

TE Quarterly Sales Up +3.8%

TE Connectivity reported sales of \$4,160 million for the quarter ending March 31, 2023, up +3.8% year-over-year, up +8.3% sequentially and up +8% organically YOY. FX impact decreased sales by \$155 million in the quarter.

Orders in the quarter were \$3993 million, down -12% YOY, and up 10% sequentially, resulting in a book-to-bill ratio of 0.96.

Net income for the quarter was \$433 million, down -22.7% YOY and up +9.1% sequentially.

The following is TE's performance by market sector for calendar 4Q22:

Market	Percent of Total Sales in Quarter	Calendar 1Q23 Sales	Calendar 1Q23 YOY	Calendar 1Q23 Organic YOY
Automotive	43%	\$1,795	9%	14%
Commercial Transportation	10%	\$405	3%	7%
Sensors	7%	\$283	6%	9%
Mil/Aero/Marine	7%	\$298	14%	19%
Industrial	11%	\$461	-1%	3%
Medical	5%	\$199	26%	26%
Energy	6%	\$233	27%	28%
Data & Devices	7%	\$288	-27%	-25%
Appliances	5%	\$198	-15%	-12%
	100%	\$4,160	3.8%	8.0%

Note: Organic sales performance takes out the impact of actions such as acquisitions.

Outlook

TE Connectivity expects their sales in the next quarter to be approximately \$4,000 million, down -2.4% from the prior year.

Bishop & Associates' Comments

TE's year-over-year sales growth was +3.8% for CY 4Q22 versus connector industry performance of -0.1%. Sales grew in six out of TE's nine market segments. FX impact decreased the company's sales performance in the quarter by \$155 million.

TE had YOY growth in six of its market sectors. Mil/Aero/Marine, which represents 7% of sales, was up +14%. Automotive, which represents 43% of sales, was up +9%. Commercial Transportation, which represents 10% of sales, was up +3%. Sensors, which represent 7% of sales, were up +6%. Energy, which represents 6% of sales, was up +27% and Medical, which represents 5% of sales, was up +26%.

The following graph plots TE's sales performance versus the connector industry by quarter from 4Q20 (year-over-year percentage change).

TE Connectivity vs. Industry

