SAN JOSE – Worldwide sales of semiconductors in February were $20.44 billion, up 1.5% year-over-year, the **Semiconductor Industry Association** reported today. Sales fell 4.9% sequentially, in line with normal seasonal patterns for the industry.

"Continued price attrition in DRAMs masked underlying strength in global chip sales in February," said SIA president George Scalise, noting that worldwide semiconductor sales, excluding memory, grew by nearly 10% year-on-year.

DRAM revenues dropped more than 40% year-on-year despite a 43% increase in unit shipments as average selling prices fell nearly 60% year-over-year.

Unit shipments for all semiconductor products rose 11.6% year-over-year, indicating strength in the end-markets that drive demand for microchips.

"Despite a slowing U.S. economy, markets outside the US continued to show robust growth in demand for electronic products that drive semiconductor sales," Scalise said.

SIA cited reports from **JPMorgan** and **Gartner** showing strong sales of personal computers and handsets in international markets. "The Asia-Pacific region, which includes China, has overtaken the US as the largest market for PCs. The Rest-of-the-World, which includes Eastern Europe, Africa and South America, equaled the number of units sold in the US in 2007 and is poised to surpass the US market in PC unit sales this year."

In handsets, the growth in international markets is even more dramatic, especially in the Asia-Pacific region. According to JPMorgan, unit shipments of handsets in the Asia-Pacific region will reach almost 540 million units in 2008 – over three times more than the 161.6 million units they expect will be sold in the US.