



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⁾

	December 31, 2023 (Audited)			September 30, 2023 (Unaudited)		December 31, 2022 (Audited)		QoQ		YoY	
	USD	NTD	%	NTD	%	NTD	%	Amount	%	Amount	%
ASSETS											
Current Assets											
Cash and Cash Equivalents	\$ 47,661	\$ 1,465,428	26.5	\$ 1,311,807	23.9	\$ 1,342,814	27.0	\$ 153,621	11.7	\$ 122,614	9.1
Investments in Marketable Financial Instruments	7,227	222,217	4.0	239,515	4.4	218,672	4.4	(17,298)	(7.2)	3,545	1.6
Accounts Receivable	6,568	201,938	3.7	222,824	4.1	231,340	4.7	(20,886)	(9.4)	(29,402)	(12.7)
Inventories	8,163	250,997	4.5	262,090	4.8	221,149	4.4	(11,093)	(4.2)	29,848	13.5
Other Current Assets	1,739	53,453	1.0	46,241	0.8	38,922	0.8	7,212	15.6	14,531	37.3
Total Current Assets	71,358	2,194,033	39.7	2,082,477	38.0	2,052,897	41.3	111,556	5.4	141,136	6.9
Non-current Assets											
Long-term Investments	4,210	129,442	2.3	116,347	2.1	68,928	1.4	13,095	11.3	60,514	87.8
Property, Plant and Equipment	99,667	3,064,475	55.4	3,132,664	57.1	2,693,837	54.3	(68,189)	(2.2)	370,638	13.8
Right-of-use, Intangible and Other Non-current Assets	4,697	144,421	2.6	153,068	2.8	149,117	3.0	(8,647)	(5.6)	(4,696)	(3.1)
Total Non-current Assets	108,574	3,338,338	60.3	3,402,079	62.0	2,911,882	58.7	(63,741)	(1.9)	426,456	14.6
Total Assets	\$ 179,932	\$ 5,532,371	100.0	\$ 5,484,556	100.0	\$ 4,964,779	100.0	\$ 47,815	0.9	\$ 567,592	11.4
LIABILITIES AND SHAREHOLDERS' EQUITY											
Current Liabilities											
Accounts Payable	\$ 1,864	\$ 57,293	1.0	\$ 53,772	1.0	\$ 56,522	1.1	\$ 3,521	6.5	\$ 771	1.4
Payables to Contractors and Equipment Suppliers	5,577	171,485	3.1	230,849	4.2	213,500	4.3	(59,364)	(25.7)	(42,015)	(19.7)
Cash Dividends Payable	5,482	168,558	3.0	155,592	2.9	142,617	2.9	12,966	8.3	25,941	18.2
Accrued Expenses and Other Current Liabilities	16,488	506,954	9.2	522,402	9.5	512,274	10.3	(15,448)	(3.0)	(5,320)	(1.0)
Current Portion of Bonds Payable and Bank Loans	302	9,293	0.2	7,420	0.1	19,314	0.4	1,873	25.2	(10,021)	(51.9)
Total Current Liabilities	29,713	913,583	16.5	970,035	17.7	944,227	19.0	(56,452)	(5.8)	(30,644)	(3.2)
Non-current Liabilities											
Bonds Payable	29,723	913,900	16.5	932,479	17.0	834,336	16.8	(18,579)	(2.0)	79,564	9.5
Other Non-current Liabilities	7,208	221,625	4.0	209,224	3.8	225,727	4.6	12,401	5.9	(4,102)	(1.8)
Total Non-current Liabilities	36,931	1,135,525	20.5	1,141,703	20.8	1,060,063	21.4	(6,178)	(0.5)	75,462	7.1
Total Liabilities	66,644	2,049,108	37.0	2,111,738	38.5	2,004,290	40.4	(62,630)	(3.0)	44,818	2.2
Equity Attributable to Shareholders of the Parent											
Capital Stock at Par Value	8,434	259,321	4.7	259,321	4.7	259,304	5.2	-	-	17	-
Capital Surplus	2,273	69,876	1.3	69,879	1.3	69,330	1.4	(3)	-	546	0.8
Legal Capital Reserve	10,119	311,147	5.6	311,147	5.7	311,147	6.3	-	-	-	-
Special Capital Reserve	-	-	-	17,228	0.3	3,154	-	(17,228)	(100.0)	(3,154)	(100.0)
Unappropriated Earnings	92,591	2,846,884	51.4	2,682,158	48.9	2,323,224	46.8	164,726	6.1	523,660	22.5
Others	(921)	(28,314)	(0.5)	8,617	0.2	(20,506)	(0.4)	(36,931)	(428.6)	(7,808)	(38.1)
Equity Attributable to Shareholders of the Parent	112,496	3,458,914	62.5	3,348,350	61.1	2,945,653	59.3	110,564	3.3	513,261	17.4
Noncontrolling Interests	792	24,349	0.5	24,468	0.4	14,836	0.3	(119)	(0.5)	9,513	64.1
Total Shareholders' Equity	113,288	3,483,263	63.0	3,372,818	61.5	2,960,489	59.6	110,445	3.3	522,774	17.7
Total Liabilities & Shareholders' Equity	\$ 179,932	\$ 5,532,371	100.0	\$ 5,484,556	100.0	\$ 4,964,779	100.0	\$ 47,815	0.9	\$ 567,592	11.4

Note :
(1) Amounts in New Taiwan dollars have been translated into U.S. dollars at the rate of NT\$30.747 as of December 31, 2023.

TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LIMITED AND SUBSIDIARIES

Consolidated Condensed Statements of Comprehensive Income (Unaudited)

For the Three Months Ended December 31, 2023, September 30, 2023, December 31, 2022

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

Except for Per Share Amounts and Shares Outstanding)

	4Q 2023			3Q 2023		4Q 2022		QoQ		YoY	
	USD	NTD	%	NTD	%	NTD	%	NTD	%	NTD	%
Net Revenue	\$ 19,624	\$ 625,529	100.0	\$ 546,733	100.0	\$ 625,532	100.0	\$ 78,796	14.4	\$ (3)	(0.0)
Cost of Revenue	(9,216)	(293,761)	(47.0)	(250,090)	(45.7)	(236,347)	(37.8)	(43,671)	17.5	(57,414)	24.3
Gross Profit	10,408	331,768	53.0	296,643	54.3	389,185	62.2	35,125	11.8	(57,417)	(14.8)
Operating Expenses											
Research and Development Expenses	(1,582)	(50,410)	(8.0)	(51,138)	(9.4)	(44,587)	(7.1)	728	(1.4)	(5,823)	13.1
Sales, General and Administrative Expenses	(665)	(21,211)	(3.4)	(17,571)	(3.2)	(19,949)	(3.2)	(3,640)	20.7	(1,262)	6.3
Total Operating Expenses	(2,247)	(71,621)	(11.4)	(68,709)	(12.6)	(64,536)	(10.3)	(2,912)	4.2	(7,085)	11.0
Other Operating Income and Expenses	2	58	-	131	-	392	0.1	(73)	(55.7)	(334)	(85.2)
Income from Operations	8,163	260,205	41.6	228,065	41.7	325,041	52.0	32,140	14.1	(64,836)	(19.9)
Non-operating Income and Expenses											
Share of Profits of Associates	41	1,315	0.2	1,167	0.2	1,738	0.3	148	12.7	(423)	(24.3)
Net Interest Income (Expenses)	455	14,490	2.3	12,483	2.3	7,252	1.1	2,007	16.1	7,238	99.8
Other Gains and Losses	71	2,271	0.4	225	0.1	639	0.1	2,046	909.3	1,632	255.4
Total Non-operating Income and Expenses	567	18,076	2.9	13,875	2.6	9,629	1.5	4,201	30.3	8,447	87.7
Income Before Income Tax	8,730	278,281	44.5	241,940	44.3	334,670	53.5	36,341	15.0	(56,389)	(16.8)
Income Tax Expenses	(1,254)	(39,974)	(6.4)	(31,145)	(5.7)	(38,791)	(6.2)	(8,829)	28.3	(1,183)	3.0
Net Income	7,476	238,307	38.1	210,795	38.6	295,879	47.3	27,512	13.1	(57,572)	(19.5)
Other Comprehensive Income (Losses)	(1,168)	(37,227)	(6.0)	26,050	4.7	(16,482)	(2.6)	(63,277)	(242.9)	(20,745)	(125.9)
Comprehensive Income	\$ 6,308	\$ 201,080	32.1	\$ 236,845	43.3	\$ 279,397	44.7	\$ (35,765)	(15.1)	\$ (78,317)	(28.0)
Net Income (Losses) Attributable to:											
Shareholders of the Parent	\$ 7,489	\$ 238,712	38.2	\$ 211,000	38.6	\$ 295,904	47.3	\$ 27,712	13.1	\$ (57,192)	(19.3)
Noncontrolling Interests	(13)	(405)	(0.1)	(205)	-	(25)	-	(200)	(97.6)	(380)	(1,520.0)
	\$ 7,476	\$ 238,307	38.1	\$ 210,795	38.6	\$ 295,879	47.3	\$ 27,512	13.1	\$ (57,572)	(19.5)
Earnings per Share - Diluted	\$ 0.29	\$ 9.21		\$ 8.14		\$ 11.41		\$ 1.07	13.1	\$ (2.20)	(19.3)
Earnings per ADR - Diluted ⁽²⁾	\$ 1.44	\$ 46.03		\$ 40.69		\$ 57.06		\$ 5.34	13.1	\$ (11.03)	(19.3)
Weighted Average Outstanding Shares - Diluted (M)		25,929		25,929		25,929					

Note:

(1) Amounts in New Taiwan dollars have been translated into U.S. dollars at the weighted average rate of NT\$31.876 for the fourth quarter of 2023.

(2) 1 ADR equals 5 ordinary shares.

TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LIMITED AND SUBSIDIARIES

Consolidated Condensed Statements of Comprehensive Income (Audited)

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

Except for Per Share Amounts and Shares Outstanding)

	For the Years Ended December 31						
	2023			2022		YoY	
	USD	NTD	%	NTD	%	NTD	%
Net Revenue	\$ 69,298	\$ 2,161,736	100.0	\$ 2,263,891	100.0	\$ (102,155)	(4.5)
Cost of Revenue	(31,628)	(986,625)	(45.6)	(915,536)	(40.4)	(71,089)	7.8
Gross Profit	37,670	1,175,111	54.4	1,348,355	59.6	(173,244)	(12.8)
Operating Expenses							
Research and Development Expenses	(5,846)	(182,370)	(8.5)	(163,262)	(7.2)	(19,108)	11.7
Sales, General and Administrative Expenses	(2,291)	(71,464)	(3.3)	(63,446)	(2.8)	(8,018)	12.6
Total Operating Expenses	(8,137)	(253,834)	(11.8)	(226,708)	(10.0)	(27,126)	12.0
Other Operating Income and Expenses	6	189	-	(368)	(0.1)	557	NM
Income from Operations	29,539	921,466	42.6	1,121,279	49.5	(199,813)	(17.8)
Non-operating Income and Expenses							
Share of Profits of Associates	149	4,655	0.2	7,799	0.3	(3,144)	(40.3)
Net Interest Income (Expenses)	1,548	48,294	2.3	10,672	0.5	37,622	352.5
Other Gains and Losses	153	4,756	0.2	4,441	0.2	315	7.1
Total Non-operating Income and Expenses	1,850	57,705	2.7	22,912	1.0	34,793	151.9
Income before Income Tax	31,389	979,171	45.3	1,144,191	50.5	(165,020)	(14.4)
Income Tax Expenses	(4,533)	(141,403)	(6.5)	(127,290)	(5.6)	(14,113)	11.1
Net Income	26,856	837,768	38.8	1,016,901	44.9	(179,133)	(17.6)
Other Comprehensive Income (Losses)	(283)	(8,814)	(0.5)	42,430	1.9	(51,244)	(120.8)
Comprehensive Income	\$ 26,573	\$ 828,954	38.3	\$ 1,059,331	46.8	\$ (230,377)	(21.7)
Net Income (Losses) Attributable to:							
Shareholders of the Parent	\$ 26,879	\$ 838,498	38.8	\$ 1,016,530	44.9	\$ (178,032)	(17.5)
Noncontrolling interests	(23)	(730)	-	371	-	(1,101)	(296.8)
	\$ 26,856	\$ 837,768	38.8	\$ 1,016,901	44.9	\$ (179,133)	(17.6)
Earnings per Share - Diluted	\$ 1.04	\$ 32.34		\$ 39.20		\$ (6.86)	(17.5)
Earnings per ADR - Diluted ⁽²⁾	\$ 5.18	\$ 161.69		\$ 196.02		\$ (34.33)	(17.5)
Weighted Average Outstanding Shares - Diluted ('M)		25,929		25,929			

Note:

(1) Amounts in New Taiwan dollars have been translated into U.S. dollars at the weighted average rate of NT\$31.195 for the year ended December 31, 2023.

(2) 1 ADR equals 5 ordinary shares.

TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LIMITED AND SUBSIDIARIES
Consolidated Condensed Cash Flow Statements

For the Year Ended December 31, 2023 and for the Three Months Ended December 31, 2023, September 30, 2023 and December 31, 2022

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

	2023 (Audited)		4Q 2023 (Unaudited)	3Q 2023 (Unaudited)	4Q 2022 (Unaudited)
	USD	NTD	NTD	NTD	NTD
Cash Flows from Operating Activities:					
Income Before Income Tax	\$ 31,389	\$ 979,171	\$ 278,281	\$ 241,940	\$ 334,670
Depreciation & Amortization	17,060	532,191	150,648	147,281	107,582
Share of Profits of Associates	(149)	(4,655)	(1,315)	(1,167)	(1,738)
Income Taxes Paid	(5,125)	(159,875)	(37,567)	(1,475)	(87)
Changes in Working Capital & Others	(3,362)	(104,865)	4,782	(91,934)	46,456
Net Cash Generated by Operating Activities	39,813	1,241,967	394,829	294,645	486,883
Cash Flows from Investing Activities:					
Interest Received	1,791	55,887	14,872	14,389	8,644
Cash Dividend Received	113	3,522	58	2,568	6
Acquisitions of:					
Property, Plant and Equipment	(30,448)	(949,817)	(170,160)	(226,624)	(336,844)
Marketable Financial Instruments	(7,254)	(226,282)	(55,485)	(62,105)	(65,040)
Proceeds from Disposal or Redemption of:					
Property, Plant and Equipment	23	704	312	149	182
Marketable Financial Instruments	5,460	170,305	52,334	22,448	45,451
Others	1,268	39,561	25,750	6,932	5,069
Net Cash Used In Investing Activities	(29,047)	(906,120)	(132,319)	(242,243)	(342,532)
Cash Flows from Financing Activities:					
Increase in Hedging Financial Liabilities - Bank Loans	895	27,909	-	20,235	-
Proceeds from Issuance of Bonds	2,747	85,700	9,800	15,900	10,199
Repayment of Bonds	(580)	(18,100)	-	(6,100)	(4,400)
Repayment of Long-term Bank Loans	(56)	(1,757)	(513)	(457)	(167)
Interest Paid	(556)	(17,359)	(5,995)	(3,943)	(5,721)
Cash Dividends Paid for Common Stock	(9,352)	(291,722)	(77,796)	(71,309)	(71,308)
Others	334	10,435	(863)	7,223	1,565
Net Cash Used in Financing Activities	(6,568)	(204,894)	(75,367)	(38,451)	(69,832)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(268)	(8,339)	(33,522)	21,132	(27,718)
Net Increase in Cash and Cash Equivalents	3,930	122,614	153,621	35,083	46,801
Cash and Cash Equivalents at Beginning of Period	43,046	1,342,814	1,311,807	1,276,724	1,296,013
Cash and Cash Equivalents at End of Period	\$ 46,976	\$ 1,465,428	\$ 1,465,428	\$ 1,311,807	\$ 1,342,814

Note:

(1) Amounts in New Taiwan dollars have been translated into U.S. dollars at the weighted average rate of NT\$31.195 for the year ended December 31, 2023.