

TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD

Form 6-K

April 27, 2012

1934 Act Registration No. 1-14700

# **SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 20549

## **FORM 6-K**

**REPORT OF FOREIGN PRIVATE ISSUER**

**PURSUANT TO RULE 13a-16 OR 15d-16 OF**

**THE SECURITIES EXCHANGE ACT OF 1934**

For the month of April 2012

**Taiwan Semiconductor Manufacturing Company Ltd.**

(Translation of Registrant's Name Into English)

No. 8, Li-Hsin Rd. 6,

Science-Based Industrial Park,

Hsin-Chu, Taiwan

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(Address of Principal Executive Offices)

(Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.)

Form 20-F  Form 40-F

(Indicate by check mark whether the registrant by furnishing the information contained in this form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.)

Yes  No

(If Yes is marked, indicated below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82: .)

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Taiwan Semiconductor Manufacturing Company Ltd.

Date: April 26, 2012

By /s/ Lora Ho  
Lora Ho  
Vice President & Chief Financial Officer

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2012 TSMC, Ltd  
2012 First Quarter  
2012 First Quarter  
Investor Conference  
Investor Conference  
April 26, 2012

April 26, 2012

©  
2012 TSMC, Ltd  
Agenda  
Welcome  
Elizabeth Sun  
1Q12 Financial Results and 2Q12 Outlook  
Lora Ho

CEO Message  
Morris Chang  
Q&A  
Morris Chang /  
Lora Ho

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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 Annual Report on Form 20-F filed with the United States Securities and Exchange Commission (the SEC) on April 13, 2012 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.

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Income Statements

\* Total outstanding shares were 25,921mn units at 3/31/12

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

Selected Items from Income Statements

1Q12

(In NT billions)

Guidance

Net Sales

105.51

103 -

105

104.71

105.38

+0.8%

+0.1%

Gross Margin

47.7%

42.5% -

44.5%

44.7%

49.0%

+3.0 ppts

-1.3 ppts

Operating Expenses

(14.92)

(13.84)

(12.51)

+7.8%

+19.3%

Operating Margin

33.6%

28.5% -

30.5%

31.4%

37.2%

+2.2 ppts

-3.6 ppts

Non-Operating Items

0.22

0.69

1.15

-68.7%

-81.2%

Net Income

33.47

31.58

36.28

+6.0%

-7.7%

Net Margin

31.7%

30.2%

34.4%

+1.5 ppts

-2.7 ppts

EPS (NT Dollar)

1.29  
1.22  
1.40  
+6.0%  
-7.7%

ROE

20.8%  
20.6%  
24.6%  
+0.2 ppt  
-3.8 ppts

Shipment (Kpcs, 8"-equiv. Wafer)

2,919  
2,917  
3,161  
+0.1%  
-7.7%

Average Exchange Rate--NTD/USD

29.71  
30.27  
29.30  
-1.8%  
+1.4%

1Q12

4Q11

1Q11

1Q12

over

4Q11

1Q12

over

1Q11





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Balance Sheets & Key Indices  
(1)  
Asset productivity = Annualized net sales / Average net fixed assets.  
(1)  
Selected Items from Balance Sheets

(In NT billions)

Amount

%

Amount

%

Amount

%

Cash & Marketable Securities

180.65

21.7%

150.62

19.5%

163.41

21.8%

Accounts Receivable -

Trade

48.02

5.8%

40.95

5.3%

46.83

6.2%

Inventory

27.76

3.3%

24.84

3.2%

31.79

4.2%

Long-Term Investment

29.84

3.6%

34.46

4.5%

38.93

5.2%

Net PP&E

509.92

61.3%

490.38

63.3%

436.59

58.2%

Total Assets

831.89

100.0%

774.27

100.0%

750.13

100.0%



Current Liabilities

126.20

15.1%

117.01

15.1%

127.26

17.0%

Long-Term Interest-bearing Debt

37.30

4.5%

20.46

2.6%

5.51

0.7%

Total Liabilities

168.31

20.2%

142.22

18.4%

137.74

18.4%

Total Shareholders' Equity

663.58

79.8%

632.04

81.6%

612.39

81.6%

Key Indices

A/R Turnover Days

Inventory Turnover Days

Current Ratio (x)

Asset Productivity (x)

1Q12

4Q11

1Q11

39

38

39

47

43

56

2.1

1.9

2.0

0.8

0.9

1.0

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Cash Flows  
(1)  
Free  
cash  
flow

=  
Cash  
from  
operating  
activities

Capital  
expenditures.  
(1)  
(In NT billions)

1Q12	
4Q11	
1Q11	
Beginning Balance	
143.47	
114.84	
147.89	
Cash from operating activities	
57.05	
72.84	
56.48	
Capital expenditures	
(48.57)	
(29.77)	
(81.26)	
Short-term loans	
8.76	
(10.09)	
2.97	
Proceeds from issuance of bonds	
17.00	
0.00	
0.00	
Repayment of bonds payable	
(4.50)	
0.00	
0.00	
Investments and others	
(2.39)	
(4.35)	
3.37	
Ending Balance	
170.82	
143.47	
129.45	
Free Cash Flow	
8.48	
43.07	
(24.78)	

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Capital Expenditures  
(In US millions)  
1Q12  
4Q11  
TSMC

1,587

882

TSMC China & WaferTech

27

47

Other TSMC Subsidiaries

21

24

TSMC Consolidated

1,635

953

Note:

2012Q1

CapEx

was

based

on

the

weighted

average

exchange

rate

of

NT\$29.707

per

US

dollar.

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(1)  
Figures  
represent  
number  
of

6  
wafers.  
Conversion  
to  
8 -equivalent  
wafers  
is  
obtained  
by  
dividing  
this  
number  
by  
1.78.

(2)  
Figures  
represent  
number  
of  
12  
wafers.  
Conversion  
to  
8 -equivalent  
wafers  
is  
obtained  
by  
multiplying  
this  
number  
by  
2.25.

Installed Capacity  
2012 Overall Capacity +12%; 12-inch Capacity +17%  
Fab-2 ( 6")

(1)  
255  
1,000  
253  
247  
256  
256  
1,012  
Fab-3 ( 8")  
304  
1,184  
298  
300  
304

306  
 1,208  
 Fab-5 ( 8")  
 136  
 547  
 145  
 146  
 148  
 148  
 587  
 Fab-6 ( 8")  
 286  
 1,128  
 298  
 296  
 298  
 298  
 1,191  
 Fab-8 ( 8")  
 255  
 1,003  
 262  
 263  
 266  
 266  
 1,057  
 Fab-12 ( 12")  
 (2)  
 337  
 1,334  
 373  
 367  
 377  
 373  
 1,490  
 Fab-14 ( 12")  
 (2)  
 504  
 1,927  
 549  
 512  
 519  
 534  
 2,114  
 Fab-15 ( 12")  
 (2)  
 0  
 0  
 0  
 18



68  
134  
220  
WaferTech ( 8")  
107  
429  
110  
111  
112  
112  
444  
TSMC China ( 8")  
230  
772  
222  
230  
232  
232  
917  
TSMC & Subsidiaries  
3,352  
12,963  
3,553  
3,504  
3,672  
3,848  
14,576  
(8" Equivalent Kpcs)  
SSMC ( 8")  
65  
258  
64  
64  
65  
65  
258  
Total TSMC-managed  
3,417  
13,221  
3,616  
3,568  
3,737  
3,913  
14,834  
(8" Equivalent Kpcs)  
2Q12  
(F)  
2012  
(F)  
3Q12

(F)  
4Q11  
(A)  
2011  
(A)  
1Q12  
(A)  
4Q12  
(F)  
FAB / (Wafer size)

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Revenue to be between NT\$ 126 billion and NT\$ 128 billion, at  
a forecast exchange rate of 29.58 NT dollars to 1 US dollar

Gross profit margin to be between 47 % and 49 %

Operating profit margin to be between 34.5 % and 36.5 %

Based on our current business outlook and exchange rate assumption,

management expects:  
2Q12 Guidance

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Recap of Recent Major Events  
TSMC Holds a Groundbreaking Ceremony for Phase 5 of its Fab 14 GigaFab, One of the Key  
Dialog Semiconductor and TSMC Create a Process Platform to Advance BCD Power  
Management  
Leadership

(  
2012/03/29

)  
Altera and TSMC Jointly Develop World's First Heterogeneous 3D IC Test Vehicle Using CoWoS Process (

2012/03/22 )

TSMC Board of Directors Approves the Appointment of Senior Vice President of R&D Dr. Shang-Business Development Dr. C.C. Wei as Executive Vice Presidents and Co-Chief Operating Officers of TSMC. (

2012/03/02)

TSMC Board of Directors Proposes NT\$3.0 Cash Dividend per Share and Approves the Election

(  
2012/02/14 )

TSMC  
Receives  
LEED  
Gold  
Certification  
for  
Two  
Green  
Buildings

(  
2012/02/03 )

Please  
visit  
TSMC's  
Web  
site  
(<http://www.tsmc.com>)

and  
Market  
Observation  
Post  
System

(<http://mops.twse.com.tw> ) for details and other announcements

Production Centers for TSMC's advanced 20nm technology. ( 2012/04/09 )

yi Chiang, Senior Vice President of Operations Dr. Mark Liu, and Senior Vice President of  
for its Nine-Member Board of Directors at the 2012 Annual Shareholders Meeting on June 12.

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