

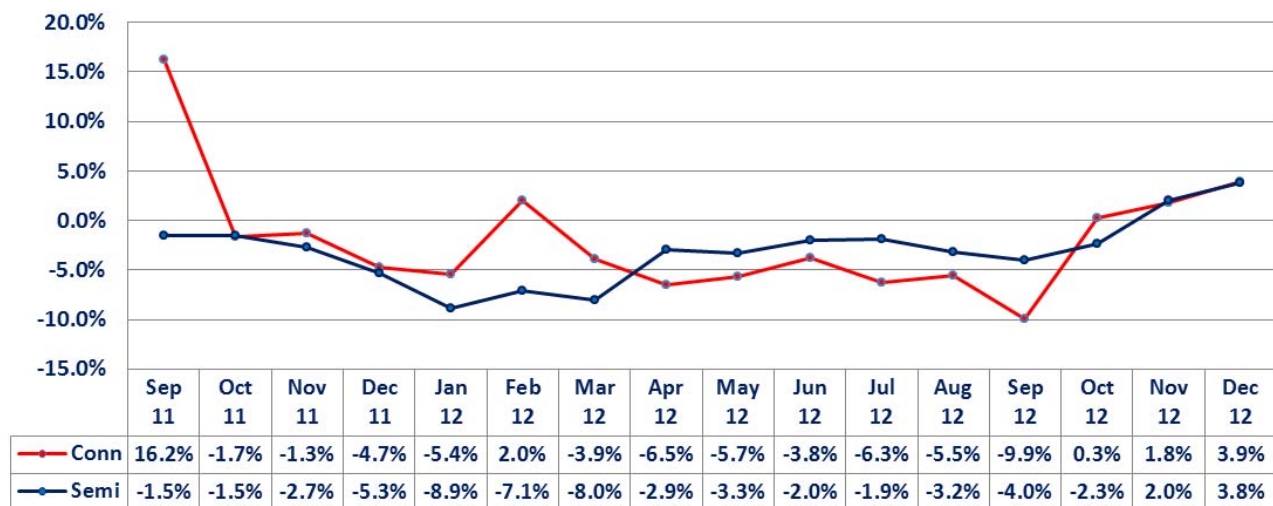
Semiconductor Sales Contract -3.3% in 2012

The Semiconductor Industry Association (SIA) reported December sales of \$24.7 billion, up +3.8% from December 2011 and down -3.0% sequentially from November. This is the second month of growth for the industry since June 2011.

2012 sales were \$291.1 billion, down -3.3% versus 2011. As a comparison, 2012 connector sales are down -2.7% versus 2011.

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

Monthly Sales Performance Year-Over-Year



- Semiconductors began reporting year-over-year (YOY) declines in sales in July 2011 and now have broken the string of 16 consecutive months of declining monthly sales. One more month of sales growth will indicate they have come out of the industry recession.
- Connectors began reporting YOY sales decline in October 2011, three months later than semiconductors. Connector sales have declined in 11 of the past 14 months. Sales have grown in October through December.
- Connector and Semiconductor sales were nearly equal in performance in November and December.

The following table displays year-to-date performance by geographic region for both components.

**December Sales Performance
Year-To-Date**

	Semiconductors	Connectors
North America	-2.5%	3.4%
Europe	-11.9%	-10.9%
Japan	-4.2%	2.6%
China	NA	-2.5%
Asia Pacific	-3.3%	0.8%
World	-3.3%	-2.7%

Europe was the worst performing region for both industries. YTD performance for both industries converged over the year.

Semiconductor sales are forecast to grow 4.5% in 2013 to \$304 billion. Connector industry sales are forecast to growth 4.2% in 2013 to \$49 billion.