June 3rd, 2020

**Coronavirus Update and Service Recovery Progress**

**Status Update:**

- All Samtec Manufacturing Facilities are 100% Operational
- Moving to Phase II of the recovery efforts which includes strategic capacity growth plans
- Daily output continues to increase at all sites
- **Samtec is “on-track” with our Service Recovery Plan illustrated below**
- Bookings are showing some signs of stabilization at an elevated rate of $3.6 million/day

**Progress Metrics:**
PAST DUE CUSTOMER ORDERS/HOURS TREND

Weekly Shipment $'s
As a reminder, we arrived at this current situation due to a Global Pandemic that impacted Samtec’s manufacturing output for 14.5 weeks at the same time when business levels spiked by as much as 40%.

Setting the stage...

- Estimate 25% less production efficiency with expedites overchanging priorities.
- Our 25,000 hours a day became 18,750.
- We’ve added 850 people in 6 weeks, adding another 370 over the next few weeks.
- We estimate true bookings to $3.5 to $3.6M a day, making our goal 35,000 hours/day.

SAMTEC RECOVERY PLAN

Please note that the end of our Past Due Backlog catch-up period is ending next week on June 8th, we are on track with that portion of our recovery efforts. We will have “some” expedite flexibility for critical needs but we don’t expect to be back to “normal expedite flexibility” until August due to the continued gap between bookings and output/shipments.
Samtec has increased production staff by 500 associates and we are in the process of adding 200 more associates. We believe that these hiring additions will align our capacity to demand and again, that alignment will likely occur in August. Once we have capacity aligned with demand we will regain expedite flexibility and will work to reduce new order lead times.

We appreciate your patience and loyalty as we work through these unprecedented challenges.

Sincerely,

Scott Lamb
Director of Global Sales Operations
Samtec, Inc.