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EDA CONSORTIUM REPORTS REVENUE INCREASE FOR Q3 2014

SAN JOSE, Calif., January 16, 2015—The EDA Consortium (EDAC) Market Statistics Service (MSS) today announced that the Electronic Design Automation (EDA) industry revenue increased 5.7 percent for Q3 2014 to \$1828.1 million, compared to \$1729.3 million in Q3 2013. Sequential EDA revenue for Q3 2014 increased 4.0 percent compared to Q2 2014, while the four-quarters moving average, which compares the most recent four quarters to the prior four quarters, increased by 5.6 percent.

“Geographically, all regions except Japan continue to show solid revenue increases, with record revenues in the Americas and Asia-Pacific. Q3 represents the 19th consecutive quarter of EDA expansion,” said Walden C. Rhines, board sponsor for the EDAC MSS and chairman and CEO of Mentor Graphics. “PCB was the only tool category with positive growth in the quarter. PCB license growth and double-digit growth in semiconductor IP and overall services were the primary drivers.”

Companies that were tracked employed 31,648 professionals in Q3 2014, an increase of 5.6 percent compared to the 29,967 people employed in Q3 2013, and up 1.2 percent compared to Q2, 2014.

The complete, quarterly MSS report, containing detailed revenue information broken out by both categories and geographic regions, is available to members of the EDA Consortium.

Revenue by Product Category

The largest category, Computer Aided Engineering (CAE), generated revenue of \$604.5 million in Q3 2014, which represents a 6.1 percent decrease compared to Q3 2013. The four-quarters moving average for CAE increased 0.7 percent.

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IC Physical Design & Verification revenue was \$357.8 million in Q3 2014, a 1.4 percent decrease compared to Q3 2013. The four-quarters moving average decreased 0.5 percent.

Printed Circuit Board and Multi-Chip Module (PCB & MCM) revenue of \$167.4 million for Q3 2014 represents an increase of 9.7 percent compared to Q3 2013. The four-quarters moving average for PCB & MCM increased 11.4 percent.

Semiconductor Intellectual Property (SIP) revenue totaled \$586.1 million in Q3 2014, a 22.9 percent increase compared to Q3 2013. The four-quarters moving average increased 15 percent.

Services revenue was \$112.4 million in Q3 2014, an increase of 20.2 percent compared to Q3 2013. The four-quarters moving average increased 6.4 percent.

Revenue by Region

The Americas, EDA's largest region, purchased \$842.0 million of EDA products and services in Q3 2014, an increase of 9.2 percent compared to Q3 2013. The four-quarters moving average for the Americas increased 8.7 percent.

Revenue in Europe, the Middle East, and Africa (EMEA) was up 4.0 percent in Q3 2014 compared to Q3 2013 on revenues of \$296.8 million. The EMEA four-quarters moving average increased 3.4 percent.

Third quarter 2014 revenue from Japan decreased 15.3 percent to \$189.5 million compared to Q3 2013. The four-quarters moving average for Japan decreased 12.8 percent.

The Asia/Pacific (APAC) region revenue increased to \$499.9 million in Q3 2014, an increase of 11.3 percent compared to the third quarter of 2013. The four-quarters moving average increased 12.2 percent.

The complete MSS report, available to the EDA Consortium members, contains additional detail for countries in the Asia/Pacific region.

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About the MSS Report

The EDA Consortium Market Statistics Service reports EDA industry revenue data quarterly and is available to EDAC members. 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 & Verification), and region (the Americas, Europe Middle East and Africa, Japan, and Asia Pacific), 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 mss14@edac.org.

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