

TE Connectivity CY 4Q25 Sales Up +22% YOY Orders up +28%

TE Connectivity reported CY 4Q25 sales of \$4,669 million. This represented a year-over-year increase of +22%. Organically, sales were up +15%.

Orders in the quarter were \$5,120 million, up +28% year-over-year and 9% quarter-over-quarter. It was reiterated that growth going forward would be driven by their “engineering-centric design model and focus on the need for more data and power connectivity”, and that their “momentum in the key applications continue, whether that is secular growth in AI, the positioning of TE for power connectivity in the utility space, or the data connectivity needed for next-generation vehicles as a key driver of content growth for our transportation businesses”. Quarterly book-to-bill was 1.10, up from 0.99 in CY 3Q25 and 1.05 in CY 2Q25.

TE Connectivity's net income for the quarter ending December 26, 2025, was \$750 million. This represents an increase of +42.0% compared to the \$528 million net income reported for the same period in the previous year. TE’s net income as a percentage of net sales was +16.1%, compared to +13.8% a year ago and their adjusted earnings per share (EPS) were \$2.72 versus \$2.05 in 2024, an increase of +32.7%.

The following is TE’s performance by market sector for calendar 4Q25:

Market	Percent of Total Sales in Quarter	Calendar 4Q25 Sales	Calendar 4Q25 YOY	Calendar 4Q25 Organic YOY
Automotive	40%	\$1,885	10%	7%
Commercial Transportation	8%	\$370	19%	16%
Sensors	5%	\$212	1%	-2%
Mil/Aero/Marine (AD&M)	8%	\$381	14%	11%
Medical	3%	\$159	5%	5%
Energy	9%	\$406	88%	15%
Digital Data Networks	15%	\$707	71%	70%
Automation & Connected Living	12%	\$549	15%	12%
	100%	\$4,669	22%	15%

\$ in Millions

TE Connectivity CEO Terrence Curtin noted “We delivered over 20% sales growth in the first quarter (CY 4th quarter) with growth in both segments by driving content growth above market. We had record orders of over \$5 billion, and this was a growth of more than \$1 billion versus the prior year, and this order growth was across our businesses.”

Curtin also pointed out, “this growth is being driven by new program awards from our customers, demonstrating the operations and engineering moat that we outlined” And that, “our teams continue to execute well despite ongoing macro unevenness to deliver record adjusted operating margins and earnings per share in the first quarter (CY 4th quarter), along with strong cash generation.”

Outlook

TE Connectivity expects their sales in the next quarter (CY1Q2026 – FY2Q2026) to be approximately \$4.7 billion, up +13% year-over-year on a reported basis and +6% on an organic basis. It was noted, “we expect adjusted earnings per share to be around \$2.65, and this is +20% growth year-over-year. Sequentially, we expect our Industrial Solutions segment to grow, and this will be partially offset by Transportation's typical auto seasonality trends that we see globally”.

Bishop & Associates' Comments

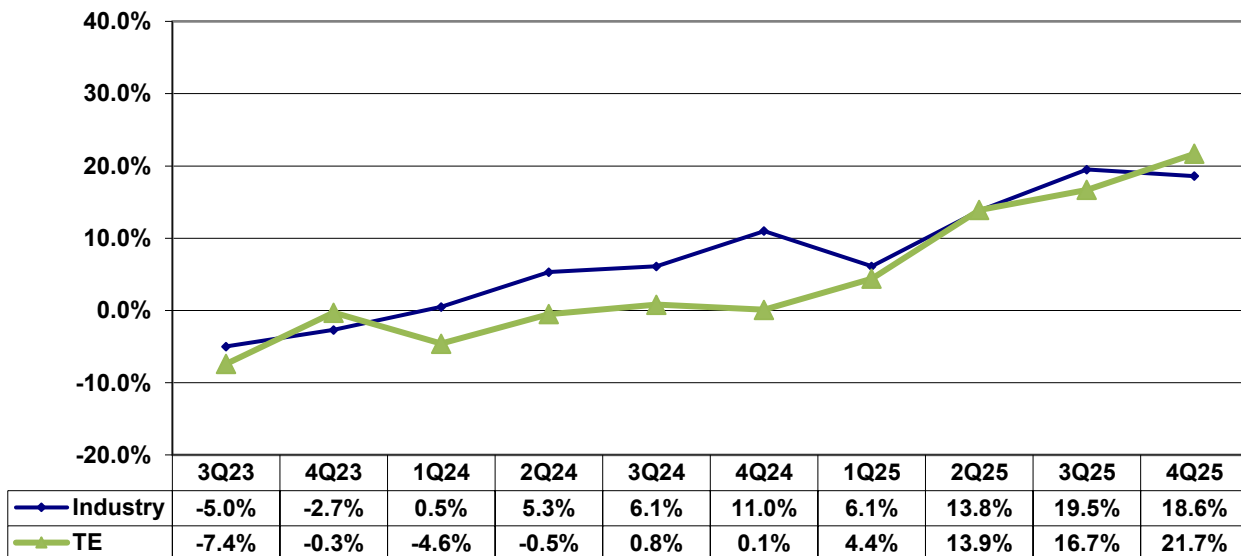
YOY, TE saw quarterly growth in all eight businesses. Like in the previous quarter, the greatest growth was in the Energy business, where year-over-year sales grew +88% and +15% organically. From an organic perspective, the greatest growth was in the Digital Data Networks business, where in CY 4Q25, sales grew +71% and +70% organically. In addition to Energy and Digital Data Networks, in CY4Q25, four other businesses also had double-digit growth. The Automotive business, which accounted for the greatest percentage of total TE Connectivity business, increased +10% year-over-year, followed by AD&M with +14% growth, Automation and Connected Living with +15% growth, and Commercial Transportation with +19% growth. The remaining businesses, Medical and Sensors, which only accounted for 3% and 5% of total TE Connectivity businesses respectively, saw year-over-year growth of +5% and +1%, and organic growth of +5% and -2%. Both were in line with their expectations.

From a segment standpoint, the Transportation Solutions segment, which includes Automotive, Commercial Transportation, and Sensors, and represents 52.8% of total TE Connectivity business, saw sales grow +10% year-over-year and +7% organically. From a quarterly perspective, 3Q2025 versus 4Q2025, sales grew +2.2%. According to Curtin, in the commercial transportation business, “we saw strong organic growth of 16% year-over-year, and this growth was driven by Asia and in Europe. After two years of cyclical declines in the commercial transportation market, we're now seeing recovery in the end markets outside the United States and expect to benefit from our leading global position and content growth driven by architectural changes”.

The Industrial Segment, which represents 47% of total TE Connectivity business, saw sales increase +38% year-over-year and +26% organically. According to TE, this reinforces the “broadening of growth within the segment”. It was also stated that their AI revenue was higher than expected, and that their “customers continue to award us new programs and the orders that we've received are creating backlog for the second half of this year and into 2027”. They now expect AI revenues in fiscal year 2026 “to be a couple hundred million dollars higher than their view 90 days ago, with growth expected across every hyperscale customer”.

The following graph plots TE's sales performance versus the connector industry by quarter from 2Q23 (year-over-year percentage change).

TE Connectivity vs. Industry



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