

The 1–Minute Brief

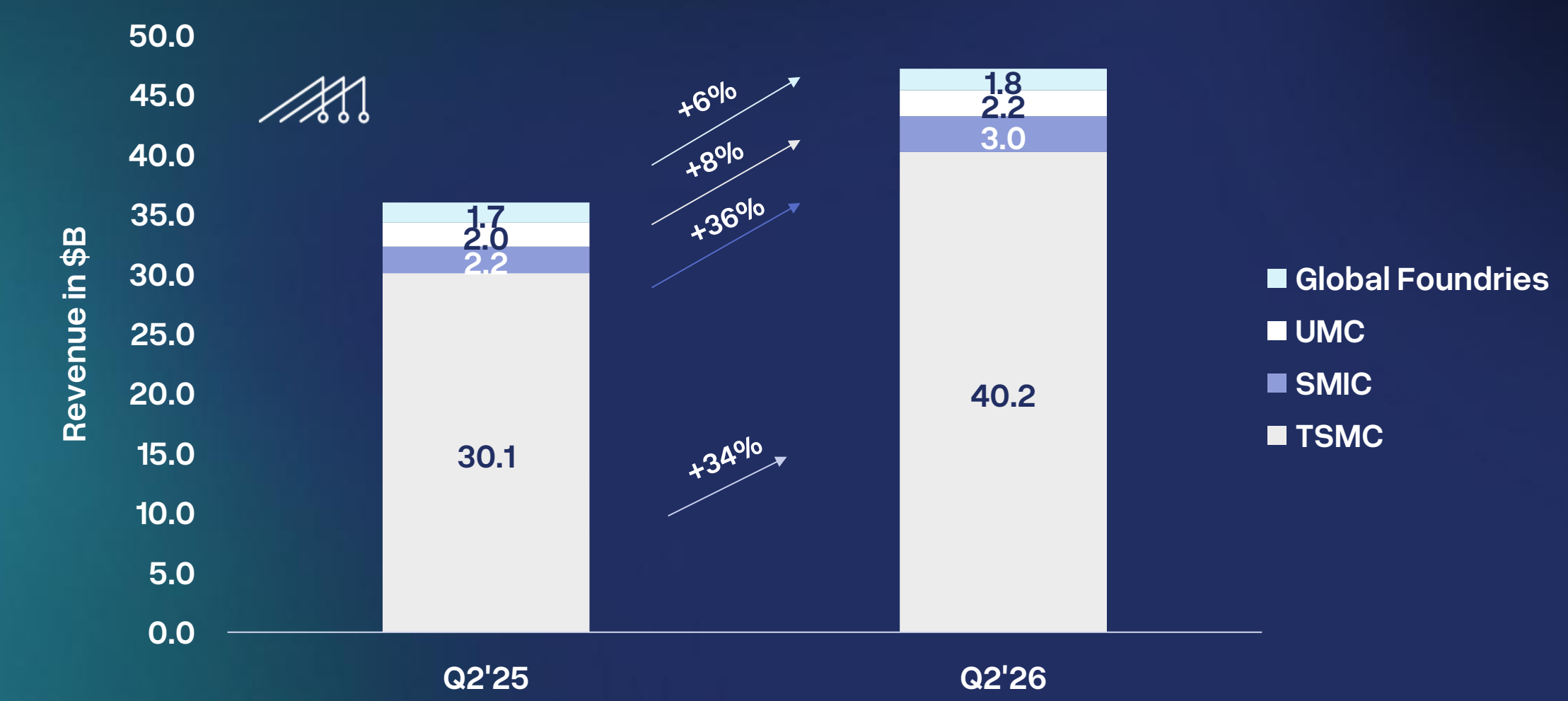
Q2'26

Top Semiconductor Foundries Market Performance & Outlook

Published on 10 Sep'26

Key Semiconductor Foundries: Revenue Breakdown (YoY Performance)

Key Semi Foundries	Comments
TSMC	- AI/HPC remained the key growth engine, driving advanced-node demand, with 7nm contributing 77% of Q2'26 revenue - Gross margin improved in Q2'26 due to cost gains and a higher utilization
SMIC	- Revenue growth driven by improved wafer shipments, pricing and product mix - Strong demand for AI-supporting chips, particularly from Chinese customers, supported higher shipments
UMC	- Revenue growth driven by rising wafer shipments due to strong communications and consumer demand. Significant milestone achieved with mass production delivery of a 12-inch photonics IC 22/28nm reached record levels; 22nm accounted for 17.5% of Q2 sales
Global Foundries	- Revenue growth was supported by stronger customer demand and strategic growth drivers, including optical networking for AI data centers - Silicon photonics and silicon germanium technologies are gaining momentum in optical networking



Key Foundries Performance by Segment (YoY)

- **Automotive:** Mixed recovery with strong demand from China focused mature-node demand
- **Communications:** Demand rose on infrastructure spending, led by AI/data-center networking and optical; GF flagged strong data-center and comms demand
- **Computing:** AI/HPC remained the strongest structural growth driver
- **Consumer Electronics:** Demand improved meaningfully, particularly in China and mature-node applications
- **IoT:** Industrial and connected-device demand improved, signaling gradual normalization in non-AI applications
- **Mobile Devices:** Soft demand, with weakness in SMIC's mid-range devices offset by strength in TSMC's premium smartphones
- **Others:** Broad-based growth across specialty and miscellaneous applications indicates that the semiconductor recovery is extending beyond AI

YoY Performance	TSMC	SMIC	UMC	Global Foundries
Automotive	7%	112%		-10%
Communications			3%	62%
Computing	47%	41%	28%	
Consumer Electronics	34%	47%	5%	
IoT	34%	13%		10%
Mobile Devices	9%	-9%		-6%
Others	34%		16%	21%

■ 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	Q3'26 Outlook		Outlook Highlights 
	QoQ	YoY	
TSMC	+12.4% ↑	+36.6% ↑	Growth driven by strong demand for AI, leading-edge process technologies, including 2nm ramp
SMIC	+3.0% ↑	–	Gross margin expected to be in 26% to 28% range
UMC	–	–	- Q3'26 wafer shipments will increase by high-single digit - Stable demand expected in computer, communication, and consumer segments
Global Foundries	+5.3% ↑	+11.5% ↑	Accelerating customer demand in optical networking for AI data centers



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