

Press release

German Electronics Components Distribution shows slight decline in sales

German electronic distribution market (according to FBDi association) slightly lost ground in the third quarter 2016 (-3.4%). Book-to-bill rate remains positive.

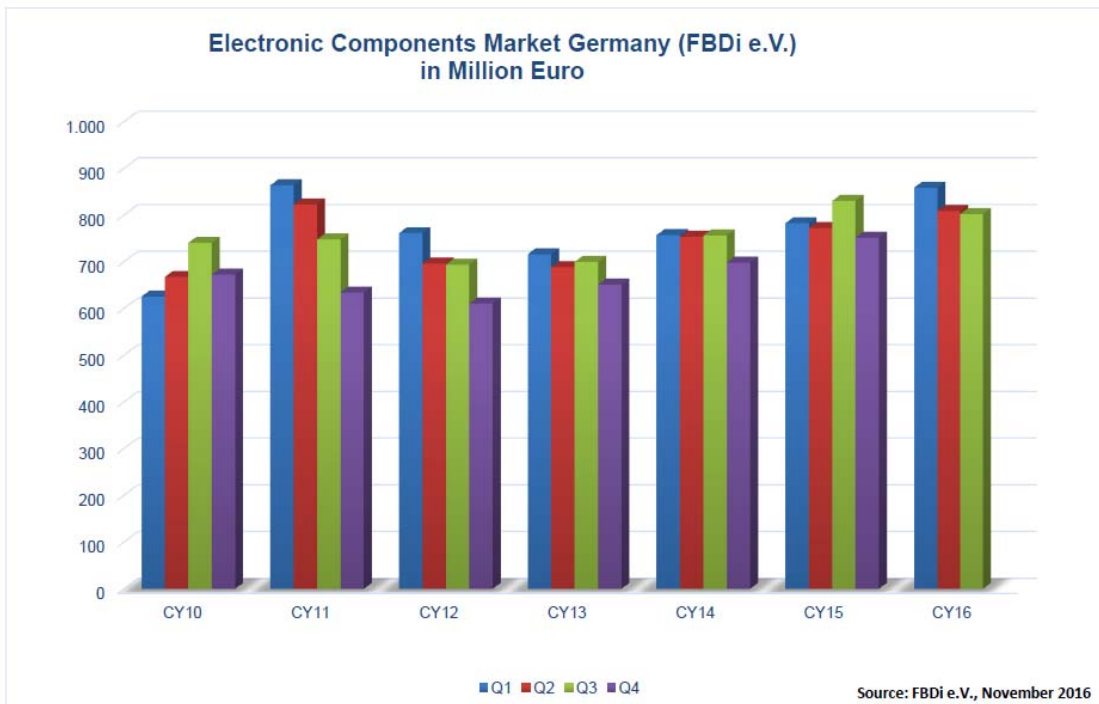
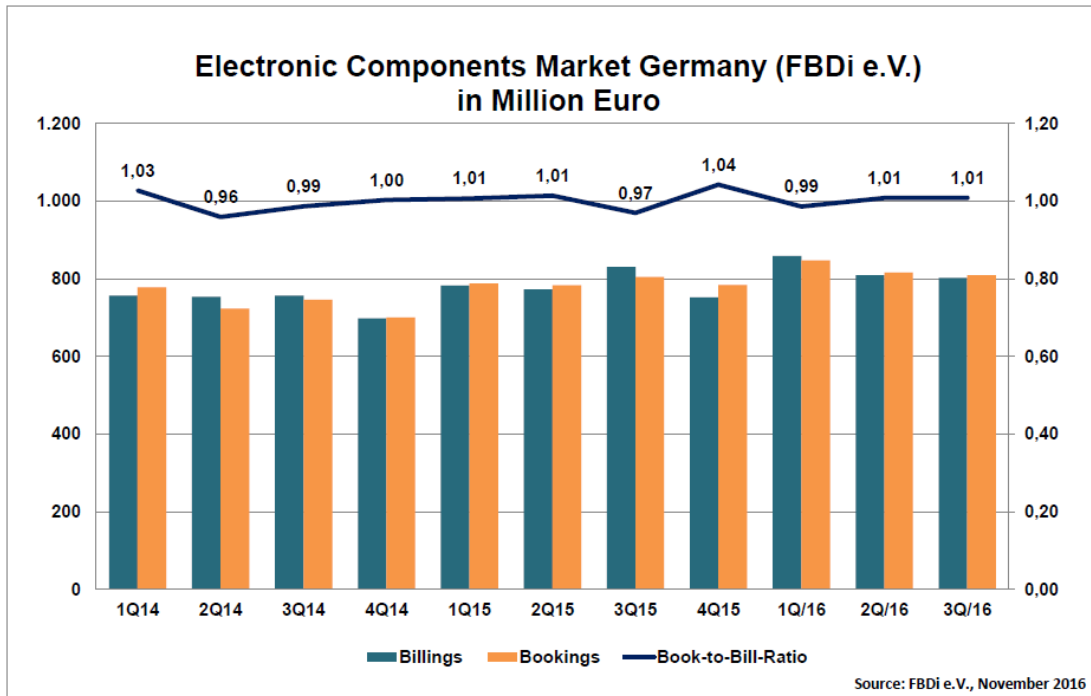
Bad Birnbach, November 18, 2016 – The German components distribution market has finished the third quarter of 2016 with a little decline. The revenues of the member companies dropped by 3.4% to 802 Mio. €. In contrast, orders rose by 0.5% (809 Mio. Euro). The resulting book-to-bill rate of 1.1 remains in the positive range.

The decline is also due to a technical effect, since the quarter was an entire week longer for companies with fiscal year as accounting period and not to calendar month. Without this effect the sales result would be balanced.

Semiconductor sales declined by 2.6% to 565 Mio. Euro (incoming orders: 555 Mio. Euro), which corresponds to 70% of the total sales. With a minus of 2.4%, passive components generated slightly less sales, equivalent to 111 Mio. Euro (incoming orders: 116 Mio. Euro), corresponding to a share of 14% of total sales. The outcome for electromechanical components dropped by 5% to 74 Mio. Euro, which accounts to a share of 9%. Other components: displays -25% (specific effect), sensors -0.1%, power supplies 7.9%.

FBDi Chairman of the board Georg Steinberger says: “With almost 4% sales growth, 2016 remains a solid year for the distribution. In view of the uncertainties on the total market – i.e. scandal on exhaust gas, slower growth in China, political uncertainties in and around Europe – the German high-tech market proves to be very robust. Also, the actual order situation makes it unlikely that the outlook will deteriorate drastically during the coming year.”

“However, the massive consolidation of semiconductor manufacturers causes some headaches”, says Steinberger. “As the worldwide semiconductor market remains weak, companies seek to create synergies by acquisitions, and optimize earnings through pressure on the sales channel. This is neither good for customers nor for distributors. It is simply not sustainable.”



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About FBDi e. V. (www.fbd.de):

The FBDi e.V. – Fachverband der Bauelemente Distribution e.V. (Professional Association of Component Distribution), founded in 2003, is well-established in the German association community and represents a large portion of distributors of

electronic components with operations in Germany. In addition to the preparation and advancement of numerical data and statistics concerning the German distribution market for electronic components, work group engagement and reporting on important industry themes (amongst others, education, liability and rights, traceability, and environmental themes) form essential pillars of the association's work. The FBDi is a member of the International Distribution of Electronics Association (IDEA).

Member companies (as of November 2016):

Acal BFi Germany, Arrow Central Europe, Avnet EM EMEA (EBV, Avnet Abacus, Silica, Avnet Memec, MSC Technologies), Beck Elektronische Bauelemente, CODICO, Conrad Electronic SE, ECOMAL Europe, Endrich Bauelemente, EVE, Farnell, Future Electronics Deutschland, Haug Components Holding, Hy-Line Holding, JIT electronic, Kruse Electronic Components, MB Electronic, Memphis Electronic, MEV Elektronik Service, Mouser Electronics, pk components, RS Components, Rutronik Elektronische Bauelemente, Schukat electronic, Distrelec Schuricht, SHC, TTI Europe.

Supporting members: elotronics, FCI Electronics, TDK Europe.

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