

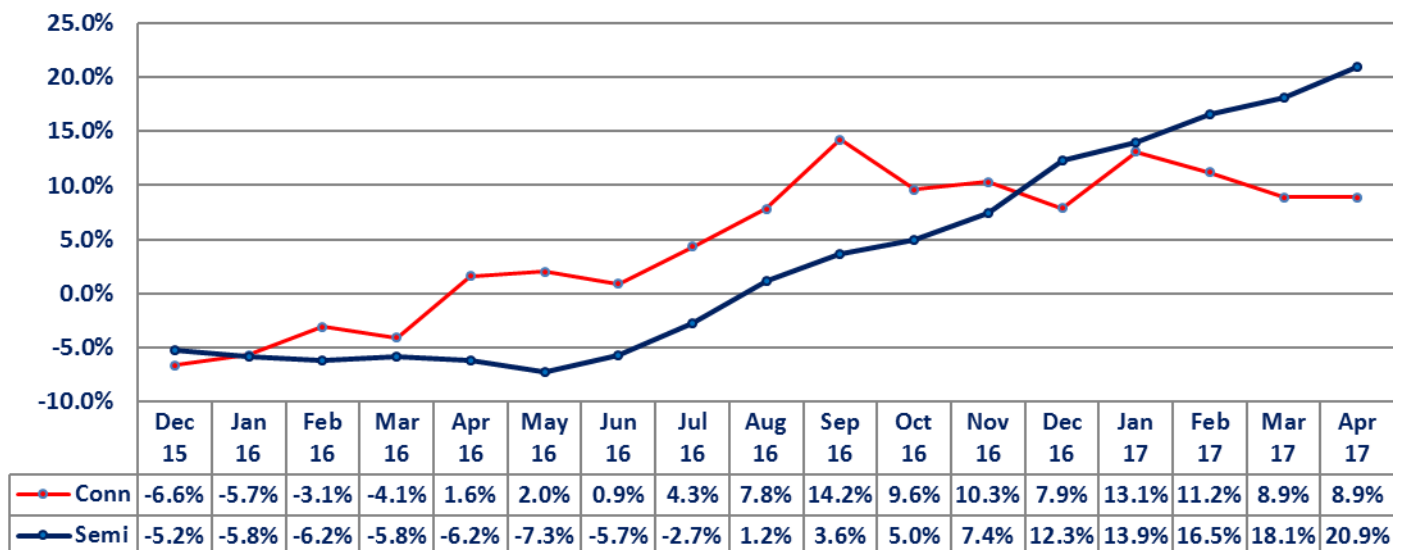
Semi Sales Up +20.9% in April

The Semiconductor Industry Association (SIA) reported April sales of \$31.3 billion, up +20.9% from April 2016 and up +1.3% sequentially. Regionally for April, the SIA reported that China grew +30.0% YOY, Japan grew +12.0%, Asia Pacific/Other grew +14.1%, the Americas grew +26.9% and Europe grew +12.7%.

The connector industry sales, measured in U.S. dollars, increased +8.9% to prior year in April and contracted -3.7% sequentially. Regionally for April, YOY sales increased +4.9% in North America, +4.1% in Europe, +19.6% in China, +18.9% in Japan, +3.7% in ROW and Asia Pacific grew +3.2%.

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

**Monthly Sales Performance
Year-Over-Year**



- Semis have outperformed Connectors for the last five months due to easier comparisons as their downturn started later than Connectors.
- The first half of 2016 resulted in poor demand for semis and connectors. This makes for easy comparisons for the first half of 2017. However, we expect demand to be strong throughout 2017. The first half will probably result in double-digit sales growth for semis. The SIA is projecting double-digit growth for 2017 at +11.5%. They are also projecting 2018 to grow +2.7% and 2019 to contract slightly down -0.2%.

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

**Sales Performance
April Year-To-Date**

	Semiconductors	Connectors
North America	20.1%	5.4%
Europe	8.6%	6.5%
Japan	11.6%	18.9%
China	25.5%	20.8%
Asia Pacific/Other	12.1%	5.2%
World	17.3%	10.4%

Source SIA & Bishop

Both components sales performance are tracking closely on a regional basis and in total world sales. China is growing much faster than the other regions for both components which is important to industry health given their high volume of electronics manufacturing. North America is also very strong for semis.

High demand for semiconductors always leads to strong connector sales. As noted, we expect the sales results to moderate in the second half of the year for both components as the comparisons become more difficult. Still we expect solid second quarter and second half demand.