

## TI Buys NatSemi for \$6.5 Billion

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National Semiconductor traces its roots back to the history of Silicon Valley, but now will be absorbed (12,000 products and all) into arch-enemy and competitor Texas Instruments.

This acquisition drives TI further forward as a powerhouse in the chip industry, crowning it king of analog semiconductors (17% of total market after acquisition) which also represent 50% of TI's sales (pre-acquisition).

Analog integrated circuits are used in everything, from smartphones and communications hardware to automobiles, manufacturing equipment, solar energy production and especially M2M applications.

NatSemi faces a \$200 million termination fee if it accepts now a higher bid or walks away from the deal. If Texas Instruments drops this acquisition (except in certain conditions) it would owe National Semi \$350 million in a reverse termination fee.

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