

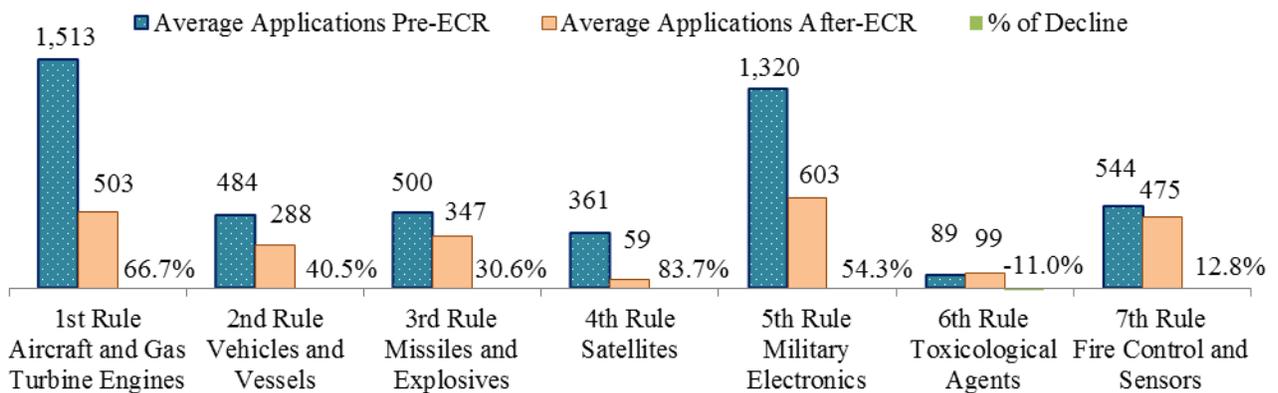
Licensing Statistics of 600-series and 9x515 Items

October 15, 2013 to September 30, 2017

The license applications for items in the 18 categories of the United States Munitions List (USML) showed an overall average decline of 50.7 % from 4,811 to 2,374 per month through September 30, 2017. The average monthly drop of 2,437 in license applications is the result of certain items that do not warrant control on the USML transitioning to the Commerce Control List (CCL). The biggest drop in license applications was those impacted by the fourth regulatory change involving the transition of satellites with a 83.7% decline. The Directorate of Defense Trade Controls (DDTC) of the U.S. Department of State estimates a 45% decline in license applications will be shown when all USML categories have been reviewed.

DDTC Average Monthly Applications by USML to CCL Regulatory Change

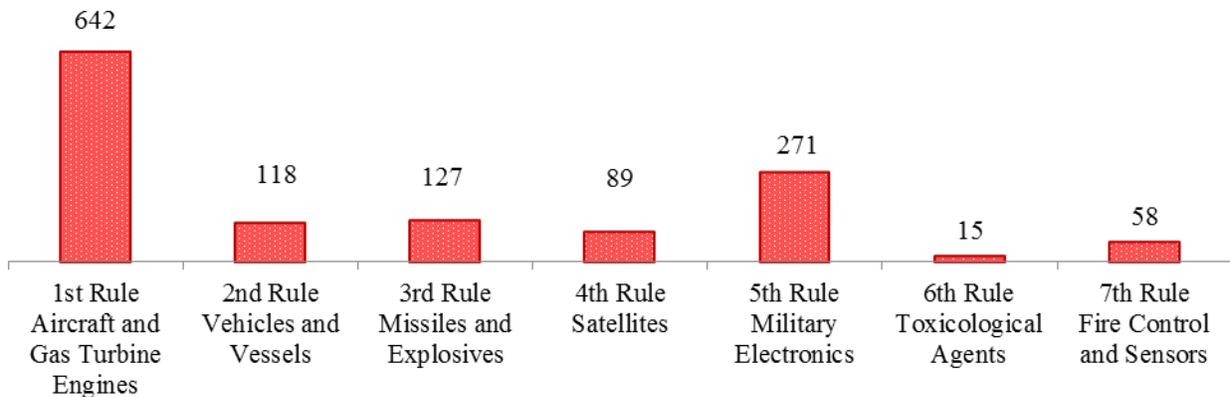
October 15, 2013 to September 30, 2017



Source: Directorate of Defense Trade Controls of the U.S. Department of State, October 2017

BIS Average Monthly Applications by USML to CCL Regulatory Change

October 15, 2013 to September 30, 2017

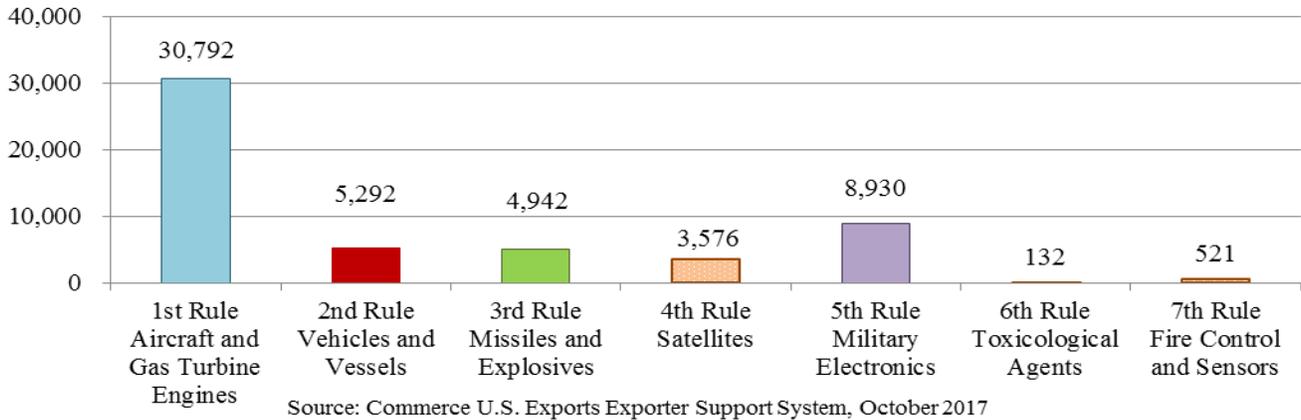


Source: Commerce U.S. Exports Exporter Support System, October 2017

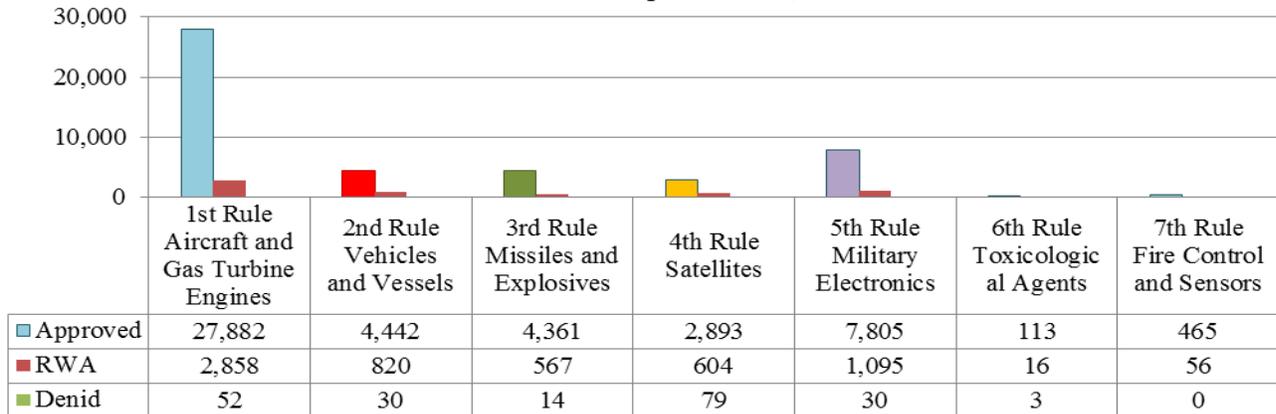
From October 15, 2013 to September 30, 2017, BIS has processed a total of 52,553¹ applications for 600-series and 9x515 items.

- Approved applications were 46,670, 88.8% of the total applications;
- Returned without action (RWA) were 5,676, 10.8% of the total; and
- Denied applications were 207 applications, 0.4% of the total.

BIS License Applications for 600-Series and 9x515 Items by Total Count
 Effective Date to September 30, 2017



BIS License Applications for 600-Series and 9x515 Items by Decisions
 Effective Date to September 30, 2016

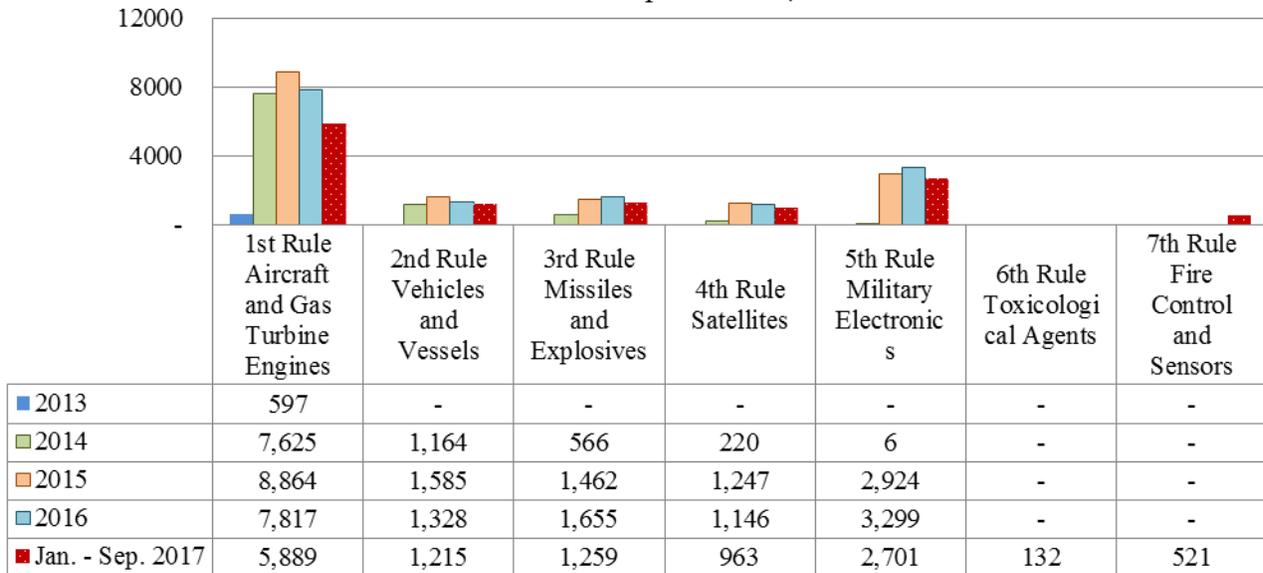


Source: Commerce U.S. Exports Exporter Support System, October 2017

¹ Note: This number for the total applications is slightly smaller than the sum of all applications by each rule in the two charts on this page because license applications containing multiple ECCNs may be associated with more than one regulatory change. For instance, a single application containing 9A610 and 0A606 items would be counted in both the 1st rule column and the 2nd rule column.

**BIS Yearly License Applications for 600-Series and 9x515 Items
 by Transition Rule**

Effective Date to September 30, 2017



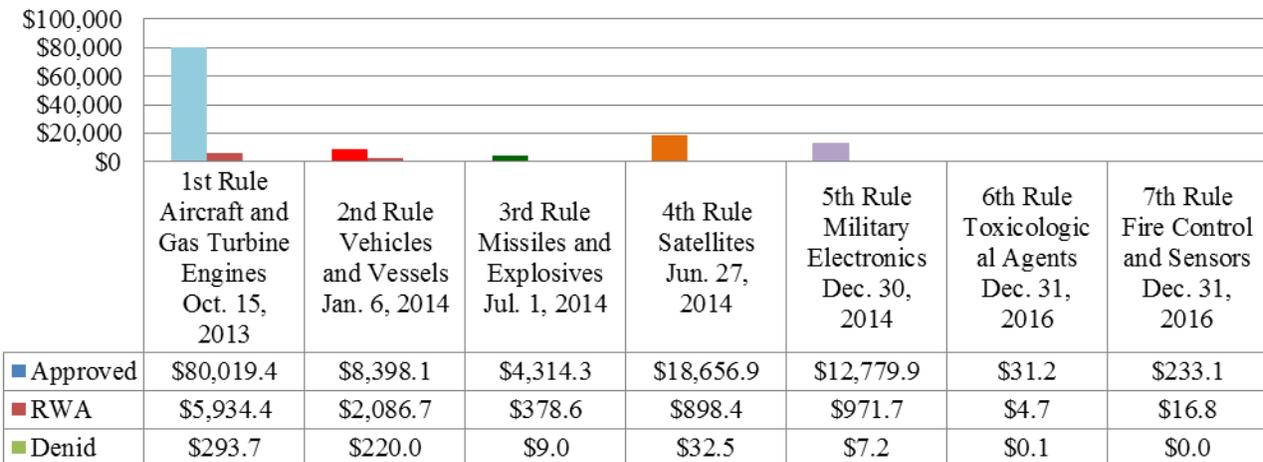
Source: Commerce U.S. Exports Exporter Support System, October 2017

From October 15, 2013 to September 30, 2017, BIS has processed applications for 600-series and 9x515 items for a value of \$138.7 billion.

- Approved applications valued at \$127.7 billion, 92.1% of the total applications;
- Returned without action (RWA) valued at \$10.4 billion, 7.5% of the total; and
- Denied applications valued at \$582.9 million, 0.4% of the total.

BIS License Applications for 600-Series and 9x515 Items by Value

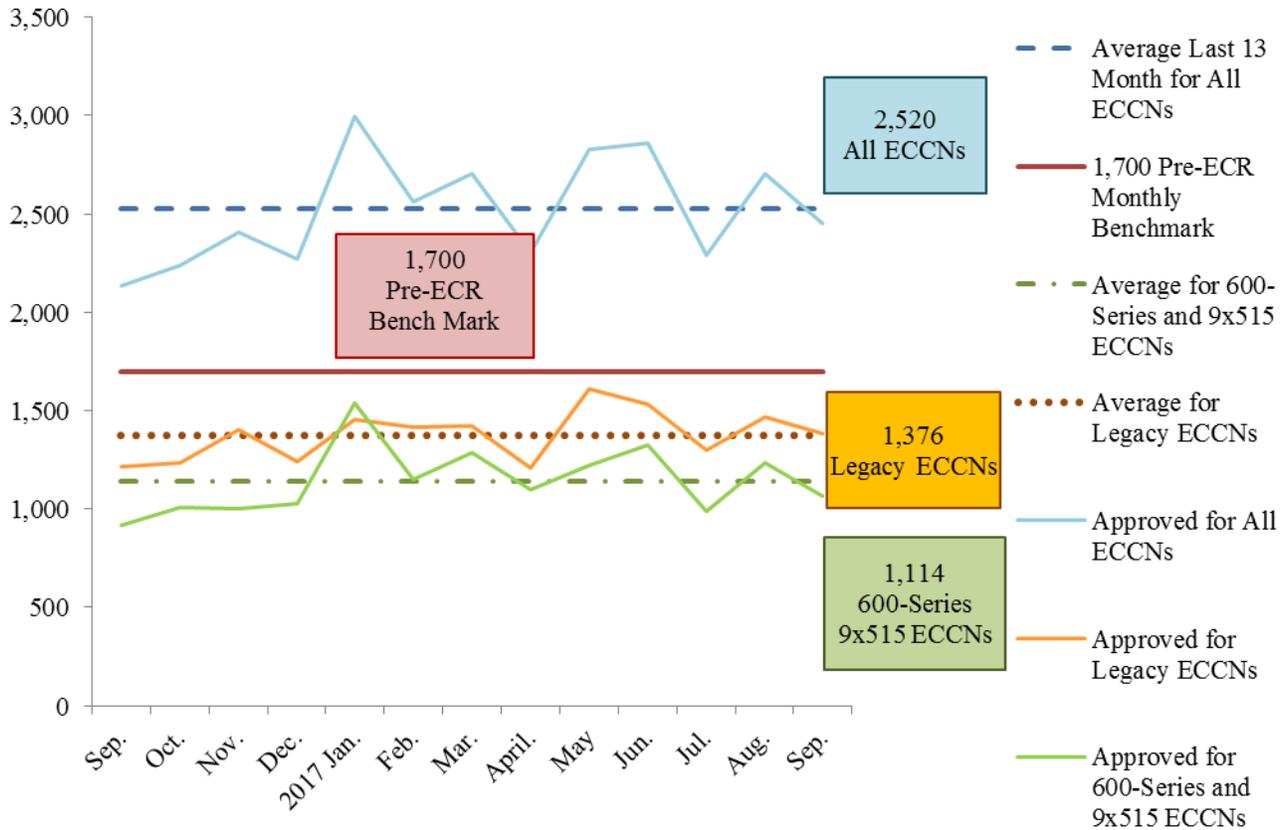
Effective Date to September 30, 2017
 \$million



Source: Commerce U.S. Exports Exporter Support System, October 2017

In the last 13 months from September 2016 to September 2017, the average monthly BIS approvals for 600-Series and 9x515 ECCNs were 1,114 while the average monthly BIS approvals for legacy ECCNs were 1,376. The average monthly approvals of 2,520 for all ECCNs indicates an increase of 48.2% from the average monthly approvals of 1,700 during the fiscal year of 2012 to 2013, prior to the first regulatory change including the transition from the USML to the CCL becoming effective.

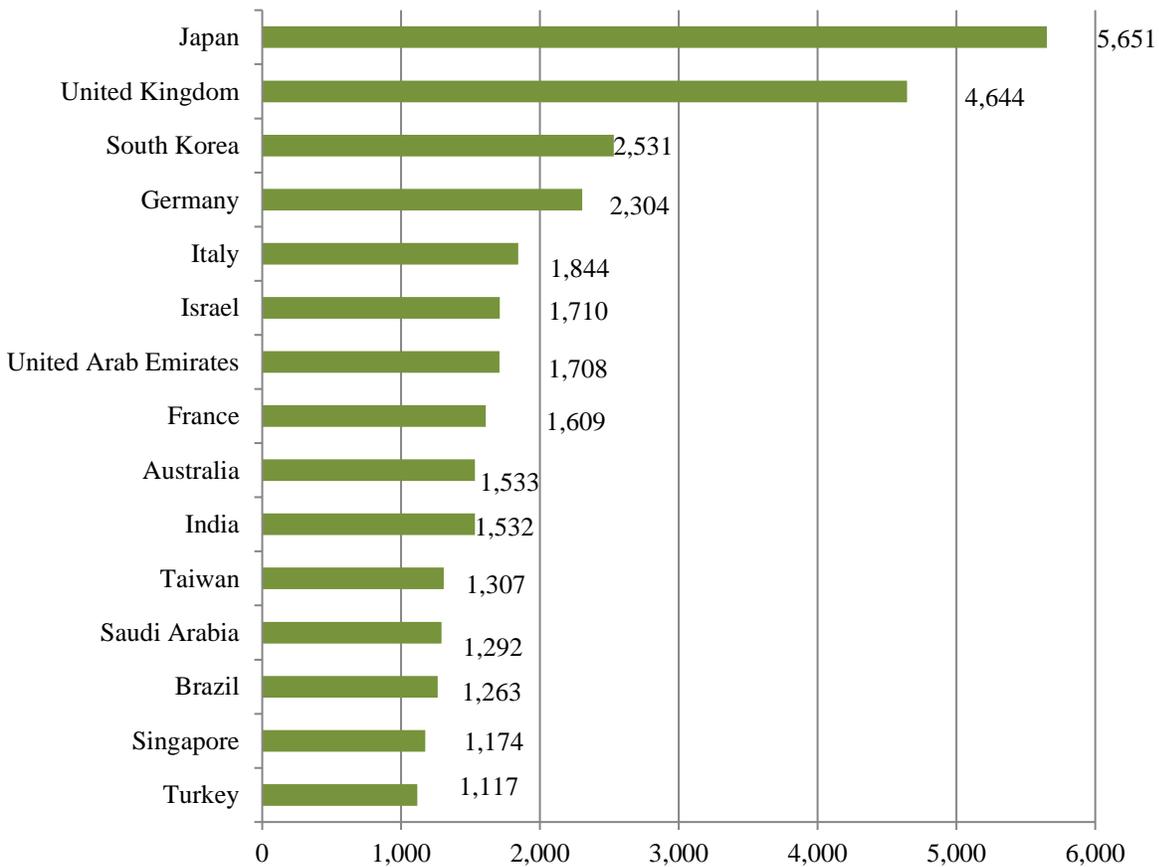
Trends in BIS Approved License Applications September 2016 to September 2017



Source: Commerce U.S. Exports Exporter Support System, October 2017

Of the total 46,670 BIS approved licenses for 600-series and 9x515 items from October 15, 2013 to September, 2017, 31,219 (66.9% of the total approved licenses) were issued for exports to the top 15 destinations by license count. The top destinations were Japan with 5,651 approved licenses (12.1% of the total); the United Kingdom with 4,644 (10.0%), and South Korea with 2,531 (5.4%).

Top Fifteen Destinations of BIS Approved Licenses for 600-Series and 9x515 Items by License Count
 October 15, 2013 to September 30, 2017



Source: Commerce U.S. Exports Exporter Support System, October 2017

Top Ten Approved ECCNs for 600-Series and 9x515 Items by Count
 October 15, 2013 - September 30, 2017

ECCN	Description	Total Approved	Value \$million
9A610	Military aircraft and related commodities	21,120	\$46,501.1
3A611	Military electronics	7,144	\$13,095.5
9A619	Military gas turbine engines and related commodities	4,632	\$27,869.1
9E610	Technology "required" for the "development," "production," operation, installation, maintenance, repair, overhaul, or refurbishing of military aircraft and related commodities controlled by 9A610, equipment controlled by 9B610, materials controlled by 9C610 or software controlled by 9D610.	4,214	\$2,106.2
0A606	Ground vehicles and related commodities	2,953	\$8,137.2
9A515	Spacecraft and related commodities	1,966	\$15,375.0
1A613	Armored and protective "equipment" and related commodities	1,635	\$3,158.9
9E619	Technology "required" for the "development," "production," operation, installation, maintenance, repair, overhaul, or refurbishment of military gas turbine engines and related commodities controlled by 9A619, equipment controlled by 0B619, materials controlled by 9C619, or software controlled by 9D619.	1,557	\$1,264.0
9E515	Technology "required" for the "development," "production," operation, installation, repair, overhaul, or refurbishing of "spacecraft" and related commodities	1,546	\$534.8
3E611	Technology "required" for military electronics	1,460	\$116.2

Source: Commerce U.S. Exports Exporter Support System, October 2017