

Press Contacts:

Paul Cohen, ESD Alliance, 978-769-2106

Suzanne Graham, Mentor, A Siemens Business 503-685-7789

ESD ALLIANCE REPORTS EDA INDUSTRY REVENUE INCREASE FOR Q2 2017

Redwood City, Calif., Sept.25, 2017—The Electronic System Design (ESD) Alliance Market Statistics Service (MSS) today announced that the Electronic Design Automation (EDA) industry revenue increased 9.8 percent for Q2 2017 to \$2209.2 million, compared to \$2012.6 million in Q2 2016. The four-quarters moving average, which compares the most recent four quarters to the prior four quarters, increased by 11.3 percent.

“The EDA industry continued to grow in Q2, reporting increases in all product categories and geographic regions,” said Walden C. Rhines, board sponsor for the ESD Alliance MSS and president and CEO of Mentor, a Siemens business. “The Printed Circuit Board & Multi-Chip Module and Semiconductor IP categories reported double-digit growth in Q2, as did the Asia/Pacific region. This is the strongest Q2 in five years.”

Companies that were tracked employed 38,265 professionals in Q2 2017, an increase of 9.4 percent compared to the 34,988 people employed in Q2 2016, and up 2.8 percent compared to Q1 2017.

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

Revenue by Product Category

Computer Aided Engineering (CAE) generated revenue of \$677.3 million in Q2 2017, which represents a 2.2 percent increase compared to Q2 2016. The four-quarters moving average for CAE increased 8.7 percent.

IC Physical Design & Verification revenue was \$434.3 million in Q2 2017, a 4.7 percent increase compared to Q2 2016. The four-quarters moving average increased 7.5 percent.

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Printed Circuit Board and Multi-Chip Module (PCB & MCM) revenue of \$195.4 million for Q2 2017 represents an increase of 16.4 percent compared to Q2 2016. The four-quarters moving average for PCB & MCM increased 15.3 percent.

Semiconductor Intellectual Property (SIP) revenue totaled \$793.4 million in Q2 2017, an 18.8 percent increase compared to Q2 2016. The four-quarters moving average increased 16.6 percent.

Services revenue was \$108.8 million in Q2 2017, an increase of 9.5 percent compared to Q2 2016. The four-quarters moving average increased 1.5 percent.

Revenue by Region

The Americas, EDA's largest region, purchased \$986 million of EDA products and services in Q2 2017, an increase of 8.5 percent compared to Q2 2016. The four-quarters moving average for the Americas increased 9.2 percent.

Revenue in Europe, the Middle East and Africa (EMEA) increased 10.6 percent in Q2 2017 compared to Q2 2016 on revenues of \$314.8 million. The EMEA four-quarters moving average increased 9.5 percent.

Second quarter 2017 revenue from Japan increased 2.5 percent to \$216.7 million compared to Q2 2016. The four-quarters moving average for Japan increased 6.2 percent.

The Asia/Pacific (APAC) region revenue increased to \$691.7 million in Q2 2017, an increase of 13.8 percent compared to the second quarter of 2016. The four-quarters moving average increased 17.1 percent.

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

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About the MSS Report

The ESD Alliance Market Statistics Service reports EDA industry revenue data quarterly and is available to Alliance 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 Electronic System Design Alliance

The [Electronic System Design \(ESD\) Alliance](http://esd-alliance.org), an international association of companies providing goods and services throughout the semiconductor design ecosystem, is a forum to address technical, marketing, economic and legislative issues affecting the entire industry. It acts as the central voice to communicate and promote the value of the semiconductor design industry as a vital component of the global electronics industry. For more information about the ESD Alliance, visit <http://esd-alliance.org>.

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