



## **TSMC Reports First Quarter EPS of NT\$7.98**

Hsinchu, Taiwan, R.O.C., April 20, 2023 -- TSMC today announced consolidated revenue of NT\$508.63 billion, net income of NT\$206.99 billion, and diluted earnings per share of NT\$7.98 (US\$1.31 per ADR unit) for the first quarter ended March 31, 2023.

Year-over-year, first quarter revenue increased 3.6% while net income and diluted EPS both increased 2.1%. Compared to fourth quarter 2022, first quarter results represented an 18.7% decrease in revenue and a 30.0% decrease in net income. All figures were prepared in accordance with TIFRS on a consolidated basis.

In US dollars, first quarter revenue was \$16.72 billion, which decreased 4.8% year-over-year and decreased 16.1% from the previous quarter.

Gross margin for the quarter was 56.3%, operating margin was 45.5%, and net profit margin was 40.7%.

In the first quarter, shipments of 5-nanometer accounted for 31% of total wafer revenue; 7-nanometer accounted for 20%. Advanced technologies, defined as 7-nanometer and more advanced technologies, accounted for 51% of total wafer revenue.

“Our first quarter business was impacted by weakening macroeconomic conditions and softening end market demand, which led customers to adjust their demand accordingly” said Wendell Huang, VP and Chief Financial Officer of TSMC. “Moving into second quarter 2023, we expect our business to continue to be impacted by customers’ further inventory adjustment.”

Based on the Company’s current business outlook, management expects the overall performance for second quarter 2023 to be as follows:

- Revenue is expected to be between US\$15.2 billion and US\$16.0 billion;  
And, based on the exchange rate assumption of 1 US dollar to 30.4 NT dollars,
- Gross profit margin is expected to be between 52% and 54%;
- Operating profit margin is expected to be between 39.5% and 41.5%.

## Profile

TSMC pioneered the pure-play foundry business model when it was founded in 1987, and has been the world's largest dedicated semiconductor foundry ever since. The Company supports a thriving ecosystem of global customers and partners with the industry's leading process technologies and portfolio of design enablement solutions to unleash innovation for the global semiconductor industry. With global operations spanning Asia, Europe, and North America, TSMC serves as a committed corporate citizen around the world.

TSMC deployed 288 distinct process technologies, and manufactured 12,698 products for 532 customers in 2022 by providing broadest range of advanced, specialty and advanced packaging technology services. The Company is headquartered in Hsinchu, Taiwan. For more information please visit <https://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 2021 Annual Report on Form 20-F, filed with the United States Securities and Exchange Commission (the "SEC") on April 14, 2022, 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.