

Taiwan chipmaker TSMC says quarterly profit up 78%

January 12 2023



Taiwan Semiconductor Manufacturing Co., Ltd. (TSMC) logo brands the headquarters in Hsinchu, Taiwan, Wednesday, Oct. 20, 2021. TSMC, the biggest contract manufacturer of processor chips for smartphones and other products, said Thursday, Jan. 12, 2023, its quarterly profit rose 78% over a year earlier but forecast weak demand this year. Credit: AP Photo/Chiang Ying-ying

Taiwan Semiconductor Manufacturing Co., the biggest contract manufacturer of processor chips for smartphones and other products, said Thursday its quarterly profit rose 78% over a year earlier but forecast weak demand this year.

Revenue for the final quarter of 2022 rose 42.8% over a year earlier to 625.5 billion New Taiwan dollars (\$20.6 billion), the company announced. Profit was 295.9 billion New Taiwan dollars (\$9.7 billion).

TSMC, headquartered in Hsinchu, Taiwan, makes processor chips for brands including Apple Inc. and Qualcomm Inc. Many of their products are assembled by factories in China, which has exposed TSMC to the possible impact of U.S.-Chinese tension over technology and security.

Fourth quarter sales suffered from "demand softness" as global economies weakened, TSMC's [chief financial officer](#), Wendell Huang, said in a statement. Huang said the company expects further sales weakness during the first quarter of 2023.

Chipmakers are benefiting for demand for next-generation telecoms, [high-performance computing](#) and chips for use in products from cars to [medical devices](#).

TSMC announced plans last year to invest \$100 billion over the next three years in manufacturing and research and development.

Most semiconductors used in smartphones, [medical equipment](#), computers and other products are made in Taiwan, South Korea and China.

That has prompted concern among American officials about reliance on supplies that might be disrupted by conflict between China and Taiwan. They are lobbying TSMC and other chipmakers to set up factories in the

United States.

President Joe Biden last month visited a TSMC semiconductor production facility that is under construction in Phoenix. The company has announced plans to invest \$40 billion in Arizona.

TSMC announced plans last year to build its first chip factory in Japan. The company and Sony Corp. later said they would jointly invest \$7 billion in the facility.

TSMC also operates a chip factory in Camas, Washington, and design centers in San Jose, California, and Austin, Texas.

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