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## Worldwide Semiconductor Revenue Reached \$307 Billion in 2011, According to Final Results by Gartner

### *Intel Records Its Highest-Ever Market Share, Capturing 16.5 Per Cent of Total Worldwide Market*

STAMFORD, Conn., April 17, 2012 — Total worldwide semiconductor revenue reached \$306.8 billion in 2011, up \$5.4 billion, or 1.8 per cent from 2010, according to Gartner, Inc.

Gartner said the top 25 semiconductor vendors' revenue appeared to grow faster, at 3.1 per cent, than the industry as a whole and accounted for a larger portion of the industry's total revenue — 69.2 per cent in 2011, compared with 68.3 per cent in 2010. However, about half of this growth was the result of mergers and acquisitions.

"Of the major device segments, microcomponents performed best in 2011 after a relative underperformance in 2010," said Peter Middleton, principal research analyst at Gartner. "Within microcomponents, the subcategory that really drove this performance was compute microprocessors, which grew 14.2 per cent year-on-year as a result of strong average selling prices (ASPs). This was driven both by servers and PCs, with the PC microprocessor market strongly benefiting from graphics integration."

Intel recorded a 20.7 per cent revenue gain and held the No. 1 market share position for the twentieth consecutive year. 2011 marked Intel's highest-ever market share at 16.5 per cent. Its previous high was back in 1998, when it controlled 16.3 per cent share.

**Table 1. Top 10 Semiconductor Vendors by Revenue, Worldwide, 2011 (Millions of Dollars)**

Rank 2010	Rank 2011	Vendor	2010 Revenue	2011 Revenue	2010-2011 Growth (%)	2011 Market Share (%)
1	1	Intel <sup>1</sup>	41,988	50,669	20.7	16.5
2	2	Samsung Electronics	27,094	27,366	1.0	8.9
3	3	Toshiba	12,360	11,769	-4.8	3.8
4	4	Texas Instruments <sup>2</sup>	11,827	11,754	-0.6	3.8
6	5	Renesas Electronics <sup>3</sup>	10,204	10,650	4.4	3.5
9	6	Qualcomm <sup>4</sup>	7,204	9,998	38.8	3.3
5	7	STMicroelectronics	10,262	9,635	-6.1	3.1
7	8	Hynix Semiconductor	9,884	9,388	-5.0	3.1
8	9	Micron Technology	8,224	7,643	-7.1	2.5
10	10	Broadcom <sup>5</sup>	6,604	7,160	8.4	2.3
		Others	155,807	150,811	-3.2	49.1
		Total Market	301,458	306,843	1.8	100.0

<sup>1</sup>Infineon's 2011 revenue excludes its wireless division, which was sold to Intel, effective in the first quarter of 2011.

<sup>2</sup>Texas Instruments acquired National Semiconductor in September 2011. The estimated calendar third and fourth quarters of National's 2011

revenue are attributed to Texas Instruments in 2011.

<sup>3</sup>Renesas Electronics' 2010 revenue excludes Renesas Technology's first-quarter-of-2010 revenue.

<sup>4</sup>Qualcomm's 2011 revenue includes three quarters of Atheros' revenue.

<sup>5</sup>Broadcom acquired Provigent in the second quarter of 2011.

Source: Gartner (April 2012)

Samsung, the No. 2 vendor, was held back by DRAM weakness in 2011, so it was unable to close the gap with Intel. Toshiba and Texas Instruments retained their third- and fourth-place rankings respectively, while Renesas Electronics moved into the top five during its first full year as a combined company.

Elsewhere in the top 10, sixth-placed Qualcomm's semiconductor business increased 39 per cent in 2011 and nearly reached \$10 billion in revenue. Qualcomm continued to take share in the rapidly growing smartphone market, and it was one of the fastest-growing semiconductor companies in 2011. At No. 10, Broadcom had a solid year, outperforming the overall semiconductor market, with particular strength in the mobile and wireless division, which recorded another year of double-digit growth.

### **Vendor Relative Industry Performance**

Market share tables by themselves give a good indication of which vendors did well or badly during a year, but they do not tell the whole story. More often than not, a strong or weak performance by a vendor is a result of the overall market growth of the device areas that the vendor participates in. Gartner's Relative Industry Performance index measures the difference between industry-specific growth for a company and actual growth, showing which are transforming their businesses by growing share or moving into new markets and choosing their customers wisely.

Market leaders in Gartner's Relative Industry Performance index include Qualcomm (which grew 17 per cent better than expected), Hynix (which grew 13 per cent better than expected) and Infineon (which grew 12 per cent better than expected). Disappointments in the Relative Industry Performance index include Panasonic, Elpida Memory and MediaTek.

Additional information is provided in the Gartner report "Market Share Analysis: Total Semiconductor Revenue, Worldwide, 2011." The report provides data and analysis for the top 25 vendors in 2011. The report is available on Gartner's web site at <http://www.gartner.com/resId=1981515>.

Gartner's annual semiconductor market share analysis examines and ranks the worldwide and regional revenue for more than 290 semiconductor suppliers in 62 separate product categories and eight major market categories. It serves as a benchmark for semiconductor industry performance, as well as a means for individual companies to assess their revenue performance against their competitors'.

### **About Gartner**

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