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News Release

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INTEL HOLDS QUALCOMM AT BAY TO LEAD 2012 EMBEDDED PROCESSOR VENDOR SHARE RANKING, BUT FOR HOW MUCH LONGER?

London, England; June 3, 2013; According to preliminary findings from the 2013 edition of Semicast's Embedded Processing Service, Intel was the largest supplier of embedded processors in 2012, just ahead of Qualcomm. Broadcom maintained its position as third largest supplier, while Samsung traded places with Texas Instruments for fourth and fifth respectively.

Semicast defines embedded processing to include ASICs, ASSPs, PLDs, FPGAs, 32/64-bit microcontrollers & embedded microprocessors and general purpose DSPs; compute CPUs and 8/16-bit MCUs are excluded. Embedded processing is a vast market, estimated to have been worth around USD 90 billion in 2012, or nearly one-third of the semiconductor total available market (TAM). Like the semiconductor market as a whole, revenue growth for embedded processors has stalled somewhat in recent years, totaling USD 89 billion in 2010 and USD 83 billion in 2008. However within this slowly growing market there have been clear winners, mostly those companies with a focus on tablets and smartphones.

Although Intel has been the largest vendor of embedded processors since Semicast first presented this analysis in 2008, its lead over Qualcomm has been steadily eroded. While the statistics exclude compute CPUs, Intel is nonetheless a dominant provider of other chips for PCs, in particular motherboard chipsets, while demand for its x86 embedded processors continues to grow in markets such as communications infrastructure, set-top boxes and industrial automation. However the big picture trend reflects changes in demand for PCs against tablets and smartphones, with Intel dominant in the former and Qualcomm in the latter. In the first quarter of 2013, industry estimates suggest shipments of PCs fell by around 15 percent year-on-year, with combined shipments of tablets and smartphones surging by almost 55 percent. If these trends were played out across the full year, Semicast predicts that Intel would lose its position as the leading embedded processor vendor to Qualcomm in 2013. While seemingly unthinkable just a few years ago, this highlights the falling influence of the PC on the semiconductor industry and also Intel's limited success in growing its presence in tablets and smartphones so far.

The clear winner in the vendor ranking over the last four years is Samsung, which has been propelled up the ranking by explosive growth in tablets and smartphones. Samsung is judged to

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have risen from fourteenth place in 2008 to fourth in 2012 and is within striking distance of passing Broadcom for third.

Two companies which have dropped several places down the rankings are Renesas and STMicroelectronics. Both companies have historically held a strong position in the cellphone processor market, but their respective mobile operations, Renesas Mobile and ST's joint venture with Ericsson, have not been able to keep pace with the leading players. Colin Barnden, Principal Analyst at Semicast Research and study author, commented "Embedded processing looks set to remain a substantial but fiercely competitive market, with Chinese suppliers such as Allwinner, HiSilicon and Spreadtrum now also making their presence felt".

2012 Embedded Processor Vendor Share Ranking

Intel 12.1%
Qualcomm 10.9%
Broadcom 7.2%
Samsung 6.5%
Texas Instruments 5.2%
Top 5 Total 41.9%
Others 58.1%
2012 Market Size: USD 90.7 billion
Source: Semicast Research

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Notes for Editors

1. Semicast has a strategic focus on embedded processing and provides on-going research services to the global industry. Its Embedded Processing Service has been developed specifically for semiconductor and software suppliers to understand detailed trends in 23 key application areas across the five main end-use sectors. The service has a particular focus on trends for the ARM, MIPS, Power Architecture and x86 product families in embedded processing.
2. Semicast is always willing to work with journalists to provide quotations, opinions and market information for articles. If you require further information, please contact us at [press\[at\]semicast.net](mailto:press[at]semicast.net)
3. Semicast is a respected provider of independent market research on the semiconductor and electronics industry. It specializes in coverage of industrial and medical semiconductors, automotive electronics, telematics/infotainment, automotive semiconductors and embedded processing.