

# Chip giant TSMC's April revenue jumps 60% on-year

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TSMC is one of the world's leading semiconductor companies.

Taiwanese chip giant TSMC said on Friday that April revenue jumped nearly 60 percent on-year, riding a huge wave of demand for the advanced semiconductors used in AI hardware.

Taiwan Semiconductor Manufacturing Company controls more than half the world's output of chips, and supplies them for everything from Apple's iPhones to Nvidia's cutting-edge artificial intelligence hardware.

Consolidated revenue for April was "approximately NT\$236.02 billion (US\$7.2 billion)... an increase of 59.6 percent from April 2023", the firm said in a statement.

This compares with a 34.3 percent on-year jump in March.

The company said last month that first-quarter revenue increased 13 percent on-year to US\$18.87 billion, and expects a 27.6 percent rise in the second.

The wild success of OpenAI's ChatGPT has sparked an AI gold rush, with demand surging around the world for the cutting-edge chips needed to train and run AI services.

TSMC dominates the global chip industry, and the bulk of its fabrication plants are based in Taiwan, a self-ruled island that is claimed by neighboring China.

Beijing has said it would not rule out the use of force to bring Taiwan under its control, and has in recent years ramped up pressure by sending in record-breaking numbers of warplanes and naval vessels around the island.

The semiconductor supply chain is highly vulnerable to shocks, and concerned governments have lobbied TSMC to move more production away from Taiwan.

The United States in particular has made a huge push, passing the Chips and Science Act in 2022 to overhaul the [semiconductor industry](#) on

American soil.

US Commerce Secretary Gina Raimondo said Wednesday during a US House hearing on the department's budget that an invasion of Taiwan by China and a seizure of TSMC would be "absolutely devastating" to the American economy.

"Right now, the United States buys 92 percent of its leading edge chips from TSMC in Taiwan," she said. "They are vastly ahead of anything we are doing in the United States."

## **Delays in US**

TSMC announced plans in April for a third factory in the United States, raising its total investment in the United States to US\$65 billion.

Its US projects have faced obstacles in the past year, which the company had attributed to a lack of human resources, as making chips requires highly specialized skills.

But if successful, the TSMC fabs in Arizona would be the first time that super-advanced chips will be made on American soil, according to Raimondo.

This year, TSMC also launched a new US\$8.6 billion plant in the southern Japanese island of Kyushu—a coup for Japan as it vies with the United States and Europe to woo semiconductor firms with huge subsidies.

It is also planning another Japan facility in Kumamoto for more advanced chips.

As well as geopolitical worries, natural disasters are also a threat.

A [major earthquake](#) last month in Taiwan also saw a flurry of emails sent out by TSMC to assure customers that there was minimal impact on its production lines.

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