

Taiwan Semiconductor profits soar

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A technician with the Taiwan Semiconductor Manufacturing Co (TSMC) works in a cleanroom of the company's semiconductor manufacturing plant. TSMC said net profits in the three months to December more than doubled from a year earlier due to strong demand for computer application chips.

Taiwan Semiconductor Manufacturing Co said Thursday net profits in the three months to December more than doubled from a year earlier due to strong demand for computer application chips.

And the company, the world's leading contract [microchip](#) maker by revenue, added investment this year would be ramped up almost 90 percent as it tries to keep ahead of its rivals.

TSMC said its [net profit](#) for the fourth quarter was 32.7 billion Taiwan

dollars (one billion US), up 162.5 percent year-on-year, the company said.

The performance beat analyst forecast and was made possible by its faster-than-expected adoption of more advanced technologies, which allowed it to lift prices.

Revenues from customers based in North America accounted for 71 percent of the total, while sales from Asia Pacific and China, Europe and Japan accounted for 16 percent, respectively.

Its sales for the three-month period came in at 92.09 billion Taiwan dollars, up 42.6 percent if compared with 64.56 billion a year ago, the company said.

The company's capital expenditure for 2010 is expected to surge to 4.8 billion US dollars as TSMC chairman Morris Chang forecast that the global foundry industry's output would rise 29 percent this year.

"With the fast increase in capital investment... TSMC may further consolidate its lead in the race against competitors," said Amigo Liu of Topology Research Institute, a private electronics think tank based in Taipei.

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