

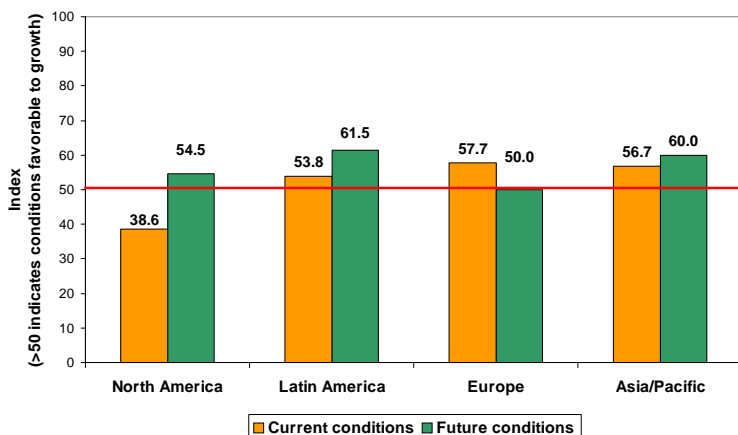


May 2007 NEMA Electroindustry Business Confidence Index

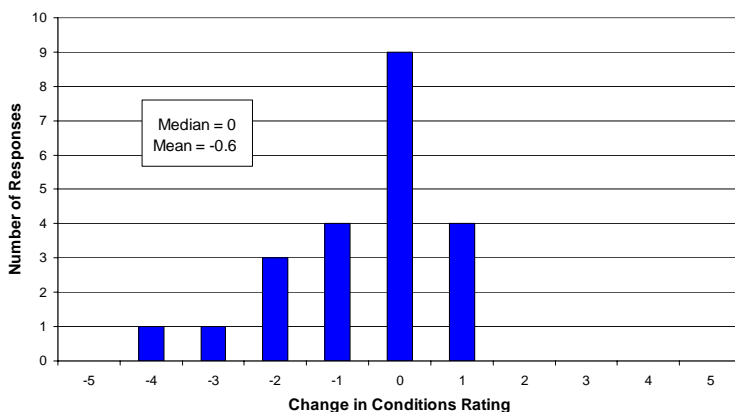
May 30, 2007

CURRENT CONDITIONS EBCI SLIDES IN MAY, WHILE SIX-MONTH AHEAD OUTLOOK IMPROVES

Electroindustry Business Confidence Index:
May 2007



North America Current Conditions Confidence Magnitude:
May 2007



Following on the heels of two months of expansion, North American business conditions softened in May, according to senior industry executives responding to NEMA's Electroindustry Business Confidence Survey. The Electroindustry Business Confidence Index (EBCI) for current North American conditions slipped to 38.6 in the latest month from 62 in April, its highest level in a year.

Moreover, the survey's measure of the mean *degree* of change in North American business conditions reversed itself in May, following fourth straight monthly gains, falling to -0.6 from +0.4 in April (on a scale from -5 [deteriorated significantly] through 0 [stayed the same] to +5 [improved significantly]).

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

Evidence suggests that the present deterioration in conditions may be short-lived. The EBCI for future North American conditions rebounded to 54.5 from 50 a month ago, indicating survey panelists expect business conditions six months hence to improve from their current level. Indeed the North American future conditions index has equaled or exceeded 50 in each of the last four months.

Meanwhile, the other world regional indices derived from May's survey showed mixed results on a month-to-month basis, but all six equaled or bested the critical 50-point threshold indicative of improvements in current or anticipated business conditions:

- The current conditions index for Latin America slipped 4.5 points to 53.8, while the future conditions index held steady at 61.5.
- Current conditions in Europe tumbled 15 points to 57.7, while the future conditions reading climbed 4.2 points to 50.
- Current and future conditions indicators for the Asia/Pacific region both improved, up 3.1 points to 56.7 and 6.7 points to 60, respectively.

SURVEY RESULTS:

Region	Current Conditions (Compared to Previous Month)	Conditions Six Months From Now (Compared to Current Conditions)
North America	38.6	54.5
Latin America	53.8	61.5
Europe	57.7	50.0
Asia/Pacific	56.7	60.0

Number of Respondents =22

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*

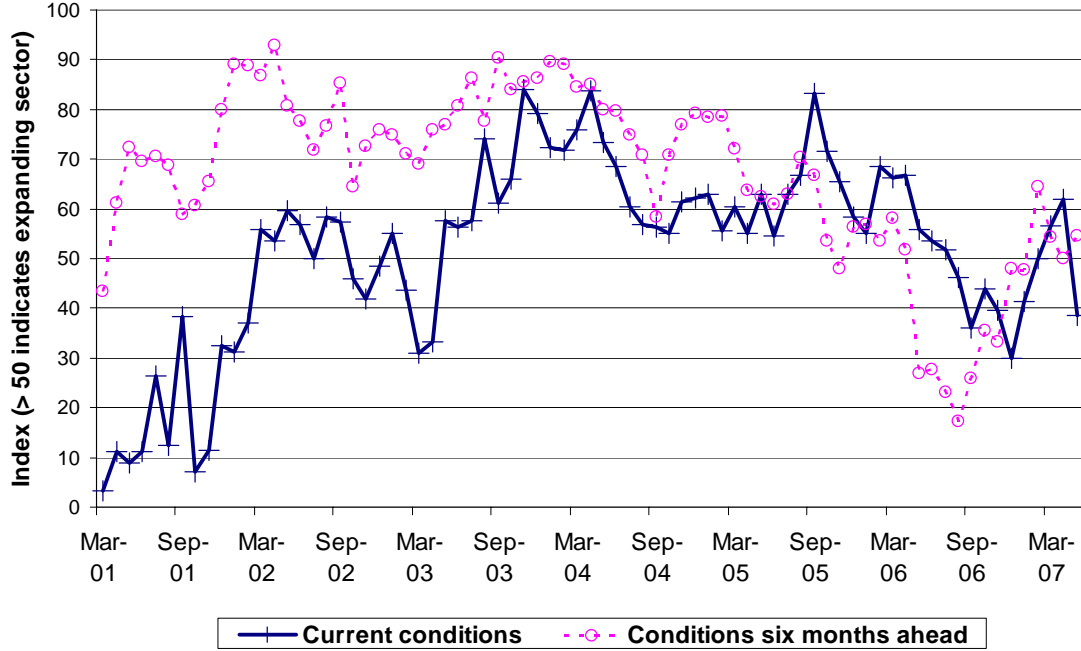
Based on popular demand for up-to-date data and forward-looking analysis of the electroindustry and the economic fundamentals that drive it, NEMA/BIS offers a subscription-based, regularly updated compendium of the information that industry professionals and executives most often request. The *Electroindustry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

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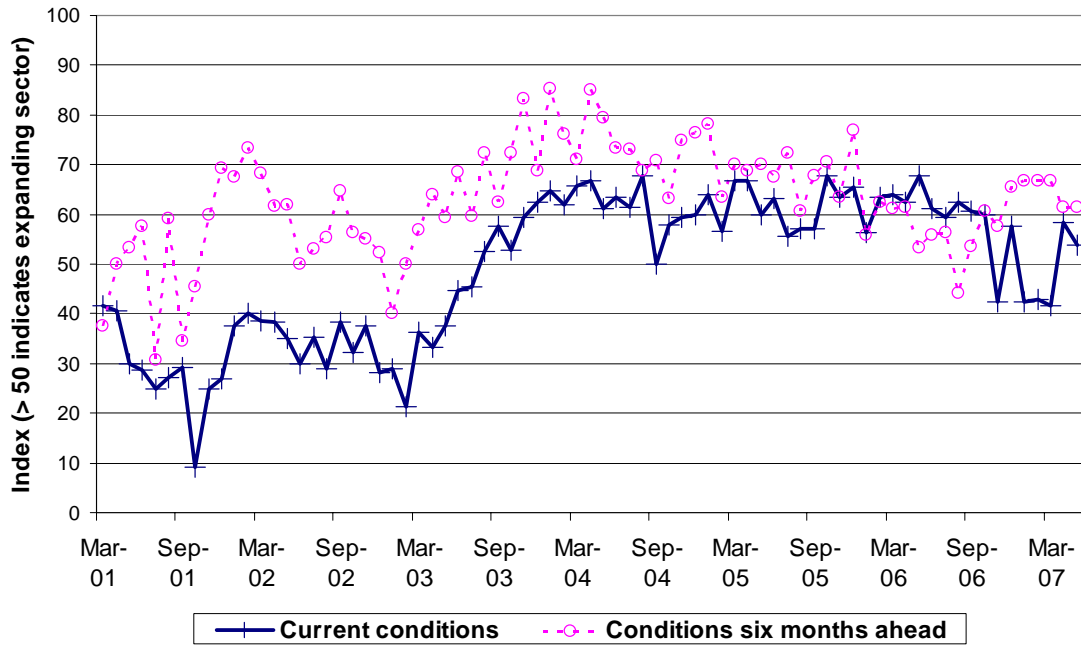
To find out how NEMA/BIS’ *Electroindustry Economic Outlook* can help your business, contact Tim Gill at (703) 841-3298, or tim_gill@nema.org.

Appendix: Time Series Charts

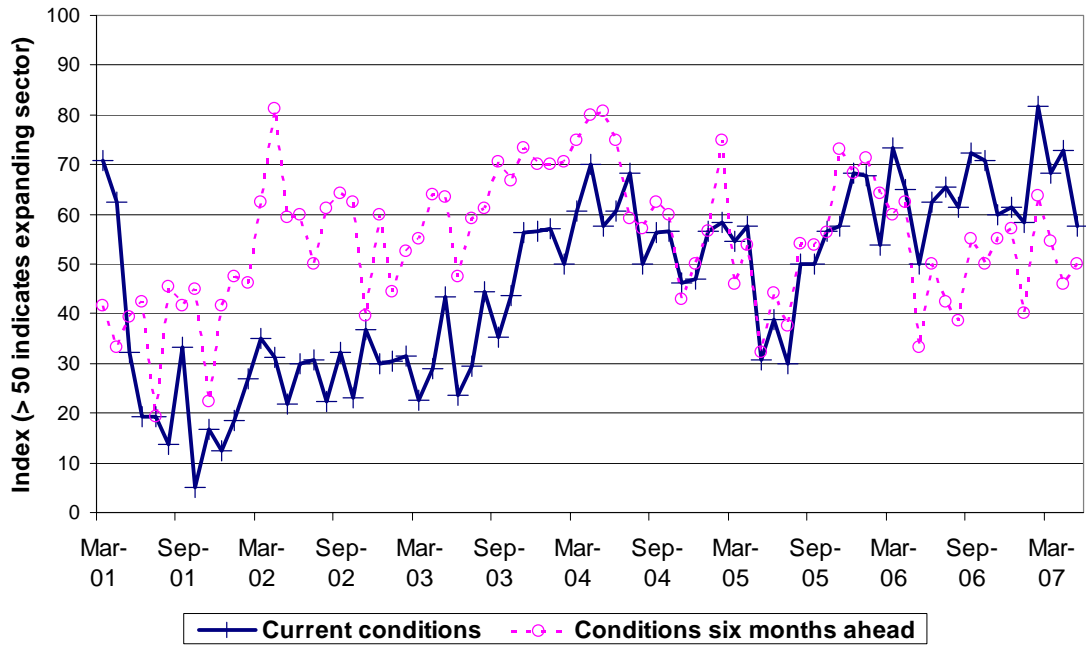
Business Conditions: North America



Business Conditions: Latin America



Business Confidence: Europe



Business Confidence: Asia/Pacific

