

Taiwan's TSMC reports record first-quarter revenue

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Taiwanese tech giant TSMC posted record revenue for the first three months of the year Thursday as demand soared for chips used in

everything from smartphones and cars to missiles.

Taiwan Semiconductor Manufacturing Company (TSMC) operates the world's largest silicon wafer factories and produces some of the most advanced microchips.

Its first-[quarter revenue](#) rose 36 percent on-year and 12 percent on-quarter, respectively, to a record Tw\$491.1 billion (US\$17.6 billion), according to a company statement.

It also posted a 45 percent year-on-year profit of Tw\$202.7 billion in the January-March period.

That was up 22 percent from the 2021 fourth quarter.

CEO C.C. Wei said first-quarter [revenue](#) was "above the high-end of our guidance mainly due to better demand from [smartphone](#) and automotive-related applications than our forecast three months ago".

TSMC had forecast Q1 sales of between Tw\$458.16 billion and Tw\$474.72 billion at an investor conference in January.

Smartphone and high-performance computing (HPC) accounted for 40 percent and 41 percent of net revenue respectively, while automotive represented five percent in the first three months, company figures showed.

Revenue from HPC and automotive both rose 26 percent in this period from the fourth quarter in 2021.

A global chip shortage fuelled by the coronavirus pandemic has not eased and wait time for semiconductor delivery reportedly grew again in March partly due to China's strict Covid lockdowns.

"Moving into [second quarter](#) 2022, we expect our business to be supported by HPC and automotive-related demand, partially offset by smartphone seasonality," Wei said.

TSMC forecast its revenue in the April-June period to be between US\$17.6 billion and US\$18.2 billion, said chief financial officer Wendell Huang.

"Despite the manufacturing cost challenges... we continue to believe a long-term growth margin of 53 percent and higher is achievable," he added.

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