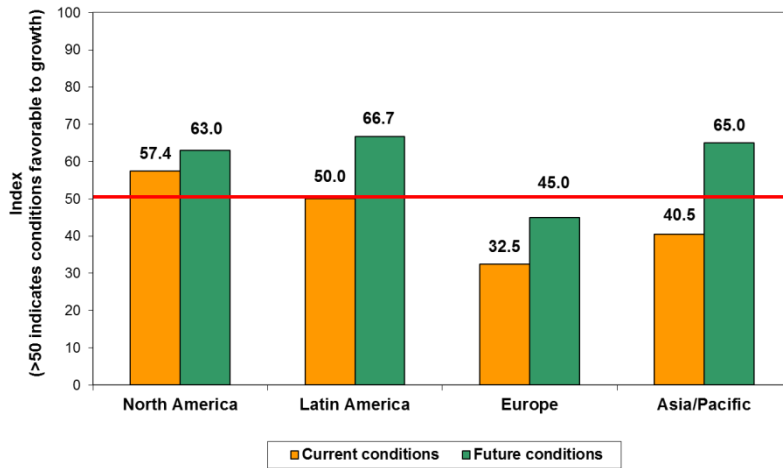


October 2011 NEMA Electroindustry Business Confidence Index

October 26, 2011

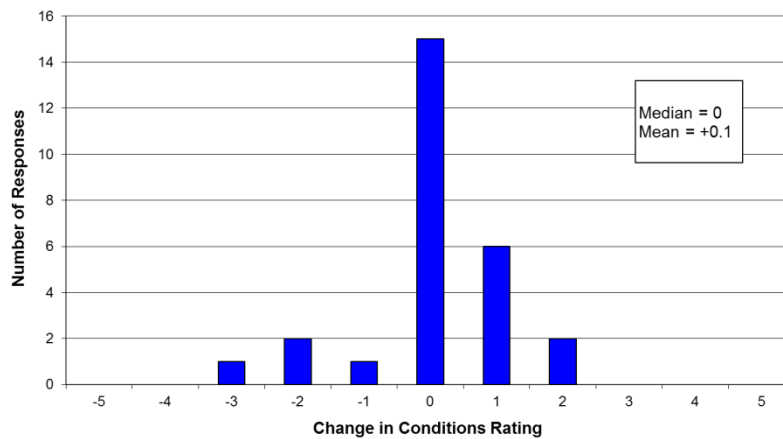
North American Business Conditions Improve in October with Further Gains Seen Over Next Six Months

Electroindustry Business Confidence Index:
October 2011



NEMA’s Electroindustry Business Confidence Index (EBCI) indicated that conditions facing the North American electroindustry improved on balance in October, climbing to 57.4 from 50 in September. The latest month was the first since May in which the index exceeded the 50-point “growth threshold.” Nearly 30% of survey panelists reported an improvement in conditions in October compared to the previous month while slightly fewer than 15% experienced worsening conditions. In September, just as many panelists – 20% – reported conditions improved as reported conditions deteriorated.

North American Current Conditions Magnitude:
October 2011



The survey’s measure of the degree of change in current North American conditions also climbed in October, inching up to +0.1 from 0.0

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

in September. The measure had lost ground in each of the two prior months. Panelists are asked to report intensity of change on a scale ranging from -5 (deteriorated significantly) through 0 (unchanged) to +5 (improved significantly).

Meanwhile, October's EBCI for future North American conditions moved higher for a second straight month, increasing to 63 from 58.3 a month ago. Almost 41% of panelists said they expected conditions to improve over the next six months versus 15% anticipating they will worsen. In September, about 37% of panelists said they expected an improvement, while nearly 20% reported anticipating a decline.

SURVEY RESULTS:

Region	Current Conditions (Compared to Previous Month)	Conditions Six Months From Now (Compared to Current Conditions)
North America	57.4	63.0
Latin America	50.0	66.7
Europe	32.5	45.0
Asia/Pacific	40.5	65.0

Number of Respondents =27

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.

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

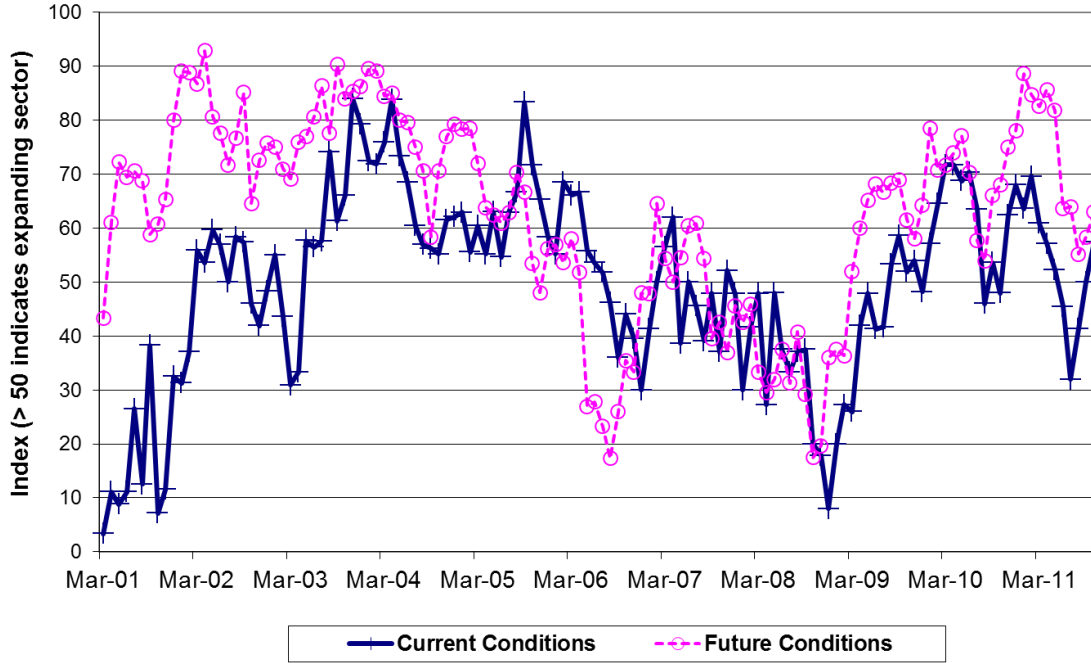
Based on popular demand for up-to-date data and forward-looking analysis of the electroindustry and the economic fundamentals that drive it, NEMA/BIS offers a subscription-based, regularly updated compendium of the information that industry professionals and executives most often request. The ***Electroindustry 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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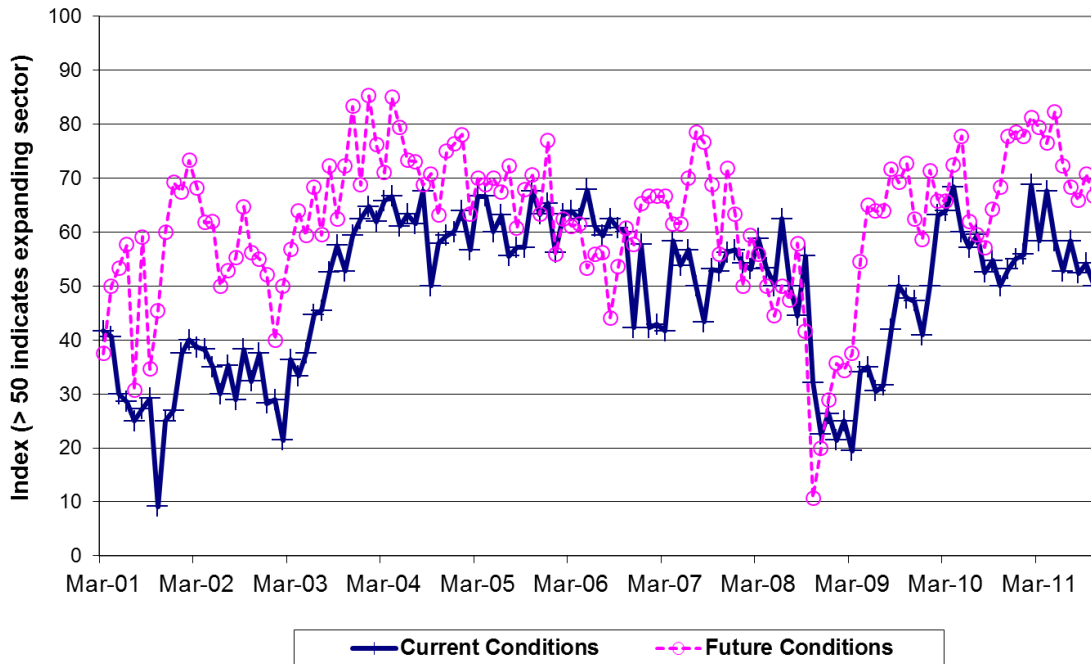
To find out how NEMA/BIS’ ***Electroindustry Economic Outlook*** can help your business, contact Tim Gill at (703) 841-3298, or tim_gill@nema.org.

Appendix: Time Series Charts

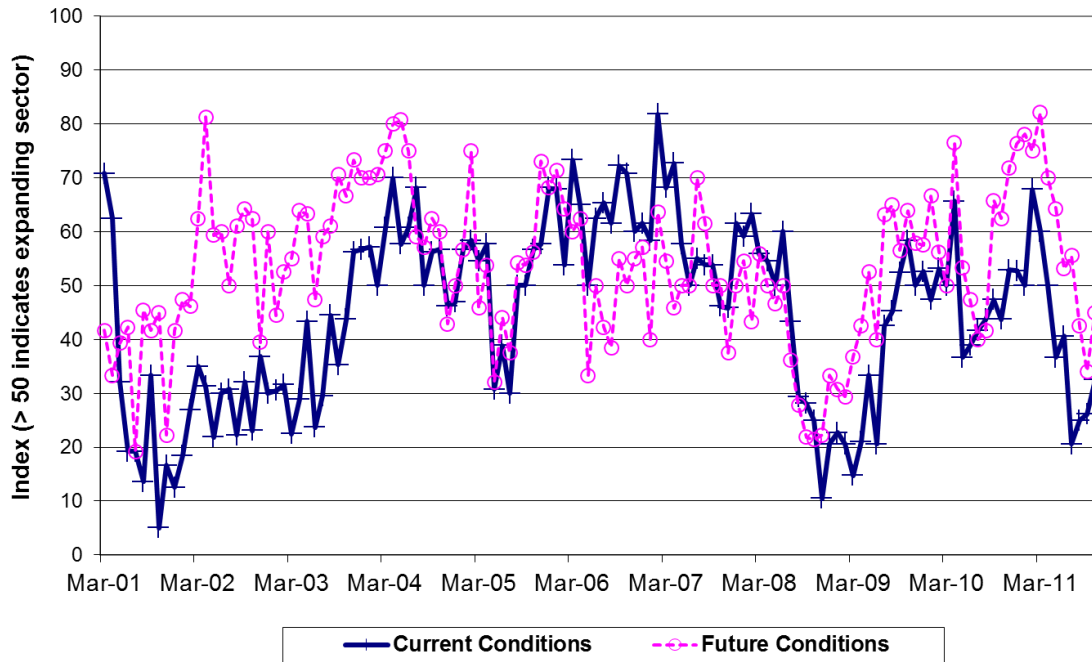
Business Conditions: North America



Business Conditions: Latin America



Business Confidence: Europe



Business Confidence: Asia/Pacific

