



Press Contacts:

Paul Cohen, EDA Consortium, 408-287-3322
Suzanne Graham, Mentor Graphics, 503-685-7789

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**EDA CONSORTIUM REPORTS INDUSTRY REVENUE DOWN SLIGHTLY IN
FIRST QUARTER 2008**

SAN JOSE, California, July 3, 2008—The EDA Consortium (EDAC) Market Statistics Service (MSS) today announced that the electronic design automation (EDA) industry revenue for Q1 2008 declined 1.2 percent to \$1350.7 million compared to \$1366.8 million in Q1 2007. The four-quarter average growth rate, which compares the most recent four quarters to the same four quarters in the prior year, was up 5.9 percent.

“Weakness in the large EDA companies was partly offset by strength in startups, with resulting numbers that were slightly down year over year,” said Walden C. Rhines, EDAC chair and Mentor Graphics CEO and chairman. “Main areas of strength were in leading-edge technologies such as electronic system level design, design for manufacturing, design for test, IC layout verification, IC/ASIC power analysis, and RF/ mixed-signal design.”

Companies that were tracked employed 27,329 professionals in Q1 2008, up 5.8 percent from the 25,820 employed in Q1 2007.

Revenue by Product Category

EDA’s largest category, Computer Aided Engineering (CAE), generated revenue of \$535.4 million in Q1 2008, representing a 2.7 percent increase over the same period in 2007. The four quarter moving average CAE growth rate was 10.6 percent.

For IC Physical Design & Verification, the next largest category, revenue decreased to \$325 million in Q1 2008, a 9.1 percent decrease compared to Q1 2007. The four quarter moving average growth rate increased 6.7 percent for IC Physical Design & Verification.

Printed Circuit Board and Multi-Chip Module (PCB & MCM) revenue decreased 1.4 percent over Q1 2007 to \$131.1 million. The four quarter moving average growth rate for PCB & MCM showed a 4.7 percent decrease.

Semiconductor Intellectual Property (SIP) revenue totaled \$271.4 million in Q1 2008, a 1.7 percent increase over Q1 2007. The four quarter moving average growth rate for SIP was 1.2 percent.

Services revenue was \$87.8 million in Q1 2008, down 0.8 percent from Q1 2007. The four quarter moving average growth rate for services was 6.0 percent.

Revenue by Consuming Region

North America, EDA's largest region, purchased \$565.1 million of EDA products and services in Q1 2008, which represents an 8.2 percent decrease compared to Q1 2007. The four quarter moving average growth rate was down slightly by 0.8 percent for North America.

Western Europe revenue was up 13.5 percent in Q1 2008 compared to Q1 2007, with revenues of \$268.7 million. The four quarter moving average growth for Western Europe was 11.2 percent.

Q1 2008 revenue from Japan increased 2.4 percent to \$327.1 million compared to Q1 2007. The four quarter moving average increase was 7.9 percent for Japan.

Rest-of-World (ROW) decreased to \$189.8 million in Q1 2008, a 2.5 percent decrease compared to the same quarter in 2007. The four quarter moving average growth was positive at 19.9 percent.

About the MSS Report

The EDA Consortium Market Statistics Service reports EDA industry revenue data quarterly and is available by annual subscription. Both public and private companies contribute data to the report. 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 design tools and services that enable engineers to create the world's electronic products used for communications, computer, space technology, medical, automotive, industrial equipment, and consumer electronics markets among others. For more information about the EDA Consortium visit www.edac.org, or to subscribe to the Market Statistics Service call (408) 287-3322 or email mss08@edac.org.

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