

Taiwan Semiconductor Manufacturing Co Ltd**TSMC posts record quarterly profit on AI boom**

Taiwanese chipmaker beats own guidance on revenue and gross profit margin



Taiwan Semiconductor Manufacturing Company's facility in Nanjing. The company dominates the production of sophisticated chips © Bloomberg

Kathrin Hille in Taipei

Published 2 HOURS AGO



Taiwan Semiconductor Manufacturing Company posted a record fourth-quarter net profit as it forecast significantly higher capital expenditure for years to come due to sustained AI growth.

The world's largest chipmaker reported NT\$505.7bn (US\$16bn) in net income on Thursday for the quarter ending on December 31, an 11.8 per cent jump from the same period last year.

Revenue rose 5.7 per cent to NT\$1tn. The company beat its own guidance on revenue and gross profit margin.

“Moving into first quarter 2026, we expect our business to be supported by continued strong demand for our leading-edge process technologies,” said said Wendell Huang, TSMC's senior vice-president and chief financial officer.

The Taiwanese chipmaker is a linchpin of the global economy, making more than 90 per cent of the world's most advanced chips and has in recent years widened its lead over rivals Samsung and Intel. It supplies companies including Nvidia, AMD, Broadcom and Apple.

[TSMC](#) said it expected to spend \$52bn to \$56bn in capital expenditure in 2026 in a sign that the AI build-out will be extended.

Shares of TSMC have risen nearly 60 per cent in the past 12 months to make it the world's sixth-largest company by market capitalisation, behind Nvidia, Alphabet, Apple, Microsoft and Amazon.

In its latest forecast, Samsung also signalled a sustained AI boom as it [forecast record quarterly earnings](#), while Nvidia's chief executive Jensen Huang said recently demand for its H200 chips used in AI data centres was "very high".

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Kathrin Hille