



For Immediate Release

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## EDA INDUSTRY REPORTS REVENUES OF \$3.7 BILLION FOR 2002

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**SAN JOSE**, California, March 31, 2003—The EDA Consortium's (EDAC) Market Statistics Service (MSS) today reported that the Electronic Design Automation (EDA) industry revenues for Q4 2002 were \$907 million, 13% less than Q4 2001. A 20% increase in consumption in Rest-of-World was not enough to overcome revenue declines in other regions. Total EDA industry revenue for 2002 for products, maintenance and services was \$3.7 billion, a 7% decrease from 2001. Product and maintenance revenue --including CAE, IC Physical Design & Verification PCB and MCM layout tools and Semiconductor Intellectual Property -- totaled \$3.4 billion, 3% less than 2001.

"EDA revenue for 2002 suffered a modest decline," remarked Walden C. Rhines, EDA Consortium chairman, and chairman and CEO of Mentor Graphics Corporation. "However, given the global downturn in the semiconductor industry, a relatively small decline indicates that EDA remains essential to getting new products to market, and is generally less susceptible to overall industry volatility."

2002 is the first year that reported revenue has not increased year-over-year since the EDA Consortium began its Market Statistics Service in 1994.

### Summary by Region

North America, EDA's largest customer base, purchased \$507 million of EDA products and services in Q4 2002, 18% less than \$616 million in Q4 2001. For the full year 2002, North America generated \$2,117 million, 7% less than \$2,265 million in 2001. Revenue from North America constituted 56% of the worldwide total in Q4 2002 and 57% of the total in 2002.

Revenue in Western Europe was \$164 million in Q4 2002, 17% less than \$196 million in Q4 2001. For the full year 2002, Western Europe generated \$690 million, 15% less than \$811 million in 2001. Western Europe comprised 18% of the global total in Q4 2002 and 19% of the total in 2002.

Revenue from Japan was \$144 million in Q4 2002, 8% less than \$157 million in Q4 2001. For the full year 2002, Japan generated \$585 million, 9% less than \$641 million in 2001. Japan comprised 16% of the worldwide revenue total in both Q4 2002 and for the full year.

Rest-of-World (ROW) continued its string of revenue growth by increasing 20% to \$92 million in Q4 2002 – up from \$77 million in Q4 2001 to mark another new revenue record for the region. For the full year 2002, ROW generated \$316 million, a 14% increase over \$277 million in 2001. ROW was the only region to post revenue growth in the fourth quarter, and was also the only region to show a revenue increase for the full year. Revenues from ROW constituted 10% of global EDA revenue consumption in Q4 2002 and 9% of the worldwide total for the full year 2002.

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### **Summary by Category**

EDA's largest product category, Computer-Aided Engineering (CAE), generated revenues totaling \$445 million in Q4 2002, 16% less than 2001. For the full year 2002, CAE revenues totaled \$1,819 million, a 6% decline from 2001. Analysis Tools led CAE growth in 2002 with revenues of \$296 million, 17% more than 2001, and a new record for the category. The synthesis category also posted positive revenue growth in 2002, climbing 5% to reach \$317 million, another a new record.

IC Physical Design & Verification revenue declined 16% to \$261 million in Q4 2002, down from \$309 million in Q4 2001. IC Physical Design & Verification tools category revenue grew in 2002, increasing 2% over 2001 to reach \$1,144 million in 2002. The category's growth was led by IC/ASIC Design Planning & Floorplanning tools, which increased 60% over 2001 to reach \$177 million in 2002, a new record for the category.

Revenue for Printed Circuit Board (PCB) and Multi-Chip Module (MCM) Layout totaled \$92 million in Q4 2002, compared with \$96 million in the same period last year. For the full year 2002, PCB and MCM Layout revenue totaled \$336 million, 10% less than 2001.

EDA Services revenue was \$60 million in Q4 2002, 28% less than Q4 2001. For the full year, EDA Services revenue declined 40% from 2001 to \$274 million in 2002.

The EDA industry's Semiconductor Intellectual Property (SIP) revenue posted positive growth for the fourth consecutive quarter in Q4 2002, reaching \$49 million (a new record). For the full year, SIP revenue totaled \$135 million.

In Q4 2002 reporting EDA companies employed 18,100, 6% less than at the end of 2001.

### **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.

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### **About the 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](http://www.edac.org).

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