

TE CY1Q24 Sales Down -5.0% YOY Up from the Previous Quarter

TE Connectivity disclosed a sales figure of \$3,967 million for the quarter ending March 29, 2024. This represents a decrease of -5.0% compared to the same period last year and a +3.5 increase from the previous quarter. Organically, sales were up +3% on a sequential basis.

Orders in the quarter were \$4,011 million, flat year-over-year, and up 6% sequentially with growth in all segments, resulting in a book-to-bill ratio of 1.01.

Net income for the quarter was \$541 million, up 25% YOY. TE made no acquisitions during the quarter.

The following is TE's performance by market sector for calendar 2Q24:

Market	Percent of Total Sales in Quarter	Calendar 1Q24 Sales	Calendar 1Q24 YOY	Calendar 1Q24 Organic YOY
Automotive	44%	\$1,749	-3%	1%
Commercial Transportation	10%	\$384	-5%	-4%
Sensors	6%	\$251	-11%	-10%
Mil/Aero/Marine	9%	\$342	15%	17%
Industrial	9%	\$356	-23%	-28%
Medical	5%	\$211	6%	6%
Energy	6%	\$234	0%	1%
Data & Devices	7%	\$273	-5%	-4%
Appliances	4%	\$167	-16%	-14%
	100%	\$3,967	-5%	3.0%

\$ in Millions

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, which is up 0.1% year-over-year, or basically flat. Growth is anticipated to be seen in the transportation and communications segments.

Bishop & Associates' Comments

TE's sales increased quarter-over-quarter 3.5% in the CY first quarter 2024. TE's booking increased 6% quarter-over-quarter, led by strong (+30%) growth in the communications segment and good (+7%) growth in the industrial segment. Foreign exchange (FX) factors negatively affected the company's sales by \$50 million during the quarter.

While growth in the energy sector, which represents 6% of total sales, remained flat, TE experienced year-over-year growth in the Mil/Aero/Marine segment which accounts for 9% of sales, and the Medical segment which accounts for 5% of total sales. From an organic standpoint, growth was seen in four of the nine segments. Mil/Aero/Marine grew by 17% and Medical grew 6%. Automotive, comprising 44% of sales, saw a 3% decrease in sales YOY, and a 1% increase organically. Sensors, contributing 7% to sales, declined YOY -11% and -10% organically.

The following graph plots TE's sales performance versus the connector industry by quarter from 4Q21 (year-over-year percentage change).

TE Connectivity vs. Industry

