

**TE Connectivity Quarterly Sales Down -6.4% YOY
Expects CY 2Q20 Sales Down ~25% Sequentially**

TE Connectivity reported sales of \$3,195 million for the quarter ending March 2020, down -6.4% year-over-year, down -5% organically, and up +0.9% sequentially. FX impact decreased sales by \$60 million in the quarter.

Orders in the quarter were \$3,367 million, up +3.8% sequentially, resulting in a book-to-bill ratio of 1.05. Order strength reflects customers securing supply in an uncertain environment.

Net income for the quarter was a -\$456 million loss from continuing operations after taking -\$900 million impairment of goodwill.

The following is TE's performance by market sector for calendar 1Q20:

Market	Percent of Total Sales in Quarter	Calendar 1Q20 Sales	Calendar 1Q20 YOY	Calendar 1Q20 Organic YOY
Automotive	43%	\$1,365	-4%	-2%
Commercial Transportation	9%	\$294	-9%	-11%
Sensors	6%	\$198	-11%	-15%
Mil/Aero/Marine	10%	\$318	-4%	-3%
Industrial	9%	\$280	-14%	-13%
Medical	6%	\$186	6%	6%
Energy	6%	\$178	2%	6%
Data & Devices	7%	\$218	-13%	-13%
Appliances	5%	\$158	-14%	-12%
	100%	\$3,195	-6.4%	-5.0%

Note: Organic sales performance takes out the impact of actions such as the acquisitions and added weeks in the quarter.

Outlook

TE Connectivity expects their sales in the next quarter ending in June to be down approximately -25% from the calendar 1Q20. No guidance was given for the entire fiscal year due to the uncertainties of the COVID-19 pandemic and its impact on the business in the remainder of the year.

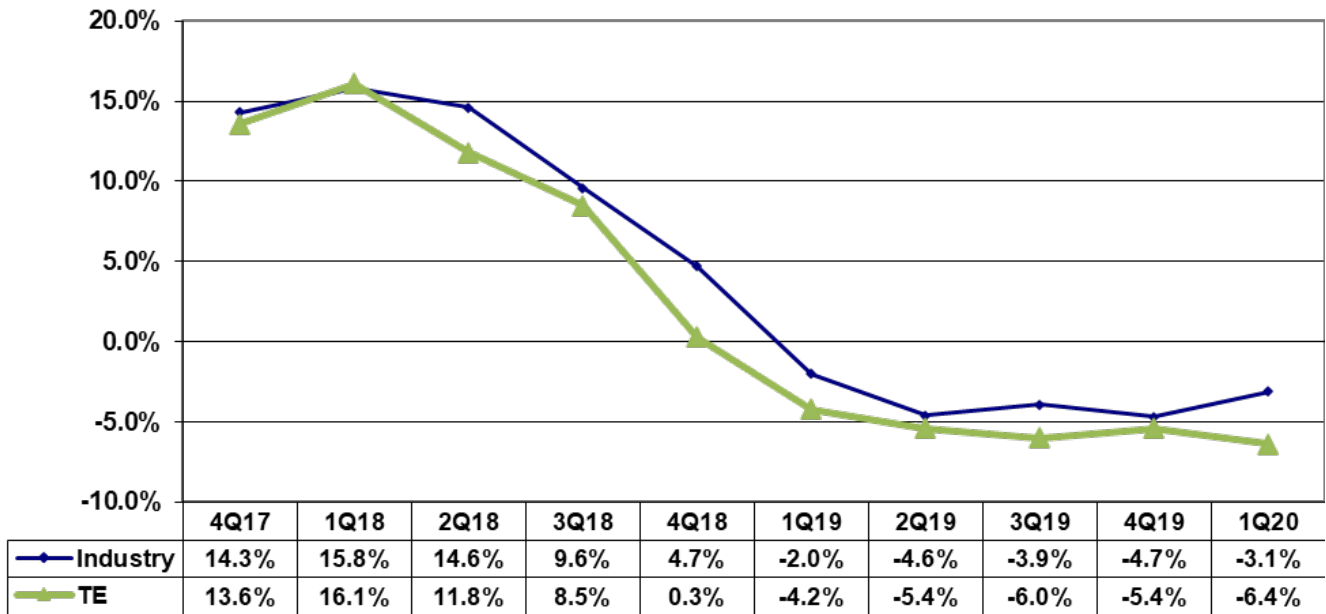
Bishop & Associates' Comments

TE's year-over-year sales decline was -6.4% for CY 1Q20 versus an industry decline of -3.1%. Sales declined in seven out of TE's nine market segments. FX impact reduced the company's sales performance in the quarter by \$60 million.

TE had double-digit declines in four of its market sectors including Sensors, Industrial, Data & Devices, and Appliances.

The following graph plots TE's sales performance versus the connector industry by quarter since 4Q17 (year-over-year percentage change).

TE Connectivity vs. Industry



Automotive comprised 43% of TE's business in the CY 1Q20 and was down -4% YOY. The automotive market sector for connectors appears to be taking a particularly hard hit from COVID-19 and we expect this to continue in the next quarter.

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