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**EDA CONSORTIUM REPORTS 10% REVENUE GROWTH
IN FIRST QUARTER 2006**

SAN JOSE, California, June 29, 2006—The EDA Consortium’s Market Statistics Service (MSS) today announced that the electronic design automation (EDA) industry revenue for Q1 of 2006 grew 10% to \$1,215 million, versus \$1,108 million in Q1 2005, due in part to new company participation. Total product revenues, without services, was up 10% to \$1,136 million in Q1 of 2006 vs. \$1,031 million in the same quarter of 2005.

“Last year’s fourth quarter strength expanded in Q1, fueled by solid growth in North America and Western Europe,” said Walden C. Rhines, chairman and CEO of Mentor Graphics Corporation and vice-chair of the EDA Consortium.

Employment Data

Reporting companies employed 23,128 professionals in Q1 2006, up 4% from the 22,236 reported in Q1 2005.

Revenue by Product Category

EDA’s largest tool category, Computer-Aided Engineering, generated revenue of \$512 million in Q1 2006, 10% more than the same period in 2005.

Printed Circuit Board and Multi-Chip Module revenue decreased 4% in Q1 2006 to \$84 million.

IC Physical Design & Verification revenue increased 13% to \$315 million in Q1 2006 compared to the same quarter in 2005.

Semiconductor Intellectual Property (SIP) revenue totaled \$225 million in Q1 2006, a 12% increase over Q1 2005.

Services revenue was \$79 million in Q1 2006, up 3% from Q1 2005.

Revenue by Consuming Region

North America, EDA’s largest region, purchased \$569 million of EDA products and services in Q1 2006, a 14% increase over Q1 2005.

Western Europe revenue was up 13% in Q1 2006 with revenues of \$218 million.

2006 Q1 revenue from Japan grew 3% over Q1 2005 to \$291 million.

Rest-of-World (ROW) continued to extend previous years of revenue growth by increasing 4% to \$137 million in Q1 2006.

About the MSS Report

The EDA Consortium's Market Statistics Service reports EDA industry revenue data quarterly and is available by annual subscription. Each quarterly report is published approximately three months after quarter close. MSS report data is segmented as follows: revenue type (product licenses and maintenance, services, and SIP), application (CAE, PCB/MCM Layout, and IC Physical Design and Verification), operating system (UNIX vs. Windows) and region (North America, Western Europe, Japan, and Rest of World), with many subcategories of detail provided. The report also tracks total employment of the reporting companies.

About the EDA Consortium

The EDA Consortium is the international association of companies that provide tools and services that enable engineers to create the world's electronic products. EDA is the critical technology used to design electronics for the communications, computer, space technology, medical and industrial equipment and consumer electronics markets among others.

For more information about the EDA Consortium, or to subscribe to the Market Statistics Service, contact EDA Consortium, 111 West Saint John Street, Suite 220, San Jose, Calif. 95113, USA, office 408-287-3322, fax 408-283-5283 or visit www.edac.org.

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