

TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD

Form 6-K

October 26, 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 October 2012**

**Taiwan Semiconductor Manufacturing Company Ltd.**

**(Translation of Registrant's Name Into English)**

**No. 8, Li-Hsin Rd. 6,**

**Hsinchu Science Park,**

**Taiwan**

Edgar Filing: TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD - Form 6-K

(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: October 25, 2012

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

2012 Third Quarter  
2012 Third Quarter  
Earnings Conference  
Earnings Conference  
October 25, 2012  
October 25, 2012

©

2012 TSMC, Ltd

©  
2012 TSMC, Ltd  
TSMC Property  
Agenda  
Welcome  
Elizabeth Sun  
3Q12 Financial Results and 4Q12 Outlook

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

©  
2012 TSMC, Ltd  
TSMC Property  
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.

©  
2012 TSMC, Ltd  
TSMC Property  
Agenda  
Welcome  
Elizabeth Sun  
3Q12 Financial Results and 4Q12 Outlook

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

©  
2012 TSMC, Ltd  
TSMC Property  
Income Statements  
\*\* Diluted  
weighted  
average

outstanding  
 shares  
 were  
 25,927mn  
 units  
 in

3Q12

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

Selected

Items

from

Income

Statements

3Q12

(In NT billions)

Guidance

Net Sales

141.38

136 -

138

128.06

106.48

+10.4%

+32.8%

Gross Margin

48.8%

46% -

48%

48.6%

42.0%

+0.2 ppt

+6.8 ppts

Operating Expenses

(16.38)

(15.54)

(13.17)

+5.4%

+24.3%

Operating Margin

37.2%

34% -

36%

36.5%

29.7%

+0.8 ppt

+7.6 ppts

Non-Operating Items

1.08

(0.79)

0.56

NM  
 +91.5%  
 Net Income  
 49.30  
 41.81  
 30.40  
 +17.9%  
 +62.2%  
 Net Margin  
 34.9%  
 32.7%  
 28.5%  
 +2.2 ppts  
 +6.4 ppts  
 EPS (NT Dollar)  
 1.90  
 1.61  
 1.17  
 +17.9%  
 +62.2%  
 ROE  
 30.3%  
 26.0%  
 20.9%  
 +4.3 ppts  
 +9.4 ppts  
 Shipment (Kpcs, 8"-equiv. Wafer)  
 3,860  
 3,701  
 3,180  
 +4.3%  
 +21.4%  
 Average Exchange Rate--NTD/USD  
 29.86  
 29.60  
 29.12  
 +0.9%  
 +2.5%  
 3Q12  
 2Q12  
 3Q11  
 3Q12  
 over  
 2Q12  
 3Q12  
 over  
 3Q11

©  
2012 TSMC, Ltd  
TSMC Property  
3Q12 Revenue by Application  
70  
2Q12  
3Q12

70  
2Q12  
3Q12  
Communication  
49%  
Consumer  
8%  
19%  
+11%  
QoQ  
+4%  
QoQ  
+0%  
Computer  
Communication  
Consumer  
Industrial/Standard  
QoQ  
+17%  
70  
2Q12  
3Q12  
Industrial/Standard  
24%  
70  
2Q12  
3Q12  
QoQ  
0  
0  
0  
0  
Computer





©  
2012 TSMC, Ltd  
©  
2012 TSMC, Ltd  
TSMC Property  
Balance Sheets & Key Indices  
Selected Items from Balance Sheets

(In NT billions)

Amount

%

Amount

%

Amount

%

Cash & Marketable Securities

147.75

16.8%

188.37

21.3%

120.26

16.4%

Accounts Receivable - Trade

58.41

6.6%

54.94

6.2%

45.46

6.2%

Inventory

33.25

3.8%

30.78

3.5%

25.69

3.5%

Long-Term Investment

28.64

3.3%

28.16

3.2%

36.47

5.0%

Net PP&E

580.08

66.0%

548.15

62.0%

472.95

64.4%

Total Assets

878.65

100.0%

883.91

100.0%

734.64

100.0%

Current Liabilities

119.05

13.5%

211.85

23.9%

108.37

14.7%

Long-Term Interest-bearing Debt

77.73

8.8%

37.28

4.2%

20.34

2.8%

Total Liabilities

201.51

22.9%

253.85

28.7%

133.52

18.2%

Total Shareholders' Equity

677.15

77.1%

630.06

71.3%

601.12

81.8%

Key Indices

A/R Turnover Days

Inventory Turnover Days

Current Ratio (x)

Asset Productivity (x)

\* Total outstanding shares were 25,922mn units at 9/30/12

\*\* Asset productivity = Annualized net sales / Average net fixed assets.

1.1

1.0

0.9

44

44

45

2.1

1.3

1.8

3Q12

2Q12

3Q11

37

37

39

©  
2012 TSMC, Ltd  
TSMC Property  
Cash Flows  
(In NT billions)  
3Q12  
2Q12

3Q11

Beginning Balance

178.44

170.82

150.98

Cash from operating activities

76.63

69.97

55.21

Capital expenditures

(78.33)

(59.47)

(38.05)

Cash dividends

(77.75)

0.00

(77.73)

Short-term loans

(1.02)

(3.92)

2.88

Proceeds from issuance of bonds

40.60

0.00

18.00

Investments and others

0.17

1.04

3.55

Ending Balance

138.74

178.44

114.84

Free Cash Flow

(1.70)

10.50

17.16

©  
2012 TSMC, Ltd  
TSMC Property

(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 +14%; 12-inch Capacity +21%

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  
 378  
 382  
 1,500  
 Fab-14 ( 12")  
 (2)  
 504  
 1,927  
 549  
 546  
 563  
 552  
 2,210  
 Fab-15 ( 12")  
 (2)  
 18  
 69  
 135  
 222  
 WaferTech ( 8")  
 107  
 429  
 110  
 111  
 112  
 112  
 444  
 TSMC China ( 8")  
 230  
 772  
 222  
 230  
 232  
 236  
 921  
 TSMC & Subsidiaries  
 3,352  
 12,963  
 3,553  
 3,579  
 3,776  
 3,915  
 14,823  
 (8" Equivalent Kpcs)  
 SSMC ( 8")  
 65  
 258  
 64  
 64  
 65

65

258

Total TSMC-managed

3,417

13,221

3,616

3,643

3,841

3,980

15,080

2012

(F)

4Q12

(F)

1Q12

(A)

2011

(A)

FAB / (Wafer size)

4Q11

(A)

2Q12

(A)

3Q12

(A)

©

2012 TSMC, Ltd

Revenue to be between NT\$ 129 billion and NT\$ 131 billion, at  
a forecast exchange rate of 29.47 NT dollars to 1 US dollar

Gross profit margin to be between 45 % and 47 %

Operating profit margin to be between 33 % and 35 %

Based on our current business outlook and exchange rate assumption,

management expects:

4Q12 Guidance

TSMC Property

©

2012 TSMC, Ltd

<http://www.tsmc.com>  
<http://www.tsmc.com>  
[invest@tsmc.com](mailto:invest@tsmc.com)  
[invest@tsmc.com](mailto:invest@tsmc.com)  
©  
2012 TSMC, Ltd  
TSMC Property