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IC INSIGHTS PREDICTS 2005 COMPUTER IC MARKET WILL TOP 2000 PEAK

Computer IC sales will grow 7.3% while communications IC segment increases 12.1% this year

Scottsdale, Arizona --- November 16, 2005 --- Despite stronger growth rates in communications systems, computer equipment will account for half of the ICs sold in 2005, or about \$96.5 billion, according to new estimates by IC Insights. The computer IC market is expected to grow 7.3% in 2005 from \$89.9 billion in 2004, and in doing so this huge segment will finally surpass the all-time record for revenues of \$90.4 billion set in 2000.

Computer systems—including PCs, workstations, servers, mainframes, and related peripheral equipment—have accounted for about half of the industry’s IC revenues each year since the early 1990s. While other end-use segments may sometimes display better growth rates than computer ICs, the health of the total IC market is highly dependent upon strong computer industry demand.

The computer IC market is forecast to be more than twice the size of the communications IC market and nearly four times larger than the consumer IC segment in 2005 (Figure 1).

IC Market Trends by System Type

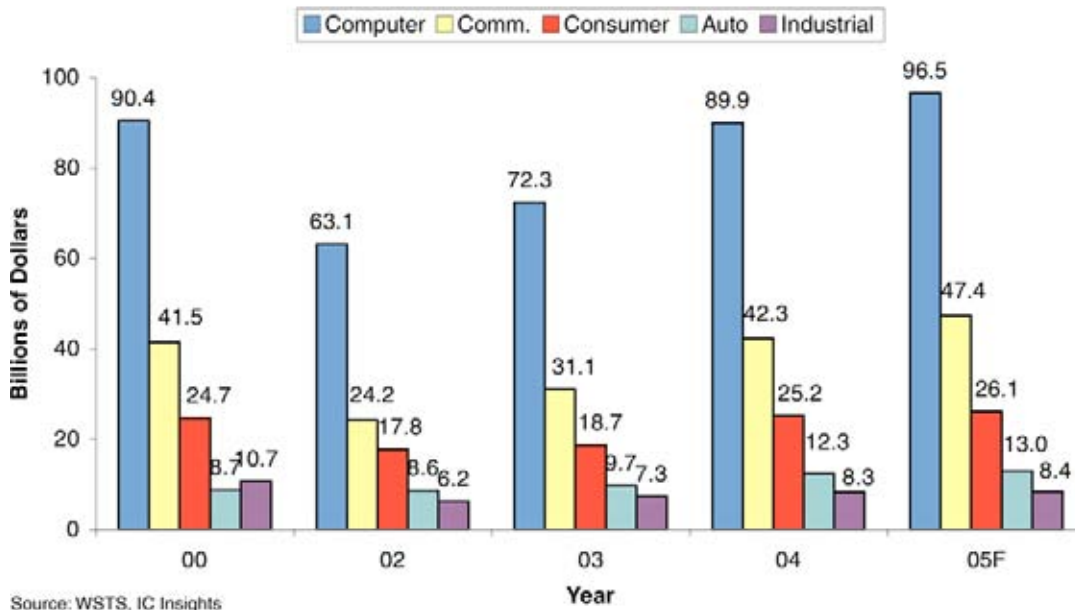


Figure 1

IC Insights expects communications IC sales to grow 12.1% to \$47.4 billion from \$42.3 billion in 2004, while the consumer IC market will increase just 3.6% to \$26.1 billion from \$25.2 billion last year. Automotive IC sales will rise 5.7% to \$13.0 billion and the industrial IC segment will increase 1.2 percent to \$8.4 billion this year, based on IC Insights' latest market analysis, which will be detailed in the upcoming 2006 *IC Market Drivers* report. Overall, integrated circuit revenues are forecast to grow about 8% to \$192.4 billion in 2005, compared to \$178.8 billion in 2004.

The 2006 edition of IC Insights' *Integrated Circuit Market Drivers* (formerly known as the *Emerging IC Markets* report) will be available in late November. The report provides a study of emerging and major end-use applications fueling demand for ICs in the second half of this decade. Packed with numerous tables providing 10,000 market data points, the *IC Market Drivers* report will be available in both a three-ring binder and on CD-ROM, costing \$2,485 for the first bundled set. Additional individual copies of the disk or binder will sell for \$495 each. A single CD-ROM or binder copy will be available for \$1,990 each. The report is also available under a multi-user corporate license for \$5,290.

About IC Insights

IC Insights, Inc., based in Scottsdale, Arizona USA, is dedicated to providing high-quality, cost-effective market research for the integrated circuit industry. Founded in 1997, IC Insights offers coverage of global economic trends, the IC market forecast, capital spending and fab capacity trends, product market details, and technology trends, as well as complete IC company profiles and evaluations of end-use applications driving demand for ICs. For more information, contact +1-480-348-1133 or info@icinsights.com, or visit www.icinsights.com.