

RESEARCH BULLETIN

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Five Suppliers Hold 41% of Global Semiconductor Marketshare in 2016

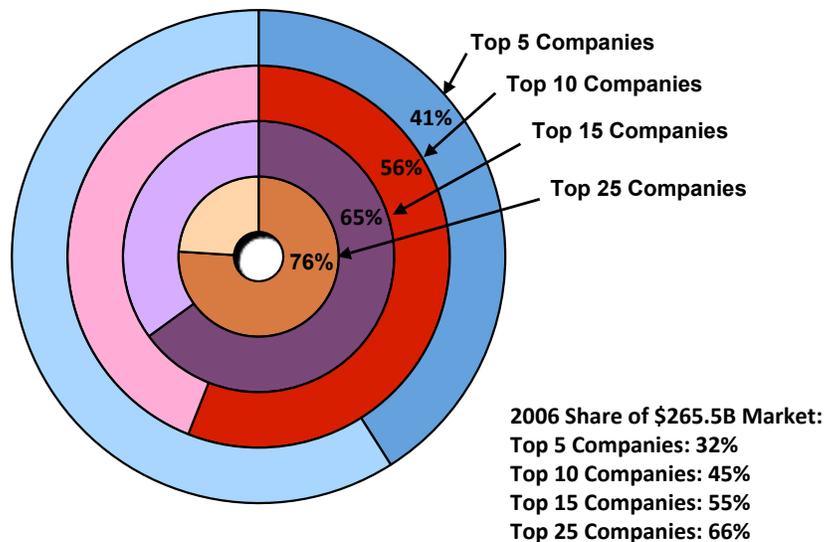
Two years of busy M&A activity boost marketshare among top suppliers.

Vigorous M&A activity in 2015 and 2016 has reshaped the landscape of the semiconductor industry, with the top companies now controlling a much greater percentage of marketshare. Not including foundries, IC Insights forecasts to top five semiconductor suppliers—Intel, Samsung, Qualcomm, Broadcom, and SK Hynix— will account for 41% marketshare in 2016 (Figure 1). This represents a nine-point increase from the 32% marketshare held by the top five suppliers ten years ago. Furthermore, the top 10 semiconductor suppliers are forecast to account for 56% marketshare in 2016, an 11-point swing from 45% in 2006, and the top 25 companies are forecast to account for more than three-quarters of all semiconductor sales this year.

MORE INFORMATION CONTACT

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2016F Semiconductor Sales Leaders'* Shares of Total WW Semiconductor Market (\$357.1B)



Source: IC Insights

*Not including foundries

Figure 1

Following an historic surge in semiconductor merger and acquisition agreements in 2015, the torrid pace of transactions eased a bit in the first half of 2016. However, 2016 is now forecast to be the second-largest year ever for chip industry M&A announcements, thanks to three major deals struck in 3Q16 that have a combined total value of \$51.0 billion. These deals were SoftBank's purchase of ARM, Analog Devices' intended purchase of Linear Technology, and Renesas' potential acquisition of Intersil. With the surge in mergers and acquisitions expected to continue over the next few years, IC Insights believes that the consolidation will raise the shares of the top suppliers to even loftier levels.

Report Details: *The 20th Anniversary 2017 McClean Report*

Additional details on top suppliers and forecasts for the total worldwide semiconductor and IC markets through 2021 will be included in the 20th anniversary 2017 edition of IC Insights' flagship report, *The McClean Report—A Complete Analysis and Forecast of the Integrated Circuit Industry*. The report will be released in January 2017. A subscription to *The McClean Report* includes **free** monthly updates from March through November (including a 250+ page *Mid-Year Report*), and **free** access to subscriber-only webinars throughout the year. An individual-user license to the 2017 edition of *The McClean Report* is priced at \$4,090 and includes an Internet access password. A multi-user worldwide corporate license is available for \$7,090.

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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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