



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 2018

Milpitas, Calif., October 1, 2018—The Electronic System Design (ESD) Alliance Market Statistics Service (MSS) today announced that the Electronic Design Automation (EDA) industry revenue increased 8.2 percent for Q2 2018 to \$2389.8 million, compared to \$2209.2 million in Q2 2017. The four-quarters moving average, which compares the most recent four quarters to the prior four quarters, increased by 9.0 percent.

“The EDA industry continues to report growth in Q2, led by double digit increases in the CAE and Printed Circuit Board and Multi-Chip Module categories,” said Walden C. Rhines, board sponsor for the ESD Alliance MSS and President and CEO of Mentor, a Siemens Business. “All regions except Asia/Pacific also reported double digit revenue increases.”

Companies that were tracked employed 41,706 professionals in Q2 2018, an increase of 9 percent compared to the 38,265 employed in Q2 2017, and up 1.4 percent compared to Q1 2018.

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 \$819.9 million in Q2 2018, which represents a 21.1 percent increase compared to Q2 2017. The four-quarters moving average for CAE increased 10.6 percent.

IC Physical Design & Verification revenue was \$466.9 million in Q2 2018, a 7.5 percent increase compared to Q2 2017. The four-quarters moving average increased 10.2 percent.

Where Electronics Begins™

Electronic System Design Alliance · 673 South Milpitas Boulevard · Milpitas, CA 95035
408-287-3322 · www.esd-alliance.org



Printed Circuit Board and Multi-Chip Module (PCB & MCM) revenue of \$231.5 million for Q2 2018 represents an increase of 18.5 percent compared to Q2 2017. The four-quarters moving average for PCB & MCM increased 12.1 percent.

Semiconductor Intellectual Property (SIP) revenue totaled \$768.7 million in Q2 2018, a 3.1 percent decrease compared to Q2 2017, due in large part to revised accounting standards significantly impacting revenue recognition. The four-quarters moving average increased 6.7 percent.

Services revenue was \$103 million in Q2 2018, a decrease of 5.4 percent compared to Q2 2017. The four-quarters moving average increased 3.9 percent.

Revenue by Region

The Americas, EDA's largest region, purchased \$1097.7 million of EDA products and services in Q2 2018, an increase of 11.3 percent compared to Q2 2017. The four-quarters moving average for the Americas increased 11.4 percent.

Revenue in Europe, the Middle East, and Africa (EMEA) increased 13 percent in Q2 2018 compared to Q3 2017 on revenues of \$355.7 million. The EMEA four-quarters moving average increased 8.4 percent.

Second quarter 2018 revenue from Japan increased 13.2 percent to \$245.4 million compared to Q2 2017. The four-quarters moving average for Japan increased 7 percent.

The Asia/Pacific (APAC) region revenue increased to \$691 million in Q2 2018, a decrease of 0.1 percent compared to the second quarter of 2017. This is in part due to the impact of revised accounting standards, significantly impacting revenue recognition. The four-quarters moving average increased 6.3 percent.

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

Where Electronics Begins™

Electronic System Design Alliance · 673 South Milpitas Boulevard · Milpitas, CA 95035
408-287-3322 · www.esd-alliance.org



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), a SEMI Strategic Association Partner, is the central voice to communicate and promote the value of the semiconductor design ecosystem as a vital component of the global electronics industry. As an international association of companies providing goods and services throughout the semiconductor design ecosystem, it is a forum to address technical, marketing, economic and legislative issues affecting the entire industry. For more information about the ESD Alliance, visit <http://esd-alliance.org>.

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

###

Where Electronics Begins™

Electronic System Design Alliance · 673 South Milpitas Boulevard · Milpitas, CA 95035
408-287-3322 · www.esd-alliance.org