

APRIL 4, 2012

Extreme Results in Top 25 2011 Semiconductor Sales Ranking!

ON Semiconductor and Elpida represented an 89-point swing in 2011 growth rates.

Although only 2% growth was registered in the worldwide semiconductor market (including ICs and Optoelectronics, Sensors, and Discretes; O-S-Ds) in 2011, several companies posted results that were far different (Figure 1). Boosted by its acquisition of Sanyo's semiconductor business, ON Semiconductor registered a 49% sales increase last year and moved into the top 25 ranking for the first time! Qualcomm, spurred by a 73% increase in smartphone unit shipments last year, logged a strong 38% increase in semiconductor sales in 2011. At the other end of the spectrum was Elpida, which registered a steep sales drop of 40% (45% when expressed in yen)!

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Although 15 of the top 25 semiconductor sales leaders posted negative results last year, in total, the top 10 and top 25 semiconductor suppliers grew 7% and 4%, respectively, in 2011 as compared to 2010. These growth rates were much better than the 2% increase shown in the worldwide 2011/2010 semiconductor market. A listing of the top 50 semiconductor suppliers of 2011 will be included in IC Insights' *April Update*, which is part of the subscription to *The McClean Report*.

As shown, Intel remained firmly in control of the number one spot in the ranking last year. In fact, Intel, helped by its acquisition of Infineon's wireless IC business, extended its lead over second-ranked Samsung by registering 48% more in semiconductor sales than Samsung in 2011 as compared to a 24% margin in 2010.

Healthy growth in its graphics and communications processor business helped Nvidia jump five positions and move the company to 18th place in the top 25 ranking. In contrast, Elpida fell six spots in the ranking last year (from 13th to 19th) as the collapse in the DRAM market had a disastrous effect on the company. In fact, Elpida lost almost \$1.2 billion in the second half of calendar 2011 and filed for bankruptcy in 1Q12.

In contrast to 2010, memory companies did not secure the top growth rate positions in the ranking in 2011 (Figure 2). In fact, as shown below, non-memory suppliers logged the top six growth rate increases last year. Moreover, in the case of ON, Qualcomm, and Intel, 2011 semiconductor sales growth rates were significantly boosted by company and/or business segment acquisitions.

- 1) ON Semi; 49% jump primarily due to the acquisition of Sanyo's semiconductor business
- 2) Qualcomm; 38% jump due to surging smartphone IC sales and its acquisition of Atheros
- 3) Infineon; 29% growth from continuing operations (23% using 2010 exchange rates)
- 4) Intel; 24% increase spurred in part by its acquisition of Infineon's wireless business
- 5) Nvidia; 10% growth due to healthy sales of graphics and communications processors
- 6) TSMC; 10% (2% using 2010 exchange rates)

Of the big five memory suppliers in the top 25 ranking (i.e., Samsung, Toshiba, Hynix, Micron, and Elpida), only Samsung registered 2011/2010 growth. In total, only 9 of the top 25 suppliers (including Infineon's 29% sales growth from continuing operations) outperformed the total worldwide semiconductor industry 2011/2010 growth rate of 2%.

2011 Top 25 Semiconductor Sales Leaders (\$M, Including Foundries)

| 2011 Rank | 2010 Rank | Company | Headquarters | 2010 Tot IC | 2010 Tot O-S-D | 2010 Tot Semi | 2011 Tot IC | 2011 Tot O-S-D | 2011 Tot Semi | 2011/2010 % Change |
|---------------------|-----------|------------------|--------------|----------------|----------------|----------------|----------------|----------------|----------------|--------------------|
| 1 | 1 | Intel | U.S. | 40,154 | 0 | 40,154 | 49,697 | 0 | 49,697 | 24% |
| 2 | 2 | Samsung | South Korea | 31,831 | 624 | 32,455 | 32,703 | 780 | 33,483 | 3% |
| 3 | 3 | TSMC* | Taiwan | 13,307 | 0 | 13,307 | 14,600 | 0 | 14,600 | 10% |
| 4 | 4 | TI | U.S. | 12,364 | 673 | 13,037 | 12,182 | 718 | 12,900 | -1% |
| 5 | 5 | Toshiba | Japan | 10,374 | 2,654 | 13,028 | 10,024 | 2,721 | 12,745 | -2% |
| 6 | 6 | Renesas | Japan | 9,586 | 2,064 | 11,650 | 8,517 | 2,136 | 10,653 | -9% |
| 7 | 10 | Qualcomm** | U.S. | 7,204 | 0 | 7,204 | 9,910 | 0 | 9,910 | 38% |
| 8 | 8 | ST | Europe | 8,046 | 2,241 | 10,287 | 7,117 | 2,514 | 9,631 | -6% |
| 9 | 7 | Hynix | South Korea | 10,432 | 0 | 10,432 | 9,403 | 0 | 9,403 | -10% |
| 10 | 9 | Micron | U.S. | 8,677 | 415 | 9,092 | 8,125 | 446 | 8,571 | -6% |
| 11 | 11 | Broadcom** | U.S. | 6,589 | 0 | 6,589 | 7,160 | 0 | 7,160 | 9% |
| 12 | 12 | AMD** | U.S. | 6,494 | 0 | 6,494 | 6,568 | 0 | 6,568 | 1% |
| 13 | 14 | Infineon*** | Europe | 4,155 | 1,894 | 6,049 | 3,560 | 2,039 | 5,599 | -7% |
| 14 | 15 | Sony | Japan | 4,467 | 1,178 | 5,645 | 4,065 | 1,307 | 5,372 | -5% |
| 15 | 18 | Fujitsu | Japan | 3,783 | 364 | 4,147 | 4,035 | 395 | 4,430 | 7% |
| 16 | 16 | Freescade | U.S. | 3,757 | 600 | 4,357 | 3,748 | 660 | 4,408 | 1% |
| 17 | 17 | NXP | Europe | 3,017 | 1,202 | 4,219 | 2,855 | 1,292 | 4,147 | -2% |
| 18 | 23 | Nvidia** | U.S. | 3,575 | 0 | 3,575 | 3,939 | 0 | 3,939 | 10% |
| 19 | 13 | Elpida | Japan | 6,446 | 0 | 6,446 | 3,891 | 0 | 3,891 | -40% |
| 20 | 19 | UMC* | Taiwan | 3,965 | 0 | 3,965 | 3,760 | 0 | 3,760 | -5% |
| 21 | 24 | GlobalFoundries* | U.S. | 3,510 | 0 | 3,510 | 3,480 | 0 | 3,480 | -1% |
| 22 | 21 | Marvell** | U.S. | 3,592 | 0 | 3,592 | 3,445 | 0 | 3,445 | -4% |
| 23 | 31 | ON Semi | U.S. | 1,442 | 871 | 2,313 | 2,000 | 1,443 | 3,443 | 49% |
| 24 | 25 | Rohm | Japan | 2,089 | 1,309 | 3,398 | 1,952 | 1,351 | 3,303 | -3% |
| 25 | 20 | Panasonic | Japan | 1,804 | 1,925 | 3,729 | 1,308 | 1,885 | 3,193 | -14% |
| Top 10 Total | | | | 151,975 | 8,671 | 160,646 | 162,278 | 9,315 | 171,593 | 7% |
| Top 25 Total | | | | 210,660 | 18,014 | 228,674 | 218,044 | 19,687 | 237,731 | 4% |

*Foundry

**Fabless

***29% Growth from continuing operations

Source: IC Insights' Strategic Reviews Database

Figure 1

2011 Top 25 Semiconductor Sales Leaders Ranked by Growth Rate (\$M)

| 2011 Rank | Company | Headquarters | 2010 Tot Semi | 2011 Tot Semi | 2011/2010 % Change |
|---------------------|------------------|--------------|----------------|----------------|--------------------|
| 1 | ON Semi | U.S. | 2,313 | 3,443 | 49% |
| 2 | Qualcomm** | U.S. | 7,204 | 9,910 | 38% |
| 3 | Intel | U.S. | 40,154 | 49,697 | 24% |
| 4 | Nvidia** | U.S. | 3,575 | 3,939 | 10% |
| 5 | TSMC* | Taiwan | 13,307 | 14,600 | 10% |
| 6 | Broadcom** | U.S. | 6,589 | 7,160 | 9% |
| 7 | Fujitsu | Japan | 4,147 | 4,430 | 7% |
| 8 | Samsung | South Korea | 32,455 | 33,483 | 3% |
| 9 | Freescale | U.S. | 4,357 | 4,408 | 1% |
| 10 | AMD** | U.S. | 6,494 | 6,568 | 1% |
| 11 | GlobalFoundries* | U.S. | 3,510 | 3,480 | -1% |
| 12 | TI | U.S. | 13,037 | 12,900 | -1% |
| 13 | NXP | Europe | 4,219 | 4,147 | -2% |
| 14 | Toshiba | Japan | 13,028 | 12,745 | -2% |
| 15 | Rohm | Japan | 3,398 | 3,303 | -3% |
| 16 | Marvell** | U.S. | 3,592 | 3,445 | -4% |
| 17 | Sony | Japan | 5,645 | 5,372 | -5% |
| 18 | UMC* | Taiwan | 3,965 | 3,760 | -5% |
| 19 | Micron | U.S. | 9,092 | 8,571 | -6% |
| 20 | ST | Europe | 10,287 | 9,631 | -6% |
| 21 | Infineon*** | Europe | 6,049 | 5,599 | -7% |
| 22 | Renesas | Japan | 11,650 | 10,653 | -9% |
| 23 | Hynix | South Korea | 10,432 | 9,403 | -10% |
| 24 | Panasonic | Japan | 3,729 | 3,193 | -14% |
| 25 | Elpida | Japan | 6,446 | 3,891 | -40% |
| Top 25 Total | | | 228,674 | 237,731 | 4% |

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***29% from continuing operations

Source: IC Insights' Strategic Reviews Database

Figure 2

Report Details: *The McClean Report* Subscription and *Strategic Reviews*

Additional details of the 2012 IC market can be found in the 2012 edition of *The McClean Report*, IC Insights' complete market analysis and forecast of the IC industry. Packed with more than 400 tables and graphs, *The McClean Report* subscription includes free monthly updates by e-mail from March through November (including a 250+ page *Mid-Year Report*). A single-user subscription to the 2012 edition of *The McClean Report* is priced at \$3,290 and includes an Internet access password. A multi-user worldwide corporate license is available for \$6,290.

IC Insights' *Strategic Reviews* database includes extensive profiles of more than 220 IC companies, including those companies with a fabrication facility as well as fabless IC suppliers. The profiles include financial highlights, company strategy, key personnel, products and services offered, process technologies

employed, important strategic alliances, detailed fab data when applicable, and contact information. Over 2,000 hours a year are expended to keep this database current!

An individual-user password to *Strategic Reviews* is available for \$2,890 and is good for access to the database for one full year after the start of the subscription. A multi-user corporate-wide password is available for only \$4,590.

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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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