

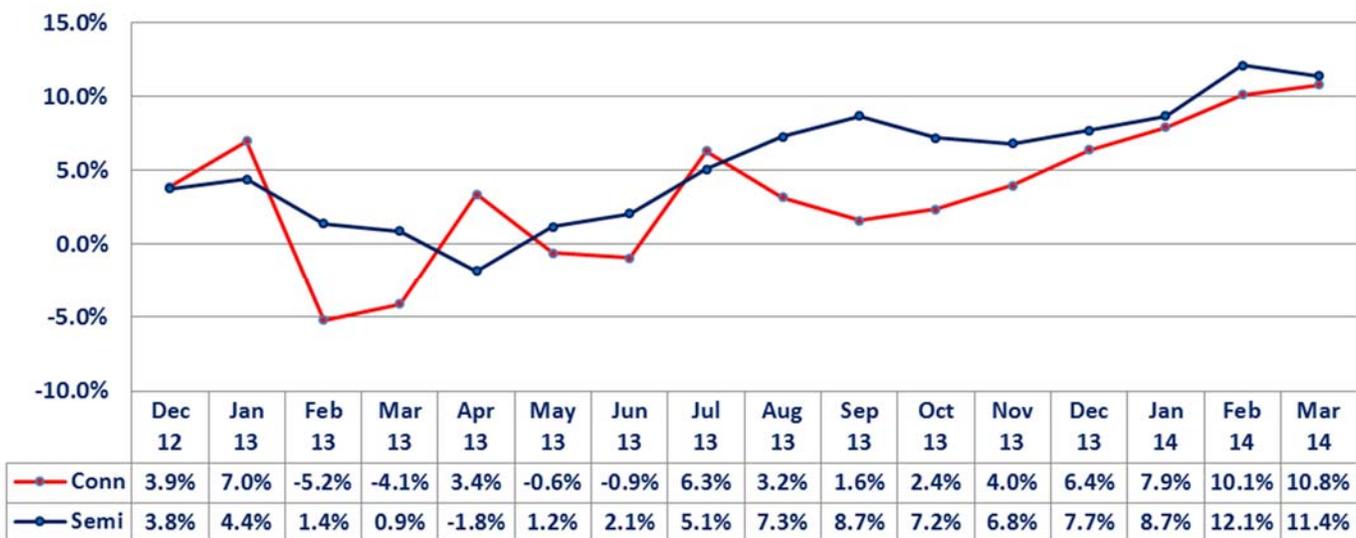
Semiconductor Sales Grow +11.4% YOY in March

The Semiconductor Industry Association (SIA) reported March 2014 sales of \$26.2 billion, up +11.4% from March 2013 and up +0.4% sequentially from February. Year-to-date industry sales are up +10.7% worldwide. All regions were up YOY.

As a comparison, connector sales grew +10.8% in March. The connector industry sales for March were up +9.6%, year-to-date, over 2013.

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

**Monthly Sales Performance
Year-Over-Year**



- March was the ninth consecutive month for good, solid growth in both industries. If both industries continue to grow at this rate, both will beat analyst's forecasts for the year.
- Semiconductor sales growth has been better than connectors for the last eight months. However, performance difference has narrowed significantly over the last four months.

The following table displays year-to-date performance by geographic region for semiconductors and connectors.

**March Sales Performance
Year-To-Date**

| | Semiconductors | Connectors |
|----------------------|-----------------------|-------------------|
| North America | 17.4% | 7.6% |
| Europe | 9.6% | 11.6% |
| Japan | -2.2% | 8.6% |
| China | NA | 15.1% |
| Asia Pacific* | 11.4% | 3.7% |
| World | 10.7% | 9.6% |

* Including China, Source SIA & Bishop

- Year-to-date performance for semiconductors continues to outperform connectors, but the gap has narrowed.
- Japan sales growth continues to diverge between the two industries.
- Performance in both industries is strong in Europe even though economic growth is anemic.
- Growth in North America is much stronger for semiconductors.
- As indicated by connector growth in China, semiconductor growth is probably stronger in China versus the rest of the Asia Pacific region.

Semiconductor sales are expected to grow between the mid to upper single-digits in 2014. Connector sales are projected by Bishop to grow 6.7% in 2014.