

**TE Connectivity Quarterly Sales
Up +9.3% YOY & +8% Organically**

TE Connectivity reported calendar year (CY) 1Q17 sales of \$3,227 million, up +9.3% year-over-year and +5.4% sequentially. Organic sales were up +8% year-over-year.

Orders in the quarter were approximately \$3,400 million, up +20% organically YOY and up +15% excluding SubCom, and resulted in a book-to-bill ratio of 1.04.

Net income was \$405 million (12.6% of sales), up +6.6% year-over-year and down -1.0% sequentially.

The following is TE's performance by market sector:

Market	Percent of Total Sales in Quarter	Calendar 1Q17 Sales	Calendar 1Q17 YOY	Calendar 1Q17 Organic YOY
Automotive	41%	\$1,309	8%	9%
Commercial Transportation	8%	\$248	19%	21%
Sensors	6%	\$198	7%	3%
Mil/Aero/Marine	8%	\$268	-2%	-
Industrial	13%	\$418	36%	4%
Energy	5%	\$167	6%	7%
Data & Devices	7%	\$233	-10%	5%
Appliances	5%	\$165	12%	14%
Subsea Communications	7%	\$221	11%	11%
	100%	\$3,227	9.3%	8.0%

Note: Organic sales performance takes out the impact of actions such as the acquisitions and added weeks to the quarter.

Outlook

TE Connectivity forecasts sales of \$3,200 to \$3,300 million in CY 2Q17, a year-over-year change of +4% actual to midpoint and up +5% organically (midpoint). Versus the prior year (organically), TE expects Transportation to be up in the mid-single-digits, Industrial to be up low-single-digits, and Communications Solutions to be up high-single-digits.

The full fiscal year outlook for 2017 is for sales of \$12,600 to \$12,800 million, a year-over-year change of +6% to the midpoint and up +6% organic midpoint.

Bishop & Associates' Comments

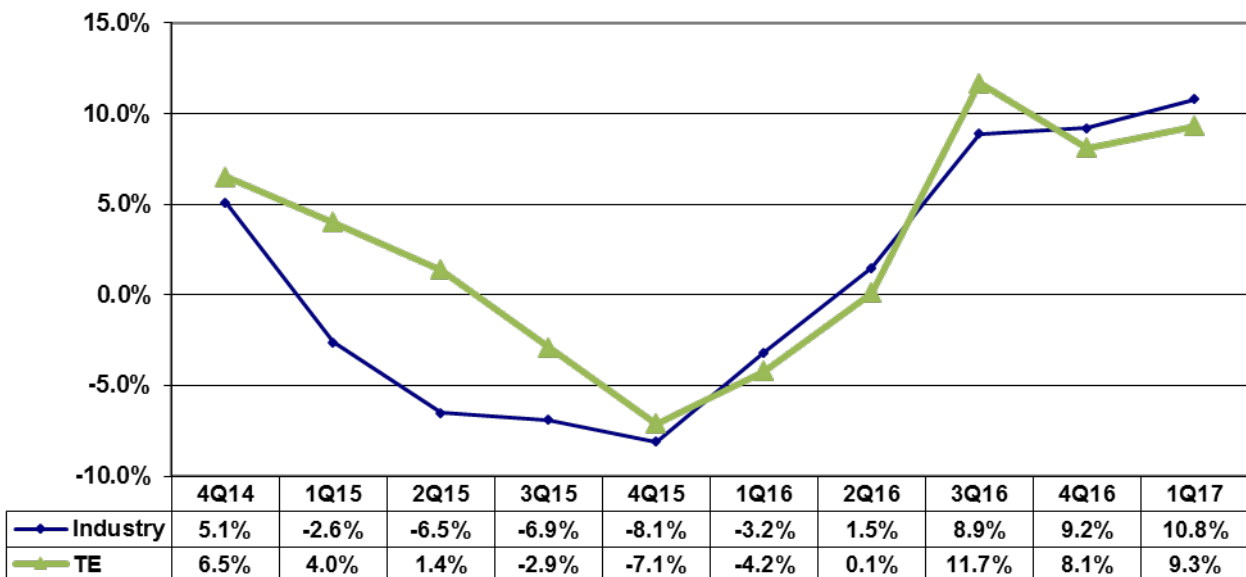
TE's year-over-year sales growth was +9.3% for CY 1Q17 versus industry growth of +10.8%. Sales growth was strong across all segments and regions.

TE's sales performance in CY 1Q17 was reduced by \$45 million due to unfavorable currency exchange.

TE's organic orders were strong in the quarter, up 20% from prior year. This is good for next quarter's sales and TE has raised their guidance for the full fiscal year.

The following graph plots TE's sales performance versus the connector industry by quarter since 2Q14 (year-over-year percentage change).

TE Connectivity vs. Industry



Note - TE's 2014 sales growth performance was recalculated to exclude sales from discontinued business.