



Press Contact:
Yvette Huygen, Synopsys, Inc., 650-584-4547

**BOARD OF
DIRECTORS**

CHAIRMAN:

Aart de Geus
Synopsys, Inc.

VICE CHAIRMEN:

Kathryn Kranen
Jasper Design
Automation

Walden C. Rhines
Mentor Graphics Corp.

DIRECTORS:

John Bourgoin
MIPS Technologies

Michael J. Fister
Cadence Design
Systems

John Kibarian
PDF Solutions

Alan P. Naumann
CoWare, Inc.

Scott Sandler
Novas Software

Sanjay Srivastava
Denali Software

**EDA CONSORTIUM REPORTS 15% REVENUE GROWTH
IN SECOND QUARTER 2006**

SAN JOSE, California, October 2, 2006—The EDA Consortium’s Market Statistics Service (MSS) today announced that the electronic design automation (EDA) industry revenue for Q2 of 2006 grew 15% to \$1,256 million, versus \$1,091 million in Q2 2005, due in part to new company participation. Total product revenues, without services, was up 15% to \$1,180 million in Q2 of 2006 vs. \$1,028 million in the same quarter of 2005.

“It was a strong quarter for the industry, with revenue up again in all regions and nearly all categories,” said Aart de Geus, chairman of the EDA Consortium and chairman and CEO of Synopsys, Inc. “This continued growth reflects a healthy environment for the semiconductor industry as a whole.”

Employment Data

Reporting companies employed 23,784 professionals in Q2 2006, up 7% from the 22,130 reported in Q2 2005.

Revenue by Product Category

EDA’s largest tool category, Computer-Aided Engineering, generated revenue of \$511 million in Q2 2006, 15% more than the same period in 2005.

Printed Circuit Board and Multi-Chip Module revenue decreased 4% to \$83 million in Q2 2006 compared to Q2 2005.

IC Physical Design & Verification revenue increased 19% to \$343 million in Q2 2006 compared to the same quarter in 2005.

Semiconductor Intellectual Property (SIP) revenue totaled \$243 million in Q2 2006, a 17% increase over Q2 2005.

Services revenue was \$76 million in Q2 2006, up 20% from Q2 2005.

Revenue by Consuming Region

North America, EDA’s largest region, purchased \$598 million of EDA products and services in Q2 2006, a 13% increase over Q2 2005.

Western Europe revenue was up 18% in Q2 2006 with revenues of \$223 million.

2006 Q2 revenue from Japan grew 11% over Q2 2005 to \$268 million.

Rest-of-World (ROW) continued to extend previous years of revenue growth by increasing 27% to \$168 million in Q2 2006.

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 licenses and maintenance, services, and SIP), application (CAE, PCB/MCM Layout, and IC Physical Design and Verification), operating system (UNIX vs. Windows) and region (North America, Western Europe, Japan, and Rest of World), with many subcategories of detail provided. The report also tracks total employment of the reporting companies.

About the EDA Consortium

The EDA Consortium is the international association of companies that provide tools and services that enable engineers to create the world's electronic products. EDA is the critical technology used to design electronics for the communications, computer, space technology, medical and industrial equipment and consumer electronics markets among others.

For more information about the 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.

###

The information supplied by the EDA Consortium is believed to be accurate and reliable, but the Consortium assumes no responsibility for any errors that may appear in this document. All trademarks and registered trademarks are the property of their respective owners.