

Memory chip giant SK Hynix returns to profit on strong AI demand

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South Korean firm SK Hynix is the one of the world's biggest producers of memory chips.

The world's second-largest memory chip maker, South Korea's SK Hynix, said on Thursday it had returned to profit after four consecutive

quarters of losses driven by demand for chips used in artificial intelligence.

SK Hynix posted an [operating profit](#) of 346 billion won (\$259.4 million) for the October-December period, compared with a loss of 1.9 trillion won in the same period a year earlier, with strong sales of its flagship products DDR5 and HBM3.

Those sales increased more than four and five times each respectively last year, the company said, with strong demand for chips used in mobile applications as well as AI.

SK Hynix said its sales increased 47 percent to 11.3 trillion won in the fourth quarter on-year.

However, it still recorded a full-year loss of 9.1 trillion won because of the year-long downturn.

The last time SK Hynix recorded a quarterly profit was in the third quarter of 2022, after which it was hammered by an industry-wide downturn.

"We achieved a remarkable turnaround, marking the first operating profit in the fourth quarter following a protracted downturn, thanks to our technological leadership in the AI memory space," SK Hynix vice president Kim Woo-hyun said in a news release.

The chip maker will "grow into a total AI memory provider" going into 2024, Kim said, equipped with "customized solutions" as it enters into what it called "an era for a new leap forward".

SK Hynix is South Korea's second most valuable company, with [market capitalization](#) of more than 101 trillion won, trailing Samsung

Electronics' 443 trillion won.

Samsung Electronics is scheduled to release its earnings on January 31.

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