



TSMC Holds Topping Ceremony For Fab 12, Phase 5

Volume production expected in third quarter of this year

Hsinchu, Taiwan, R.O.C. - January 19, 2010 – TSMC (TWSE: 2330, NYSE: TSM) today held a topping ceremony for its Fab 12, Phase 5 building located in the Hsinchu Science Park, and announced that it expects to begin volume production there in third quarter of this year.

The topping ceremony was conducted by Dr. Mark Liu, TSMC's Senior Vice President of Operations. "TSMC has always striven to improve its trinity of strengths – technology leadership, manufacturing excellence, and customer partnership – in order to provide steadfast support for our customers and to join with them to forge a powerful competitive force in the semiconductor industry," Dr. Liu said.

"The topping of our Fab 12, Phase 5 facility, and our plans to rapidly move in equipment and begin volume production there in the third quarter of this year is another example of our competitiveness in providing steadfast support for customers," he said.

Fab 12, Phase 4 and 5 are TSMC's latest generation of production facilities designated for research and development as well as initial volume production. Phase 4 began volume production in third quarter of 2009, while construction began on Phase 5 at the end of 2009. Phase 5 is expected to begin volume production in the third quarter of this year to satisfy urgent recent increases in customer demand.

In addition to volume production of 28nm products, Fab 12, Phase 5 will also serve as the base for research and development of 22nm and more advanced process technologies. Currently, TSMC is conducting R&D for 28nm and 22nm process technologies at its Fab 12, Phase 1 and 2 facilities, and will hand 28nm technology to the Phase 5 facility for volume production in the fourth quarter of this year.

To meet customer needs, and in addition to capacity expansion at Fab 12, TSMC will also begin construction on Fab 14, Phase 4 located at its Tainan site. Groundbreaking is scheduled following the end of Chinese New Year, with the facility complete and ready for equipment move-in at the end of this year. These capacity expansion and technology development projects all attest to TSMC's determination to provide steadfast support for our customers.

In order to meet our capacity and R&D needs, as well as strengthen our technology leadership, TSMC began a large-scale recruitment campaign in January, and expects to hire more than 3,000 semiconductor-related staff, primarily engineers. TSMC welcomes people who share our values and vision to join us and set new achievements together.

Fab 12, Phase 5 Background Information

- Total area of site (Phase 4 and Phase 5): 7.83 hectares
- Type of project: Factory building (2 stories underground, 4 stories above ground)
- Building area: 83,600 square meters



- Clean room area: 22,700 square meters (approximately 3 soccer fields)
- Number of employees: A total of some 4,500 employees will be working in the Phase 4 and Phase 5 complex. As our R&D team will be based in this building, R&D and production line engineers will reach approximately 3,500 people.
- Green Building: The Fab, 12 Phase 5 building incorporated many green concepts in energy conservation and pollution control in its design, including a process water conservation rate of 85%, reclamation of rainwater, recirculation and reuse of general exhaust heat, and development of solar power generation and LED lighting applications. Our goal is to reach zero emissions of greenhouse gases.

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