FOR RELEASE APRIL 1, 2002

Contact: Kathy Welch
            EDA Consortium
            Phone: 408/579-2464
            kathy@edac.org

EDA INDUSTRY REPORTS RECORD REVENUES OF $4 BILLION IN 2001

Q4 Revenue Tops $1 Billion, Sets New Record

SAN JOSE, California, April 1, 2002—The EDA Consortium's Market Statistics Service (MSS) today announced the electronic design automation (EDA) industry revenues for the fourth quarter of 2001 were $1,046 million, compared to $1,035 million in Q4 2000. The EDA industry has generated over $900 million in revenue for seven consecutive reporting quarters, and has now established a new record for Q4 revenue. For the full year in 2001, the EDA industry generated $4 billion in global revenues – a new revenue record, and 6% more than in 2000.

"EDA continued its record of revenue growth in 2001," noted Ray Bingham, EDA Consortium chairman, and president and CEO of Cadence Design Systems, Inc. " Since we began tracking revenue in 1994, EDA each year has gone in one direction — up. Even though the electronics industry experienced the worst economic downturn in its history last year, our customers around the world continued to increase their investments in the design of electronic products. That's because product design technologies and services play a crucial role in helping companies create value, differentiate their product offerings, and bring innovation to reality while accelerating time to market."

The MSS report is the EDA industry's timeliest barometer of revenue and employment data. The report for the fourth quarter of 2001 shows that EDA Product and Maintenance revenue (excluding the EDA industry's revenues from semiconductor intellectual property, consulting and other services) increased 10% in Q4 2001 (compared with Q4 2000) to $935 million, comprising 89% of the industry's total revenue. For the full year 2001, EDA Product and Maintenance revenue increased 12% to $3.4 billion.

MSS Fourth-Quarter and Year-End 2001 Highlights
Industry Employment Update

As an enhancement to the report, this year the MSS began tracking industry employment along with quarterly revenues. In Q4 2001 reporting EDA companies employed 19,200 – 13% more

than during the same period last year.   Annualized industry revenue has exceeded $200,000 per employee in every quarter since employee data tracking began in Q1 2001 (including historical data back to Q1 2000).

Revenue by Tool Category

IC Layout set the pace for revenue growth in the industry for the fifth consecutive quarter. IC Layout revenue grew 24% in Q4 2001 to $309 million, a new revenue record for the category. IC Layout revenue totaled $1.1 billion in year 2001, which represents 37% growth over the year 2000 total.

EDA's largest tool category, Computer-Aided Engineering (CAE), generated revenues totaling $530 million in Q4 2001, 5% more than Q4 last year. CAE revenue totaled $1.9 billion in 2001, 4% more than in 2000. Formal & Functional Verification, and Analysis Tools led CAE application growth with both segments increasing by more than 30% (versus the prior year's results).

Revenue for Printed Circuit Board (PCB) and Multi-Chip Module (MCM) Layout totaled $96 million in Q4 2001. For the full year, PCB and MCM Layout revenues totaled $373 million, 4% less than in year 2000.

The EDA industry's Semiconductor Intellectual Property (SIP) revenue was $27 million in Q4 2001. SIP revenue totaled $109 million in 2001, 15% less than in year 2000.

Consulting Services revenue was $69 million in Q4 2001. For the full year, Consulting Services revenue totaled $375 million, 14% less than in year 2000.

Revenue by Computing Platform

Revenue for software that runs on UNIX platforms totaled $819 million in Q4 2001, 13% more than Q4 2000. For the full year 2001, UNIX revenue totaled $2.9 billion, comprising 86% of all EDA software revenue. Revenue for software that runs on Windows-based platforms was $115 million in Q4. For the full year 2001, Windows-based EDA software totaled $488 million (compared to $484 million in 2000), or 14% of the EDA software revenue total.

Revenue by Consuming Region

The North America Region increased its consumption 5% in the fourth quarter of 2001 (versus Q4 2000) to $616 million in total revenues, a new record. This marks the first time that any region has generated over $600 million in a single quarter. It also marks the seventh consecutive quarter that North America has generated over a half billion dollars. For the full year 2001, revenues from North America totaled $2.3 billion (a new record), 57% of the

worldwide total in 2001. Revenue in Western Europe was $196 million in Q4, the same as in the prior year. For the full year 2001, revenues from Western Europe grew 16% to $812 million (a new record), 20% of the worldwide total in 2001. Revenues from Japan were $157 million in Q4 2001, and totaled $641 million in year 2001, 16% of the global total, and 8% less than year 2000. Rest-of-World (ROW) contributed $77 million in Q4 2001. For the full year 2001, revenues increased 11% to $277million in ROW (a new record), or 7% of the global total.

About the MSS Report

The EDA Consortium's Market Statistics Service reports EDA industry revenue data quarterly and is available by annual subscription. Each quarterly report is published approximately three months after quarter close. MSS report data is segmented as follows: revenue type (product and maintenance revenue, consulting and design services revenue, and other service revenue), application (CAE, PCB/MCM Layout, IC Layout, SIP), operating system (UNIX vs. Windows) and region (North America, Western Europe, Japan and Rest of World), with many sub-categories of detail provided. The report also tracks total employment of reporting companies.

About EDA Consortium

Where Electronics Begins™ best describes the Electronics Design Automation (EDA) Industry. The EDA Consortium represents this vital industry on a worldwide scale. It is the international association of companies developing design tools and services that enable engineers to create the world's electronic products. EDA provides the critical technology to design electronics that enable the Information Age, including: communications, computers, space technology, medical and industrial equipment and consumer electronics. As stated recently by the Nobel Prize Committee, "The integrated circuit is the basis for all modern technology."

For more information about EDA Consortium, or to subscribe to the Market Statistics Service, contact EDA Consortium, 111 West Saint John Street, Suite 220, San Jose, Calif. 95113, USA, office 408-287-3322, fax 408-283-5283, or visit **www.edac.org**.

###