

The Bishop Report **NEWS BRIEF**

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Molex Sales Up +12.8% YOY in Calendar 4Q12

Molex reported calendar 4Q12 record sales of \$967.7 million, up +12.8% year-over-year (YOY) and up sequentially +5.5% to 3Q12. For calendar year 2012, Molex's sales were \$3,580.2 million.

Orders in the quarter were \$920 million, up +12.9% YOY and down sequentially -2.5%. The book-to-bill ratio is 0.95. Orders weakened in the later part of the quarter.

Net income was \$70.4 million (7.3% of sales), up +10% year-over-year and down -1.3% sequentially.

Medical/Military, Automotive, Infotech and Telecom had double-digit year-over-year growth in the fourth quarter. Consumer and Industrial both declined year-over-year. Sequential, change was positive in all market segments except Consumer and Industrial.

Market	% of Total Sales in Quarter	Calendar 4Q12 Sales	Calendar 4Q12 YOY	Calendar 4Q12 Sequential
Automotive	16%	\$155	15%	3%
Infotech	28%	\$271	31%	11%
Telecom	27%	\$261	15%	15%
Consumer	14%	\$136	-11%	-9%
Industrial	11%	\$106	-4%	-9%
Medical/Military	4%	\$39	54%	31%
	100%	\$968	12.8%	5.5%

Molex investigated one acquisition during the quarter, but stopped the purchase during the due diligence process.

Outlook

Molex forecasts sales of \$900 to \$930 million in calendar 1Q13, a year-over-year change of +7.5% to +11.1%.

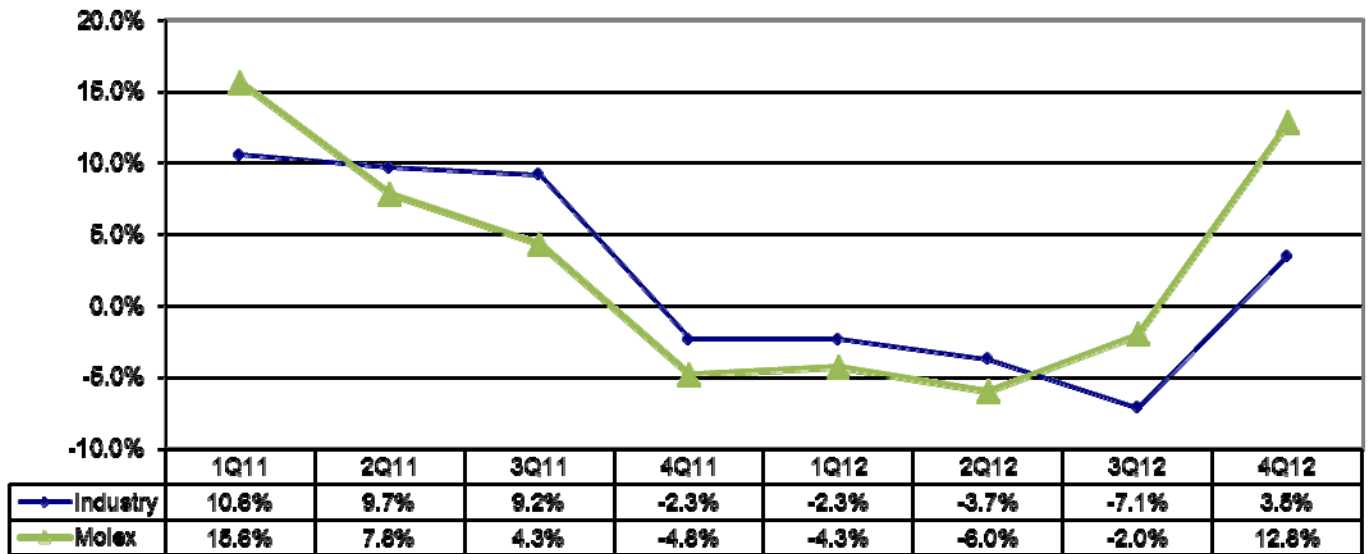
Bishop & Associates' Comments

Molex's sales have outperformed the industry in the last two quarters. For calendar year 2012, Molex's sales are flat to 2011. The industry is projected to finish 2012 at -2.6% below 2011.

The decline in Industrial sales probably dampened Molex's net income as these products tend to have higher margins. Conversely, their growth in Medical/Military was probably positive on net income.

The following graph plots Molex's sales performance versus the connector industry by quarter since 1Q11 (year-over-year percentage change).

Molex Vs. Industry



Note: 4Q12 Industry sales performance will be finalized the week of February 4. The +3.5% is an estimate of the performance expected.