

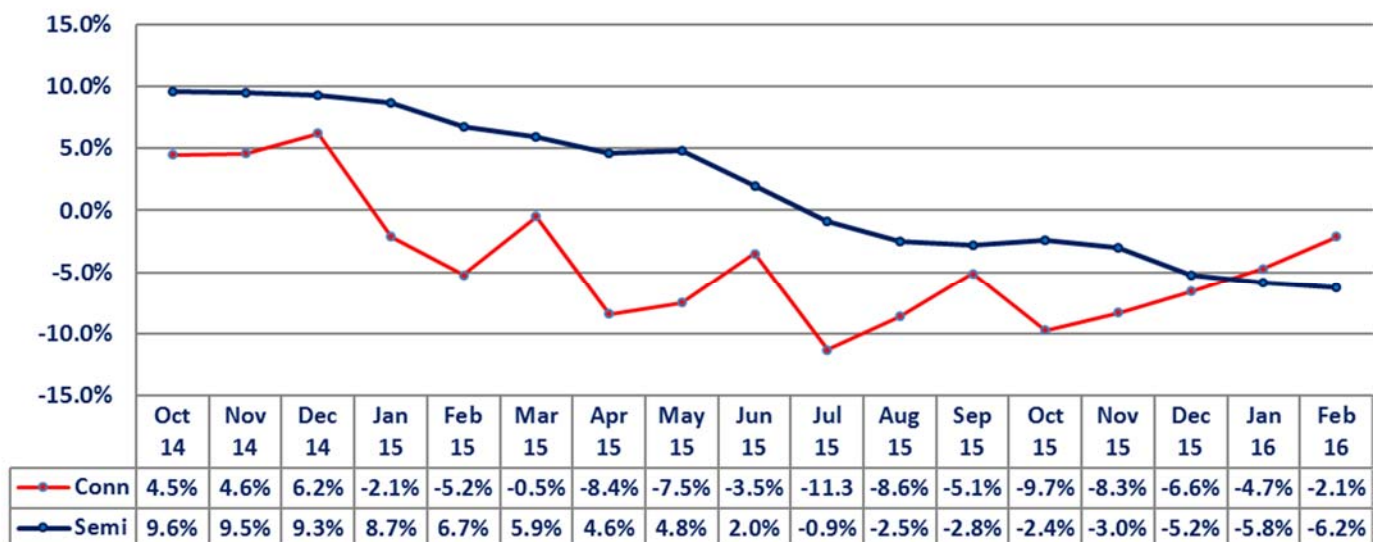
February Semi Sales Decline -6.2% YOY For the Eighth Consecutive Month

The Semiconductor Industry Association (SIA) reported February sales of \$26.0 billion, down -6.2% from February 2015 and down -3.2% sequentially from January. Regionally for February, the SIA reported that China grew +3.5% YOY and the other regions had declines in sales: -19.3% in the Americas, -6.3% in Europe, -3.5% in Japan, and Asia Pacific and Other declined an unspecified amount.

The connector industry sales, measured in U.S. dollars, were down -2.1% YOY in February and up +13.2% sequentially. Regionally for February, YOY sales declined -2.5% in North America, -18.6% in Japan, -0.5% in China, -7.7% in Asia Pacific and -11.1% in ROW. Europe grew +2.1% YOY and China grew 3.4%.

The following graph compares semiconductor sales performance to the connector industry.

Monthly Sales Performance
Year-Over-Year



- February was the eighth consecutive month of YOY decline for semiconductors sales. Connectors have now declined for 14 consecutive months, but industry growth appears just around the corner.
- Connectors outperformed semis for the second straight month.

The following table displays year-to-date performance, measured in U.S. dollars, by geographic region for both components.

**Sales Performance
February Year-To-Date**

	Semiconductors	Connectors
North America	-18.0%	-1.3%
Europe	-6.9%	-0.3%
Japan	-4.3%	-24.9%
China	NA	1.4%
Asia Pacific*	-1.4%	-7.9%
World	-6.0%	-3.3%

* Including China, Source SIA & Bishop

This is a weak start to the year for both components, but connectors are trending toward better performance. Semis are continuing to trend down.

Historically, sales of semis and connectors trend in the same direction. Also, the percentage of growth, or decline, have been reasonably close over the years for both components. The regional deltas in the above table are large and historical very unusual.

The world YTD total of -6.0% for semis and -3.3% for connectors is more the normal delta between the two components. The difference in performance in NA and Japan is baffling and requires ongoing reflection.