

Future Horizons' Penn forecasts the global semiconductor market to fall 28% in 2009

London, UK. 28 January 2009. The global semiconductor market will fall by 28% in value and by 26% in unit shipments in 2009 after the unprecedented collapse of Q4 2008, according to Malcolm Penn, CEO and founder of Future Horizons. Penn was speaking at Future Horizons' International Forecast Seminar in London yesterday.

Penn's prediction would be an unprecedented fall in the industry, although he also predicts a recovery in 2010 with the resumption of growth in Q3 2009. "Just how much of the growth we experience from 2004 to 2007 was smoke and mirrors?" asks Penn. "The current situation was fuelled by greed and short term business goals, and now consumer confidence is low with no one sure when this will all end."

Penn is predicting that Q2 2009 will be the bottom of the dip, with a 15% increase forecast for 2010 and 28% in 2011.

"The good news is that the chip market entered this recession in fairly good shape," he continued. "The situation is not great, but it isn't 2001. The industry started to cut back on capacity expansion a year before the recession hit, whether by luck or by judgment, and this means we will not see a repeat of the 2001 crash."

"In 2001 the semiconductor market was the cause of the global recession, this time it is the victim," said Penn. "There was no overspend in 2008 on technology, networks or systems, and the markets are now twice as big and Global unlike 2001."

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About Future Horizons

Established in April 1989, Future Horizons provides market research and business support services for use in opportunity analysis, business planning and new market development. Its industry information seminars and forums are widely considered to be the best of their kind.

Emphasis is placed on the world-wide semiconductor and electronics industry and associated markets.

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