## **WSTS News Release**



## WORLD SEMICONDUCTOR TRADE STATISTICS

## WSTS Projects 10.1 percent global semiconductor growth in 2006

WSTS is an independent non-profit organization representing the vast majority of the world semiconductor industry (Internet address: <u>www.wsts.org</u>). These forecasts will be released twice a year, in May and October.

Worldwide Chip Market to Grow 11 percent in 2007, 12.8 percent in 2008

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The global semiconductor market is expected to grow 10.1 percent on an annualized basis to \$250 billion in 2006, according to the spring forecast of the World Semiconductor Trade Statistics (WSTS). Projected growth in the worldwide semiconductor market will accelerate to 11.0 percent in 2007 and 12.8 percent in 2008 with Asia-Pacific being the largest and fastest growing regional market.

The WSTS 2006 projection is higher than the forecast released last autumn, which estimated an 8.0 percent growth for the year. The WSTS foresees a continuation of the growing demand enhanced by increasing semiconductor content for electronic products such as PCs, digital consumer appliances and mobile communications within a challenging but generally healthy world economy.

The current forecast assumes a consistent growth scenario as the industry anticipates positive growth throughout the forecasting period with low double-digit growth in 2006 followed by two more years of solid double-digit growth until 2008. While the forecasted semiconductor market does not show a pronounced cyclical pattern, several geographic regions and product groups maintain cycles similar to historical patterns. Asia Pacific continues to be seen as the fastest growing region, to a lesser extent because of a continuing shift in manufacturing but rather more due to rising domestic demand in this region.

| Spring 2006                    | Amounts in US\$M |         |         |         | Year on Year Growth in % |      |      |      |
|--------------------------------|------------------|---------|---------|---------|--------------------------|------|------|------|
| Spring 2000                    | 2005             | 2006    | 2007    | 2008    | 2005                     | 2006 | 2007 | 2008 |
| Americas                       | 40,736           | 46,451  | 51,004  | 56,497  | 4.3                      | 14.0 | 9.8  | 10.8 |
| Europe                         | 39,275           | 40,471  | 44,327  | 49,022  | -0.4                     | 3.0  | 9.5  | 10.6 |
| Japan                          | 44,082           | 47,309  | 51,551  | 57,234  | -3.7                     | 7.3  | 9.0  | 11.0 |
| Asia Pacific                   | 103,391          | 116,228 | 131,119 | 150,747 | 16.5                     | 12.4 | 12.8 | 15.0 |
| Total World - \$M              | 227,484          | 250,459 | 278,001 | 313,500 | 6.8                      | 10.1 | 11.0 | 12.8 |
| <b>Discrete Semiconductors</b> | 15,244           | 15,942  | 17,010  | 18,669  | -3.3                     | 4.6  | 6.7  | 9.8  |
| Optoelectronics                | 14,902           | 16,404  | 18,267  | 20,916  | 8.6                      | 10.1 | 11.4 | 14.5 |
| Sensors                        | 4,541            | 5,161   | 5,957   | 6,822   | -4.7                     | 13.7 | 15.4 | 14.5 |
| Integrated Circuits            | 192,798          | 212,952 | 236,768 | 267,093 | 7.8                      | 10.5 | 11.2 | 12.8 |
| Analog                         | 31,922           | 37,332  | 40,881  | 46,468  | 1.8                      | 16.9 | 9.5  | 13.7 |
| Micro                          | 54,687           | 58,264  | 64,459  | 71,454  | 7.8                      | 6.5  | 10.6 | 10.9 |
| Logic                          | 57,670           | 62,055  | 68,481  | 78,250  | 16.4                     | 7.6  | 10.4 | 14.3 |
| Memory                         | 48,519           | 55,301  | 62,947  | 70,921  | 2.9                      | 14.0 | 13.8 | 12.7 |
| Total Products - \$M           | 227,484          | 250,459 | 278,001 | 313,500 | 6.8                      | 10.1 | 11.0 | 12.8 |

Note: Numbers are rounded to whole millions of dollars, which may cause totals by region and product group to differ slightly.

For further information, please consult (click on name for email address):

| In the Americas | Jeff Elliott    | Americas Vice Chairman     | +1 (408) 433-8253       |
|-----------------|-----------------|----------------------------|-------------------------|
| In Europe       | Patrice Vaslot  | Europe Vice Chairman       | +33 (1) 5807 7763       |
| In Japan        | Toshio Ichiyama | Japan Vice Chairman        | +81 (3) 5201 5046       |
| In Asia Pacific | Tony Huang      | Asia Pacific Vice Chairman | +886 (2) 81777168 x1368 |
| For the World   | Mike Lee        | World Chairman             | +82 (31) 208 3513       |