

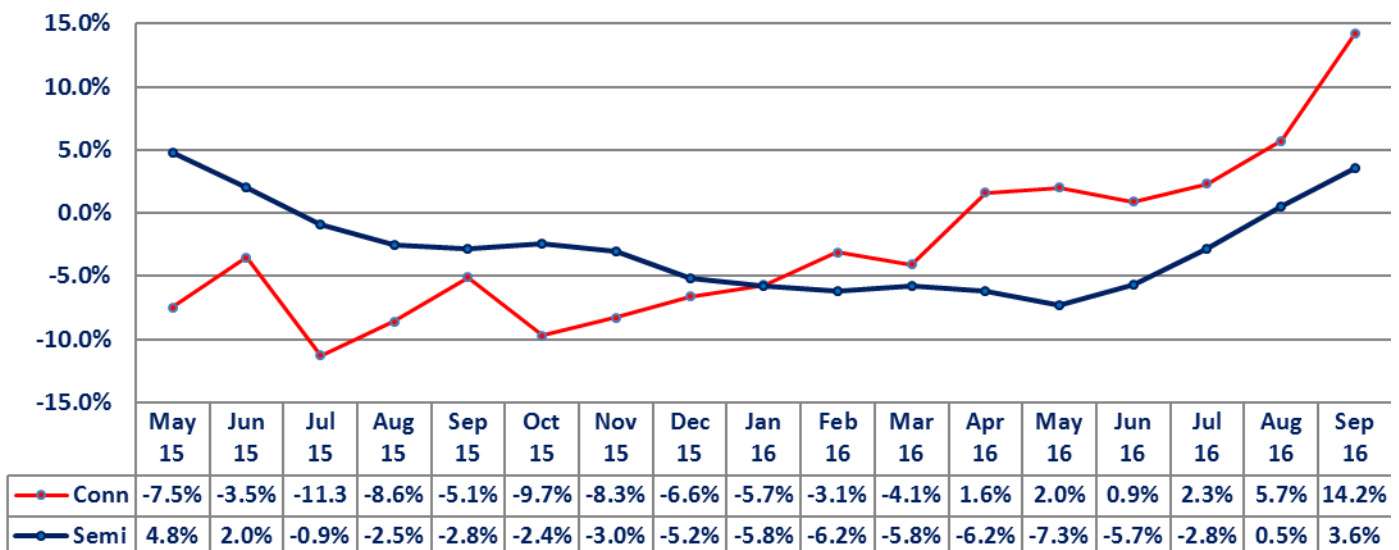
September Semi Sales Gain +3.6% YOY Record Sales in 3Q16

The Semiconductor Industry Association (SIA) reported September sales of \$29.4 billion, up +3.6% from September 2015 and up +4.2% sequentially from August. Sales for 3Q16 were \$88.3 billion, the highest quarterly sales ever, up +11.5% from the prior quarter. Regionally for September, the SIA reported that China grew +12.0% YOY, Japan grew +4.2% and Asia Pacific/Other grew +1.7%. The other regions had YOY declines in sales: -2.4% in the Americas and -4.0% in Europe.

The connector industry sales, measured in U.S. dollars, increased +14.2% to prior year in September and grew +8.5% sequentially. Regionally for September, YOY sales increased +9.3% in North America, +16.0% in Europe, +25.9% in China, +4.2% for Asia Pacific and +27.3% in ROW. Connector sales for 3Q16 grew +8.9% YOY.

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

Monthly Sales Performance
Year-Over-Year



- Connectors outperformed semis for the ninth straight month.
- The total growth numbers have been more closely tracking each other since June 2016.
- Semis 3Q16 results is very encouraging for continued growth in the connector industry.

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

**Sales Performance
September Year-To-Date**

	Semiconductors	Connectors
North America	-11.8%	2.3%
Europe	-6.7%	5.7%
Japan	0.1%	-18.5%
China	NA	8.3%
Asia Pacific*	-1.2%	-6.2%
World	-3.8%	2.0%

* Including China for SIA, Source SIA & Bishop

The differences in the regional YTD numbers still do not make sense, historically speaking. The world YTD total of -3.8% for semis and +2.0% for connectors is more the normal delta between the two components. Both components are showing YTD improvements in their sales performance.

Connectors are trending toward better performance since November 2015 and they are in positive YTD growth mode since August. Semis have trended up for the last four months. Their YTD performance may turn positive by the end of 2016 if this trend continues.