



EE Times: Semi News
Foundry Watch: Mixed market signals

Mark LaPedus
(02/05/2006 1:53 PM EST)
URL: <http://www.eetimes.com/showArticle.jhtml?articleID=178602426>

SAN JOSE, Calif. — There are mixed signals in the silicon foundry market despite the renewed growth in the arena. Following a decline of 2.6 percent in 2005, revenue for the foundry market is forecast to grow 18.3 percent in 2006 and 23.1 percent in 2007, according to Gartner Dataquest Inc.

Others are also bullish. The pure-play silicon foundry market alone is expected to grow by 32 percent in 2006 over 2005 — with China taking significant share in the arena, according to a recent forecast from IC Insights Inc.

However, it's a hit-or-miss scenario among the various companies. The world's largest foundry, Taiwan Semiconductor Manufacturing Co. Ltd., recently said fourth quarter business exceeded previous guidance allowing it to make a net income of NT\$33.9 billion (about \$1.06 billion) on revenue of NT\$81.16 billion (about \$2.54 billion).

However currency movements could hurt TSMC (Hsinchu, Taiwan) in the first quarter of 2006 for which it expects sales to decline between 6 percent and 10 percent sequentially.

On the other hand, Israeli foundry chipmaker Tower Semiconductor Ltd. recently made a net loss of \$203.1 million on sales revenues of \$102.0 million for the 12 months ended Dec. 31, 2005.

All material on this site Copyright © 2006 CMP Media LLC. All rights reserved.