

$$\begin{aligned}
ICCost &= \frac{DieCost + DieTestCost + PackagingAndTestCost}{FinalYield} \\
DieCost &= \frac{WaferCost}{DiesPerWafer \times DieYield} \\
DiesPerWafer &= \frac{\pi \times WaferRadius^2}{DieArea} - \frac{\pi \times WaferDiameter}{\sqrt{2} \times DieArea} \\
DieYield &= WaferYield \times \left(1 + \frac{DefectDensity \times DieArea}{\alpha}\right)^{-\alpha} \\
DefectDensity &\approx 0.4 \rightarrow 0.8/\text{cm}^2 \\
\alpha &\approx 4
\end{aligned}$$