

The 1–Minute Brief

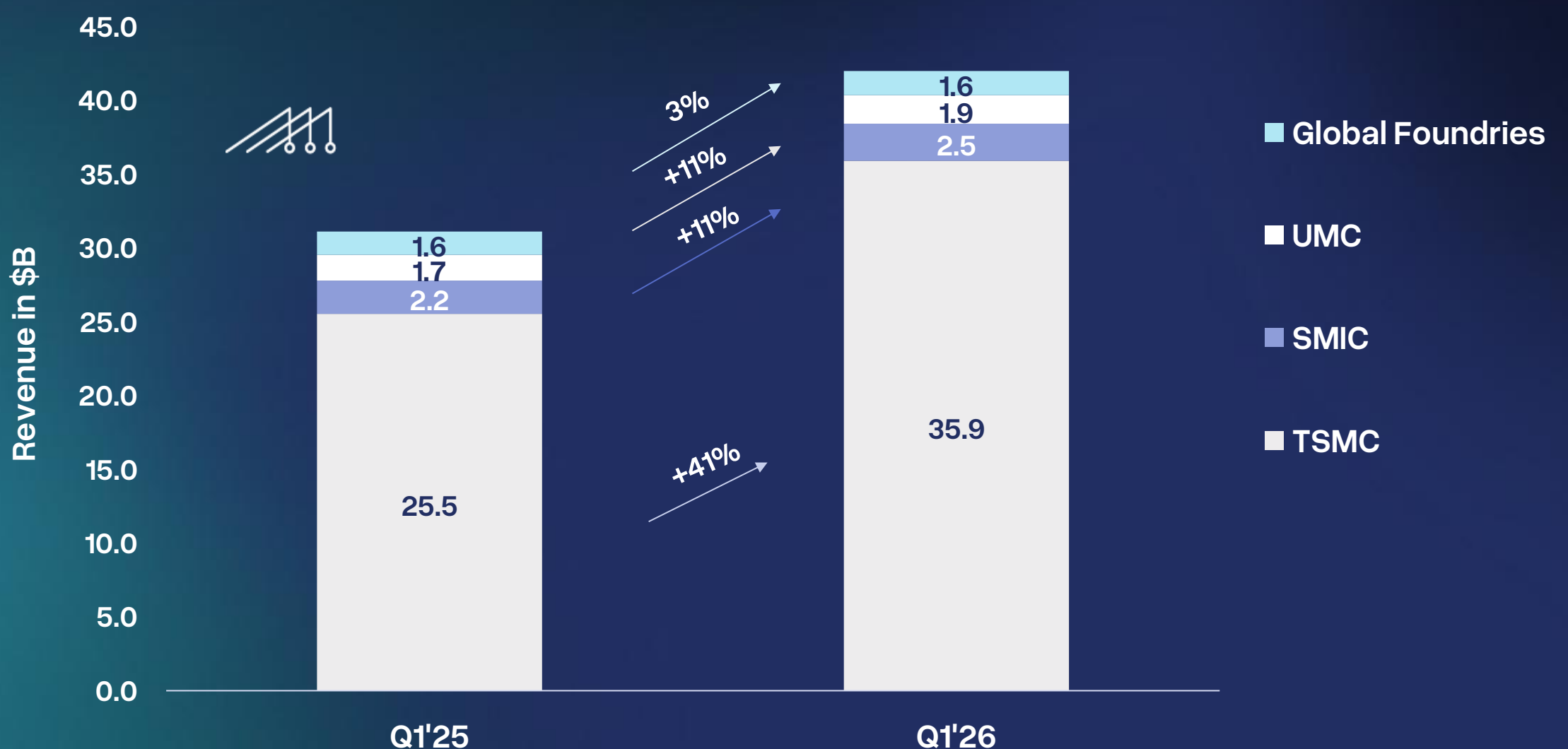
**Q1'26**

# **Top Semiconductor Foundries Market Performance & Outlook**

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## Key Semiconductor Foundries: Revenue Breakdown (YoY Performance)

Key Semi Foundries	Comments
<b>TSMC</b>	<ul style="list-style-type: none"> <li>AI/HPC strength drove Q1'26 revenue, maintaining leading-edge node momentum</li> <li>Gross margin improved in Q1'26 by 7.4ppts, driven by cost improvements and higher capacity utilization</li> </ul>
<b>SMIC</b>	<ul style="list-style-type: none"> <li>Revenue growth driven by resilient demand and improved pricing</li> <li>Strong demand for AI-supporting chips has driven growth in the SMIC's power management capacity</li> </ul>
<b>UMC</b>	<ul style="list-style-type: none"> <li>YoY growth driven by rising wafer shipments, and strong consumer demand</li> <li>22nm reached record levels; combined 22/28nm accounted for ~34% of wafer sales, reflecting shift to specialty technologies</li> </ul>
<b>Global Foundries</b>	<ul style="list-style-type: none"> <li>Revenue growth driven by higher wafer shipments and stronger demand across its automotive, industrial, and communications markets</li> <li>Gross margin improved YoY, driven by factory loading and a richer product mix</li> </ul>



## Key Foundries Performance by Segment (YoY)


- **Automotive:** Continued strong growth across all foundries through raising semiconductor content and demand for power and specialty chips
- **Communications:** Markets stabilized, with improving infrastructure and connectivity demand
- **Computing:** Demand strengthened overall, driven by AI and recovering PC markets
- **Consumer Electronics:** Showed signs of recovery as inventory normalization and improving end demand supported shipments across several foundries
- **IoT:** Demand gradually improved following inventory correction
- **Mobile Devices:** Mixed demand, with weakness in SMIC's mid-range devices offset by strength in TSMC's premium smartphones
- **Specialty Technologies:** 22/28nm, BCD, RF, and embedded memory continued to gain share as customers prioritized specialty, cost-efficient processes

YoY Performance	TSMC	SMIC	UMC	Global Foundries
Automotive	12%	63%		24%
Communications			8%	32%
Computing	45%	-12%	21%	
Consumer Electronics	41%	27%	4%	
IoT	69%	-2%		-22%
Mobile Devices	31%	-13%		-5%
Others	41%		26%	11%

■ Strong (More than +20%)   
 ■ Moderate (+6% to +20%)   
 ■ Stable (0% to +5%)   
 ■ Decline (negative)

Note: Category definitions vary by company – for example, SMIC merges Industrial and Automotive, GlobalFoundries groups IoT and Communications differently, UMC reports Communication broadly, and TSMC separates High Performance Computing, while others combine Computer categories.

# Outlook

Foundry	Q2'26 Outlook		Outlook Highlights 
	QoQ	YoY	
TSMC	+10.3% ↑	+31.7% ↑	Growth driven by strong adoption of 3nm and 5nm nodes for AI hyperscalers
SMIC	+15.0% ↑	–	Gross margin expected to rise in Q2 supported by factory capacity utilization and localized price increases
UMC	–	–	Q2'26 wafer shipments will increase by high-single digit
Global Foundries	+4.3% ↑	+7.7% ↑	–



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