

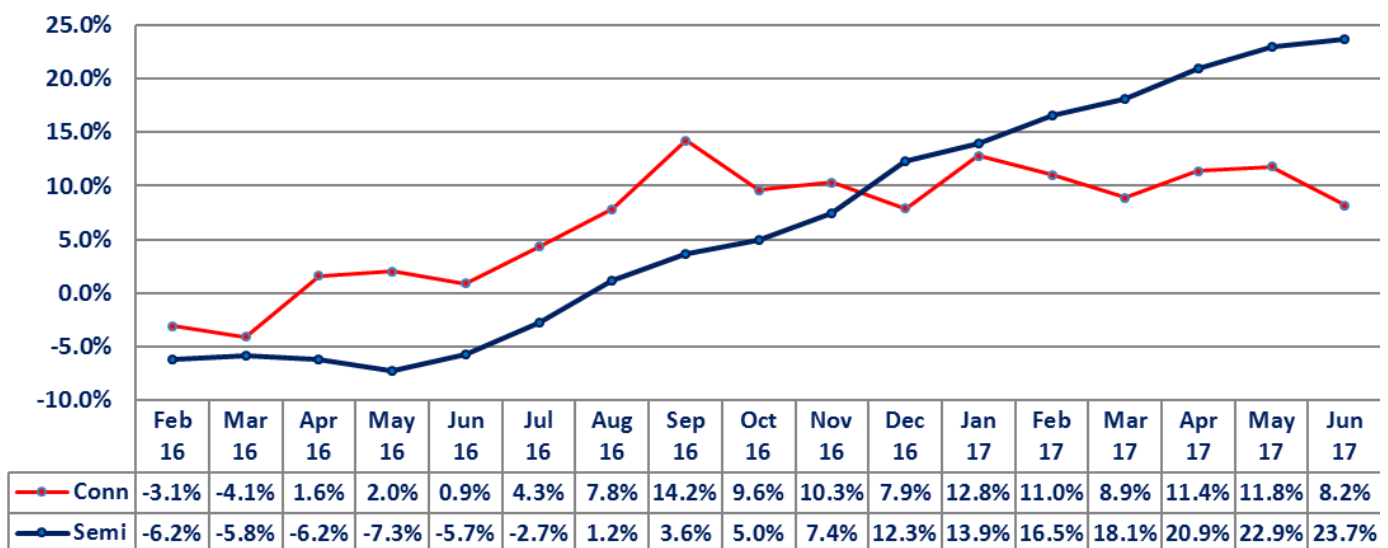
Semi Sales Up +23.7% in June

The Semiconductor Industry Association (SIA) reported June sales of \$32.6 billion, up +23.7% from June 2016 and up +2.0% sequentially. Regionally for June, the SIA reported that China grew +25.5% YOY, Japan grew +18.0%, Asia Pacific/Other grew +19.5%, the Americas grew +33.4% and Europe grew +18.3%. Sales for the second quarter were up +23.7% over the prior year and up +5.8% sequentially. For the first half of 2017, sales were up +19.3%.

The connector industry sales, measured in U.S. dollars, increased +8.2% to prior year in June and contracted -5.8% sequentially. Regionally for June, YOY sales increased +5.9% in North America, +8.0% in Europe, +14.5% in China, +11.7% in Japan, +6.9% in ROW and contracted -0.5% in Asia Pacific. Sales for the second quarter were up +10.5% to a record high of \$14,730 million and up +5.1% sequentially. For the first half of 2017, sales were up +10.6%.

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

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



- Semis have outperformed Connectors for the last seven months due to easier comparisons as their downturn started later than Connectors.
- Both components had double-digit sales growth in the first half. We expect sequential demand to remain strong throughout 2017 for both components.

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

**Sales Performance
June Year-To-Date**

	Semiconductors	Connectors
North America	24.1%	6.4%
Europe	11.8%	8.1%
Japan	12.8%	17.3%
China	25.6%	20.0%
Asia Pacific/Other	14.4%	4.0%
World	19.3%	10.6%

Source SIA & Bishop

Both components sales performance is tracking closely on a regional basis and in total world sales. China is growing much faster than the other regions for both components. 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. We expect solid third quarter and second half sequential demand, however.

Semiconductors is projecting +11.5% growth for the full-year 2017. Connectors is projecting +7.1% growth for 2017.