

Amphenol 1Q18 Sales Up +19.7% YOY and +12% Organically Record Orders in the Quarter Were \$2.17 Billion

Amphenol Corporation reported sales in 1Q18 of \$1,866.9 million, up +19.7% over 1Q17 and down -4.0% sequentially. Organically, sales in the quarter increased +12% YOY. Sales were up +16% in local currencies.

Orders in 1Q18 were \$2,170 million, up +26% from prior year. The book-to-bill was 1.08.

Net income was \$265.6 million, up +18.1% from prior year.

Market sector performance can be seen in the following table.

Market	% of Total Sales in Quarter	1Q18 YOY	1Q18 Sequential	1Q18 Organically
Automotive	20%	10%	6%	10%
Military	10%	20%	3%	18%
Commercial Aerospace	5%	14%	3%	9%
Broadband	5%	-6%	Up Slightly	No Comment
IT/Data	18%	Up Slightly	-3%	No Comment
Industrial	20%	27%	No Comment	14%
Mobile Networks	8%	2%	2%	No Comment
Mobile Devices	14%	68%	-25%	No Comment
	100%	19.7%	-4.0%	12.0%

Outlook

Amphenol forecasts sales of \$1,855 to \$1,895 million in 2Q18, a year-over-year increase of +12.5% to midpoint. The full-year 2018 forecast is \$7,630 million to \$7,750, an increase of +9.7% to midpoint.

Bishop & Associates' Comments

Year-over-year sales growth of +19.7% versus industry sales growth of +15.8% for 4Q17. Acquisitions continue to enhance Amphenol's growth and reach. There were YOY double-digit increases in five of eight market areas in 1Q18.

Amphenol's sales performance was up +16% in local currencies versus +19.7% in US dollars.

Amphenol's automotive business was up +10% in the quarter. Automotive has been a strong growth area for Amphenol over the last several quarters. It represents 20% of their business in 1Q18. Industrial products, one of Amphenol's more profitable product lines, was up +27% for the quarter and represents 20% of their business in the quarter. Mobile Devices had very strong growth at +68% YOY. Mobile Devices represents 14% of their business in 1Q18. Military, an Amphenol mainstay market sector, grew 20% in the quarter.

The following graph plots Amphenol's sales performance versus the connector industry by quarter since 4Q15 (year-over-year percentage change).

Amphenol versus Industry

