

Taiwan Semiconductor lifts Q1 guidance on upbeat outlook

March 12 2014



A photographer takes a picture of Taiwan Semiconductor Manufacturing Company logo during a quarterly report meeting in Taipei on April 26, 2007

Taiwan Semiconductor Manufacturing Co, the world's leading contract microchip maker, on Wednesday raised its first-quarter guidance buoyed by robust demand for sophisticated chips used in smartphones and tablets.

TSMC said revenue, gross profit margin and [operating profit margin](#) in the three months to March are all expected to exceed the upper end of the previous guidance issued in January.

First-quarter revenue is expected to be Tw\$147 billion (\$4.85 billion), compared with the previous guidance range of Tw\$136 billion-Tw\$138 billion.

The updated target revenue would mark a rise of 10.7 percent from the same period of 2013 when it posted Tw\$132.76 billion in revenue.

"The upside to the first quarter guidance comes mainly from the increases in demand for our 28-nanometer wafers and from customers' active restocking of their inventory," chief financial officer Lora Ho said in a statement.

"The first quarter upside is perhaps a good prelude to an already anticipated strong year."

The company now also expects its gross profit margin for the first quarter to grow to 47 percent up from previous guidance for 44.5 percent to 46.5 percent and its operating profit margin to rise to 35 percent, up from 32-34 percent.



TSMC chief executive Rick Tsai (left) and chief finance officer Lora Ho listen at a quarterly report meeting in Taipei on January 25, 2007

TSMC declined to comment on recent reports in local media that it is producing chips for Apple's next iPhone.

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Citation: Taiwan Semiconductor lifts Q1 guidance on upbeat outlook (2014, March 12) retrieved 20 April 2024 from

<https://phys.org/news/2014-03-taiwan-semiconductor-q1-guidance-upbeat.html>

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