

Amphenol 4Q Sales Grew +3% Industry Sales Down -2.9%

For the fourth quarter of 2023, Amphenol Corporation's sales totaled \$3,327.5 million, marking a +3% increase from the fourth quarter of 2022 and a +4.0% increase from the previous quarter. On an organic basis, year-over-year (YOY) sales rose 1%. For the full year of 2023, sales were flat compared to the same period in 2022.

The company's orders for the quarter amounted to \$3,164 million, up +10% compared to the previous year, and flat sequentially. The book-to-bill ratio was 0.95.

Net income in the fourth quarter of 2023 was \$513.9 million. This is an increase of +3.6% compared to the same period in 2022.

Performance by market sector can be seen in the following table.

Market	% of Total Sales in Quarter	4Q23 YOY	4Q23 Sequential	Full Year 2023
Automotive	24%	16%	8%	12%
Military	12%	18%	4%	20%
Commercial Aerospace	3%	25%	1%	36%
Broadband	4%	-31%	-12%	-7%
IT/Data	20%	6%	6%	-13%
Industrial	23%	-4%	1%	-7%
Mobile Networks	3%	-26%	-6%	-26%
Mobile Devices	11%	3%	9%	-12%
	100%	3.0%	4.0%	0.5%

During the quarter, Amphenol successfully completed the acquisition of four companies: TPC Wire & Cable, LID Technologies, Airmar, and PCTEL, with the latter being an agreement from the previous quarter. TPC Wire & Cable, known for its specialized harsh environment cable and cable assemblies, serves various industrial applications, including factory automation and heavy equipment, boasting annual sales of around \$110 million. Airmar, with sales of approximately \$90 million, stands out as a premier supplier of sensors for markets such as recreational marine, commercial fishing, and industrial sectors. LID Technologies, a high-tech sensor product supplier based in Toulouse, France, focuses on the industrial and automotive markets,

particularly in tire pressure monitoring and telematics, with annual sales of about \$40 million. PCTEL generated in 2023, approximately \$85 million in sales. The additions of TPC, Airmar, LID and PCTEL adds new interconnect, sensor, and antenna technologies to the industrial product offering. For the full year 2023, Amphenol completed 10 acquisitions contributing annualized sales of more than \$600 million.

Outlook

Amphenol anticipates its first quarter sales in the range of \$3.4 billion to \$3.1 billion. This represents a sales growth of between +2% and +4%.

Bishop & Associates' Comments

Amphenol continues to grow through acquisitions, acquiring 10 companies in 2023 that contributed over \$600 million in annualized sales. Since 2020, Amphenol has acquired 24 companies.

Amphenol had positive full-year and 4th quarter sales in five out of the eight markets, with broadband which only accounted for 4% of total sales in the 4th quarter, down the most at -31% from a quarterly perspective and -32% for the full year.

Amphenol saw the greatest 4th quarter growth in the commercial aerospace market, where sales grew 25%. Full-year sales saw the commercial aerospace market grow 3%.

The greatest full-year sales growth was in the military market, where sales grew 15%. Bishop also saw strong full-year sales in the military market, with sales increasing 0.8%, the greatest growth of any market sector!

Amphenol versus Industry

