



## TSMC Reports First Quarter EPS of NT\$1.53

Hsinchu, Taiwan, R.O.C., April 18, 2013 -- TSMC today announced consolidated revenue of NT\$132.76 billion, net income of NT\$39.58 billion, and diluted earnings per share of NT\$1.53 (US\$0.26 per ADR unit) for the first quarter ended March 31, 2013.

Year-over-year, first quarter revenue increased 25.7% while net income and diluted EPS both increased 18.2%. Compared to fourth quarter of 2012, first quarter of 2013 results represent a 1.0% increase in revenue, and a 4.9% decrease in both net income and diluted EPS. All figures were prepared in accordance with TIFRS on a consolidated basis.

In US dollars, first quarter revenue remained flat from the previous quarter and increased 26.8% year-over-year.

Gross margin for the quarter was 45.8%, operating margin was 33.5%, and net margin was 29.8%.

Shipments of 28-nanometer process technology reached 24% of total wafer revenues. 40/45-nanometer accounted for 23% of total wafer revenues. Advanced technologies, defined as 40/45-nanometers and below, accounted for 47% of total wafer revenues.

“Thanks to strong demand from mobile-related applications, our 28-nanometer strength, and favorable currency exchange rate, our first quarter revenue exceeded the guidance given three months ago,” said Lora Ho, SVP and Chief Financial Officer of TSMC. “We expect the strong mobile demand, especially in emerging markets, to continue in the second quarter. Based on our current business outlook and exchange rate assumption of 1 US dollar to 29.82 NT dollars, management expects overall performance for second quarter 2013 to be as follows”:

- Revenue is expected to be between NT\$154 billion and NT\$156 billion;
- Gross profit margin is expected to be between 47.5% and 49.5%;
- Operating profit margin is expected to be between 35% and 37%.

In order to prepare for a fast ramp up of 20-nanometer starting next year, TSMC further raises the capital expenditure estimate for 2013 to be in the range between US\$9.5 billion and US\$10 billion.

### **Conference Call & Webcast Notice:**

TSMC's quarterly conference call will be held in conjunction with the Earnings Conference at 2 a.m. Eastern Time (2 p.m. Taiwan Time) on Thursday April 18, 2013. The event will be webcast live, and archived for replay within 3 hours on TSMC's website at <http://www.tsmc.com>. A transcript will be available for download within 24 hours after the Earnings Conference is finished. 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 **1-718-354-1231** in the U.S., **852-2475-0994** in Hong Kong, and **44-203-059-8139** in the U.K. (Password: TSMC).

## 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 owned capacity in 2013 is expected to be about 16.5 million (8-inch equivalent) wafers, including capacity from three advanced 12-inch GIGAFAB™, four eight-inch fabs, one six-inch fab, as well as TSMC's wholly owned subsidiaries, WaferTech and TSMC China. TSMC is the first foundry to provide 28nm 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)

#### CONTACT

**Elizabeth Sun**

Corporate Communication Division

TSMC

[invest@tsmc.com](mailto:invest@tsmc.com)

886-3-568-2085

#### ***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 cyclicalities 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 2, 2013, 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.