q 2022		4Q 2021	1Q 2021
	USD	NTD	NTD	NTD
Cash Flows from Operating Activities:				
Income Before Income Tax	\$ 8,114	\$ 226,832	\$ 184,819	\$ 155,064
Depreciation & Amortization	3,975	111,102	110,663	100,900
Share of Profits of Associates	(61)	(1,726)	(1,651)	(1,267)
Income Taxes Paid	(23)	(642)	(158)	(402)
Changes in Working Capital & Others	1,309	36,604	84,527	(26,479)
Net Cash Generated by Operating Activities	<u>13,314</u>	<u>372,170</u>	<u>378,200</u>	<u>227,816</u>
Cash Flows from Investing Activities:				
Interest Received	\$ 54	\$ 1,527	\$ 1,521	\$ 1,494
Cash Dividend Received	-	-	5	169
Acquisitions of:				
Property, Plant and Equipment	(9,377)	(262,135)	(235,556)	(248,029)
Marketable Financial Instruments	(2,003)	(55,990)	(64,246)	(77,662)
Proceeds from Disposal or Redemption of:				
Property, Plant and Equipment	22	609	176	58
Marketable Financial Instruments	1,047	29,254	55,865	81,168
Others	(48)	(1,339)	(3,108)	(1,449)
Net Cash Used In Investing Activities	<u>(10,305)</u>	<u>(288,074)</u>	<u>(245,343)</u>	<u>(244,251)</u>
Cash Flows from Financing Activities:				
Increase (Decrease) in Short-term Loans	\$ 1,092	\$ 30,529	\$ (1,862)	\$ 52,072
Proceeds from Issuance of Bonds	701	19,600	157,465	21,100
Repayment of Bonds	-	-	-	(2,600)
Interest Paid	(39)	(1,104)	(1,139)	(773)
Cash Dividends Paid for Common Stock	(2,551)	(71,308)	(71,308)	(64,826)
Repurchase of Treasury Stock	(31)	(872)	-	-
Others	145	4,069	(873)	9,645
Net Cash Generated by (Used in) Financing Activities	<u>(683)</u>	<u>(19,086)</u>	<u>82,283</u>	<u>14,618</u>
Effect of Exchange Rate Changes on Cash and Cash Equivalents	\$ 772	\$ 21,590	\$ (3,962)	\$ 6,374
Net Increase in Cash and Cash Equivalents	<u>3,098</u>	<u>86,600</u>	<u>211,178</u>	<u>4,557</u>
Cash and Cash Equivalents at Beginning of Period	<u>38,098</u>	<u>1,064,990</u>	<u>853,812</u>	<u>660,171</u>
Cash and Cash Equivalents at End of Period	<u>\$ 41,196</u>	<u>\$ 1,151,590</u>	<u>\$ 1,064,990</u>	<u>\$ 664,728</u>

Note:

(1) Amounts in New Taiwan dollars have been translated into U.S. dollars at the weighted average rate of NT\$27.954 for the three months ended March 31, 2022.