



Unleash Innovation

# 2024 Fourth Quarter Earnings Conference

January 16, 2025

# Agenda

- **Welcome**
- **4Q24 Financial Results and 1Q25 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 2023 Annual Report on Form 20-F filed with the United States Securities and Exchange Commission (the "SEC") on April 18, 2024 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

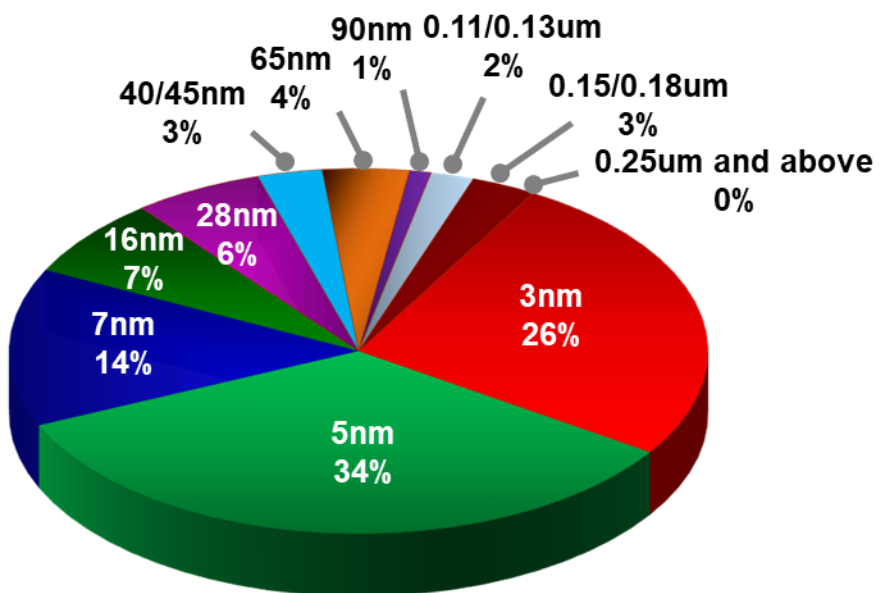
(In NT\$ billions unless otherwise noted)

	4Q24	4Q24 Guidance	3Q24	4Q23	4Q24 Over 3Q24	4Q24 Over 4Q23
Net Revenue (US\$ billions)	26.88	26.1-26.9	23.50	19.62	+14.4%	+37.0%
Net Revenue	868.46		759.69	625.53	+14.3%	+38.8%
<b>Gross Margin</b>	<b>59.0%</b>	<b>57.0%-59.0%</b>	<b>57.8%</b>	<b>53.0%</b>	<b>+1.2 pts</b>	<b>+6.0 pts</b>
Operating Expenses	(86.34)		(79.08)	(71.62)	+9.2%	+20.6%
<b>Operating Margin</b>	<b>49.0%</b>	<b>46.5%-48.5%</b>	<b>47.5%</b>	<b>41.6%</b>	<b>+1.5 pts</b>	<b>+7.4 pts</b>
Non-Operating Items	23.09		23.42	18.07	-1.4%	+27.7%
Net Income Attributable to Shareholders of the Parent Company	374.68		325.26	238.71	+15.2%	+57.0%
<b>Net Profit Margin</b>	<b>43.1%</b>		<b>42.8%</b>	<b>38.2%</b>	<b>+0.3 ppt</b>	<b>+4.9 pts</b>
EPS (NT Dollar)	14.45		12.54	9.21	+15.2%	+57.0%
ROE	36.2%		33.4%	28.1%	+2.8 pts	+8.1 pts
Shipment (Kpcs, 12"-equiv. Wafer)	3,418		3,338	2,957	+2.4%	+15.6%
Average Exchange Rate--USD/NTD	32.30	32.0	32.32	31.88	-0.1%	+1.3%

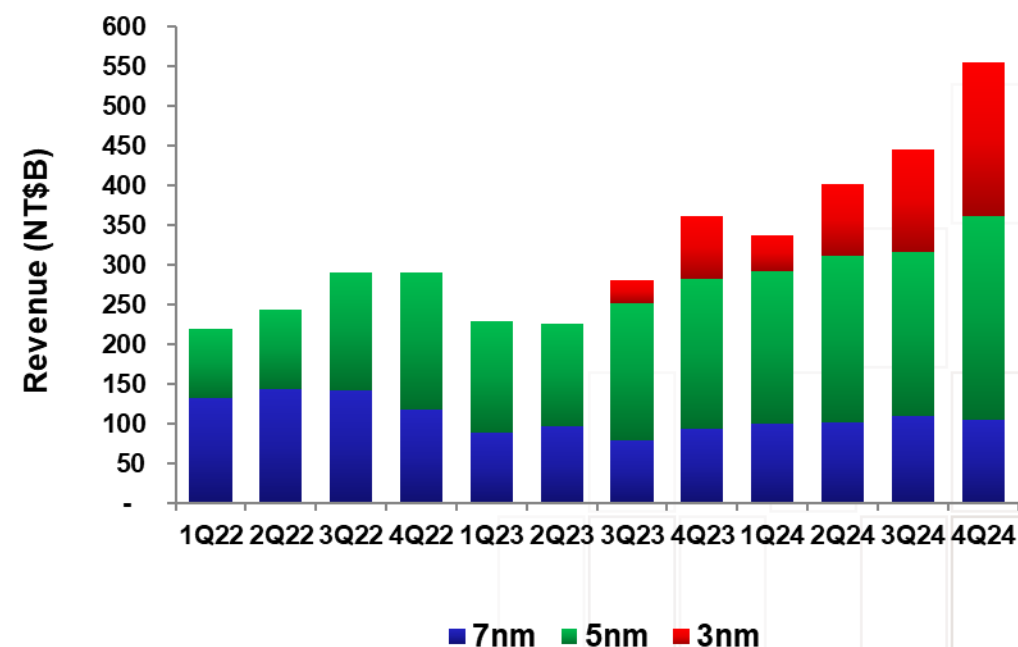
\* Diluted weighted average outstanding shares were 25,929mn units in 4Q24

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

# 4Q24 Revenue by Technology

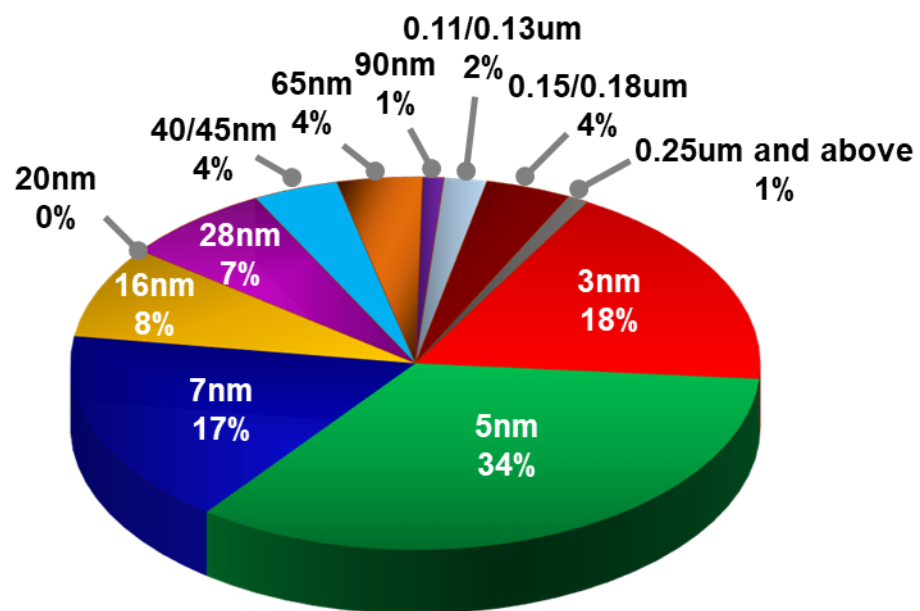


## 7nm and Below Revenue

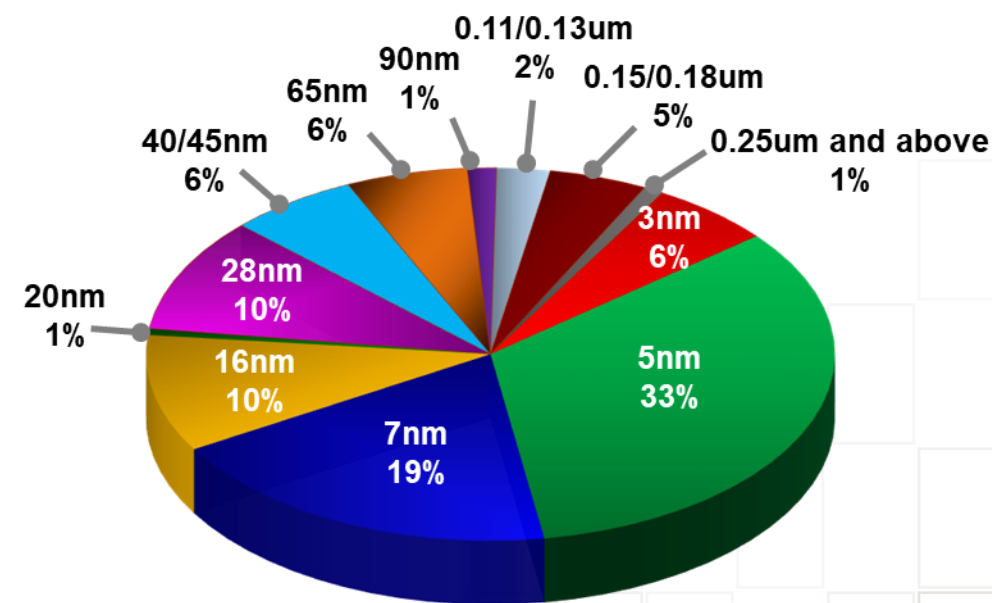


# Revenue by Technology

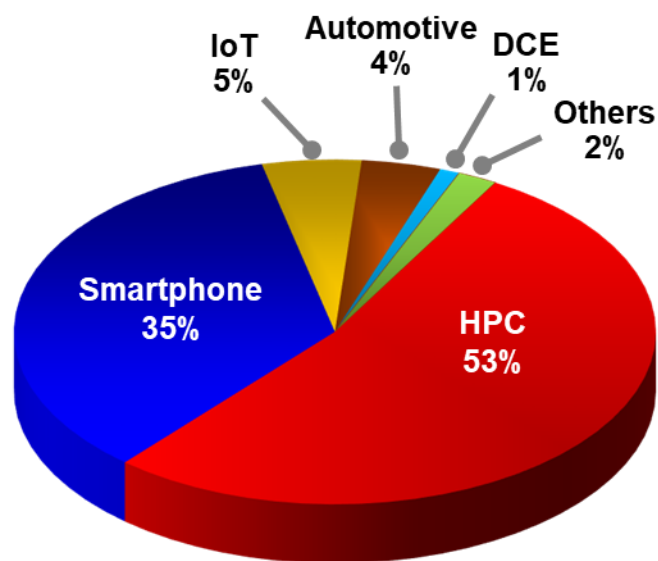
**2024**



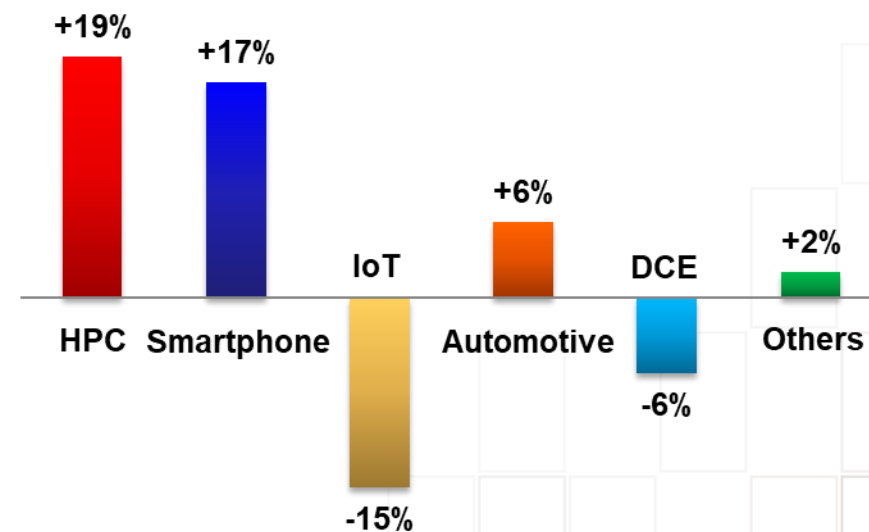
**2023**



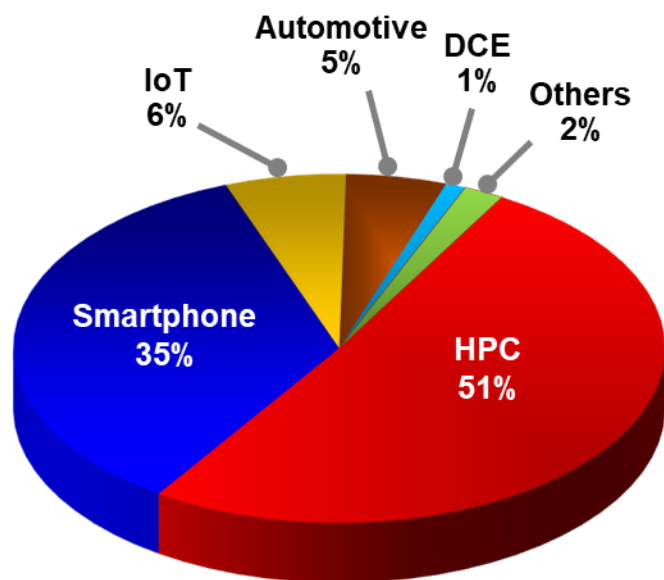
# 4Q24 Revenue by Platform



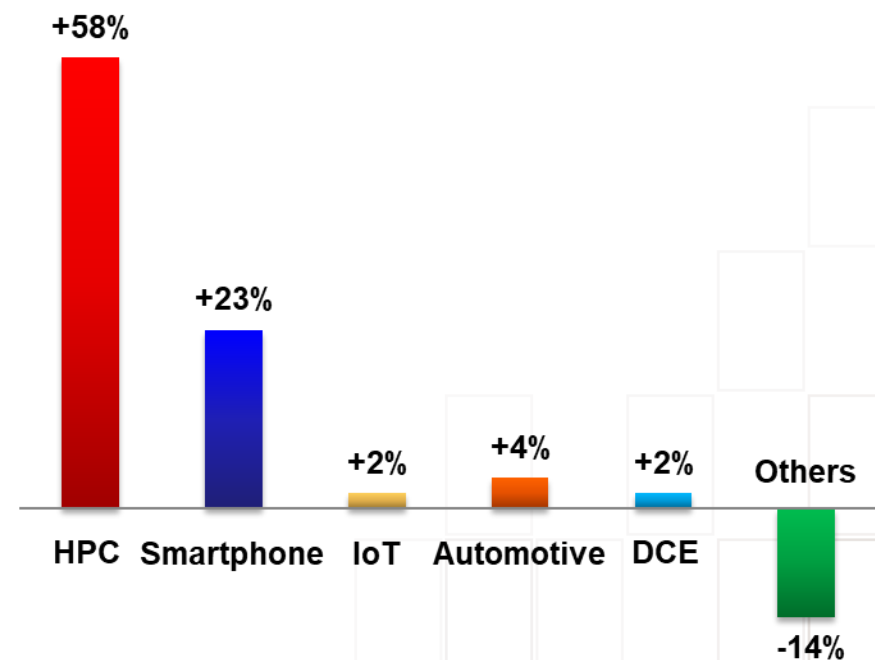
Growth Rate by Platform (QoQ)



# 2024 Revenue by Platform



Growth rate by Platform (YoY)





# Balance Sheets & Key Indices

Selected Items from Balance Sheets (In NT\$ billions)	4Q24		3Q24		4Q23	
	Amount	%	Amount	%	Amount	%
Cash & Marketable Securities	2,422.02	36.2%	2,167.60	35.2%	1,687.65	30.5%
Accounts Receivable	272.09	4.1%	249.97	4.1%	201.94	3.7%
Inventories	287.86	4.3%	292.88	4.7%	250.99	4.5%
Long-term Investments	149.04	2.2%	127.33	2.1%	129.44	2.3%
Net PP&E	3,234.98	48.3%	3,071.60	49.8%	3,064.48	55.4%
<b>Total Assets</b>	<b>6,691.94</b>	<b>100.0%</b>	<b>6,165.66</b>	<b>100.0%</b>	<b>5,532.37</b>	<b>100.0%</b>
Current Liabilities	1,264.53	18.9%	1,080.40	17.5%	913.58	16.5%
Long-term Interest-bearing Debts	958.43	14.3%	936.16	15.2%	918.28	16.6%
<b>Total Liabilities</b>	<b>2,368.36</b>	<b>35.4%</b>	<b>2,143.74</b>	<b>34.8%</b>	<b>2,049.11</b>	<b>37.0%</b>
<b>Total Shareholders' Equity</b>	<b>4,323.58</b>	<b>64.6%</b>	<b>4,021.92</b>	<b>65.2%</b>	<b>3,483.26</b>	<b>63.0%</b>
<b>Key Indices</b>						
A/R Turnover Days	27		28		31	
Inventory Turnover Days	80		87		85	
Current Ratio (x)	2.4		2.6		2.4	
Asset Productivity (x)	1.1		1.0		0.8	

\* Total outstanding shares were 25,933mn units at 12/31/24

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

# Cash Flows

<i>(In NT\$ billions)</i>	4Q24	3Q24	4Q23
<b>Beginning Balance</b>	<b>1,886.78</b>	<b>1,799.13</b>	<b>1,311.81</b>
Cash from operating activities	620.21	391.99	394.83
Capital expenditures	(361.95)	(207.08)	(170.16)
Cash dividends	(103.73)	(90.76)	(77.80)
Bonds payable	(1.75)	(5.25)	9.80
Investments and others	88.07	(1.25)	(3.05)
<b>Ending Balance</b>	<b>2,127.63</b>	<b>1,886.78</b>	<b>1,465.43</b>
Free Cash Flow*	258.26	184.91	224.67

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

# 2024 Financial Highlights

<i>(In NT\$ billions unless otherwise noted)</i>			
	2024	2023	YoY
Net Revenue (US\$ billions)	90.08	69.30	+30.0%
Net Revenue	2,894.31	2,161.74	+33.9%
Gross Margin	56.1%	54.4%	+1.7 pts
Operating Margin	45.7%	42.6%	+3.1 pts
Income before Tax	1,405.84	979.17	+43.6%
EPS - Diluted (NT\$)	45.25	32.34	+39.9%
Operating Cash Flow	1,826.18	1,241.97	+47.0%
Capital Expenditures	956.01	949.82	+0.7%
Free Cash Flow (FCF)	870.17	292.15	+197.9%
Cash Dividends	363.05	291.72	+24.5%
Cash & Marketable Securities	2,422.02	1,687.65	+43.5%
ROE	30.3%	26.2%	+4.1 pts

# Recap of Recent Major Events

- **TSMC 2024 Supply Chain Management Forum Presents Awards to Outstanding Suppliers (2024/12/02)**
- **TSMC Marked a Significant Milestone in Sustainable Manufacturing with the Inauguration of the Taichung Zero Waste Manufacturing Center (2024/11/13)**
- **TSMC Board of Directors Approved NT\$4.50 Cash Dividend for the Third Quarter of 2024 and Set March 18, 2025 as Ex-Dividend Date, March 24, 2025 as the Record Date and April 10, 2025 as the Distribution Date (2024/11/12)**

- 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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