RESEARCH BULLETIN

IC Insights

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Intel to Reclaim Number One Semiconductor Supplier Ranking in 2019

Sony tops among only three top-15 semiconductor suppliers to show growth this year.

IC Insights' *November Update* to the 2019 *McClean Report,* released later this month, includes a discussion of the forecasted top-25 semiconductor suppliers in 2019 (the top-15 2019 semiconductor suppliers are covered in this research bulletin). The *Update* also includes a detailed five-year forecast of the IC market by product type (including dollar volume, unit shipments, and average selling price) and a forecast of the major semiconductor industry capital spenders for 2019 and 2020.

MORE INFORMATION CONTACT

Bill McClean
President
Phone: +1-480-348-1133
Email: bill@icinsights.com

The expected top-15 worldwide semiconductor (IC and O-S-D—optoelectronic, sensor, and discrete) sales ranking for 2019 is shown in Figure 1. It includes six suppliers headquartered in the U.S., three in Europe, two each in South Korea, Japan, and Taiwan.

2019F Top 15 Semiconductor Sales Leaders ($M, Including Foundries)

2019F Rank	2018 Rank	Company	Headquarters	2018 Total IC	2018 Total O-S-D	2018 Total Semi	2019F Total IC	2019F Total O-S-D	2019F Total Semi	2019/2018 % Change
1	2	Intel	U.S.	69,880	0	69,880	69,832	0	69,832	0%
2	1	Samsung	South Korea	75,698	2,843	78,541	51,750	3,860	55,610	-29%
3	4	TSMC (1)	Taiwan	34,208	0	34,208	34,503	0	34,503	1%
4	3	SK Hynix	South Korea	36,200	567	36,767	22,291	595	22,886	-38%
5	5	Micron	U.S.	30,930	0	30,930	19,960	0	19,960	-35%
6	6	Broadcom Inc. (2)	U.S.	16,454	1,735	18,189	15,917	1,789	17,706	-3%
7	7	Qualcomm (2)	U.S.	16,385	0	16,385	14,300	0	14,300	-13%
8	8	TI	U.S.	13,908	946	14,854	12,705	842	13,547	-9%
9	9	Toshiba/Kioxia (3)	Japan	12,293	1,508	13,801	9,839	1,437	11,276	-18%
10	10	Nvidia (2)	U.S.	11,951	0	11,951	10,514	0	10,514	-12%
11	15	Sony	Japan	627	7,088	7,715	878	8,674	9,552	24%
12	11	ST	Europe	6,628	2,991	9,619	7,241	2,215	9,456	-2%
13	13	Infineon	Europe	5,465	3,745	9,210	5,366	3,580	8,946	-3%
14	12	NXP	Europe	8,429	978	9,407	7,969	888	8,857	-6%
15	14	MediaTek (2)	Taiwan	7,891	0	7,891	7,948	0	7,948	1%
—	—	Top-15 Total		346,947	22,401	369,348	291,013	23,880	314,893	-15%

(1) Foundry (2) Fabless (3) Formerly Toshiba Memory

Source: Company reports, IC Insights' *Strategic Reviews* database

Figure 1

In total, the top-15 semiconductor companies' sales are forecast to drop by 15% in 2019 compared to 2018, two points lower than the expected total worldwide semiconductor industry decline of 13%. The three largest memory suppliers—Samsung, SK Hynix, and Micron—are each forecast to register ≥29% year-over-year declines in 2018 with SK Hynix expected to log the biggest decline among the top-15 companies with a 38% plunge in sales this year.

All of the top-15 companies are expected to have sales of at least $7.0 billion in this year, the same number of companies as in 2018. As shown in Figure 2, only three of the top-15 companies are forecast to register year-over-year growth in 2019—Sony, TSMC, and MediaTek. Moreover, six companies are expected to have double-digit sales declines this year, including four of the big memory suppliers (Samsung, SK Hynix, Micron, and Toshiba/Kioxia) as well as Nvidia and Qualcomm.

2019F Top 15 Semiconductor Sales Leaders Ranked by Growth Rate ($M, Including Foundries)

2019F Rank	Company	Headquarters	2018 Total IC	2018 Total O-S-D	2018 Total Semi	2019F Total IC	2019F Total O-S-D	2019F Total Semi	2019/2018 % Change
1	**Sony**	Japan	**627**	**7,088**	**7,715**	**878**	**8,674**	**9,552**	**24%**
2	**TSMC (1)**	Taiwan	**34,208**	**0**	**34,208**	**34,503**	**0**	**34,503**	**1%**
3	**MediaTek (2)**	Taiwan	**7,891**	**0**	**7,891**	**7,948**	**0**	**7,948**	**1%**
4	**Intel**	U.S.	**69,880**	**0**	**69,880**	**69,832**	**0**	**69,832**	**0%**
5	**ST**	Europe	**6,628**	**2,991**	**9,619**	**7,241**	**2,215**	**9,456**	**-2%**
6	**Broadcom Inc. (2)**	U.S.	**16,454**	**1,735**	**18,189**	**15,917**	**1,789**	**17,706**	**-3%**
7	**Infineon**	Europe	**5,465**	**3,745**	**9,210**	**5,366**	**3,580**	**8,946**	**-3%**
8	**NXP**	Europe	**8,429**	**978**	**9,407**	**7,969**	**888**	**8,857**	**-6%**
9	**TI**	U.S.	**13,908**	**946**	**14,854**	**12,705**	**842**	**13,547**	**-9%**
10	**Nvidia (2)**	U.S.	**11,951**	**0**	**11,951**	**10,514**	**0**	**10,514**	**-12%**
11	**Qualcomm (2)**	U.S.	**16,385**	**0**	**16,385**	**14,300**	**0**	**14,300**	**-13%**
12	**Toshiba/Kioxia (3)**	Japan	**12,293**	**1,508**	**13,801**	**9,839**	**1,437**	**11,276**	**-18%**
13	**Samsung**	South Korea	**75,698**	**2,843**	**78,541**	**51,750**	**3,860**	**55,610**	**-29%**
14	**Micron**	U.S.	**30,930**	**0**	**30,930**	**19,960**	**0**	**19,960**	**-35%**
15	**SK Hynix**	South Korea	**36,200**	**567**	**36,767**	**22,291**	**595**	**22,886**	**-38%**

(1) Foundry (2) Fabless (3) Formerly Toshiba Memory

Source: Company reports, IC Insights' *Strategic Reviews* database

Figure 2

The largest move upward in the ranking is forecast to come from Sony, which is expected to move up four spots to the 11th position on the strength of extremely strong image sensor sales. In contrast, NXP is expected to fall two places to 14th with a sales decline of 6% this year.

Intel was the number one ranked semiconductor supplier in 1Q17 but lost its lead spot to Samsung in 2Q17. It also fell from the top spot in the full-year 2017 ranking, a position it had held since 1993. With the strong surge in the DRAM and NAND flash markets in 2018, Samsung went from having 7% more total semiconductor sales than Intel in 2017 to having 12% more semiconductor sales than Intel in 2018. However, with a forecasted 34% drop in the memory market this year, Intel is once again expected to rank as the largest semiconductor supplier and have sales that are 26% larger than Samsung in 2019.

The 2019 top-15 ranking includes one pure-play foundry (TSMC) and four fabless companies. If TSMC is excluded from the top-15 ranking, China-based HiSilicon (Huawei) would move into the 15th position with forecasted 2019 sales of $7.5 billion, up 24% from 2018.

IC Insights includes foundries in the top-15 semiconductor supplier ranking since it has always viewed the ranking as a top supplier list, not a marketshare ranking, and realizes that in some cases the semiconductor sales are double counted. With many of our clients being vendors to the semiconductor industry (supplying equipment, chemicals, gases, etc.), excluding large IC manufacturers like the foundries would leave significant holes in the list of top semiconductor suppliers. Foundries and fabless companies are identified in the Figures. In the *April Update* to *The McClean Report*, marketshare rankings of IC suppliers by product type were presented and foundries were excluded from these listings.

Overall, the top-15 list is provided as a guideline to identify which companies are the leading semiconductor suppliers, whether they are IDMs, fabless companies, or foundries.

Report Details: *The 2020 McClean Report*

The 2020 edition of *The McClean Report—A Complete Analysis and Forecast of the Integrated Circuit Industry,* will be released in January 2020. A subscription to *The McClean Report* includes **free** monthly updates from March through November (including a 200+ page *Mid-Year Update*), and **free** access to subscriber-only webinars throughout the year. An individual-user license to the 2020 edition of *The McClean Report* is priced at $4,990 and includes an Internet access password. A multi-user worldwide corporate license is available for $7,990.

As part of your 2020 subscription, you are entitled to free attendance at a *McClean Report* seminar (one seat for each copy purchased; company-wide licensees receive five free seats). The schedule for next year's seminar tour is shown below.

Tuesday, January 21, 2020 — Scottsdale, Arizona
Thursday, January 23, 2020 — San Jose, California
Tuesday, January 28, 2020 — Boston, Massachusetts

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