RESEARCH BULLETIN

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Half of Global Fab Capacity Owned by Top 10 Manufacturers

New study ranks IC manufacturers by amount of installed wafer capacity

A brand-new study from IC Insights provides an in-depth examination of the IC industry's installed wafer capacity. The just-released *Global Wafer Capacity and Analysis (2006-2011)* study includes rankings of IC manufacturers in terms of total installed capacity, as well as rankings of capacity leaders for each of the various wafer sizes (100mm, 125mm, 150mm, 200mm, 300mm); capacity leaders for leading-edge processes, lagging-edge processes, and mature processes; and capacity leaders by device type (memory, logic, analog, foundry, microcomponent).

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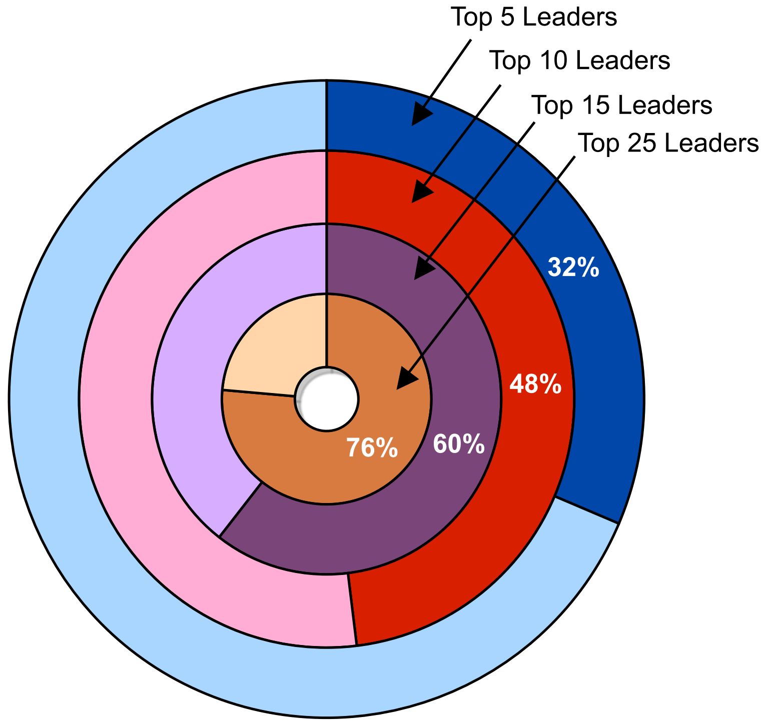
According to the report, Samsung, TSMC, Intel, Toshiba, and UMC had the five largest shares of the world's capacity at the end of 2006, with combined capacity of just over 2.9 million wafers per month (in 200mm-equivalent wafers). The top-five capacity leaders accounted for 32% of total wafer capacity as of year-end 2006 (Figure 1). At the same time, nearly half (48%) of the world's capacity was represented by the combined capacity of the top-10 leaders. In other words, relatively few companies control a very large portion of the IC industry's supply of wafer fab capacity.

Geographically, the top-10 capacity leaders represent a diverse group with three based in Taiwan, two in South Korea, two in the United States, two in Japan, and one in Europe. It is interesting to note that two of the largest capacity holders are the pure-play foundries, TSMC and UMC. IC manufacturing is increasingly becoming a high stakes poker game with enormous up-front costs ($3.0-$3.5 billion for a 300mm wafer fab). With fewer and fewer firms willing and able to make the investment in high-volume state-of-the-art fabs, the pure-play foundries are playing an increasingly vital role in providing the industry with a reliable and consistent supply of wafer fabrication capacity.

2006 Capacity Leaders' Shares of Total WW Capacity
(9.2 Million 200mm-Equivalent Wafers per Month)



Source: Companies, IC Insights

Figure 1

Report Details

IC Insights' *Global Wafer Capacity Analysis and Forecast (2006-2011)* is now available for purchase. Produced in direct response to customer demand for better knowledge of the industry's capacity, the special study offers a thorough examination of the IC industry's current capacity condition and goes on to project changes in capacity levels through the year 2011. Buyers of the *Global Wafer Capacity Analysis and Forecast* study get both a full-color hard copy and an electronic copy on CD-ROM for $3,985 (current IC Insights clients receive $500 discount). The report is also available under a multi-user corporate license for $6,790.

For more information, please visit http://www.icinsights.com/prodsrvs/specialstudies/globalcapacity/.

About IC Insights

IC Insights, Inc., based in Scottsdale, Arizona USA, is dedicated to providing high-quality, cost-effective market research for the semiconductor industry. Founded in 1997, IC Insights offers coverage of global economic trends, the semiconductor 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.

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