

Looking Ahead in 2008

Xilinx is poised for growth in high-volume consumer applications.



by Wim Roelandts
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Last year was yet another successful year for Xilinx, with record sales of our 90-nm and 65-nm devices in consumer and communications applications. Nowhere was this growth more evident than Asia, where revenues increased nearly 500 percent.* Our customer base continues to expand throughout Asia as more and more designers adopt Xilinx solutions to meet technical and time-to-market demands.

The year 2007 also brought the largest single order in our history: 8 million units for a single socket. As the million-unit orders continue, we envision a time where anyone who does logic design will consider Xilinx. We are perhaps halfway there. Industry analysts project further growth for PLDs as new requirements throughout the electronics industry force the need for flexible architectures that can cope with not only current applications but future and possibly unknown features. As systems continue to increase in complexity, designers will naturally make the transition to a programmable fabric.

The beauty of programmable logic is its flexibility to meet the demand of any specific “hot” application.

Looking Ahead

If economic conditions remain favorable, we anticipate yet another year of growth in 2008, particularly in consumer, surveillance, automotive, and communications applications. The flat-panel display market is one of the fastest growing segments in the electronics industry, thanks to declining prices and government mandates promoting digital programming. FPGAs are playing a key role in enabling many of the key technologies behind the latest displays.

In fact, our Spartan™ Generation devices can be found in many of the latest flat-panel displays. This is a high growth market for Xilinx as panel makers expand production capacities to meet consumer demand. According to iSuppli, worldwide shipments of LCD and PDP TVs are expected to reach nearly 80 million units in 2009.

With the ongoing threats to global security, demand for high-performance surveillance video products continues to grow. Today's surveillance video systems must not only record – they must analyze data in real time. This requires higher quality video and DSP processing capabilities, something our devices are very good at. This is a big opportunity for Xilinx and a major reason we've focused on constantly pushing the DSP performance capabilities of our FPGAs.

In the automotive space, we're seeing tremendous growth in driver assistance applications. Previously only available in high-end luxury cars, electronic driver assistance systems are making their way into the average vehicle. Market analysts expect driver assistance system demand to grow by 5x between 2007 and 2012.

Mobile devices also offer an excellent opportunity for PLDs as portable electronic manufacturers continue to rush new products to market. Today's designers are now looking beyond the fixed architecture of ASICs and ASSPs to discover the innate design flexibility and time-to-

market benefits of programmable logic. Rather than demanding higher performance, consumers now demand ease of use – the iPhone is an excellent example. PLDs allow designers to differentiate their products with ease-of-use features while providing faster time to market.

Finally, in the communications sector, we believe that growth will accelerate as wireless service providers continue their quest to upgrade the infrastructure and triple play continues to be deployed. Next-generation base station deployments must conquer the challenge of continually reducing cost (as measured by cost per channel) while at the same time adding increased functionality to support new services, protocols, and changing subscriber usage patterns. Programmable logic is the ideal solution for wireless base stations, providing not only a flexible design platform but allowing service providers to make future upgrades from a remote location. This can literally save millions in the long run.

Conclusion

Xilinx pioneered the industry's transformation toward a focus on vertical markets and engaging with customers at a system architecture level. Today, this transformation lets us address our customer's complex design challenges by providing them with innovative, flexible, and compelling solutions that help them achieve their objectives of cost management, time to market, and leadership.

And while the beauty of programmable logic is its flexibility – PLDs can be used in virtually any electronic system so there is no immediate need to develop new products to meet the demand of any specific “hot” application – providing just the right mix of features for a given application is a great way to reduce system cost. By optimizing our devices for a given domain, we offer the broadest range of solutions in the industry, providing a unique mix of core capabilities, such as logic, memory, parallel and serial I/Os, embedded processors, DSP function-

ality, and other functions suited to specific application requirements.

Xilinx will continue to expand its efforts in delivering optimized solutions for a broad set of markets and applications. In addition to providing just the right amount of features in our silicon, we're working hard to provide just the right amount of IP, design tools, and peripherals required to deliver an “out-of-the-box” solution. ●●●

**Source: Xilinx Financials, September quarter FY08 versus September quarter FY06.*

Xilinx Chief Willem Roelandts Elected SIA Chairman

On November 14, 2007, the board of directors of the Semiconductor Industry Association (SIA) elected Willem (“Wim”) P. Roelandts, chairman, president and CEO of Xilinx, as its 2008 board chairman. Roelandts succeeds Richard Templeton, president and chief executive officer of Texas Instruments. Hector de J. Ruiz, chairman and CEO of AMD, was elected vice chairman.

“Wim Roelandts and Hector Ruiz bring many years of leadership in the microelectronics industry to the positions of chairman and vice chairman of the SIA board,” said SIA President George Scalise. “That experience will be invaluable as the semiconductor industry continues its efforts to secure additional funding for university research, immigration, and education reform to ensure access to a highly skilled workforce, and tax reform to level the global playing field.

“Leadership in innovation is the key to leadership in technology,” said Roelandts. “The SIA public policy agenda is focused on ensuring that the U.S. has a business climate that encourages and supports innovation. I welcome the opportunity to be a spokesman for our innovation agenda.”