

****Updated Announcement****



Dividend Announcement

04-Aug-14

11:22 AM

To: New York Stock Exchange
20 Broad St. - 8th Floor
New York, NY 10005

Please be advised of the following dividend information:

Approximate

Final

DR Program: TAIWAN SEMICONDUCTOR

CUSIP: 874039100

ISIN: US8740391003

Ticker: TSM

Country: TAIWAN

Ratio (ORD:ADR): 5 : 1

Type of Distribution:

Ordinary Record Date: 20-Jul-14

ADR Record Date: 16-Jul-14

Ordinary Payable Date: 06-Aug-14

ADR Payable Date: 06-Aug-14

Ordinary Ex-Date: 14-Jul-14

Ordinary Rate: 2.99991232

Currency: NT\$

Conversion Rate: 30.032

Note: (1) **

Note: (2)

Gross Rate \$: 0.4994526

Tax Rate: 20%

Cash Tax \$: 0.0998905

Dividend Fee \$: 0.0000000

Net Dividend Rate \$: **0.3995621**

Note: (3)

Note: (4)

Note following formula:

(1) NT\$77,785,851,420 (ordinary cash dividends approved) divided by 25,929,374,956 (total outstanding ordinary shares) = NT\$2.99991232 cash dividend per ordinary share.

(2) This is a **final** conversion rate.

(3) Gross rate = 2.99991232 x 5 (5 ords : 1 ADR) divided by 30.032 (**final conversion rate**) = 0.4994526.

(4) 2.99991232 (cash dividend per ordinary share) x 5 (5 ords : 1 ADR) x 20% (withholding tax at source) divided by 30.032 (**final conversion rate**) = US\$0.0998905 withholding tax on cash dividend per record date share.

Questions may be directed to Keith Balwan @ (973) 461-7038 or email: keith.balwan@citi.com