

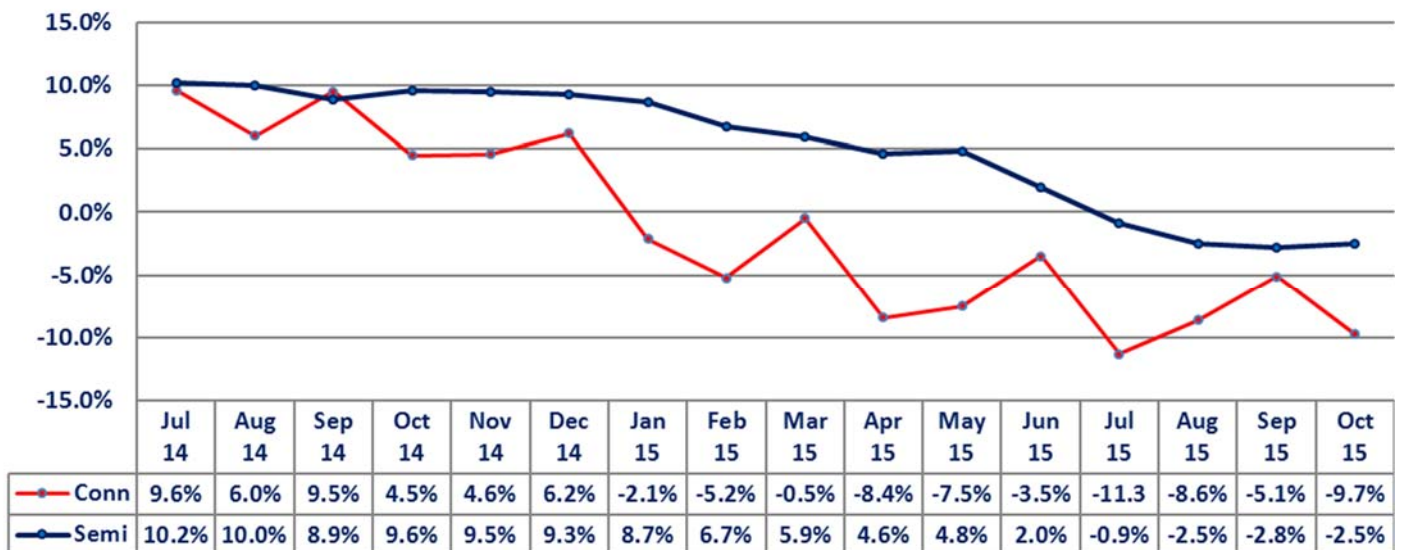
October Semi Sales Decline -2.5%

The Semiconductor Industry Association (SIA) reported October sales of \$29.0 billion, down -2.5% from October 2014 and up +1.9% sequentially from September. The SIA reported YOY sales growth of +5.7% in China. YOY, sales declined -5.6% in the Americas, -9.4% in Europe, -10.5% in Japan and Asia Pacific/Other -2.4%.

The connector industry sales, measured in U.S. dollars, were down -9.7% year-over-year in October and down -11.7% sequentially. YOY sales declined -5.6% in North America, -7.9% in Europe, -20.2% in Japan, -13.7% in China, -4.3% in Asia Pacific and -23.4% in ROW.

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

Monthly Sales Performance
Year-Over-Year



- October was the fourth consecutive YOY decline for semiconductors sales. Connectors have now declined for 10 consecutive months. Semi sales decline is leveling off and they have achieved sequential growth for the last three months.

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

**Sales Performance
October Year-To-Date**

	Semiconductors	Connectors
North America	6.0%	-2.5%
Europe	-7.8%	-11.7%
Japan	-11.1%	-12.1%
China	NA	-1.0%
Asia Pacific*	5.3%	1.5%
World	2.2%	-5.8%

* Including China, Source SIA & Bishop

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

- Semis are growing +6.0% in North America while connector continue to decline.
- Connectors have declined -11.7% in Europe while Semis are down -7.8%. Performance of both components is converging in Europe.
- Sales performance in Japan is nearly the same for both components (-11.1% Semis; -12.1% Connectors).
- In Asia Pacific, Semis are up +5.3% and Connectors are up +1.5%. Sales are slowing for both components.

Demand has declined for both semiconductors and connectors. Semis YTD sales performance seems to be leveling off. As we transition into 2016, the currency impact will lessen as the YOY comparisons become easier. Growth or declines that we see early in 2016 will have more to do with economic and market factors than they will with currency exchange rates.