

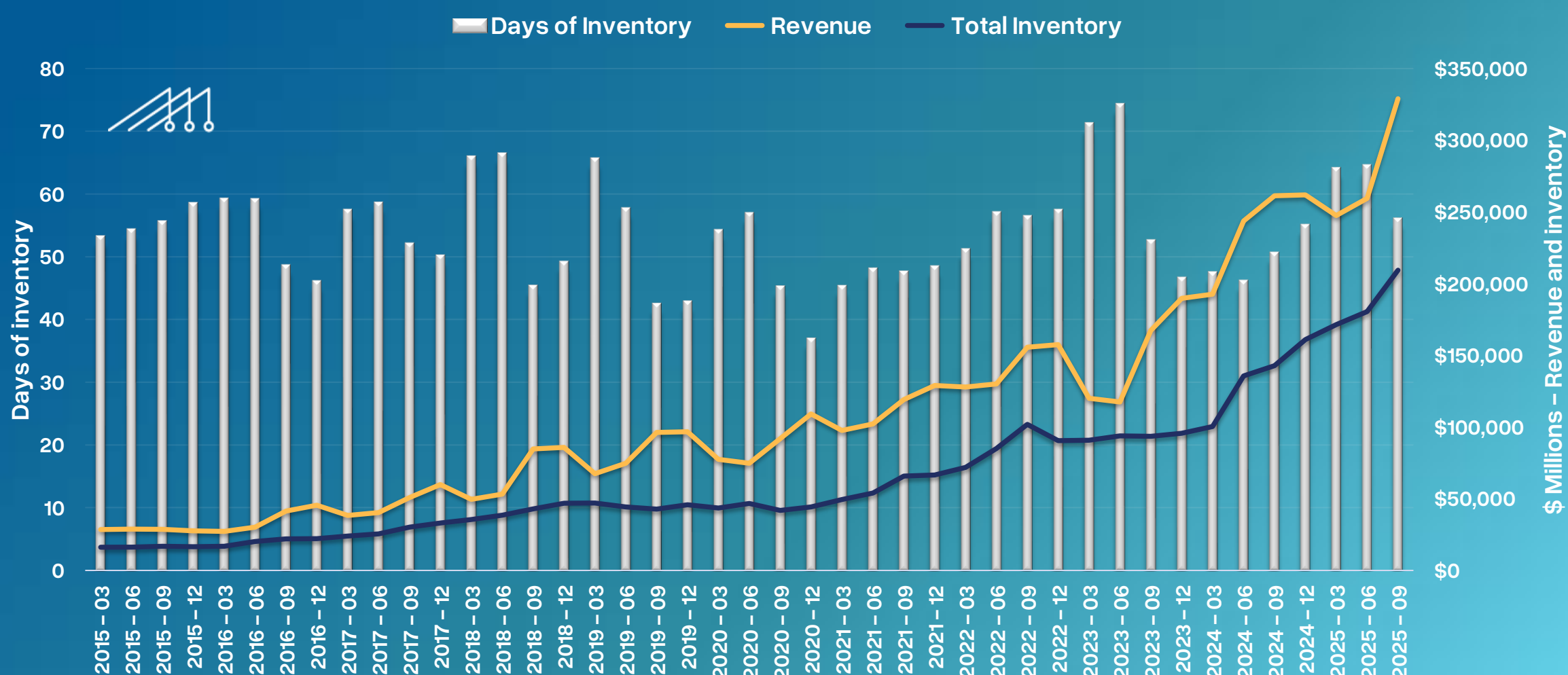
The 1–Minute Brief

WT Microelectronics CY Q3'25 Earnings

Announced on 04, Nov'25

Key Takeaways

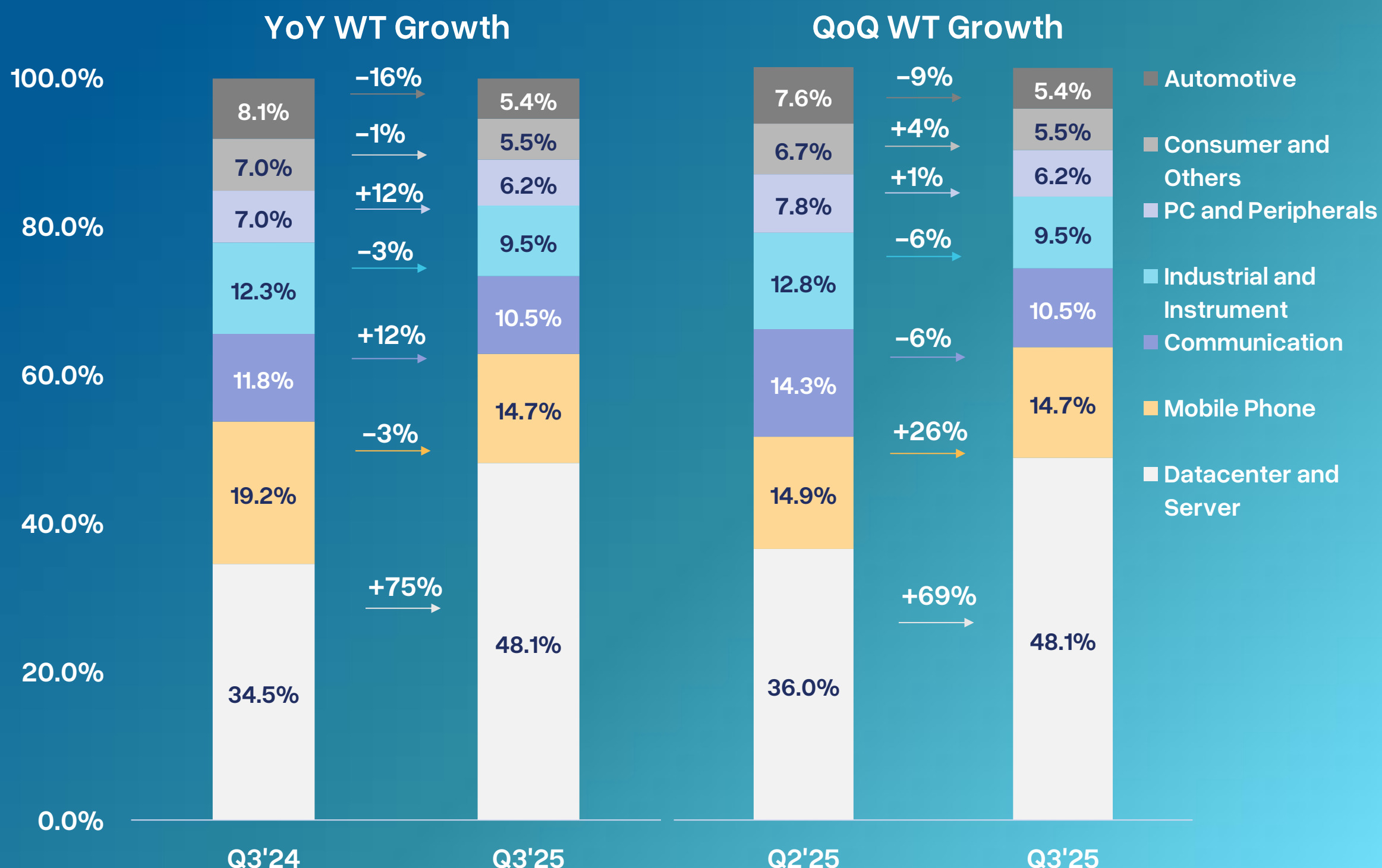
- CY Q3'25 revenue exceeds guidance with revenue NT\$329B (+26% YoY, +27% QoQ)
- H1'25 faced macro pressures from tariffs and FX, but AI semiconductor momentum drove strong Q3 revenue and profit
- Gross margin dipped to 3.7% in Q3 due to a shift toward faster-growing, lower-margin AI products
- Inventory levels have normalized in the US and Europe for Industrial & Auto markets, with demand recovering upstream while China's EV boom sustains automotive electronics growth



Performance Breakdown

- Data center and server products were the clear leaders, accounted for 48.1% of total revenue, surging 69% from QoQ and 75% YoY as shipments beat expectations
- Automotive electronics revenue fell due to inventory adjustments
- Industrial and instrumentation sales fell both QoQ and YoY in Taiwan dollars, but rose 5% YoY in USD, marking the first annual gain in over two years

Revenue Breakdown by Application



Outlook

- **Q4'25 midpoint guidance:**
+16.5% YoY (vs.Q4'24) and -7.3% QoQ (vs. Q3'25)

2026 Outlook

- Momentum remains strong with improving non-AI end markets and sustained AI-related growth
- WT plans on investing in high-growth margin sectors like AI data centers, servers, communications gear, automotive electronics, and industrial applications
- Tight supply is driving up memory and passive component prices, but WT expects both demand and pricing to strengthen in 2026, especially in data centers and industrial applications
- WT expects stronger demand in 2026, led by AI infrastructure buildouts that will boost shipments of networking chips, optical components, and power products



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