



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⁾

ASSETS	March 31, 2026 (Unaudited)			December 31, 2025 (Audited)		March 31, 2025 (Unaudited)		QoQ		YoY	
	USD	NTD	%	NTD	%	NTD	%	NTD	%	NTD	%
Current Assets											
Cash and Cash Equivalents	\$ 94,674	\$ 3,035,637	35.0	\$ 2,767,856	34.9	\$ 2,394,804	33.6	\$ 267,781	9.7	\$ 640,833	26.8
Investments in Marketable Financial Instruments	10,852	347,964	4.0	300,738	3.8	308,281	4.3	47,226	15.7	39,683	12.9
Accounts Receivable	11,321	363,005	4.2	281,791	3.6	243,949	3.4	81,214	28.8	119,056	48.8
Inventories	9,714	311,454	3.6	288,110	3.6	293,388	4.1	23,344	8.1	18,066	6.2
Other Current Assets	6,470	207,452	2.4	178,636	2.2	105,242	1.5	28,816	16.1	102,210	97.1
Total Current Assets	133,031	4,265,512	49.2	3,817,131	48.1	3,345,664	46.9	448,381	11.7	919,848	27.5
Non-current Assets											
Long-term Investments	5,195	166,567	1.9	172,370	2.2	160,793	2.2	(5,803)	(3.4)	5,774	3.6
Property, Plant and Equipment	123,337	3,954,679	45.7	3,691,841	46.5	3,400,806	47.7	262,838	7.1	553,873	16.3
Right-of-use, Intangible and Other Non-current Assets	8,551	274,192	3.2	251,682	3.2	226,024	3.2	22,510	8.9	48,168	21.3
Total Non-current Assets	137,083	4,395,438	50.8	4,115,893	51.9	3,787,623	53.1	279,545	6.8	607,815	16.0
Total Assets	\$ 270,114	\$ 8,660,950	100.0	\$ 7,933,024	100.0	\$ 7,133,287	100.0	\$ 727,926	9.2	\$ 1,527,663	21.4
LIABILITIES AND SHAREHOLDERS' EQUITY											
Current Liabilities											
Accounts Payable	\$ 3,114	\$ 99,856	1.2	\$ 84,330	1.1	\$ 76,854	1.1	\$ 15,526	18.4	\$ 23,002	29.9
Payables to Contractors and Equipment Suppliers	7,607	243,927	2.8	177,730	2.2	199,087	2.8	66,197	37.2	44,840	22.5
Cash Dividends Payable	9,705	311,190	3.6	285,258	3.6	233,394	3.3	25,932	9.1	77,796	33.3
Accrued Expenses and Other Current Liabilities	28,164	903,039	10.4	773,775	9.8	828,696	11.6	129,264	16.7	74,343	9.0
Current Portion of Bonds Payable and Bank Loans	4,873	156,242	1.8	136,926	1.7	61,772	0.8	19,316	14.1	94,470	152.9
Total Current Liabilities	53,463	1,714,254	19.8	1,458,019	18.4	1,399,803	19.6	256,235	17.6	314,451	22.5
Non-current Liabilities											
Bonds Payable	26,822	860,026	9.9	856,228	10.8	948,257	13.3	3,798	0.4	(88,231)	(9.3)
Other Non-current Liabilities	4,812	154,281	1.8	157,982	2.0	183,603	2.6	(3,701)	(2.3)	(29,322)	(16.0)
Total Non-current Liabilities	31,634	1,014,307	11.7	1,014,210	12.8	1,131,860	15.9	97	-	(117,553)	(10.4)
Total Liabilities	85,097	2,728,561	31.5	2,472,229	31.2	2,531,663	35.5	256,332	10.4	196,898	7.8
Equity Attributable to Shareholders of the Parent											
Capital Stock at Par Value	8,088	259,324	3.0	259,325	3.3	259,326	3.6	(1)	-	(2)	-
Capital Surplus	2,297	73,666	0.9	73,446	0.9	73,307	1.0	220	0.3	359	0.5
Legal Capital Reserve	9,704	311,147	3.6	311,147	3.9	311,147	4.4	-	-	-	-
Special Capital Reserve	505	16,199	0.1	87,284	1.1	-	-	(71,085)	(81.4)	16,199	-
Unappropriated Earnings	161,962	5,193,142	60.0	4,705,070	59.3	3,851,130	54.0	488,072	10.4	1,342,012	34.8
Others	1,169	37,482	0.4	(16,676)	(0.2)	69,252	1.0	54,158	NM	(31,770)	(45.9)
Equity Attributable to Shareholders of the Parent	183,725	5,890,960	68.0	5,419,596	68.3	4,564,162	64.0	471,364	8.7	1,326,798	29.1
Noncontrolling Interests	1,292	41,429	0.5	41,199	0.5	37,462	0.5	230	0.6	3,967	10.6
Total Shareholders' Equity	185,017	5,932,389	68.5	5,460,795	68.8	4,601,624	64.5	471,594	8.6	1,330,765	28.9
Total Liabilities & Shareholders' Equity	\$ 270,114	\$ 8,660,950	100.0	\$ 7,933,024	100.0	\$ 7,133,287	100.0	\$ 727,926	9.2	\$ 1,527,663	21.4

Note :

(1) Amounts in New Taiwan dollars have been translated into U.S. dollars at the rate of NT\$32.064 as of March 31, 2026.

TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LIMITED AND SUBSIDIARIES
Consolidated Condensed Statements of Comprehensive Income (Unaudited)
For the Three Months Ended March 31, 2026, December 31, 2025 and March 31, 2025
(Expressed in Millions of New Taiwan Dollars ("NTD") and U.S. Dollars ("USD")) ⁽¹⁾
Except for Per Share Amounts and Shares Outstanding)

	1Q 2026			4Q 2025		1Q 2025		QoQ		YoY	
	USD	NTD	%	NTD	%	NTD	%	NTD	%	NTD	%
Net Revenue	\$ 35,898	\$ 1,134,103	100.0	\$ 1,046,090	100.0	\$ 839,254	100.0	\$ 88,013	8.4	\$ 294,849	35.1
Cost of Revenue	(12,117)	(382,808)	(33.8)	(394,103)	(37.7)	(345,859)	(41.2)	11,295	(2.9)	(36,949)	10.7
Gross Profit	23,781	751,295	66.2	651,987	62.3	493,395	58.8	99,308	15.2	257,900	52.3
Operating Expenses											
Research and Development Expenses	(2,144)	(67,757)	(6.0)	(64,857)	(6.2)	(56,547)	(6.8)	(2,900)	4.5	(11,210)	19.8
Sales, General and Administrative Expenses	(831)	(26,249)	(2.3)	(23,333)	(2.2)	(28,639)	(3.4)	(2,916)	12.5	2,390	(8.3)
Total Operating Expenses	(2,975)	(94,006)	(8.3)	(88,190)	(8.4)	(85,186)	(10.2)	(5,816)	6.6	(8,820)	10.4
Other Operating Income and Expenses	53	1,677	0.2	1,106	0.1	(1,128)	(0.1)	571	51.6	2,805	NM
Income from Operations	20,859	658,966	58.1	564,903	54.0	407,081	48.5	94,063	16.7	251,885	61.9
Non-operating Income and Expenses											
Share of Profits of Associates	53	1,685	0.1	1,483	0.1	1,368	0.2	202	13.6	317	23.2
Net Interest Income (Expenses)	827	26,146	2.3	26,463	2.5	22,182	2.6	(317)	(1.2)	3,964	17.9
Other Gains and Losses	32	1,003	0.1	(486)	-	264	-	1,489	NM	739	279.9
Total Non-operating Income and Expenses	912	28,834	2.5	27,460	2.6	23,814	2.8	1,374	5.0	5,020	21.1
Income Before Income Tax	21,771	687,800	60.6	592,363	56.6	430,895	51.3	95,437	16.1	256,905	59.6
Income Tax Expenses	(3,640)	(114,999)	(10.1)	(86,947)	(8.3)	(70,162)	(8.3)	(28,052)	32.3	(44,837)	63.9
Net Income	18,131	572,801	50.5	505,416	48.3	360,733	43.0	67,385	13.3	212,068	58.8
Other Comprehensive Income	1,709	53,996	4.8	71,076	6.8	31,897	3.8	(17,080)	(24.0)	22,099	69.3
Comprehensive Income	\$ 19,840	\$ 626,797	55.3	\$ 576,492	55.1	\$ 392,630	46.8	\$ 50,305	8.7	\$ 234,167	59.6
Net Income (Losses) Attributable to:											
Shareholders of the Parent	\$ 18,121	\$ 572,480	50.5	\$ 505,744	48.3	\$ 361,564	43.1	\$ 66,736	13.2	\$ 210,916	58.3
Noncontrolling Interests	10	321	-	(328)	-	(831)	(0.1)	649	NM	1,152	NM
	\$ 18,131	\$ 572,801	50.5	\$ 505,416	48.3	\$ 360,733	43.0	\$ 67,385	13.3	\$ 212,068	58.8
Earnings per Share - Diluted	\$ 0.70	\$ 22.08		\$ 19.50		\$ 13.94		\$ 2.58	13.2	\$ 8.14	58.3
Earnings per ADR - Diluted ⁽²⁾	\$ 3.49	\$ 110.38		\$ 97.52		\$ 69.72		\$ 12.86	13.2	\$ 40.66	58.3
Weighted Average Outstanding Shares - Diluted ('M)		25,931		25,931		25,929					

Note:

(1) Amounts in New Taiwan dollars have been translated into U.S. dollars at the weighted average rate of NT\$31.592 for the first quarter of 2026.

(2) 1 ADR equals 5 ordinary shares.

TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LIMITED AND SUBSIDIARIES

Consolidated Condensed Cash Flow Statements(Unaudited)

For the Three Months Ended March 31, 2026, December 31, 2025 and March 31, 2025

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

	1Q 2026		4Q 2025	1Q 2025
	USD	NTD	NTD	NTD
Cash Flows from Operating Activities:				
Income Before Income Tax	\$ 21,771	\$ 687,800	\$ 592,363	\$ 430,895
Depreciation & Amortization	5,237	165,450	162,112	175,139
Share of Profits of Associates	(53)	(1,685)	(1,483)	(1,368)
Income Taxes Paid	(48)	(1,501)	(1,407)	(1,537)
Changes in Working Capital & Others	(4,782)	(151,088)	(26,076)	22,445
Net Cash Generated by Operating Activities	<u>22,125</u>	<u>698,976</u>	<u>725,509</u>	<u>625,574</u>
Cash Flows from Investing Activities:				
Interest Received	847	26,746	26,160	24,419
Cash Dividend Received	33	1,041	49	95
Acquisitions of:				
Property, Plant and Equipment	(11,103)	(350,763)	(356,906)	(330,827)
Marketable Financial Instruments	(2,900)	(91,621)	(72,197)	(70,741)
Proceeds from Disposal or Redemption of:				
Property, Plant and Equipment	57	1,813	482	128
Marketable Financial Instruments	1,940	61,305	41,390	53,926
Others	(170)	(5,375)	(4,939)	32,808
Net Cash Used In Investing Activities	<u>(11,296)</u>	<u>(356,854)</u>	<u>(365,961)</u>	<u>(290,192)</u>
Cash Flows from Financing Activities:				
Decrease in Hedging Financial Liabilities - Bank Loans	(6)	(182)	(95)	-
Proceeds from Issuance of Bonds	544	17,200	23,500	19,200
Repayment of Bonds	(152)	(4,800)	(1,750)	(3,000)
Proceeds from Long-term Bank Loans	64	2,020	3,031	5,395
Repayment of Long-term Bank Loans	(12)	(390)	(552)	(719)
Interest Paid	(87)	(2,747)	(5,350)	(2,516)
Cash Dividends Paid for Common Stock	(4,104)	(129,663)	(129,663)	(103,722)
Others	(43)	(1,348)	3,194	696
Net Cash Used In Financing Activities	<u>(3,796)</u>	<u>(119,910)</u>	<u>(107,685)</u>	<u>(84,666)</u>
Effect of Exchange Rate Changes on Cash and Cash Equivalents	1,443	45,569	45,234	16,461
Net Increase in Cash and Cash Equivalents	<u>8,476</u>	<u>267,781</u>	<u>297,097</u>	<u>267,177</u>
Cash and Cash Equivalents at Beginning of Period	<u>87,613</u>	<u>2,767,856</u>	<u>2,470,759</u>	<u>2,127,627</u>
Cash and Cash Equivalents at End of Period	<u>\$ 96,089</u>	<u>\$ 3,035,637</u>	<u>\$ 2,767,856</u>	<u>\$ 2,394,804</u>

Note:

(1) Amounts in New Taiwan dollars have been translated into U.S. dollars at the weighted average rate of NT\$31.592 for the three months ended March 31, 2026.