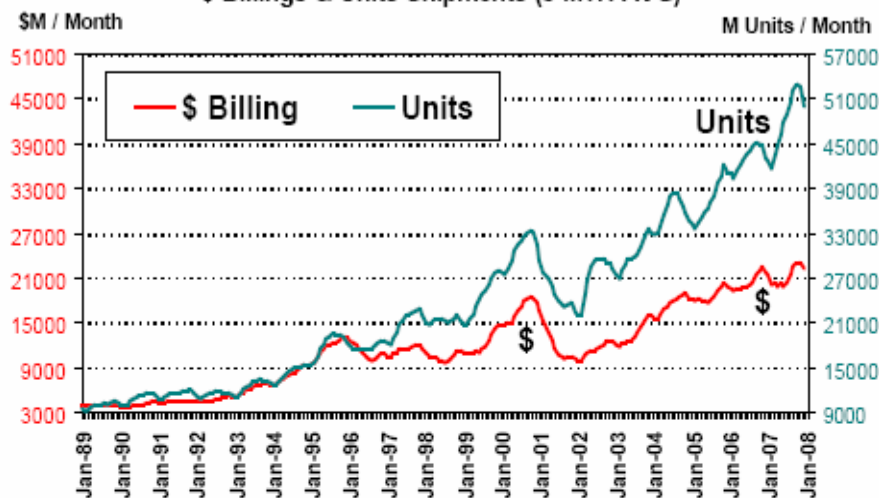
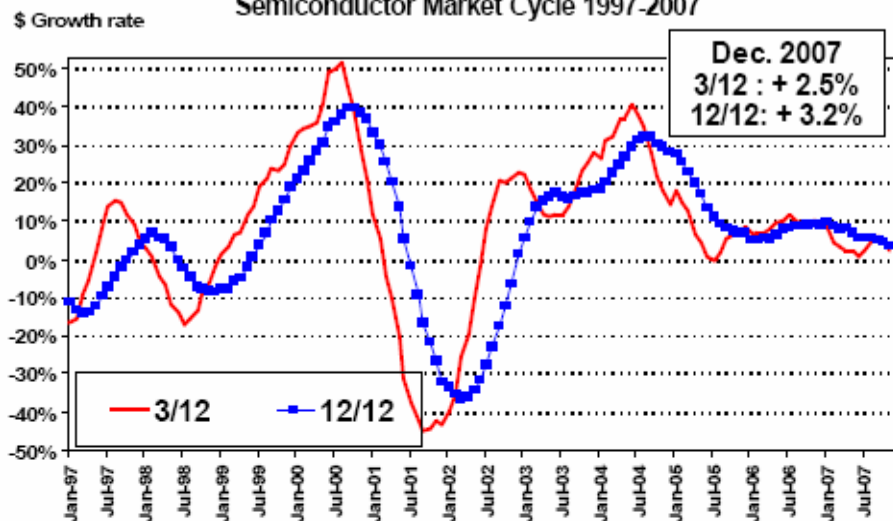


World market indicators : Dec. '07

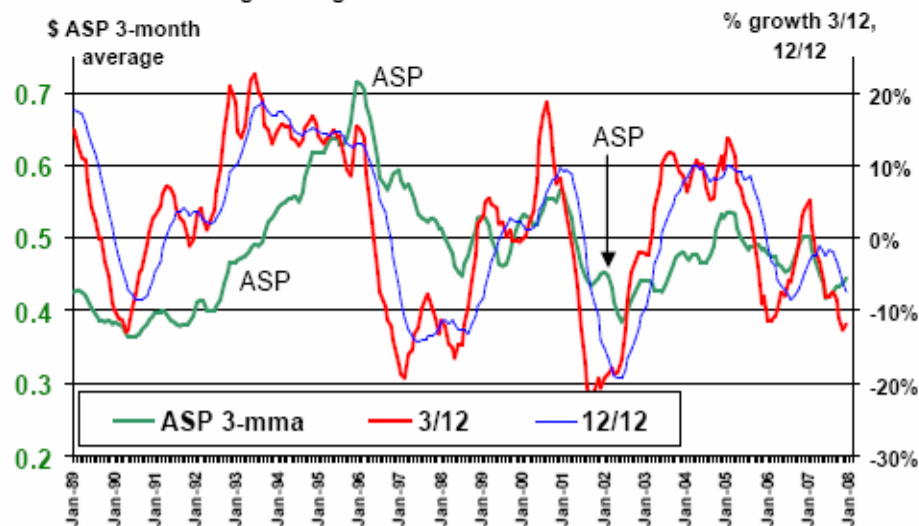
\$ Billings & Units Shipments (3 MTH AVG)



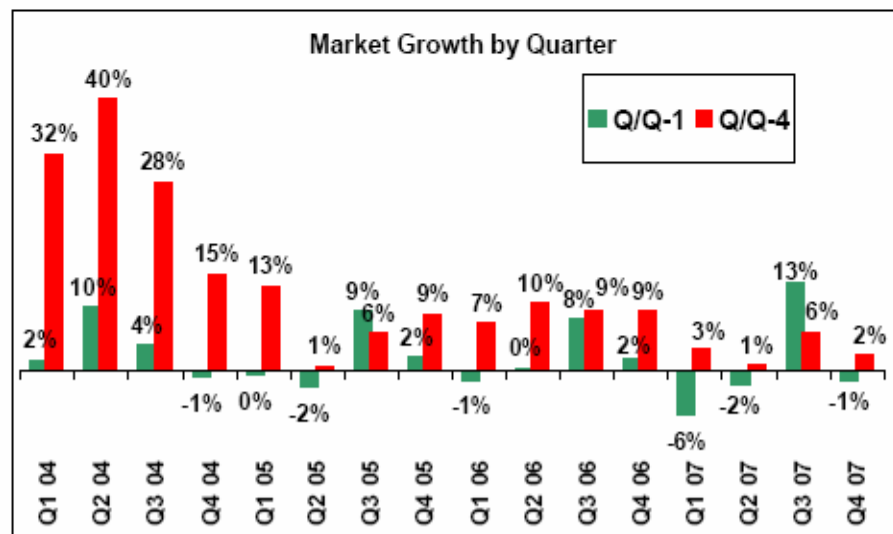
Semiconductor Market Cycle 1997-2007



Average Selling Price Total Semiconductor 1989-2007



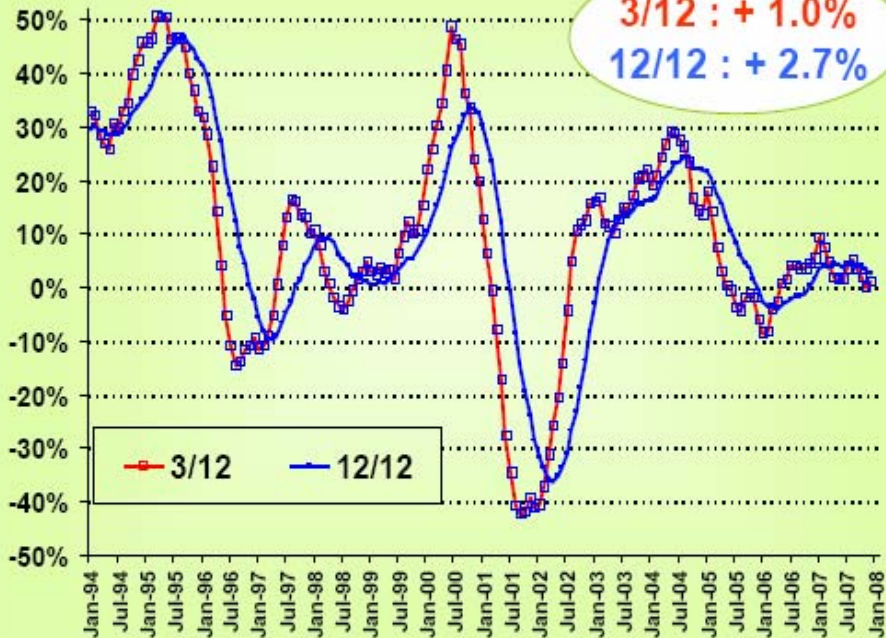
Market Growth by Quarter



Europe Dec. 2007

Semiconductor Market Cycle

\$ Growth rate



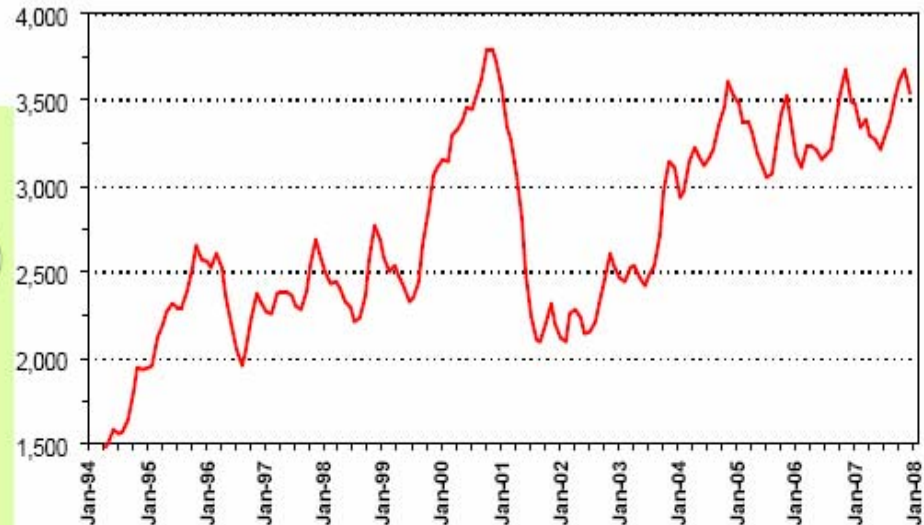
Highlights

In December, the monthly billings increased 5.7% to \$3,727M from November. On a **3-month average** basis, December revenues decreased 4.0% over November to \$3,534M. The 3/12 is at +1% in \$ but at -10% in €. The 12/12 slowed down slightly.

Q4 TAM: \$10.6B, +0.1% over Q3, +1.0% YoY over Q4 '06.

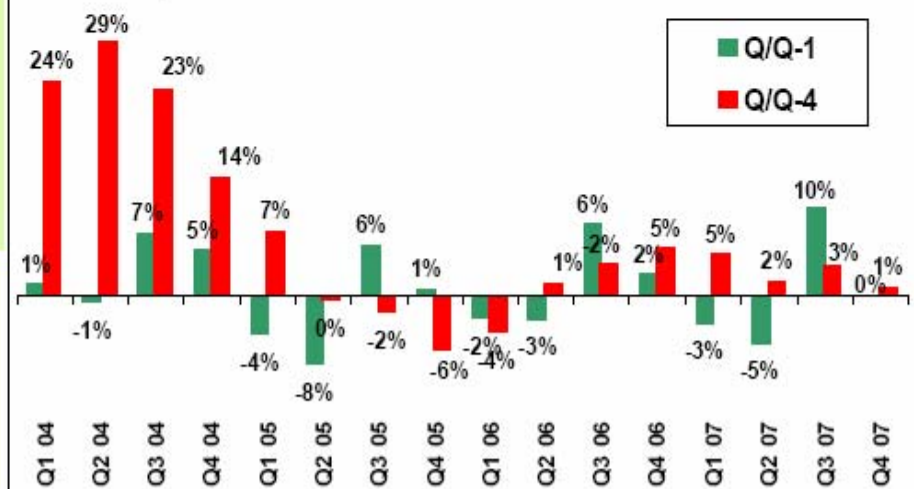
\$M / Month,
3mma

Billings (3 MTH AVG)



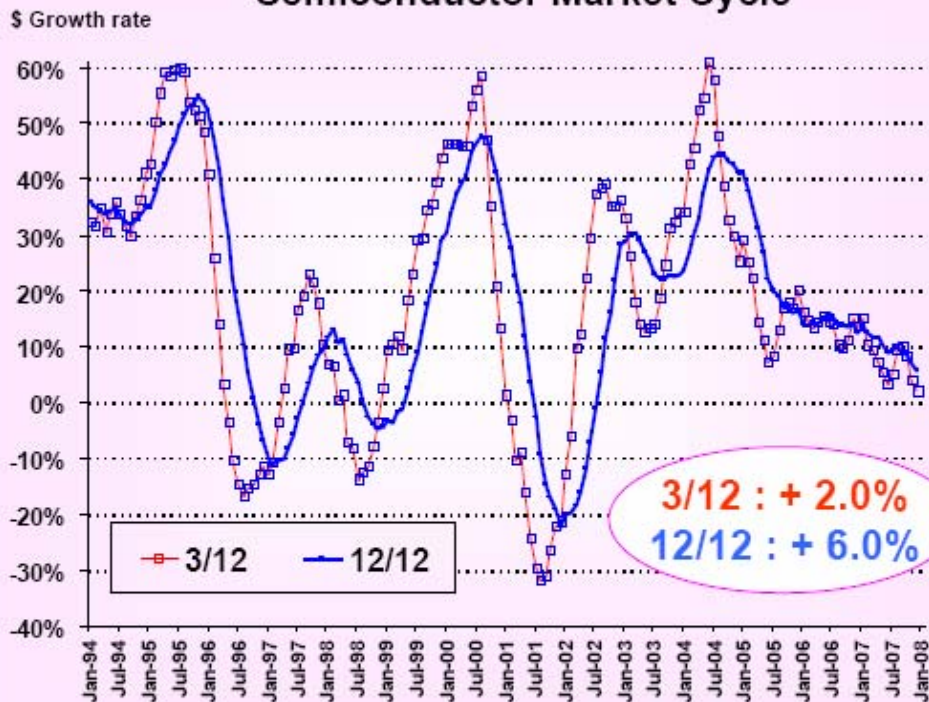
Growth rate, %

Market Growth by Quarter



ASIA/PAC. Dec. 2007

Semiconductor Market Cycle



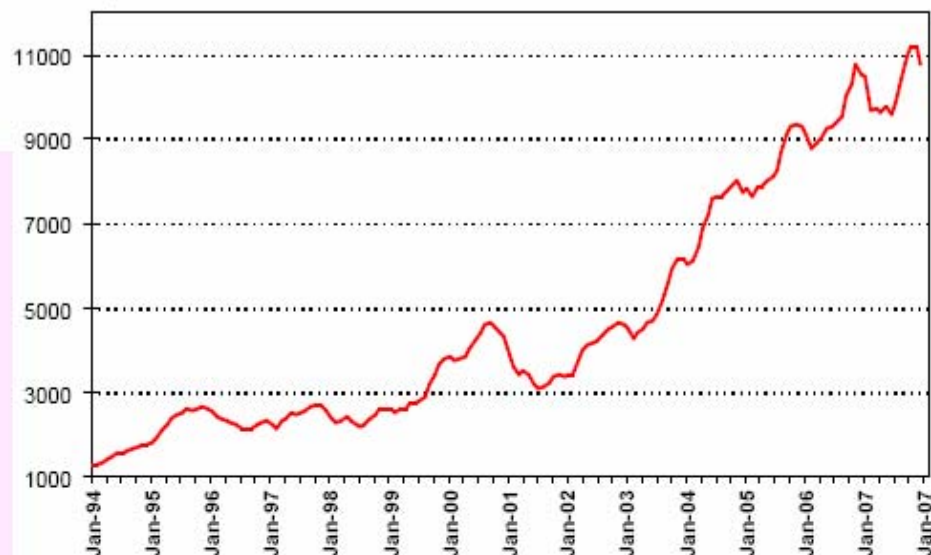
Highlights

In December, the monthly billing increased 7.4% to \$11,501M from November. On a **3-month average** basis, the market decreased 4.0% to \$10,785M. The 3/12 and 12/12 growth rates continued to slow, reaching the lowest growth since 2002.

Q4 TAM: \$32.4B, -2% from Q3, +2% YoY over Q4 2006.

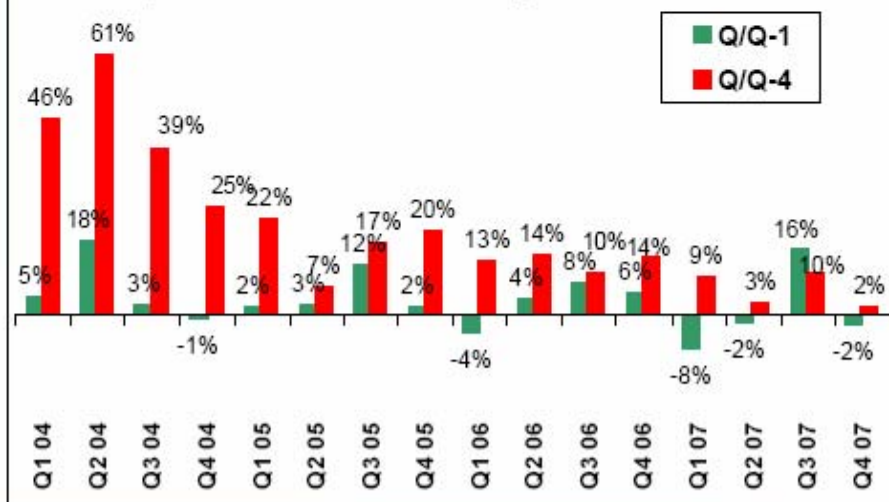
Billings (3 MTH AVG)

\$M / Month, 3mma



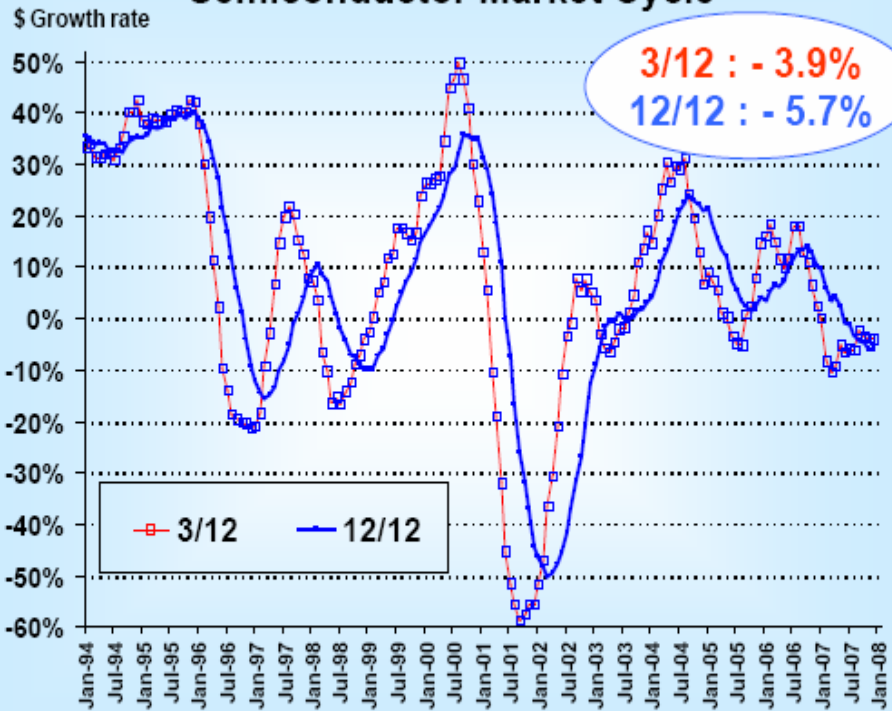
Growth rate, %

Market Growth by Quarter



Americas Dec. 2007

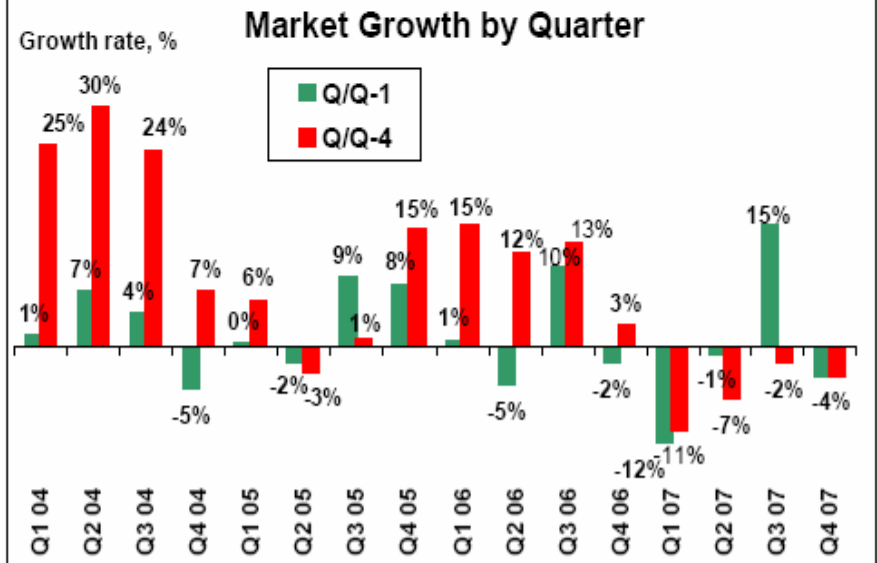
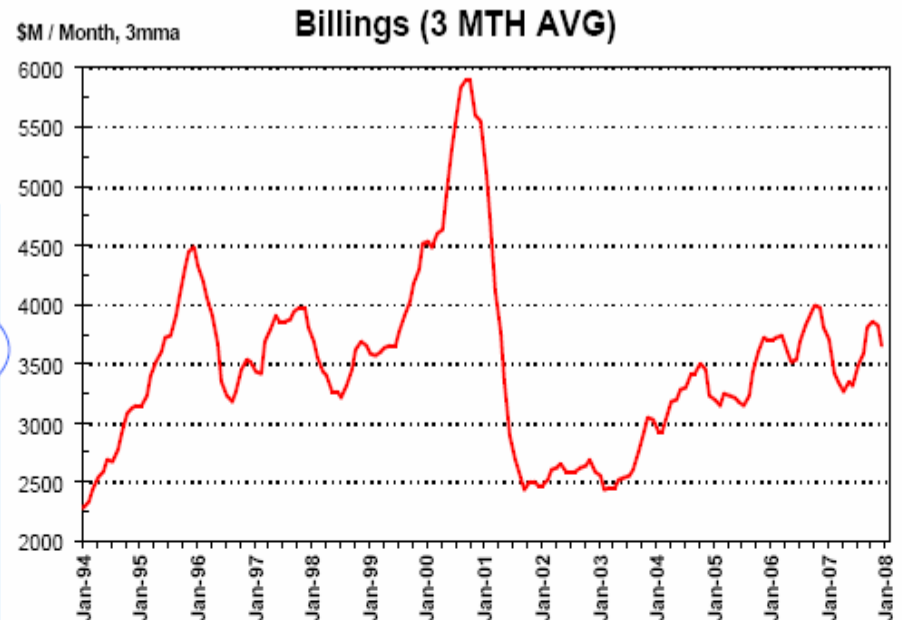
Semiconductor Market Cycle



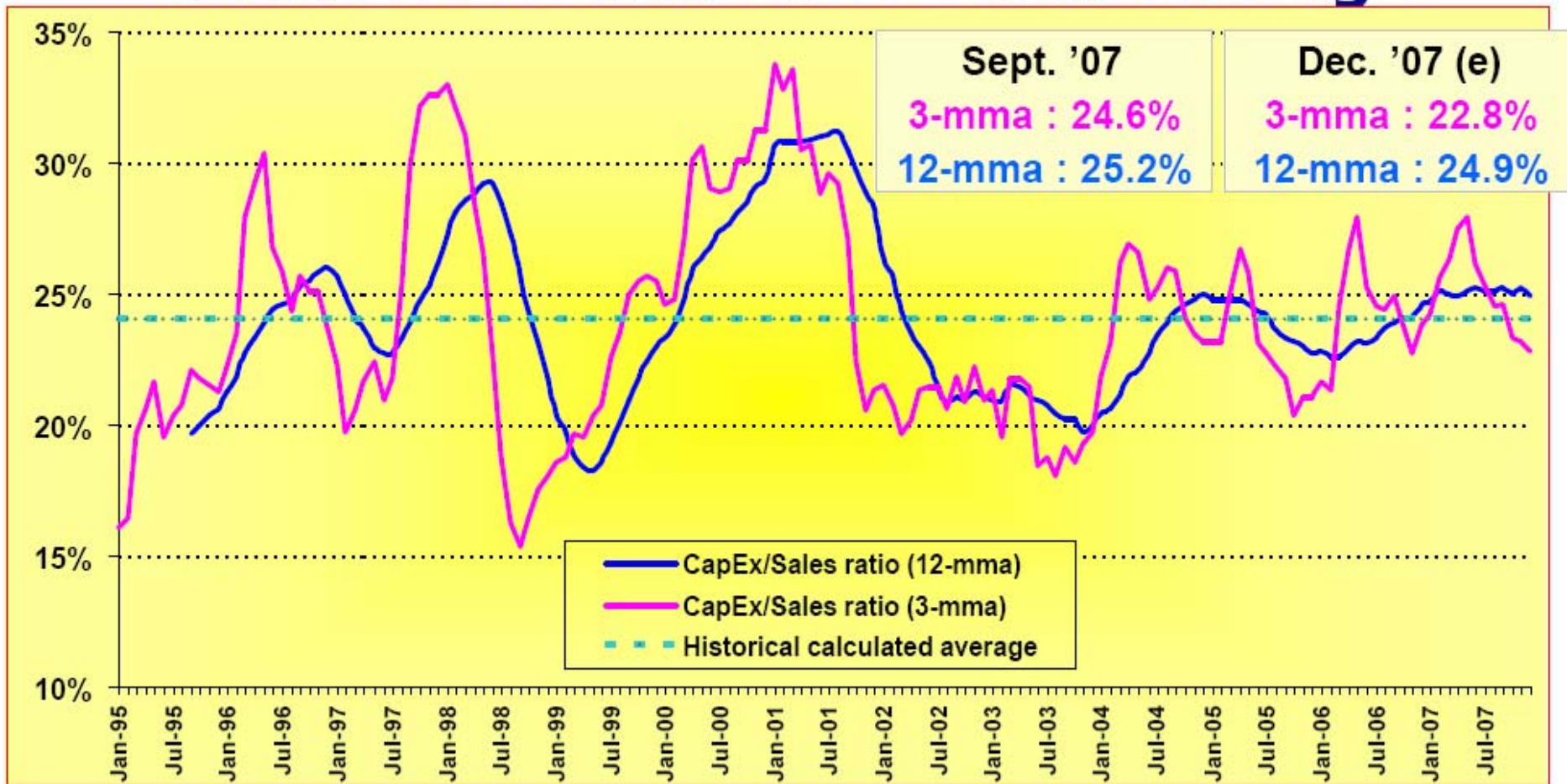
Highlights

In December, the monthly billings increased 10.9% from November to \$3,804M. On a **3-month average** basis, the market decreased 4.5%, to \$3,455M. The 3/12 and 12/12 remained almost stable. The 3/12 has been negative since January and the 12/12 since June.

Q4 TAM: \$11B, -4.0% from Q3, -3.9% YoY from Q4 2006.



Capex-to-sales ratio (as of Dec. '07) Equipment billing vs SC billing, in % based on 3-mma & 12-mma billings



Note: VLSI Research is modifying recent equipment billings estimates every month, taking into account the most accurate available information from the companies. This causes changes of the CapX/Sales ratio from time to time.