

- The Company elected not to adjust the promised amount of consideration for the effects of a significant financing component as the Company expects, at contract inception, that the period between when the entity transfers a promised good or service to a customer and when the customer pays for that good or service will generally be one year or less.

Contract Costs

For contracts requiring over time revenue recognition, the selection of the method to measure progress towards completion requires judgment and is based on the nature of the products or services to be provided. The Company uses a cost-based input measurement of progress because it best depicts the transfer of assets to the customer, which occurs as costs are incurred during the manufacturing process or as services are rendered. Under the cost-based measure of progress, the extent of progress towards completion is measured based on the costs incurred to date.

There were no other costs to obtain or fulfill customer contracts.

Disaggregated Revenue

The table below includes the Company's revenue for the fiscal year ended September 28, 2019 disaggregated by geographic reportable segment and market sector (in thousands):

	Fiscal Year Ended September 28, 2019			
	Reportable Segment:			
	AMER	APAC	EMEA	Total
Market Sector:				
Healthcare/Life Sciences	\$ 488,851	\$ 602,922	\$ 128,225	\$ 1,219,998
Industrial/Commercial	359,381	534,971	86,868	981,220
Aerospace/Defense	317,558	186,486	84,556	588,600
Communications	256,523	113,329	4,764	374,616
External revenue	1,422,313	1,437,708	304,413	3,164,434
Inter-segment sales	6,995	119,497	5,520	132,012
Segment revenue	<u>\$ 1,429,308</u>	<u>\$ 1,557,205</u>	<u>\$ 309,933</u>	<u>\$ 3,296,446</u>

For the fiscal year ended September 28, 2019, approximately 90% of the Company's revenue was recognized as products and services were transferred over time, respectively.

Contract Balances

The timing of revenue recognition, billings and cash collections results in billed accounts receivable, contract assets, and deferred revenue on the Company's accompanying Consolidated Balance Sheets.

Contract Assets: For performance obligations satisfied at a point in time, billing occurs subsequent to revenue recognition, at which point the customer has been billed and the resulting asset is recorded within accounts receivable. For performance obligations satisfied over time as work progresses, the Company has an unconditional right to payment, which results in the recognition of contract assets. The following table summarizes the activity in the Company's contract assets during the fiscal year ended September 28, 2019 (in thousands):

	Contract Assets
Beginning balance, September 29, 2018	\$ —
Cumulative effect adjustment at September 29, 2018	76,417
Revenue recognized	2,859,182
Amounts collected or invoiced	(2,844,758)
Ending balance, September 28, 2019	<u>\$ 90,841</u>