



CMP MARKETS & VALUE CHAIN PERSPECTIVES

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A PRESENTATION FOR THE CMP USERS GROUP

JULY 17, 2007

LINX CONSULTING



OUTLINE

1. Introduction to Linx Consulting
2. Developments Impacting CMP
3. CMP Markets and Key Value Chain Components
4. Conclusions

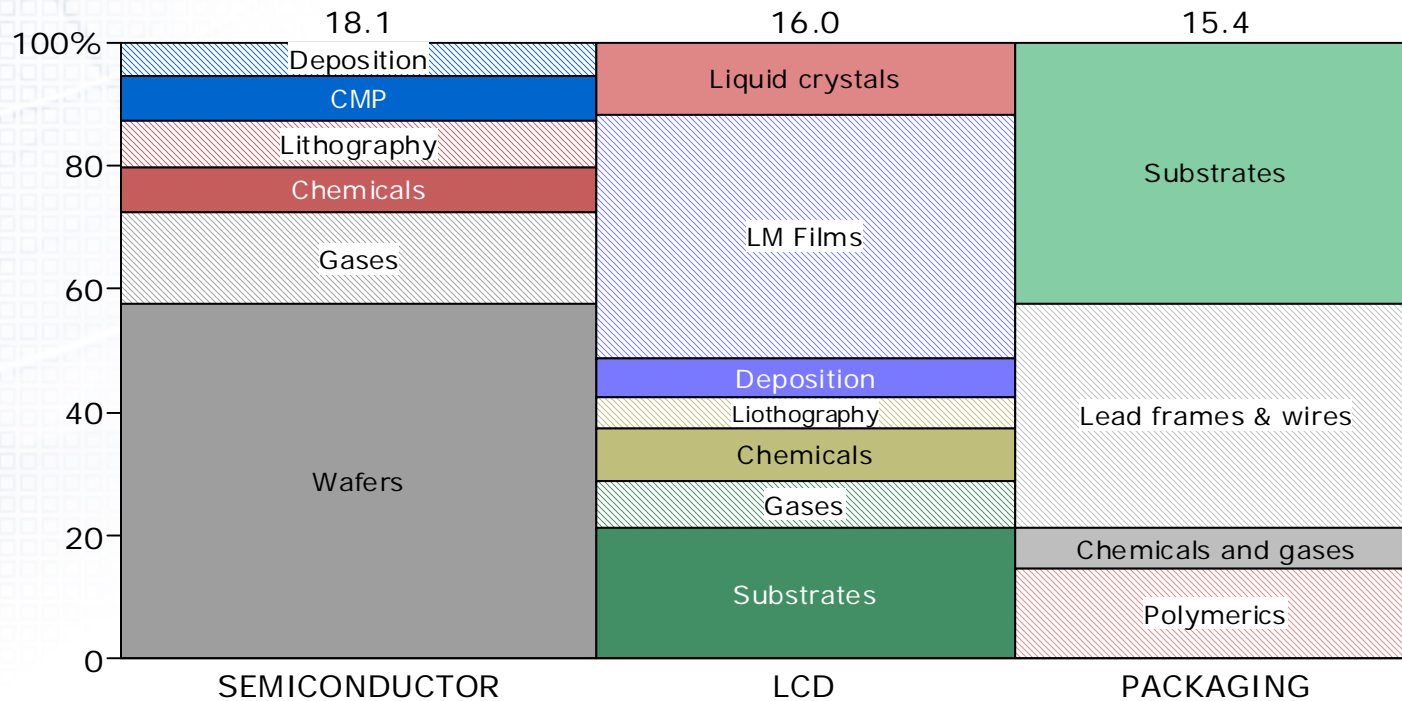


LINX CONSULTING



LINX CONSULTING IS FOCUSED IN ELECTRONIC CHEMICALS AND MATERIALS

% TOTAL SEGMENT



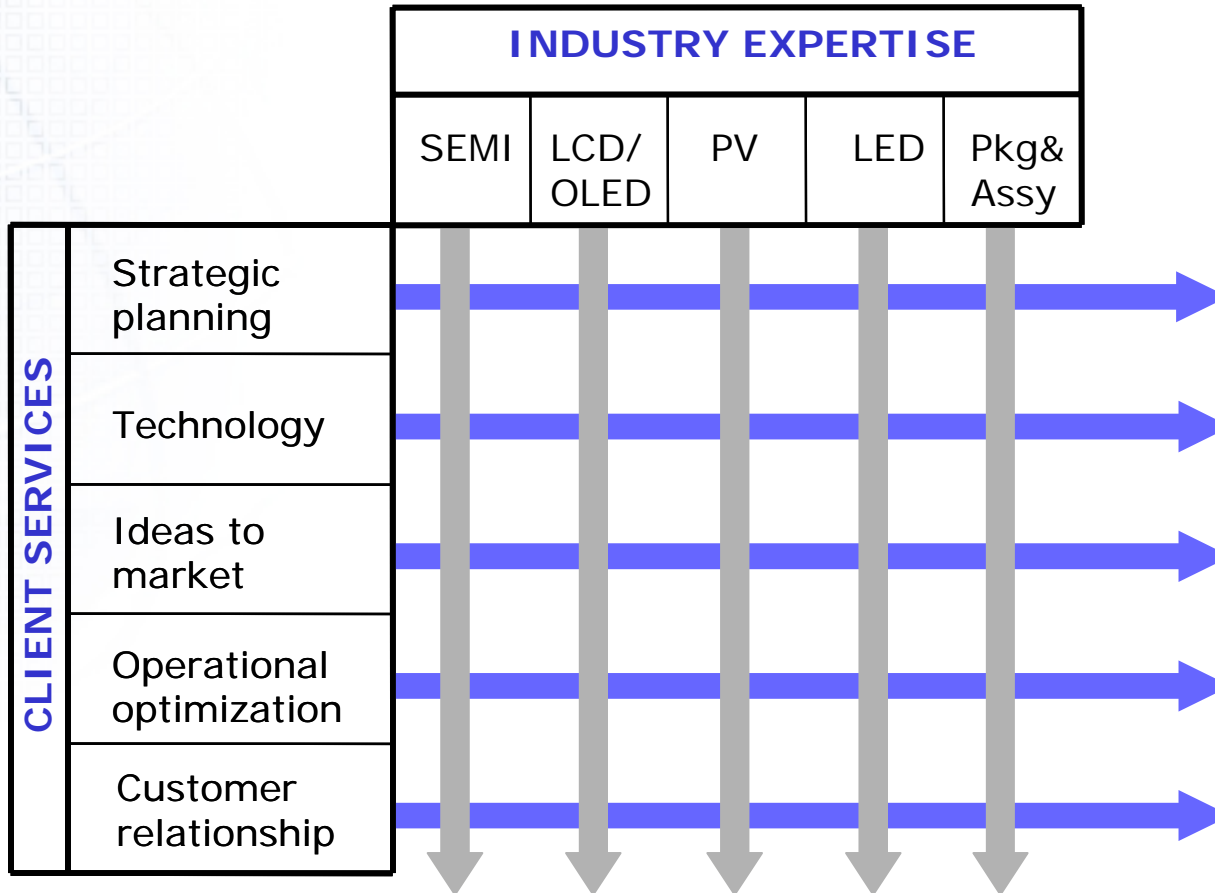
% TOTAL ELECTRONIC CHEMICALS

Notes:

1. Units are \$ billion
2. PCB chemicals and materials are estimated at \$10.5 billion
3. Compound semi including in semiconductor



LINX JOINS INDUSTRY EXPERTISE WITH INSIGHTFUL SERVICE





INDUSTRY ANALYSIS - SERVICES OFFERED

CURRENTLY AVAILABLE INDUSTRY ANALYSIS REPORTS

1. CMP Technologies and Markets to the 45 nm Node
2. Advanced Cleaning and Surface Preparation: Technologies and Markets
3. Opportunities in Imprint Lithography
4. Semiconductor Industry Direct Consumables Model
5. Specialty Abrasives in CMP
6. Advanced Patterning

UPCOMING INDUSTRY ANALYSIS REPORTS

1. Advanced Thin Film Processes & Materials (in-process)
2. Electronic Materials in Photovoltaics (in-process)
3. CMP Technologies and Markets to the 32 nm Node
4. Advanced Cleaning and Surface Preparation to 32 nm Node



CMP - 32 nm NODE – REPORT CONTENTS

1. EXECUTIVE SUMMARY

Growth in CMP Operations
Growth in Slurries and Pads
Suppliers
Regional distribution of polishes

2. METHODOLOGY

3. BACKGROUND AND MODEL DRIVERS

4. CMP APPLICATIONS

Aspects covered for each of the following applications:

- *Challenges*
- *Typical POR*
- *Consumables*
- *Key IP*
- *Activities of leading users*
- *Markets (65 nm and above)*

Bulk Copper 65, 45 & 32nm
ECMP technology
Copper end point 65, 45 & 32nm
Copper barrier 65, 45 & 32nm
Tungsten 65, 45 & 32nm
STI 65, 45 & 32nm
Oxide 65, 45 & 32nm
Emerging applications

5. CMP TOOLS & EMERGING TECHNOLOGIES

Leading tools/platforms
Tool supplier characterization
Impact of new technologies
Consumable selection

6. MARKET ASSESSMENT AND FORECASTS

Total consumables market
Slurries
Pads
CMP operation forecasts
CMP by applications
CMP by device segment

7. SUPPLIER ASSESSMENT

Leading suppliers
Slurry suppliers
Pad suppliers
Conditioner suppliers

8. BUSINESS ANALYSIS AND OPPORTUNITIES

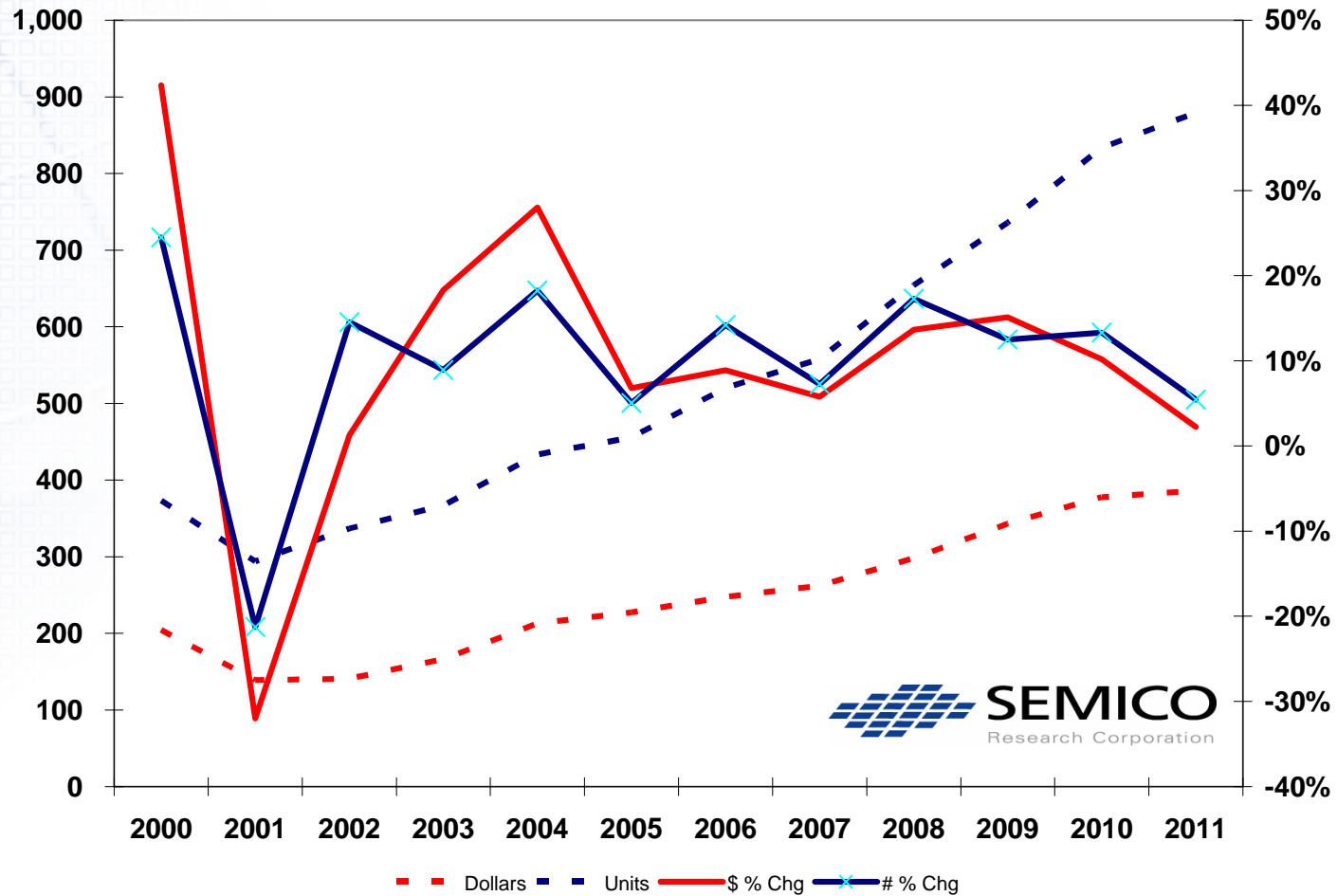
CMP consumables
Customer considerations
Influence of tool producers
Sustainability of suppliers
Interviewee comments



DEVELOPMENTS IMPACTING CMP

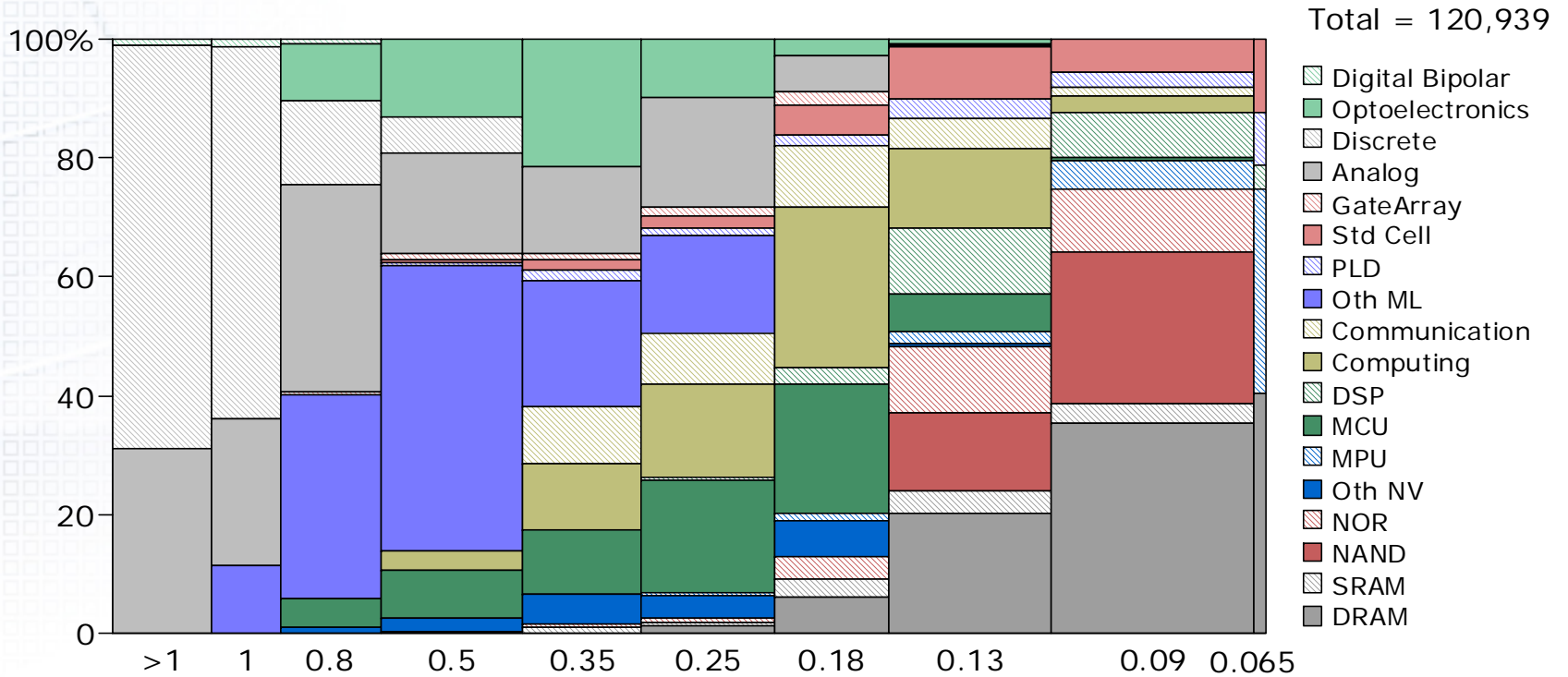


SEMICONDUCTOR INDUSTRY GROWTH



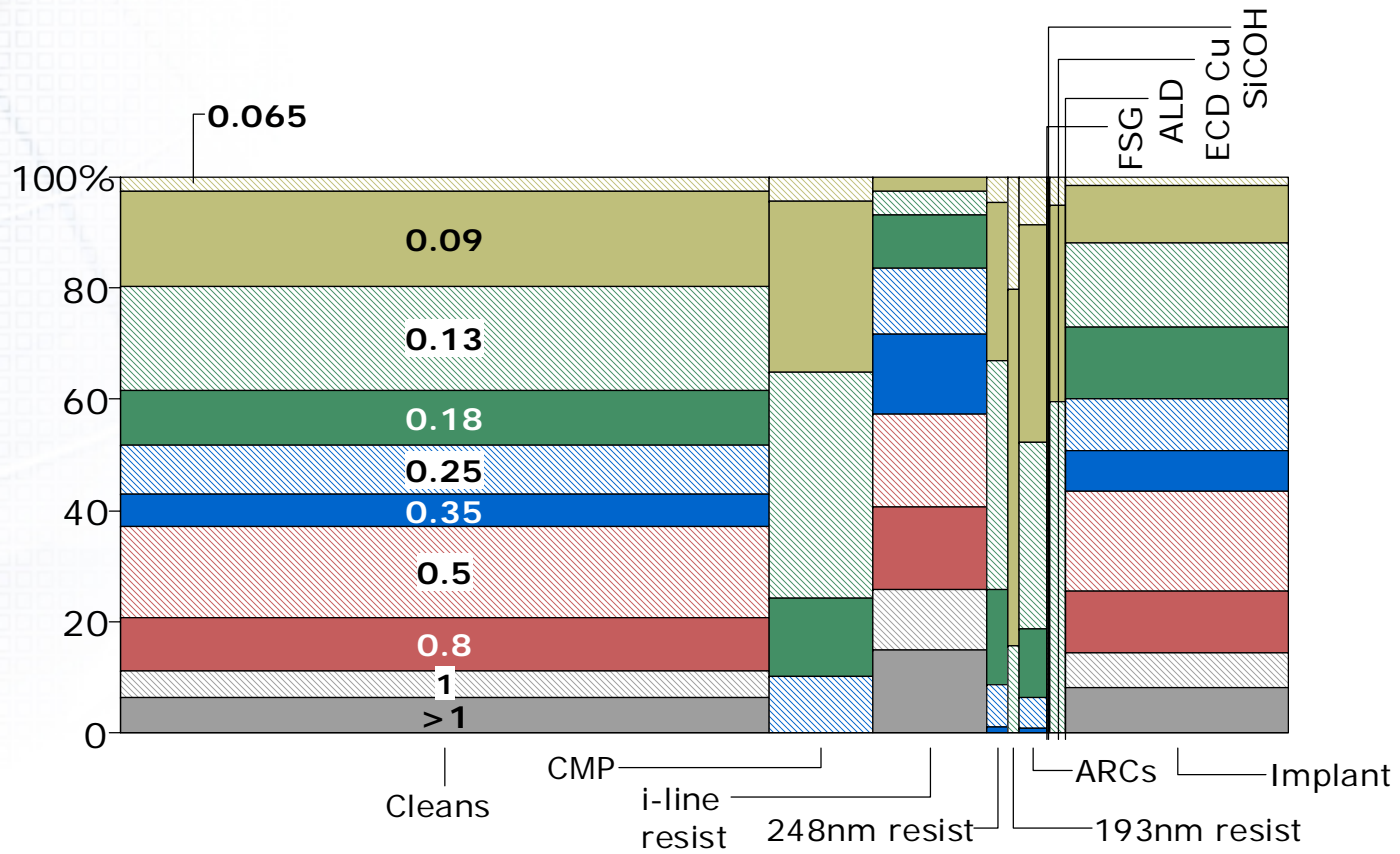


WAFER STARTS - 2006



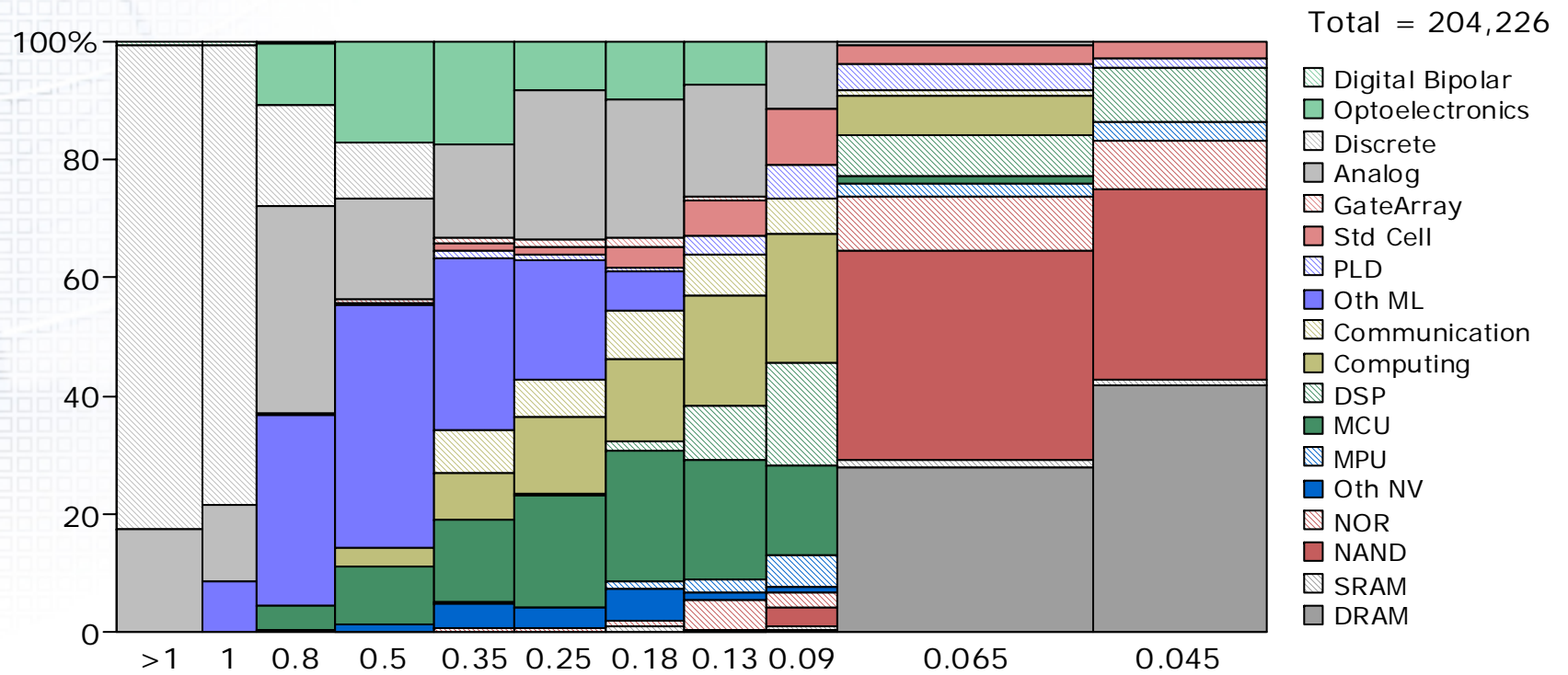


UNIT OPERATIONS - 2006



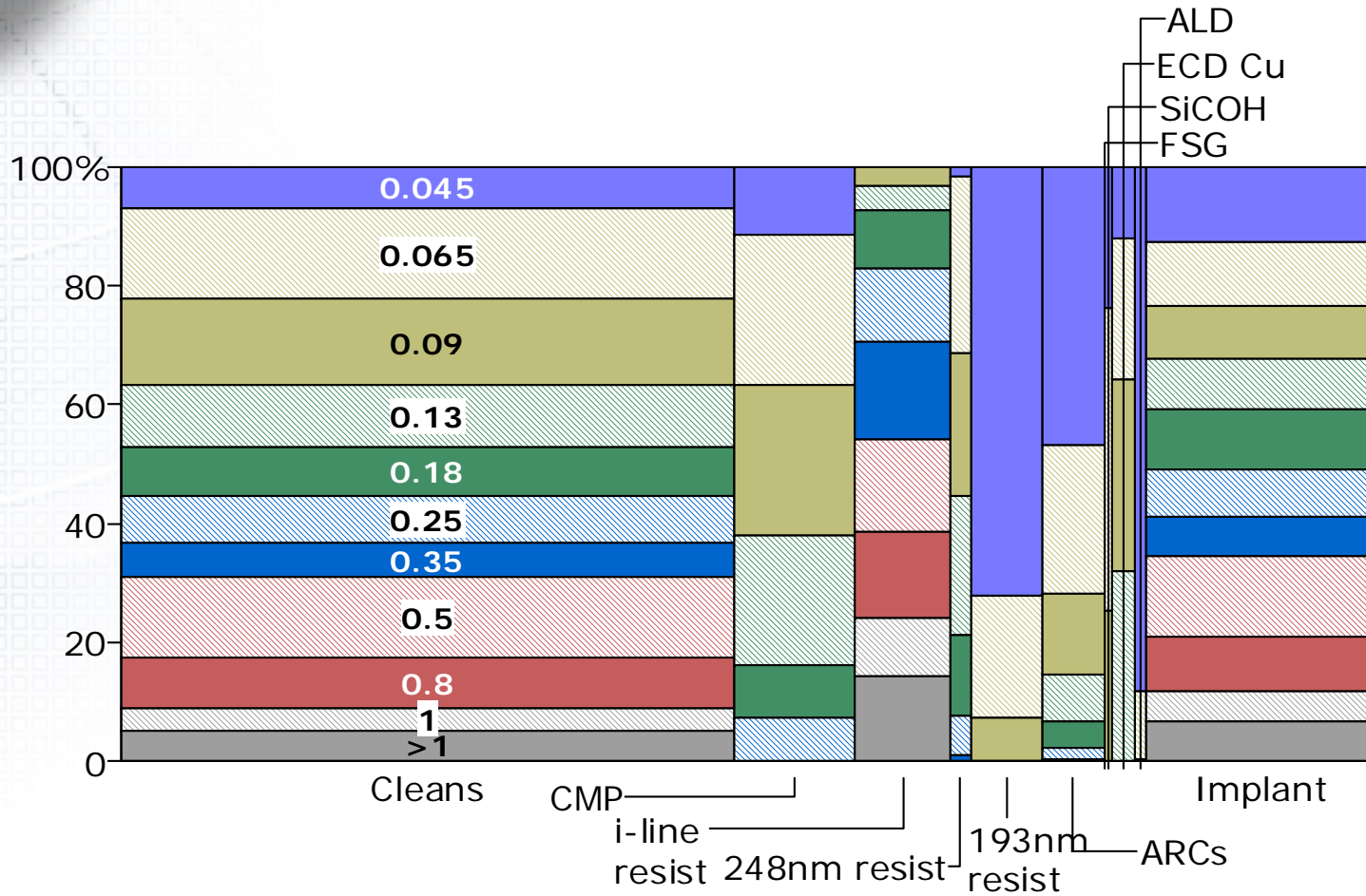


WAFER STARTS – 2010



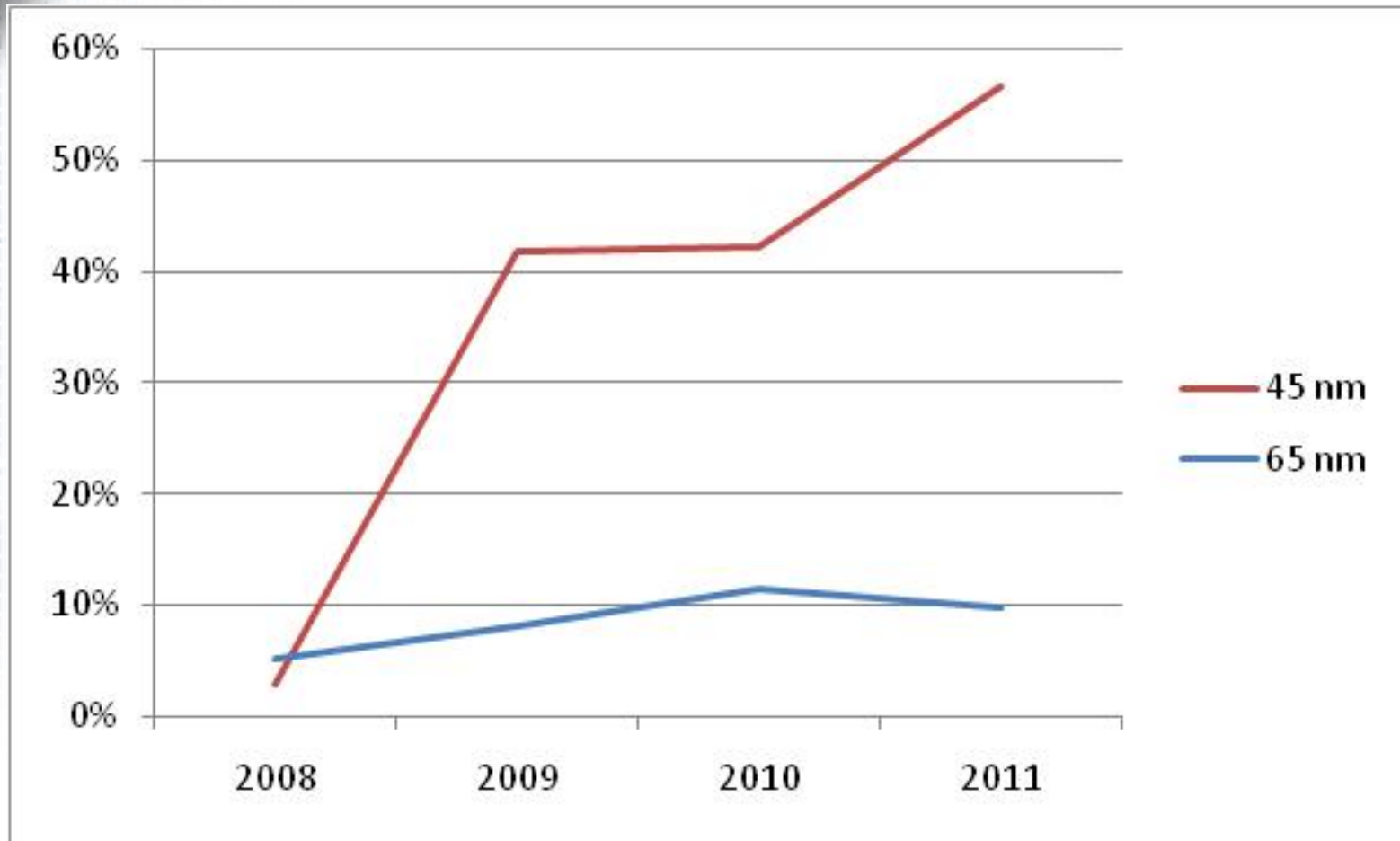


UNIT OPERATIONS - 2010





MEMORY – TOTAL % OF COPPER POLISHES

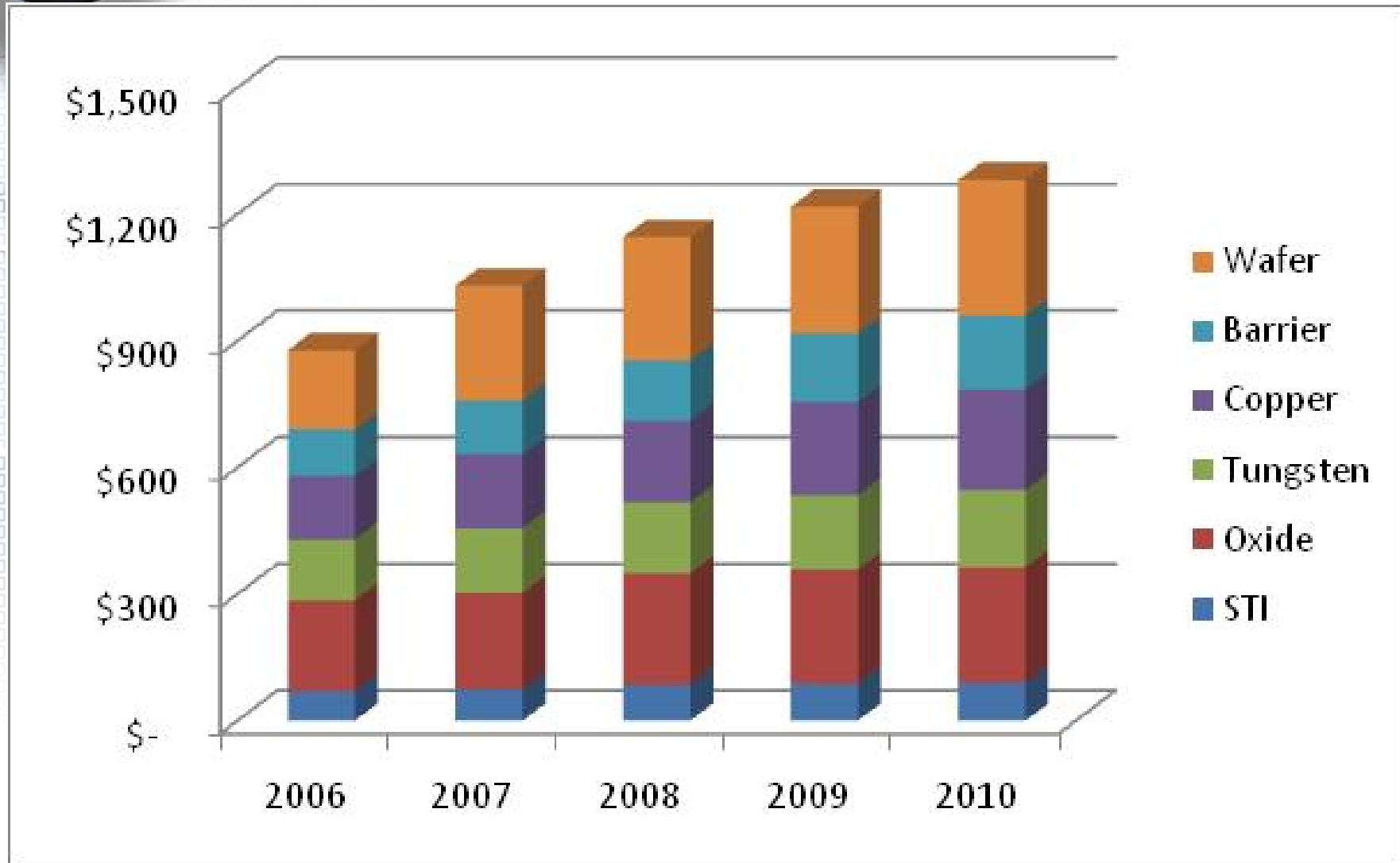




CMP MARKETS AND VALUE CHAIN



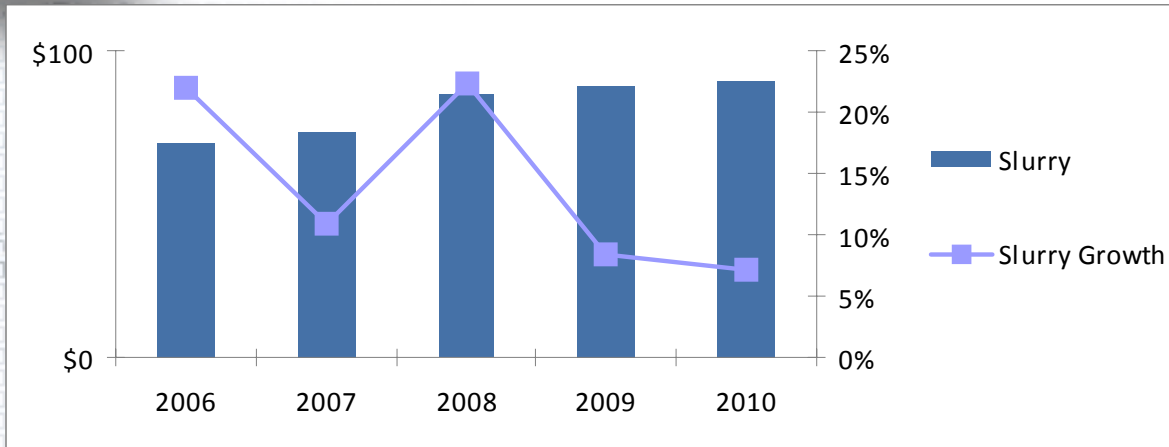
SLURRY MARKETS - \$875 MILLION IN 2006



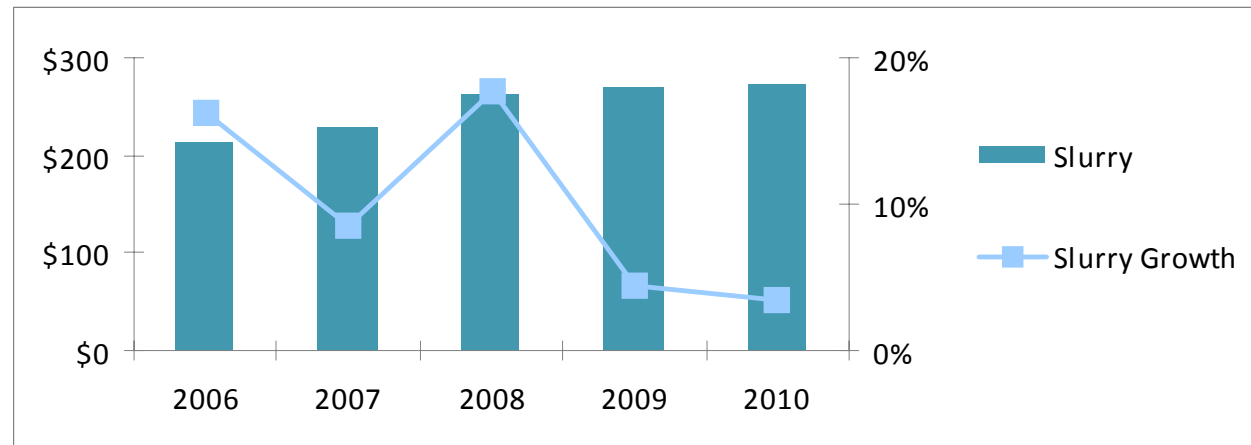


STI AND OXIDE MARKETS

STI



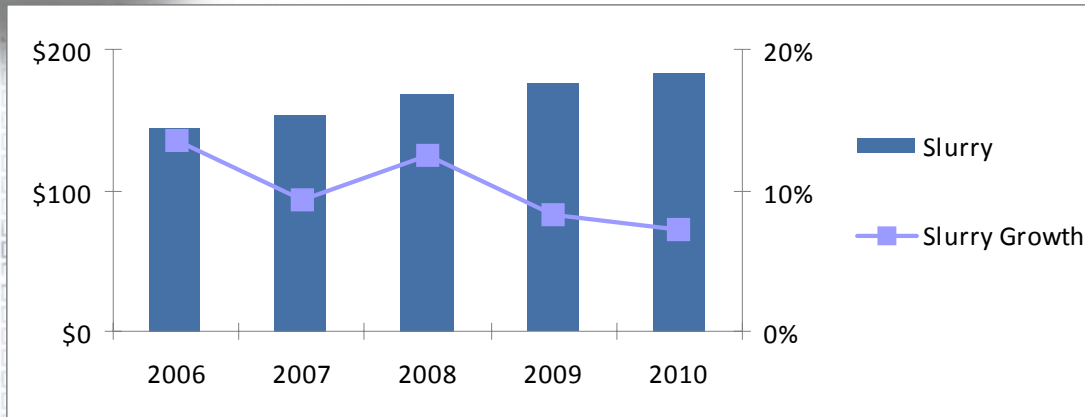
OXIDE



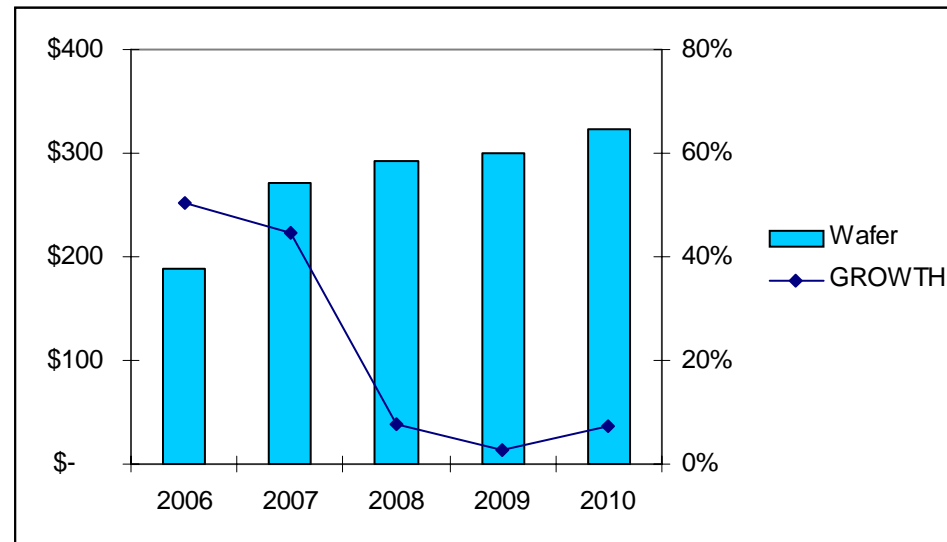


TUNGSTEN AND WAFER POLISH MARKETS

TUNGSTEN



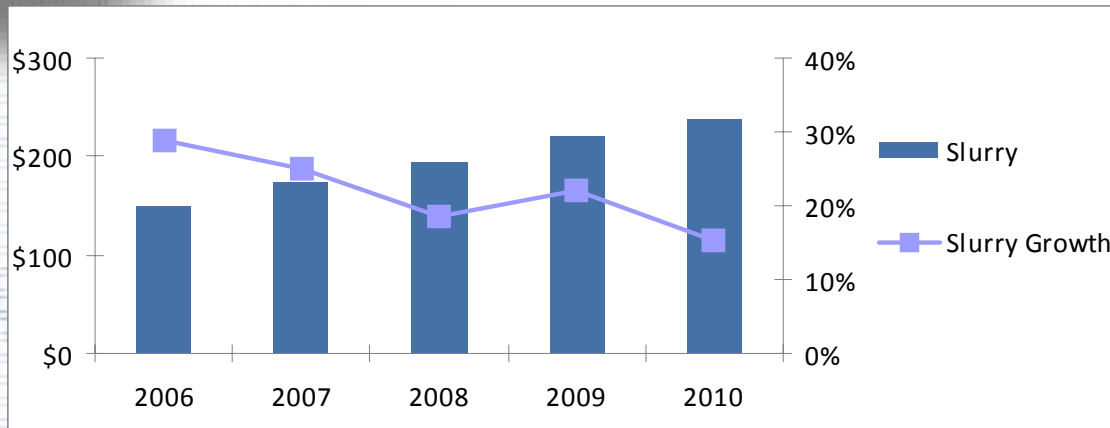
WAFER POLISHING



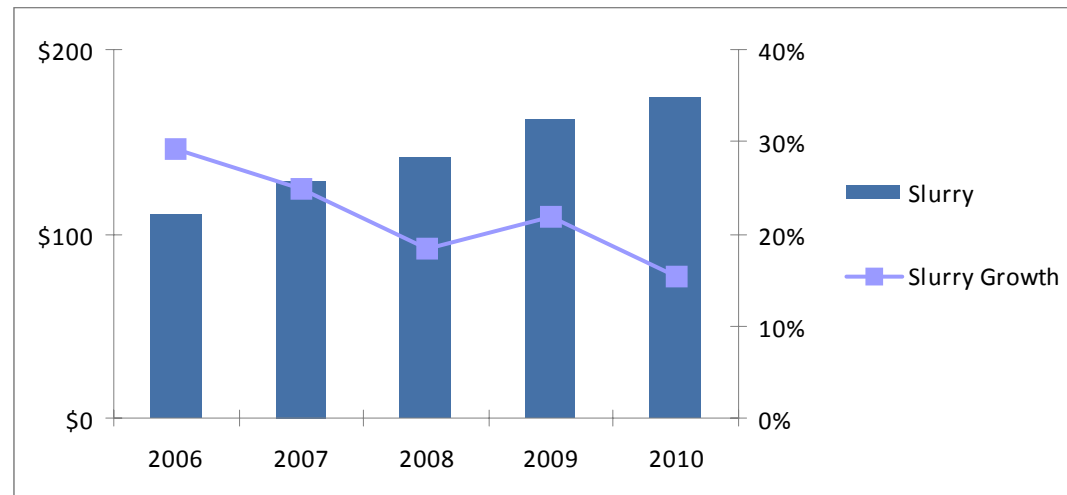


COPPER AND BARRIER MARKETS

COPPER

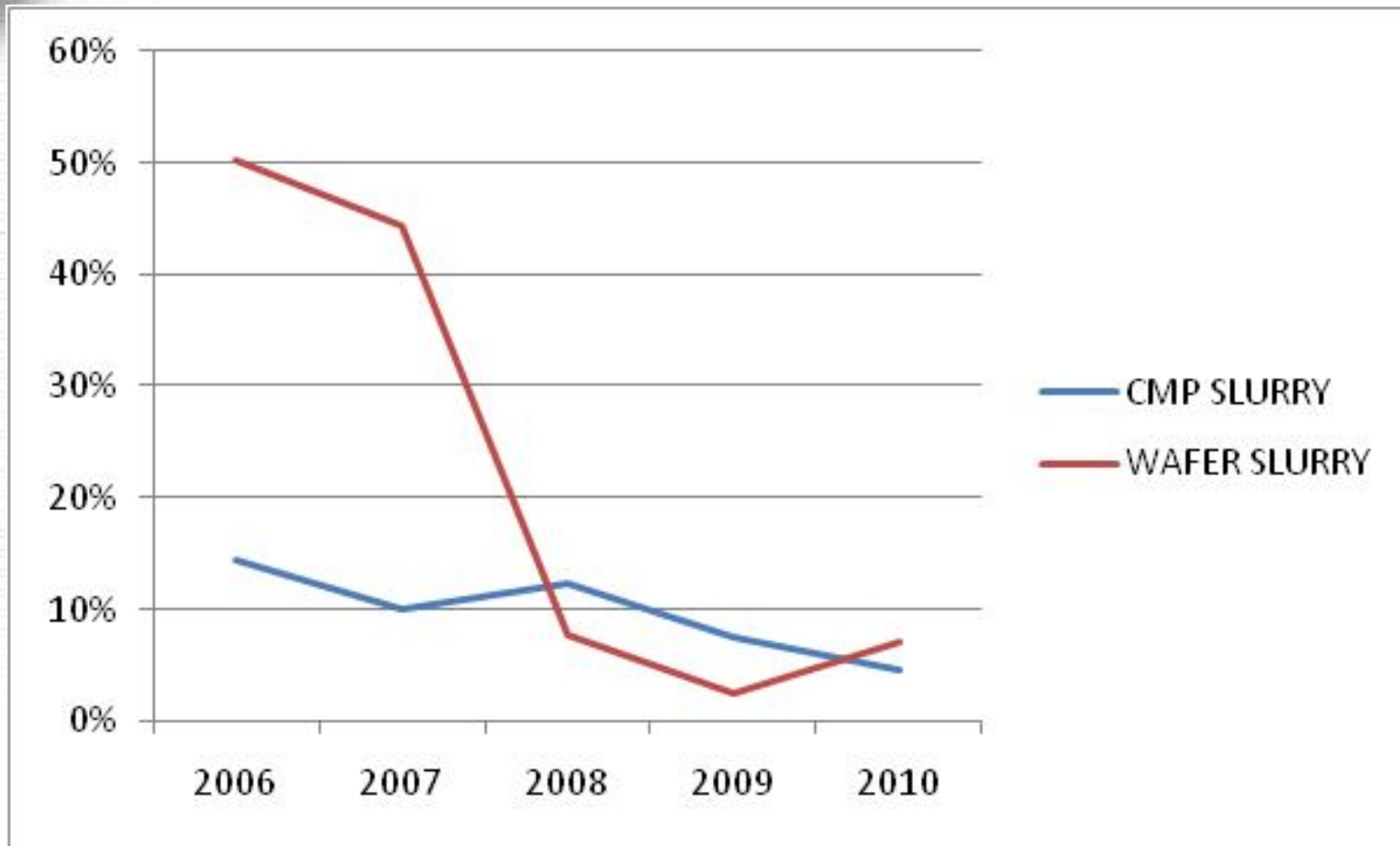


BARRIER



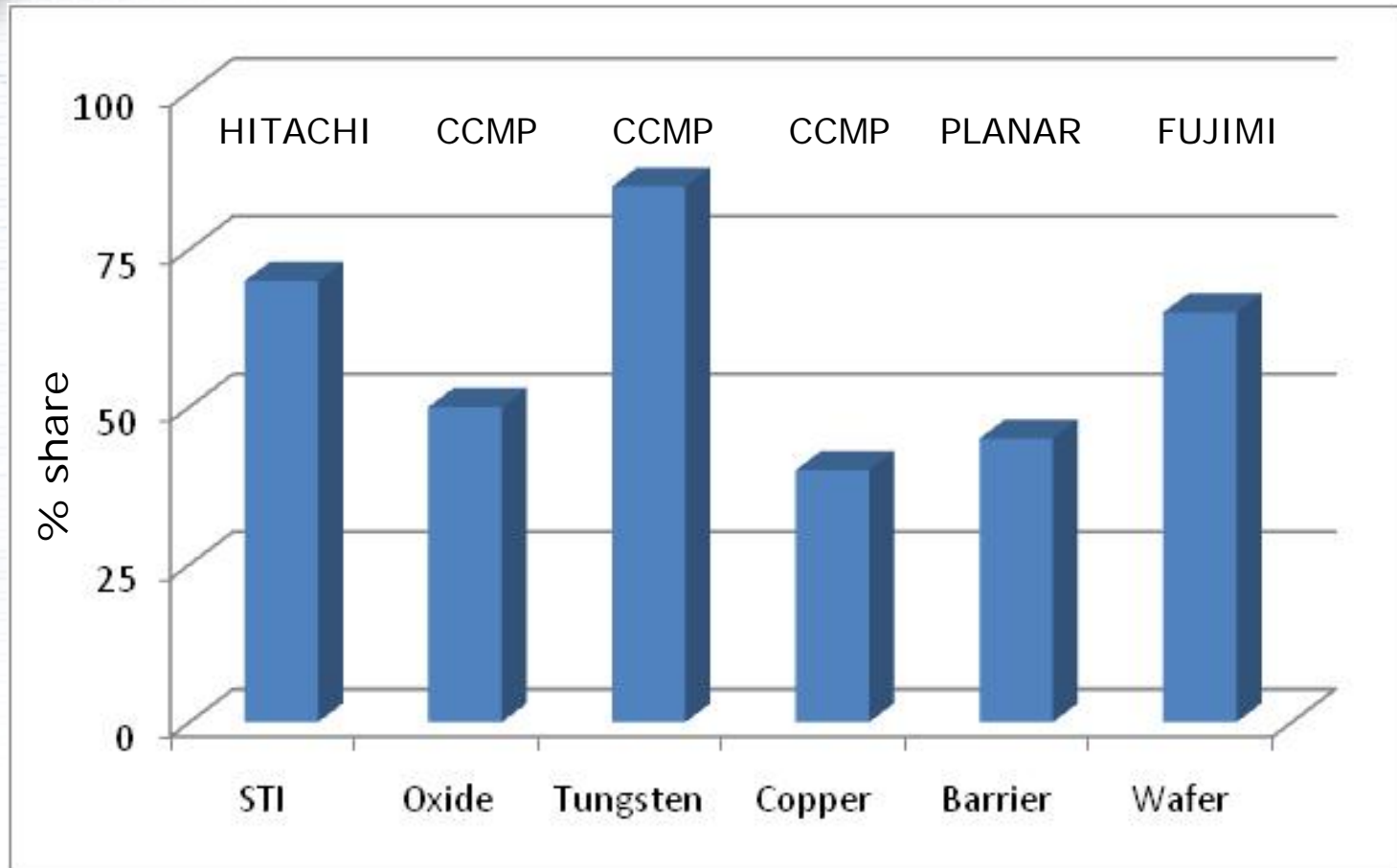


SLURRIES – AAGR(%) 2006 TO 2010



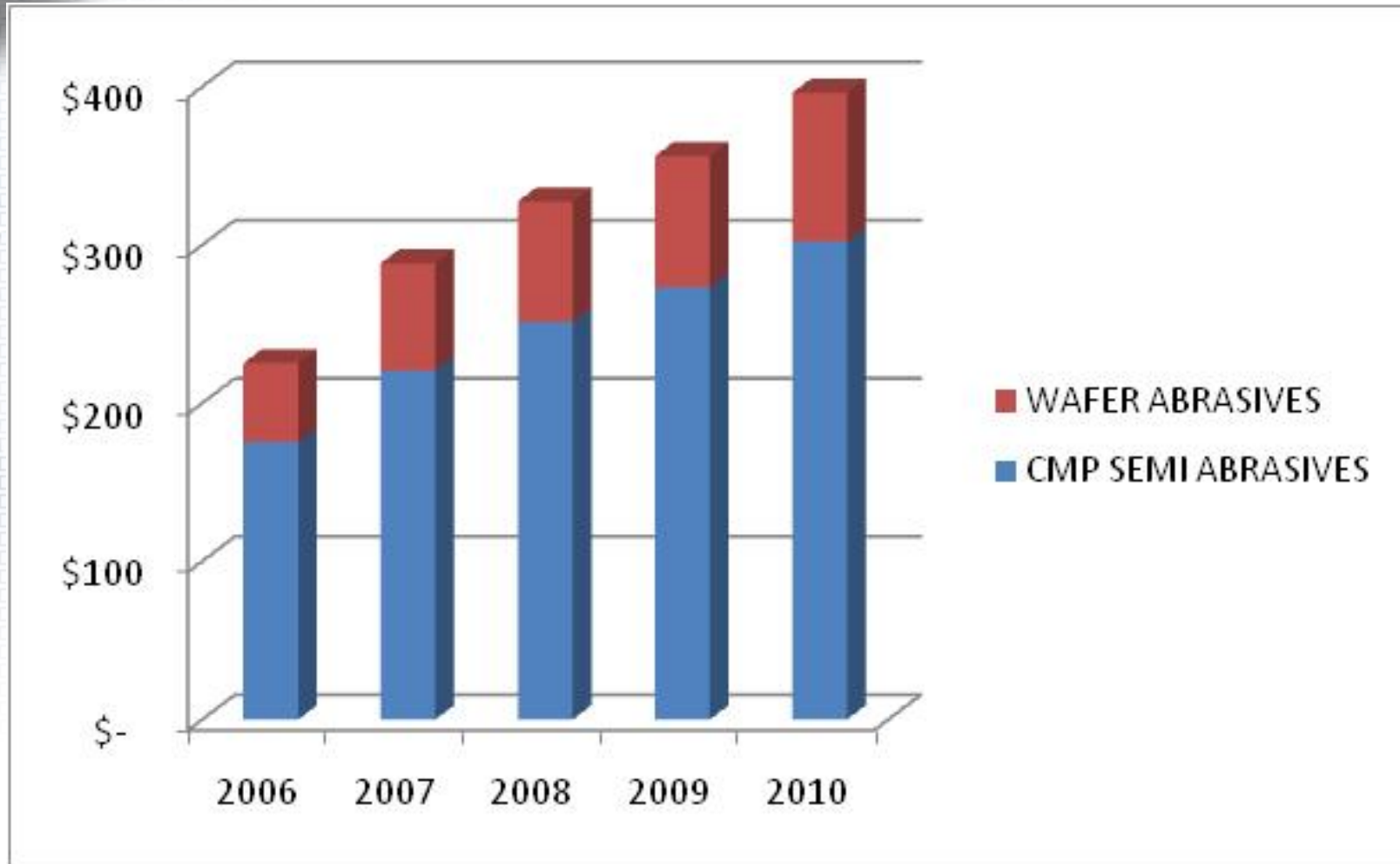


LEADING SLURRY SUPPLIERS - CONCENTRATION





VALUE CHAIN – ABRASIVES - \$225M IN 2006



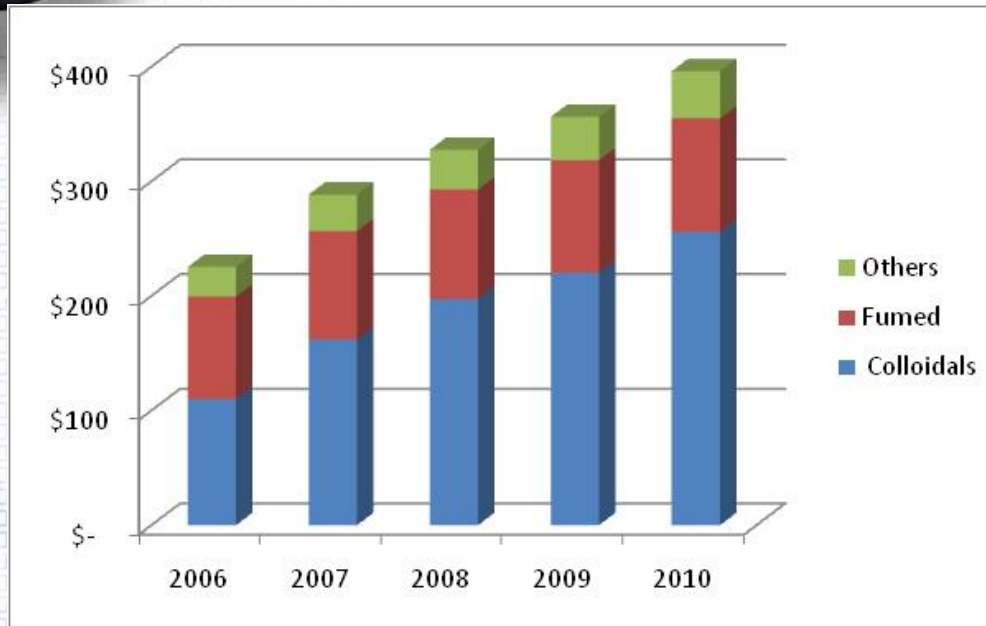


CHANGES IN ABRASIVES MIX

APPLICATION	CMP ABRASIVES EMPLOYED			COMMENTS
	CURRENT NODES IN PRODUCTION	65 NM	45 NM	
OXIDE	FS CS		FS CS Ceria	FS will slow down after 45 nm
TUNGSTEN	FS	FS CS HPCS	FS CS HPCS	FS will slow down after 45 nm
STI	Ceria			FA likely for advanced logic
BULK COPPER	Alumina CSI		CSI HPCS	ECMP not seen as likely to impact forecasts
BARRIER	FS CS HPCS		CS HPCS	HPFS slow down at 45 nm
FINAL WAFER POLISH	HPCS			HPCS will remain dominant material due to purity
STOCK POLISH	CS			No major changes



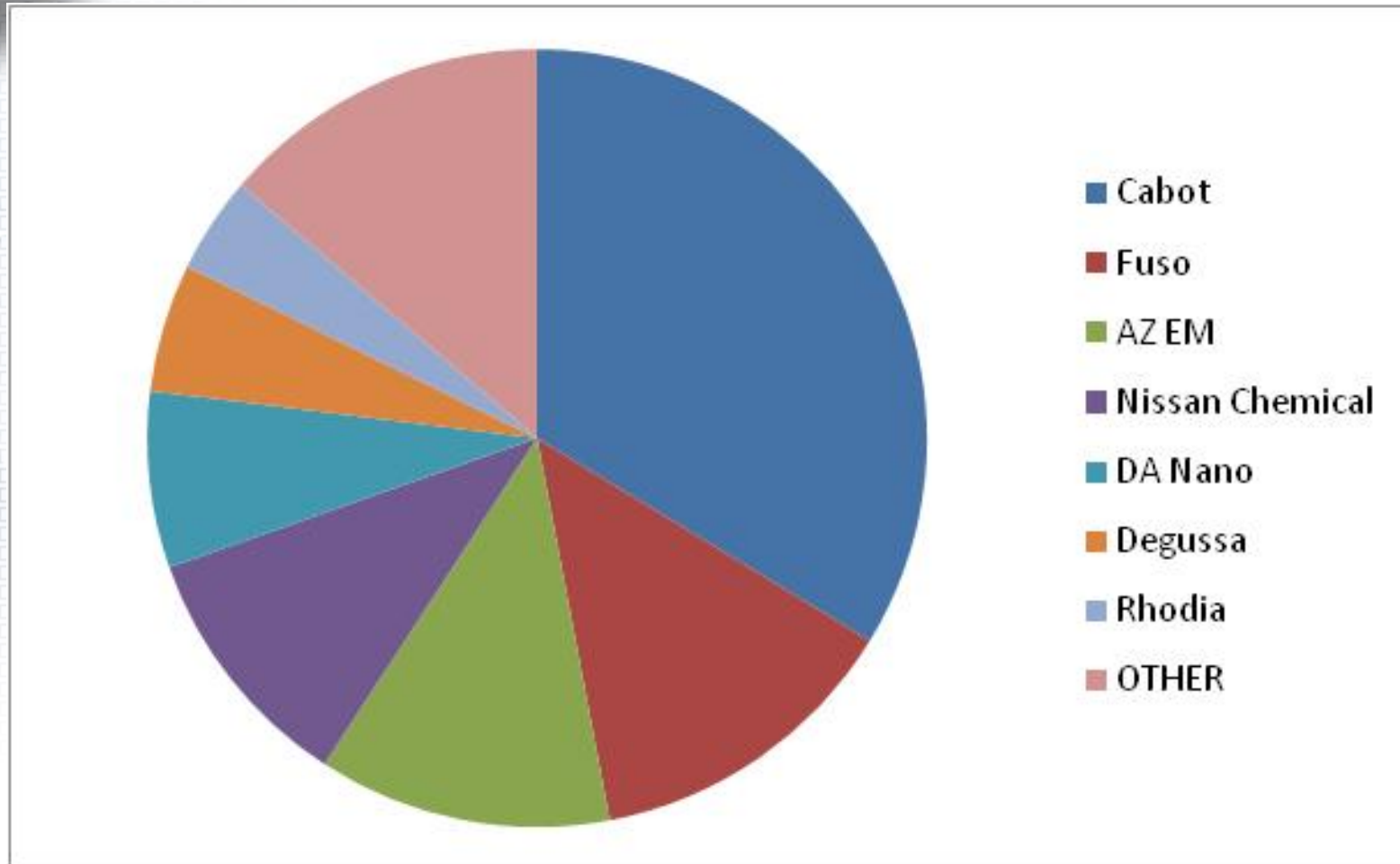
ABRASIVES MARKET, 2006 - 2010



Abrasive type	CAGR (%), 2006 – 2010
Colloidals	23.5
Fumed	2.5
Others	12.4

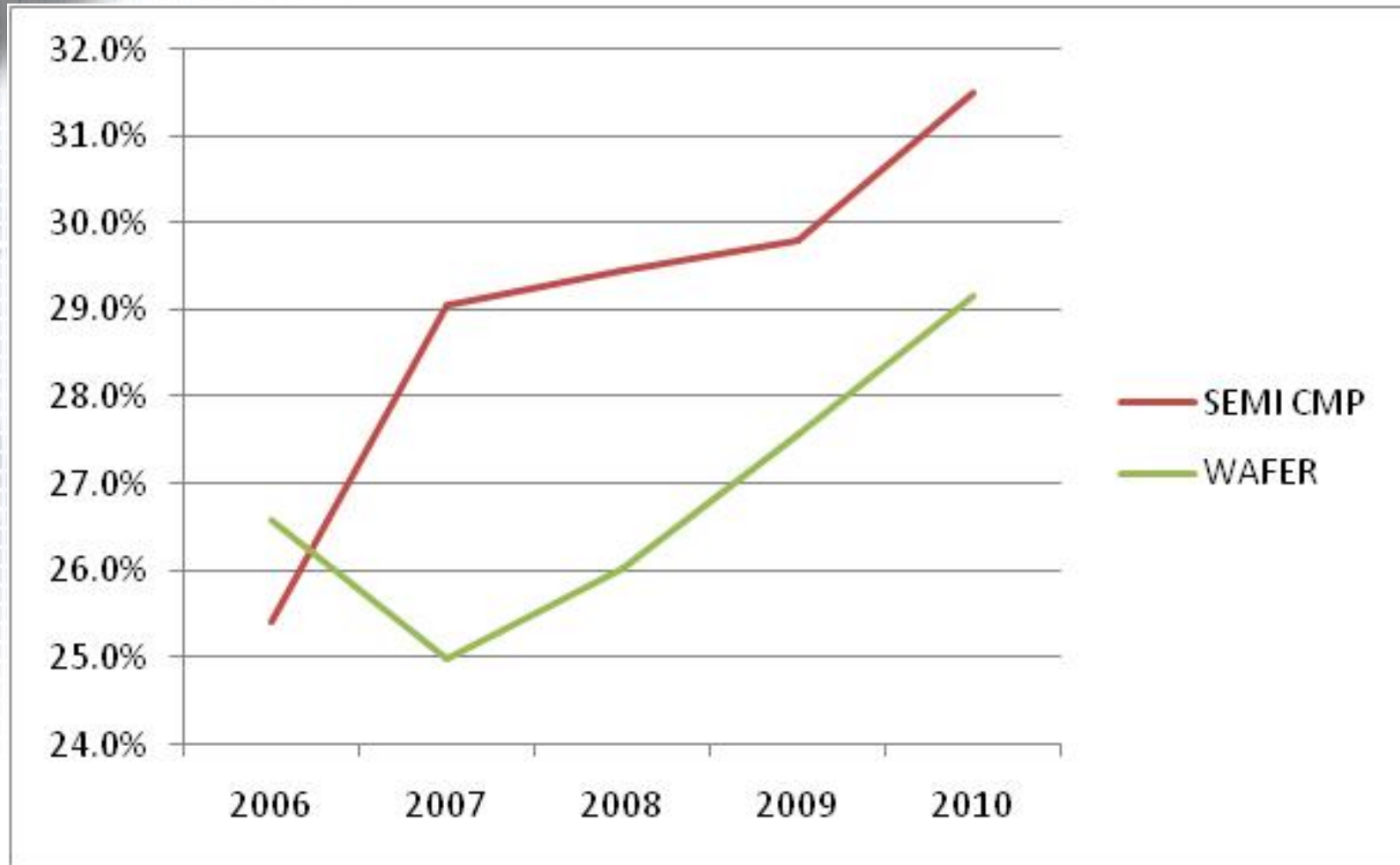


LEADING ABRASIVES SUPPLIERS (%)





RATIO OF ABRASIVES TO SLURRY (\$ BASIS)





CONCLUSIONS



CONCLUSIONS

- Increased proportion of wafer starts are for DRAM and NAND -> new slurry demand drivers
- Change in abrasives mix from more commodity to more engineered products may lead to increases in slurry prices
- The chemo effect will continue to remain of critical importance, however, slurry producers with an integrated position in or preferred access to engineered abrasives may become advantaged
- Limited influence of emerging technologies on slurry demand
 - ECMP, fixed abrasives and novel barriers
- DRAM AND NAND conversion to copper complete at 45 nm – drives copper growth and limits future growth in oxide and tungsten
- Conversion to 300 mm slows down growth of wafer polishing