FACT SHEET

CADENCE DESIGN SYSTEMS, INC.

CORPORATE FACTS

Founded 1988

Corporate Headquarters
2655 Seely Ave, San Jose CA 95134 USA
+1.408.943.1234

Worldwide Locations
www.cadence.com

NASDAQ Symbol CDNS

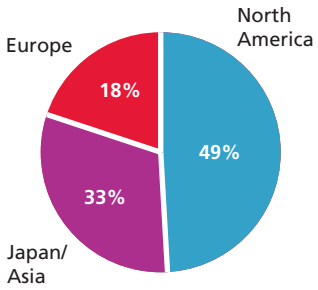
Market Capitalization $2.86 billion*

Primary Business Electronic design automation software, hardware, and services

*As of May 12, 2008

APPROXIMATE SALES

By Geography in 2007



COMPANY PROFILE

Cadence Design Systems, Inc. is the global leader in software, hardware, methodologies, and services that play essential roles in accelerating innovation in today's highly complex integrated circuits, printed circuit boards, and electronics systems. Companies use Cadence® electronic design automation (EDA) technologies and engineering services to design, verify, and prepare advanced semiconductors and systems for manufacturing. These products, in turn, form the foundation of consumer electronics, networking and telecommunications equipment, and computer systems. 5,100 Cadence employees at locations throughout the world—including China, India, Europe, Russia, Israel, Japan, Korea, Taiwan, and North America—serve our global customer base.

MARKETS

Cadence serves the more than $1 trillion worldwide electronics market, which is increasingly being driven by consumer-oriented products. The major vertical market segments include computers, wired and wireless communications, and consumer electronics, such as multimedia and personal entertainment devices. Globally, these account for 75 percent of electronics equipment revenue and more than 90 percent of semiconductor revenue. The major horizontal segments are systems companies, semiconductor companies, and silicon providers (ASIC vendors, foundries, and FPGA companies). Cadence is a leading provider of EDA solutions in each of these segments, giving the company unparalleled visibility into the electronics design industry.

Two major trends drive electronics design—increasing silicon capacity and converging market demands. Silicon capacity has been doubling every 18-24 months for more than 30 years. Although what is known as Moore's Law continues, constraints such as power are now stretching the limits of productivity, and there seems to be an end in sight.

Nonetheless, to meet market demands to converge computer, communications, and consumer capabilities into a wide variety of products—including cell phones, PCs, PDAs, flat panel HDTVs, set-top boxes, wireless networks, and automobiles—electronics companies need to invest continually to make the best use of this growing silicon capacity. This means breaking down barriers between today's separate domains of embedded software, digital logic, analog circuits, and PCB design to meet time-to-market pressures and demands for continued evolution of device functionality. Cadence is the only company with the combination of product line breadth, domain expertise, and vertical design methodology experience to best address these challenges.

CADENCE DESIGN SOLUTIONS

DIGITAL DESIGN

The Cadence Encounter® digital design platform accurately converts the high-level logical specification of a digital integrated circuit (IC) into a detailed physical blueprint and then detailed design information showing how the IC will be physically implemented. This data is used for the creation of the photomasks used in chip manufacture.

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CUSTOM DESIGN

The Cadence Virtuoso® custom design platform develops differentiated silicon for ICs that must be designed at the transistor level, including analog, radio frequency (RF), memories, high-performance digital blocks, and standard cell libraries. Detailed design information showing how the IC will be physically implemented is used for the creation of the photomasks used in chip manufacture. The Virtuoso platform offers the industry's fastest, most silicon-accurate way to design custom analog, RF, and mixed-signal ICs.

SYSTEM INTERCONNECT

This product group consists of printed circuit board (PCB) and IC package design products, including the Cadence Allegro® system interconnect design platform, which enables co-design of advanced ICs, IC packages, and PCBs.

FUNCTIONAL VERIFICATION

The Cadence Incisive® functional verification platform reduces risk and increases quality by verifying that the high-level logical specification of an IC design is correct. Employing the industry's first single-kernel architecture, the Incisive platform delivers the fastest, most efficient way to verify large, complex chips. Cadence verification process automation enables customers to manage their entire verification effort, which boosts productivity, increases predictability, and ensures system-level quality.

DESIGN FOR MANUFACTURING

Cadence design-for-manufacturing (DFM) solutions ensure that advanced ICs will be manufacturable with high yields while also meeting aggressive performance, power, and schedule requirements. These technologies help customers analyze, optimize, and verify the physical implementation of a design, taking into account a combination of rules and models that represent manufacturing limits and variability of customers' target processes. Cadence DFM solutions enable customers to produce the lowest cost, most advanced ICs while still meeting their time-to-market goals.

CADENCE KITS

Cadence Kits help companies in the wired networking, wireless, and multimedia sectors achieve shorter, more predictable design cycles and greater productivity by simplifying the application and integration of EDA technologies and verification intellectual property (IP). Each Cadence Kit addresses application-specific design issues by combining verified methodologies packaged in platform flows, and enabling standards-based IP—all applied to a segment representative design and delivered with applicability training.

Financial Highlights

	2007	2006	2005
Revenue	$1,615,013	$1,483,895	$1,329,192
Net income (loss)	$296,252	$142,592	$49,343
Net income (loss) per share, assuming dilution	$1.01	$0.46	$0.16
Cash, cash equivalents, and short-term investments	$1,078,113	$958,431	$894,591
Total assets	$3,871,150	$3,442,822	$3,401,312
Stockholders equity	$2,080,066	$1,699,291	$1,844,704

EXECUTIVE MANAGEMENT

Michael J. Fister
President and
Chief Executive Officer

Kevin Bushby
Executive Vice President,
Worldwide Field Operations

R.L. Smith McKeithen
Executive Vice President

Jim Miller
Executive Vice President, Product and Technologies Organization

William Porter
Executive Vice President and
Chief Administrative Officer

Ryoichi Kawashima
President, Cadence Japan

Jim Cowie
Senior Vice President,
General Counsel and
Corporate Secretary

Charlie Huang
Senior Vice President,
Business Development

Tina Jones
Senior Vice President,
Global Human Resources

Kevin Palatnik
Senior Vice President and
Chief Financial Officer

Ted Vucurevich
Senior Vice President and Chief Technology Officer, Advanced Research and Development

Craig Johnson
Corporate Vice President,
Marketing and Strategy

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