



Unleash Innovation

# 2026 First Quarter Earnings Conference

**April 16, 2026**

# Agenda

- **Welcome**
- **1Q26 Financial Results and 2Q26 Outlook**
- **Key Messages**
  
- **Q&A**

**Jeff Su, IR Director**

**Wendell Huang, CFO**

**Wendell Huang, CFO**

**C.C. Wei, Chairman & CEO**



# Safe Harbor Notice

- TSMC's statements of its current expectations are forward-looking statements subject to significant risks and uncertainties and actual results may differ materially from those contained in the forward-looking statements.
- Information as to those factors that could cause actual results to vary can be found in TSMC's 2024 Annual Report on Form 20-F filed with the United States Securities and Exchange Commission (the "SEC") on April 17, 2025 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.



# Statements of Comprehensive Income

## Selected Items from Statements of Comprehensive Income

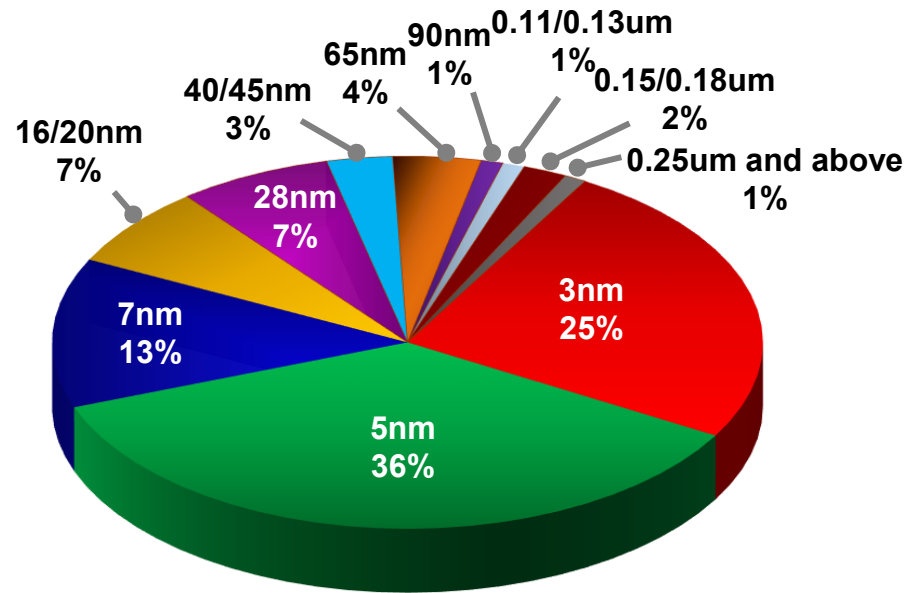
(In NT\$ billions unless otherwise noted)

	1Q26	1Q26 Guidance	4Q25	1Q25	1Q26 Over 4Q25	1Q26 Over 1Q25
Net Revenue (US\$ billions)	35.90	34.6-35.8	33.73	25.53	+6.4%	+40.6%
Net Revenue	1,134.10		1,046.09	839.25	+8.4%	+35.1%
<b>Gross Margin</b>	<b>66.2%</b>	<b>63.0%-65.0%</b>	<b>62.3%</b>	<b>58.8%</b>	<b>+3.9 pts</b>	<b>+7.4 pts</b>
Operating Expenses	(94.01)		(88.19)	(85.19)	+6.6%	+10.4%
<b>Operating Margin</b>	<b>58.1%</b>	<b>54.0%-56.0%</b>	<b>54.0%</b>	<b>48.5%</b>	<b>+4.1 pts</b>	<b>+9.6 pts</b>
Non-Operating Items	28.83		27.46	23.82	+5.0%	+21.1%
Net Income Attributable to Shareholders of the Parent Company	572.48		505.74	361.56	+13.2%	+58.3%
<b>Net Profit Margin</b>	<b>50.5%</b>		<b>48.3%</b>	<b>43.1%</b>	<b>+2.2 pts</b>	<b>+7.4 pts</b>
EPS (NT Dollar)	22.08		19.50	13.94	+13.2%	+58.3%
ROE	40.5%		38.8%	32.7%	+1.7 pts	+7.8 pts
Shipment (Kpcs, 12"-equiv. Wafer)	4,174		3,961	3,259	+5.4%	+28.1%
Average Exchange Rate--USD/NTD	31.59	31.6	31.01	32.88	+1.9%	-3.9%

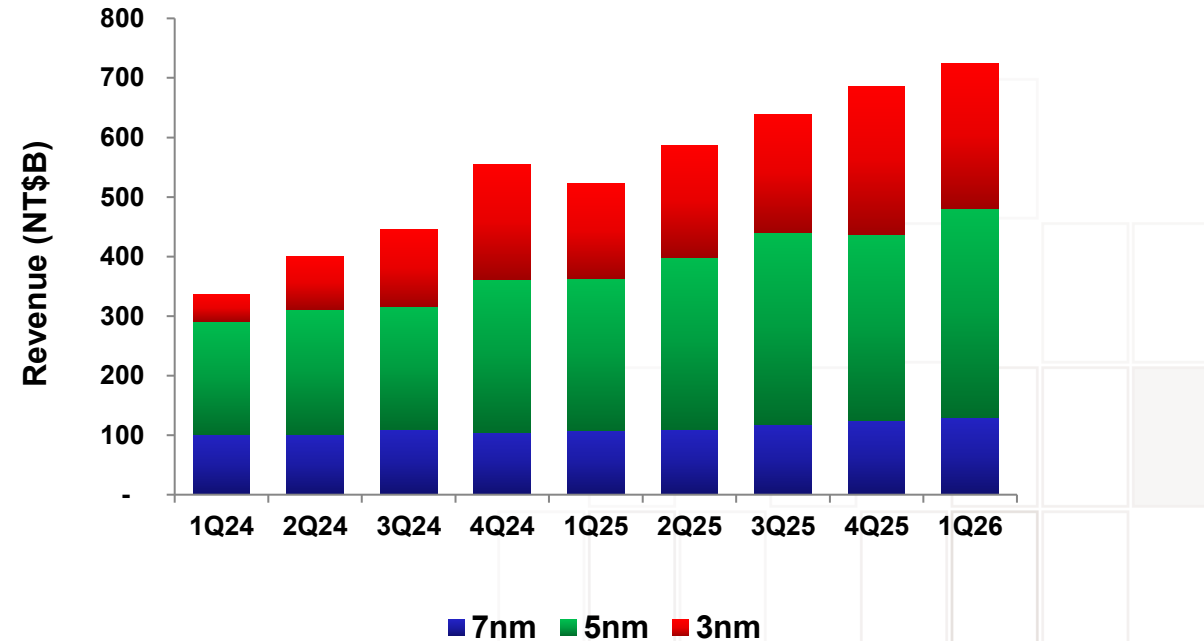
\* Diluted weighted average outstanding shares were 25,931mn units in 1Q26

\*\* ROE figures are annualized based on average equity attributable to shareholders of the parent company

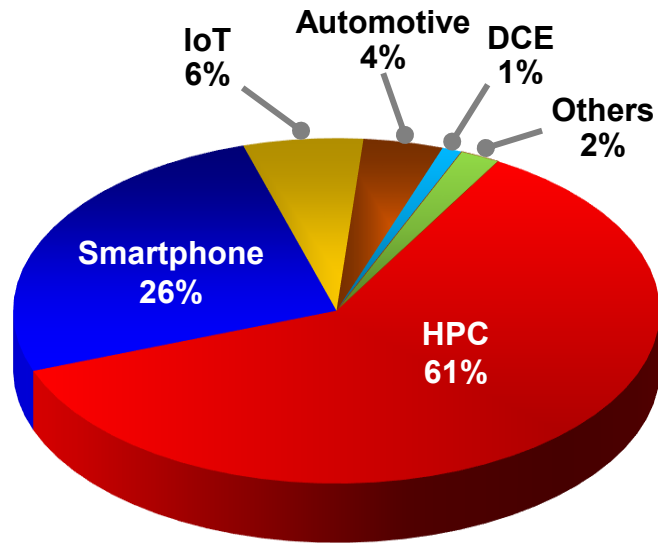
# 1Q26 Revenue by Technology



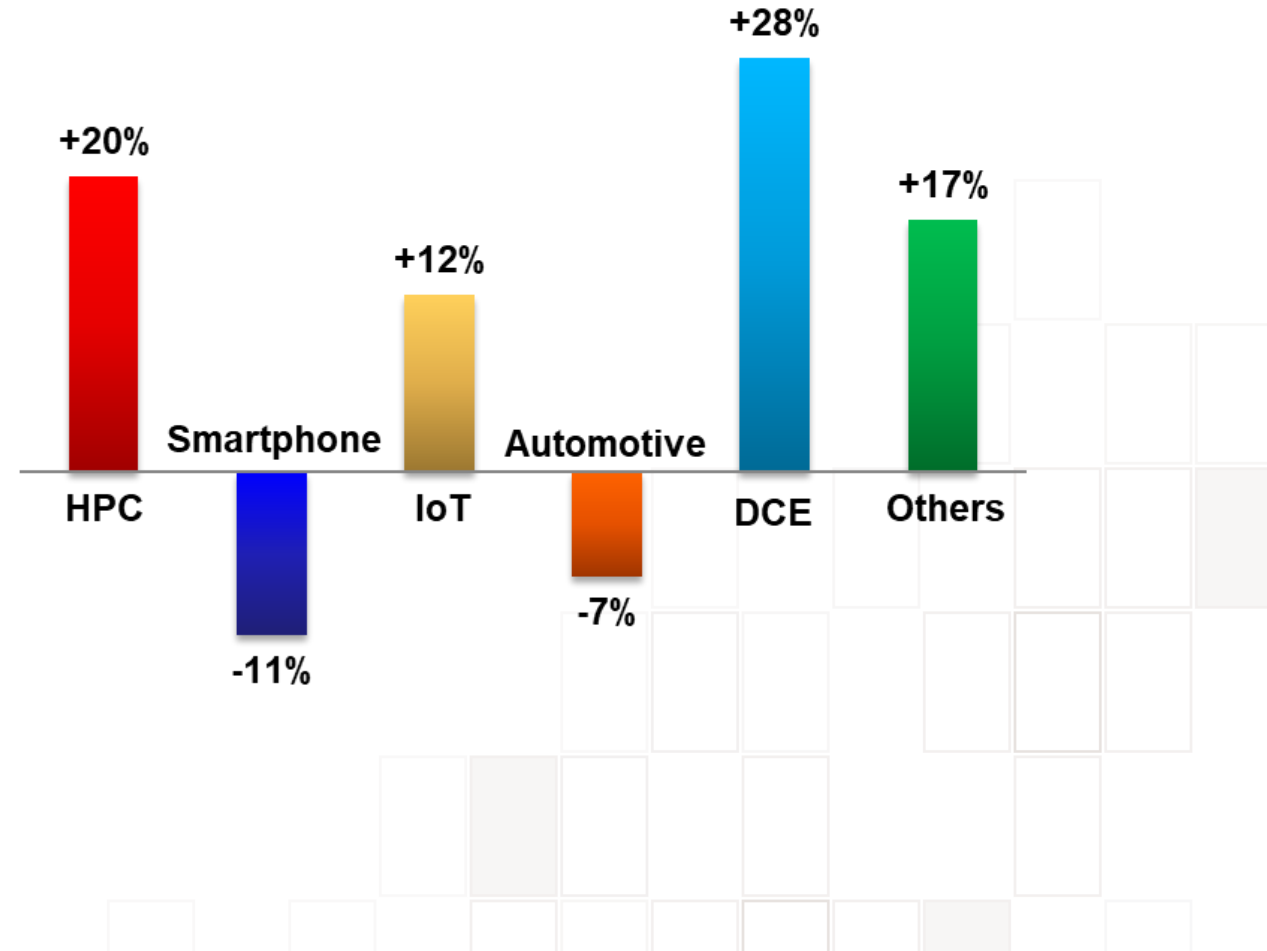
7nm and Below Revenue



# 1Q26 Revenue by Platform



Growth Rate by Platform (QoQ)



# Balance Sheets & Key Indices

## Selected Items from Balance Sheets

(In NT\$ billions)

Selected Items from Balance Sheets	1Q26		4Q25		1Q25	
	Amount	%	Amount	%	Amount	%
Cash & Marketable Securities	3,383.60	39.0 %	3,068.59	38.7 %	2,703.09	37.9 %
Accounts Receivable	363.01	4.2 %	281.79	3.6 %	243.95	3.4 %
Inventories	311.45	3.6 %	288.11	3.6 %	293.39	4.1 %
Long-term Investments	166.57	1.9 %	172.37	2.2 %	160.79	2.2 %
Net PP&E	3,954.68	45.7 %	3,691.84	46.5 %	3,400.81	47.7 %
<b>Total Assets</b>	<b>8,660.95</b>	<b>100.0 %</b>	<b>7,933.02</b>	<b>100.0 %</b>	<b>7,133.29</b>	<b>100.0 %</b>
Current Liabilities	1,714.25	19.8 %	1,458.02	18.4 %	1,399.80	19.6 %
Long-term Interest-bearing Debts	901.02	10.4 %	896.06	11.3 %	986.98	13.8 %
<b>Total Liabilities</b>	<b>2,728.56</b>	<b>31.5 %</b>	<b>2,472.23</b>	<b>31.2 %</b>	<b>2,531.66</b>	<b>35.5 %</b>
<b>Total Shareholders' Equity</b>	<b>5,932.39</b>	<b>68.5 %</b>	<b>5,460.79</b>	<b>68.8 %</b>	<b>4,601.63</b>	<b>64.5 %</b>
<b>Key Indices</b>						
A/R Turnover Days	26		26		28	
Inventory Turnover Days	80		74		83	
Current Ratio (x)	2.5		2.6		2.4	
Asset Productivity (x)	1.2		1.2		1.0	

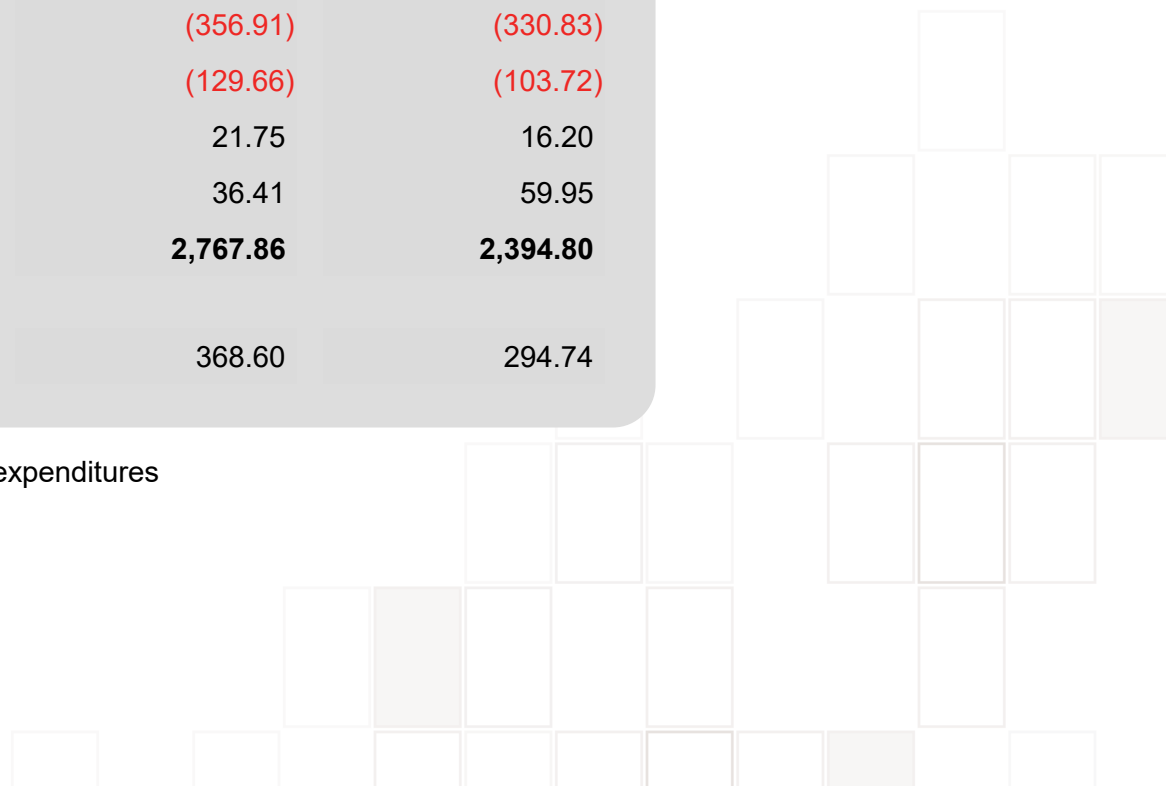
\* Total outstanding shares were 25,932mn units at 3/31/26

\*\* Asset productivity = Annualized net revenue / Average net PP&E

# Cash Flows

<i>(In NT\$ billions)</i>	1Q26	4Q25	1Q25
<b>Beginning Balance</b>	2,767.86	2,470.76	2,127.63
Cash from operating activities	698.97	725.51	625.57
Capital expenditures	(350.76)	(356.91)	(330.83)
Cash dividends	(129.66)	(129.66)	(103.72)
Bonds payable	12.40	21.75	16.20
Investments and others	36.83	36.41	59.95
<b>Ending Balance</b>	3,035.64	2,767.86	2,394.80
Free Cash Flow *	348.21	368.60	294.74

\* Free cash flow = Cash from operating activities – Capital expenditures



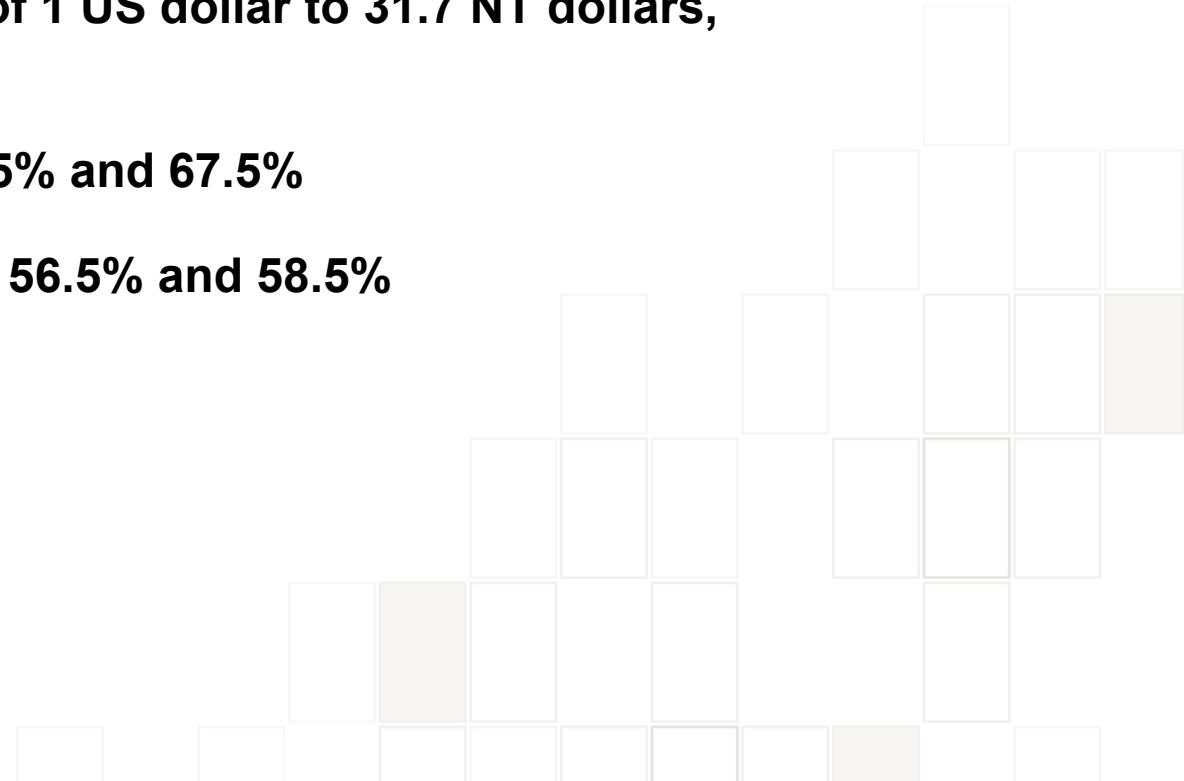
# 2Q26 Guidance

**Based on our current business outlook, management expects:**

- **Revenue to be between US\$39.0 billion and US\$40.2 billion**

**And, based on the exchange rate assumption of 1 US dollar to 31.7 NT dollars, management expects:**

- **Gross profit margin to be between 65.5% and 67.5%**
- **Operating profit margin to be between 56.5% and 58.5%**



# Future Outlook

Based on our current business outlook, management expects:

- 2026 revenue to increase by above 30% in US dollar terms



# Recap of Recent Major Events

- **TSMC Board of Directors Approved NT\$6.00 Cash Dividend for the Fourth Quarter of 2025 and Set June 11, 2026 as Ex-Dividend Date, June 17, 2026 as the Record Date and July 9, 2026 as the Distribution Date (2026/02/10)**

- Please visit TSMC's website (<https://www.tsmc.com>) and Market Observation Post System (<https://mops.twse.com.tw>) for details and other announcements



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