

**MARCH 14, 2007**

## **Discrete Semiconductor Sales Move Into Record Territory in 2007**

*Inventory replenishment drove discretes growth slightly higher than ICs in 2006*

In an extremely rare occurrence last year, discrete semiconductor revenues increased slightly more than the growth rate of IC sales in 2006—8.8% for discretes versus 8.7% growth in ICs. This was the first time discrete sales have outpaced growth in ICs since 1990 and only the second time since the 1970s, according to IC Insights' newly released 2007 *Optoelectronics, Sensors, and Discrete (O-S-D) Report*.

Inventory replenishment drove up demand for transistor products, diodes, rectifiers, and other commodity discretes in 2006 after the discretes market slumped 3% in 2005. For the next couple years, growth rates in discretes are expected to remain above the long-term annual average of 6%. In high-volume consumer electronics products, dozens of discrete devices are used to finish board designs, fix bugs, and tweak performance. The need for power transistors is also growing in battery-backed portable systems and in high-speed personal computers.

IC Insights' new *O-S-D Report* is forecasting a 7% increase in worldwide discrete sales to \$17.7 billion in 2007 from \$16.6 billion in 2006 (Figure 1). This year, the discretes market will finally surpass its record-high sales total of \$16.9 billion set in 2000.

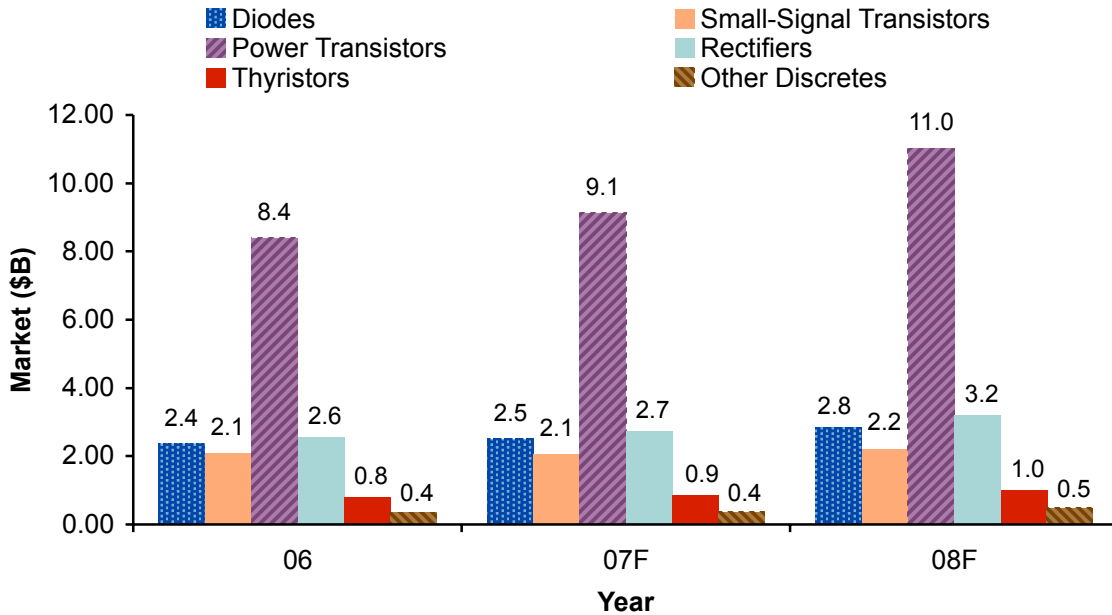
Power transistor products accounted for \$8.4 billion or 51% of the total discrete sales in 2006. Among the major power transistor categories, IGBTs (insulated-gate bipolar transistors) are forecast to grow 19% in 2007 while sales of power MOSFETs are expected to increase 11% this year, according to the *O-S-D Report*.

In the 2006-2011 forecast period, discrete sales are expected to increase at a cumulative average growth rate (CAGR) of 6% per year, reaching \$21.9 billion in 2011. In comparison, IC Insights is forecasting an 8% increase in IC sales to \$225.5 billion in 2007 and a CAGR of 10% per year in the 2006-2011 timeframe, which will push the integrated circuit market to about \$344.2 billion in 2011.

### **MORE INFORMATION CONTACT**

Rob Lineback  
Sr. Market Research Analyst  
IC Insights, Inc.  
Phone: +1-408-348-1133  
Email: [rob@icinsights.com](mailto:rob@icinsights.com)

## Discrete Market Forecast by Device Type



Source: WSTS, IC Insights

**Figure 1**

### Report Details

The 2007 edition *O-S-D Report* provides a detailed analysis of trends and growth rates in the optoelectronics, sensor/actuator, and discrete market segments. The report is available for \$1,990 in either a three-ring binder or CD-ROM format. Additional individual copies of the CD-ROM or binder sell for \$495 each. The report is also available under a multi-user corporate license for \$5,290.

#### About IC Insights

IC Insights, Inc., based in Scottsdale, Arizona USA, is dedicated to providing high-quality, cost-effective market research for the semiconductor industry. Founded in 1997, IC Insights offers coverage of global economic trends, the semiconductor market forecast, capital spending and fab capacity trends, product market details, and technology trends, as well as complete IC company profiles and evaluations of end-use applications driving demand for ICs.

**Web Site:** [www.icinsights.com](http://www.icinsights.com) • **Phone:** +1-480-348-1133 • **Email:** [info@icinsights.com](mailto:info@icinsights.com)