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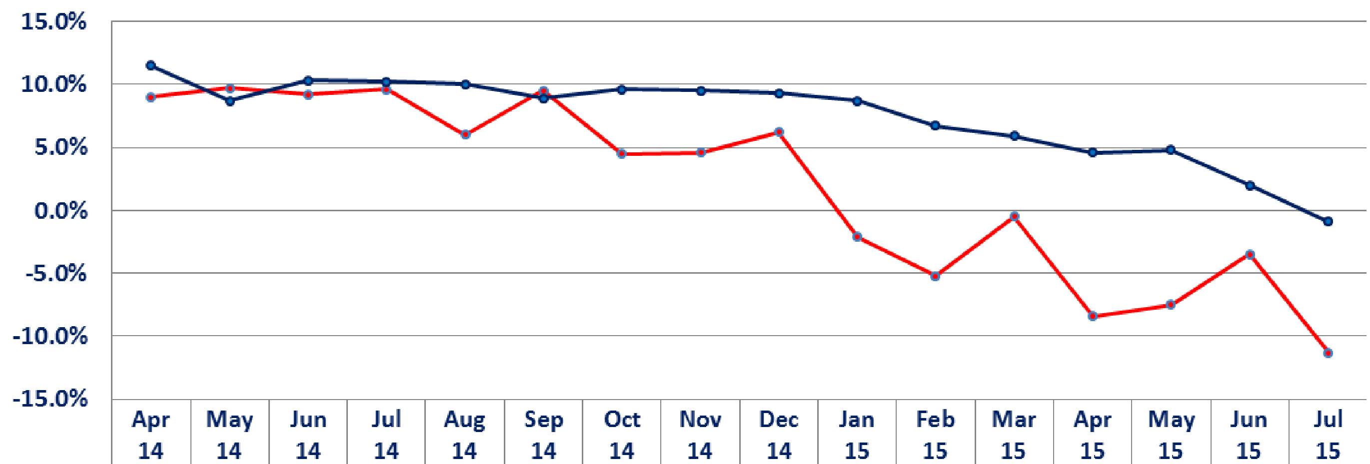
July Semi Sales Decline
Ends 26 Consecutive Months of Growth

The Semiconductor Industry Association (SIA) reported July sales of $27.9 billion, down -0.9% from July 2014 and down -0.4% sequentially from June. The SIA reported YOY sales growth of +0.8% in the Americas, +5.6% in China and +1.0% in Asia Pacific/ROW. YOY, sales declined -12.5% in Europe and -13.3% in Japan (both effected by currency exchange).

The connector industry sales, measured in U.S. dollars, were down -11.3% year-over-year in July and down -9.9% sequentially. YOY sales declined -8.2% in North America, -14.7% in Europe, -20.5% in Japan, -8.4% in China, -4.2% in Asia Pacific and -23.2% in ROW.

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

Monthly Sales Performance
Year-Over-Year



	Apr 14	May 14	Jun 14	Jul 14	Aug 14	Sep 14	Oct 14	Nov 14	Dec 14	Jan 15	Feb 15	Mar 15	Apr 15	May 15	Jun 15	Jul 15
Conn	9.0%	9.7%	9.2%	9.6%	6.0%	9.5%	4.5%	4.6%	6.2%	-2.1%	-5.2%	-0.5%	-8.4%	-7.5%	-3.5%	-11.3
Semi	11.5%	8.7%	10.3%	10.2%	10.0%	8.9%	9.6%	9.5%	9.3%	8.7%	6.7%	5.9%	4.6%	4.8%	2.0%	-0.9%

- July was the first decline for semiconductors sales since April 2013. Connectors have now declined for seven consecutive months. Both components are trending down.

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

Sales Performance
July Year-To-Date

	Semiconductors	Connectors
North America	11.1%	-2.1%
Europe	-6.5%	-13.1%
Japan	-10.9%	-11.1%
China	NA	0.6%
Asia Pacific*	7.2%	2.7%
World	4.5%	-5.5%

* Including China, Source SIA & Bishop

The above table highlights some significant differences in regional sales performance of the two components.

- Semis are growing +11.1% in North America while connector continue to decline.
- Connectors have declined -13.1% in Europe while Semis are down only half that amount. This is caused by the decline in the euro to the U.S. dollar. Performance of both components seems to be converging in Europe.
- Sales performance in Japan is the same for both components (-10.9% Semis; -11.1% Connectors).
- In Asia Pacific, Semis are up +7.2% and Connectors are up +2.7%. The difference is because Semis have a larger percentage of sales into the consumer electronics market which is Asia centric.

Demand has declined for both semiconductors and connectors. Semis YTD performance continues to weaken and has declined approximately 0.5 to 1.0 points each month this year sequentially.