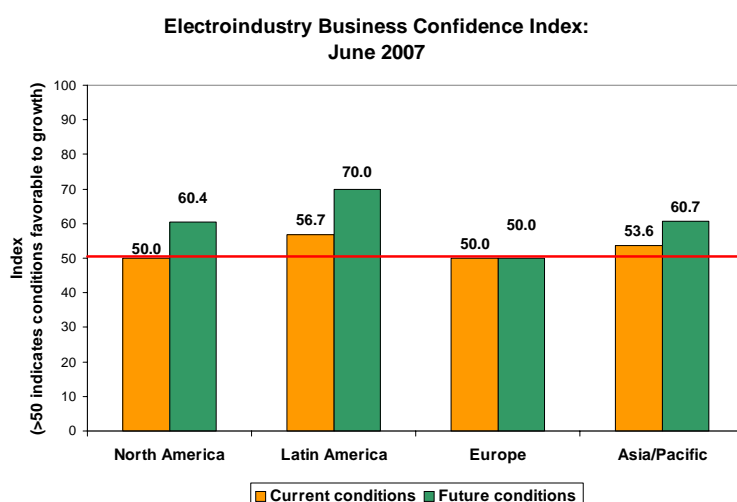




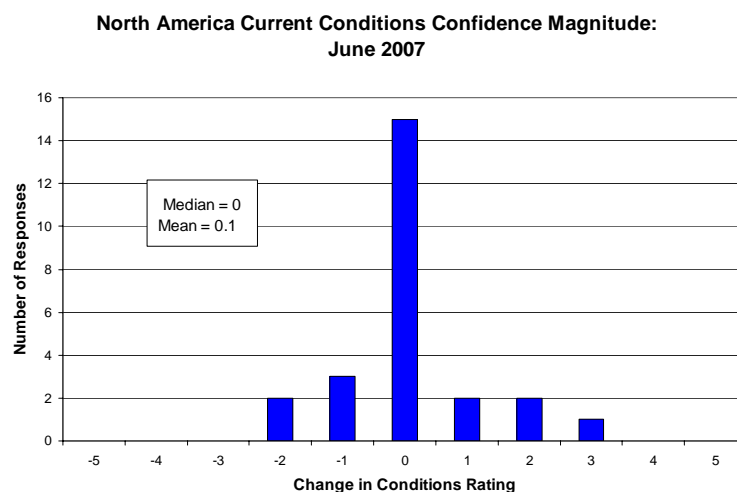
June 2007 NEMA Electroindustry Business Confidence Index

June 27, 2007

CURRENT CONDITIONS EBCI REBOUNDS IN JUNE, AND SIX-MONTH AHEAD OUTLOOK CONTINUES TO EXPAND



Current business conditions in North America are considerably improved compared to last month, according to the results of the Electroindustry Business Confidence Survey of senior executives. Having improved from 38.6 to 50.0 in June, the index now sits squarely astride the threshold indicating that conditions are favorable to growth. Although this month's score just touches, but does not cross, the growth line, the sharp rebound from May's reading suggests that last month may have been a bit of an aberration.



The survey's measure of the mean *degree* of change in North American business conditions provides additional evidence that the decline in May did not necessarily signal the start

NOTE: North America includes Canada and the United States. Latin America includes Mexico, Central America, and South America.

of a downward trend. Having dipped to -0.6 last month, this measure of the magnitude of change edged into positive territory in June, coming in at +0.1 (on a scale from -5 [deteriorated significantly] through 0 [stayed the same] to +5 [improved significantly]). Following this largely positive pattern, the EBCI future conditions index for North America remained at or above 50 for the fifth consecutive month with June's score of 60.4. The future conditions index measures the respondents' expectations regarding business conditions six months from now. Clearly, the panel members are expecting the electroindustry in North America to grow in the coming months.

Although the other world region indexes did experience some churning, the June survey results mark only the second time this calendar year when all current and future index scores equaled or exceeded the growth threshold of 50 points:

- Current conditions in Latin America improved, according to the survey results, moving from 53.8 last month to 56.7 in June. The future conditions index also improved, climbing 8.5 points to 70.0.
- In the June survey, Europe fared most poorly as the current conditions index fell from 57.7 to 50.0 this month, while the future conditions measure held steady at 50.0.
- The panelists' view of current business conditions in the Asia/Pacific region is positive—though a bit less so than last month—with the index slipping 3.1 points to 53.6. Meanwhile, the future conditions index for the region edged up 7/10^{ths} of a point to 60.7 in June.

SURVEY RESULTS:

Region	Current Conditions (Compared to Previous Month)	Conditions Six Months From Now (Compared to Current Conditions)
North America	50.0	60.4
Latin America	56.7	70.0
Europe	50.0	50.0
Asia/Pacific	53.6	60.7

Number of Respondents =25

Values reflect the percentage of respondents expecting "Better" conditions, plus one-half of the percentage of respondents expecting "Unchanged" conditions.

A score of 50 or higher suggests conditions appropriate to expansion of the electroindustry sector.

EBCI CONSTRUCTION DESCRIPTION:

The EBCI indexes are based on the results of a monthly survey of senior managers at NEMA member companies and are designed to gauge the business confidence of the electroindustry in key world regions.

The survey contains the following questions:

1. How would you rate current economic conditions in the following regions, as they affect your business, compared to the previous month?
 - a. Using the following scale, please describe the magnitude of change in economic conditions in North America this month compared to economic conditions last month? [Scale structured as follows: 5 (improved significantly), 4, 3, 2, 1, 0 (stayed the same), -1, -2, -3, -4, -5 (deteriorated significantly)]
2. How do you expect economic conditions in the following regions, as they affect your business, to have changed six months from now?

Respondents are asked to indicate whether conditions are better, worse or unchanged (or not available if their respective company does not do business in a particular region). The four regions are North America (Canada and the United States), Latin America (Mexico, Central America, and South America), Europe, and Asia/Pacific. The survey also provides space for respondents to comment on current conditions. These comments are included below the table containing the index levels.

The index value is the percentage of respondents expecting “Better” conditions, plus one-half of the percentage of respondents expecting “Unchanged” conditions, which follows the methodology used by the Institute for Supply Management (formerly the National Association of Purchasing Management) in the construction of their manufacturing index.

Now Available from NEMA/BIS – The *Electroindustry Economic Outlook*

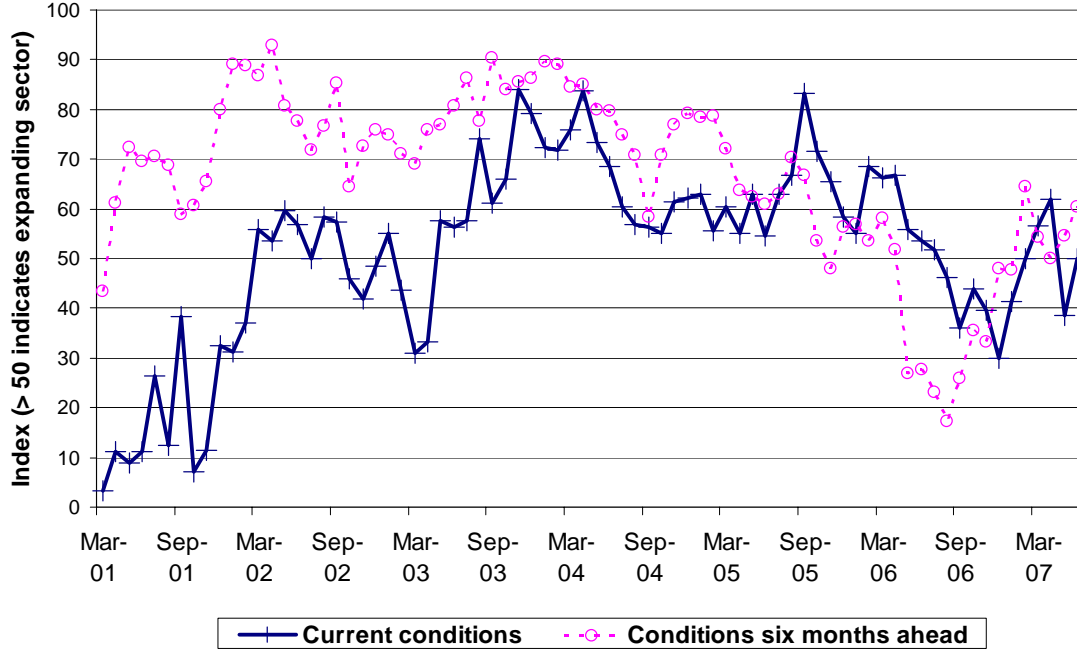
Based on popular demand for up-to-date data and forward-looking analysis of the electroindustry and the economic fundamentals that drive it, NEMA/BIS offers a subscription-based, regularly updated compendium of the information that industry professionals and executives most often request. The *Electroindustry Economic Outlook* is the preferred source for timely, comprehensive coverage of the economic trends and events shaping the U.S. electroindustry.

- **Extensive Coverage**
- **Frequently Updated**
- **Easy Access**
- **Affordable Pricing**

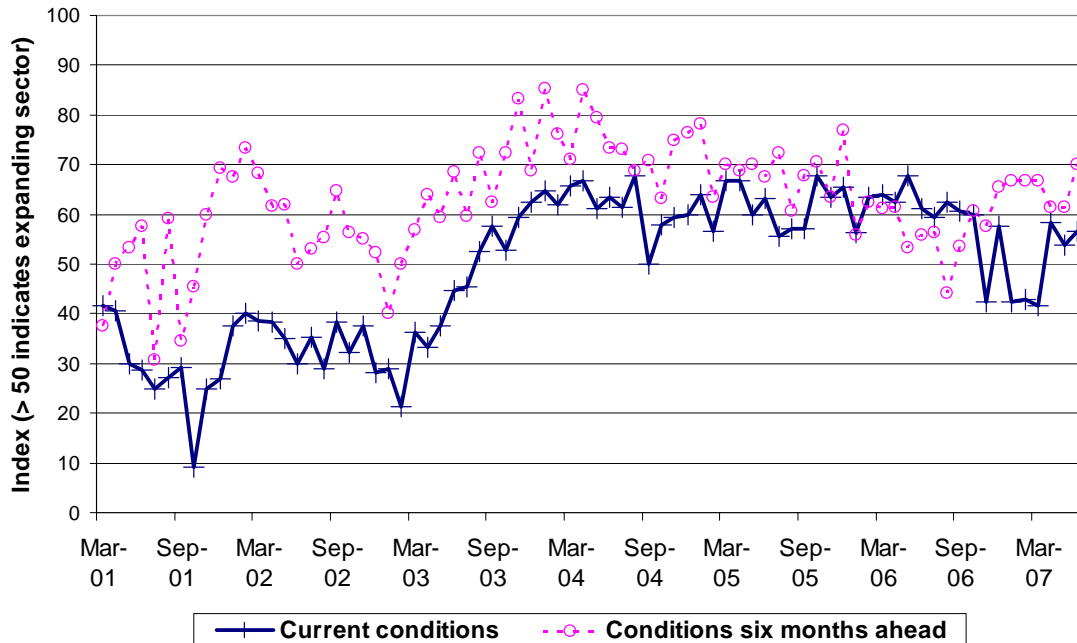
To find out how NEMA/BIS’ *Electroindustry Economic Outlook* can help your business, contact Tim Gill at (703) 841-3298, or tim_gill@nema.org.

Appendix: Time Series Charts

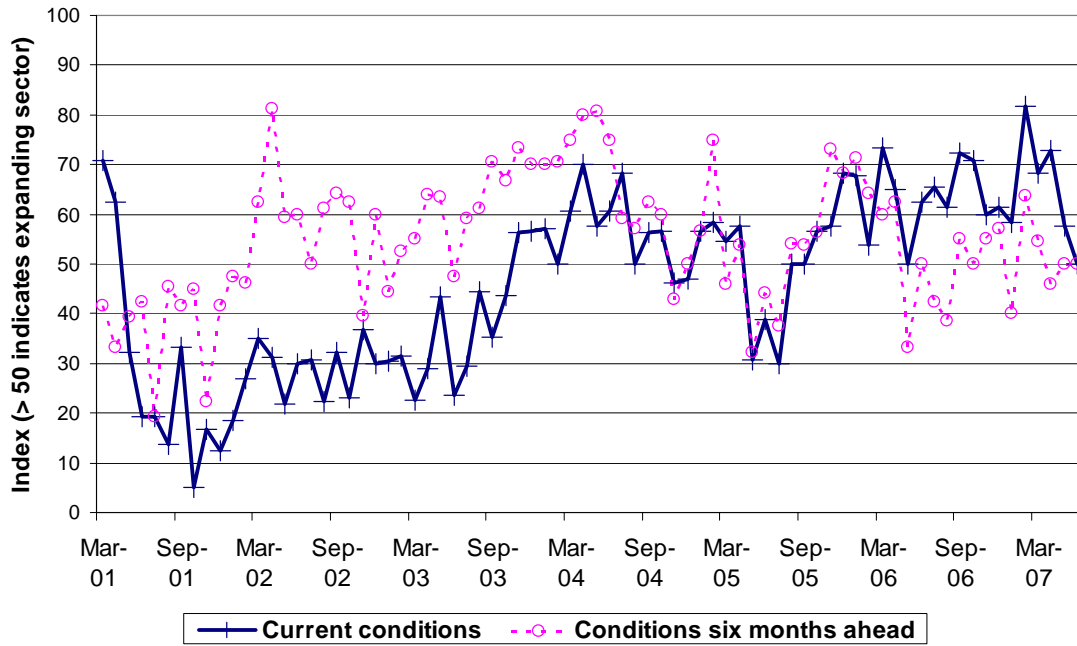
Business Conditions: North America



Business Conditions: Latin America



Business Confidence: Europe



Business Confidence: Asia/Pacific

