

Amphenol & TE Market Sectors 4Q17 Results and 1Q18 Outlook

Amphenol Corporation and TE Connectivity announced their calendar 4Q17 results recently. The following table is a comparison of their Q4 sales performance and calendar 1Q18 outlooks by market sector.

Market	TE CY 4Q17 YOY	TE CY 4Q17 Organic YOY	TE Next Qtr Guidance	Amphenol 4Q17 YOY	Amphenol 4Q17 Organic YOY	Amphenol Next Qtr Guidance
Appliances	24%	22%	Up LSD			
Automotive	19%	10%	Up High SD Organic	22%	12%	Increase Sequentially
Broadband				-8%		Moderate
Commercial Aerospace				11%		Slight Moderation
Commercial Transportatio	41%	34%	Strong Momentum			
Data & Devices	3%	2%	Up LSD			
Energy	-2%	-6%				
Industrial	23%	17%	Up High SD	29%	22%	Moderate
IT/Data				Down Slightly		Moderate
Military				11%	11%	Moderate from Q4
Mil/Aero/Marine	1%	-2%				
Mobile Devices				69%		Sequential Reduction
Mobile Networks				-7%	-13%	Moderate
Sensors	15%	11%	Strong Momentum			
Subsea Communications	-33%	-33%				

Pink shading indicates decline in YOY sales. Next quarter guidance is sequential unless otherwise stated. *= Organic. SD = Single Digits.

MSD = Mid-Single-Digits, LSD = Low-Single-Digits, DD = Double-Digits

Bishop & Associates' Comments

The table below shows the calendar 4th quarter actual, the first quarter forecast and the 2018 forecast for Amphenol, TE and the industry.

Sales Results & Forecast Industry Vs. Amphenol & TE

Company	4Q17 Actual	YOY Change	1Q18 Forecast	YOY Change	2018 Forecast	YOY Change
Amphenol	\$1,841	17.7%	\$1,800	15.4%	\$7,520	7.0%
TE	\$3,480	13.6%	\$3,600	11.6%	\$14,200	8.3%
Industry	\$15,731	14.3%	\$15,800	12.8%	\$64,198	6.8%

\$ Millions, Company forecasts to midpoint, TE Fiscal 2018 Forecast ending in September

The industry achieved growth of +14.3% in the fourth quarter. Amphenol and TE both had very good quarters achieving sales growth of +17.7% and +13.6%, respectively.

Amphenol and TE are forecasting growth in the fourth quarter in low to mid-double-digits. These are in the ballpark of our industry forecast of +12.8%.

The full-year 2018 industry forecast is for sales growth of +6.8%. Amphenol and TE's forecasts are relatively close. Amphenol forecasts growth of +7.0% while TE expects full fiscal year growth of +8.3%.

Sales Results & 1Q18 Forecast Industry Vs. Amphenol & TE

