

## Amphenol Sales Up +15.4% Year-Over-Year in 1Q14

Amphenol Corporation reported 1Q14 sales of \$1,246.1 million, up +15.4% over 1Q13 and flat to 4Q13. Organic sales were up +7% year-over-year (excludes acquisitions and foreign exchange).

Orders in 1Q14 were \$1,310 million for a book-to-bill of 1.05.

Net income was \$158 million (12.7% of sales) in 1Q14, up +3.6% year-over-year and down -5.6% sequentially.

Market sector performance can be seen in the following table.

Market	% of Total Sales in Quarter	1Q14 YOY	1Q14 Sequential
Automotive	15%	47%	23%
Military	11%	Down Slightly	Flat
Commercial Aerospace	6%	26%	4%
Broadband	7%	Flat	Flat
IT/Data	17%	6%	-8%
Industrial	17%	47%	24%
Mobile Networks	11%	19%	19%
Mobile Devices	16%	Down Slightly	-29%
	<b>100%</b>	<b>15.4%</b>	<b>0.0%</b>

### Outlook

Amphenol forecasts sales of \$1,255 to \$1,285 million in 2Q14, a year-over-year increase of +10.4% to +13.1%. The full year 2014 forecast is \$5,110 to \$5,200 million, an increase of +10.7% to +12.7%.

### ***Bishop & Associates' Comments***

Amphenol continues to perform above the connector industry in profitability and sales growth. Net income of 12.7% of sales for the quarter is excellent, as is year-over-year sales growth of +15.4%, which exceeded the industry sales growth for 1Q14 of +9.6% by 5.8 points. Amphenol has outperformed industry sales growth for the past ten consecutive quarters.

Acquisitions continue to enhance Amphenol's growth and are branching the company into new industries. First Quarter YOY sales growth was attributed, in part, to acquisition made in the recent past in automotive, industrial and commercial aerospace.

Sales in the military sector, where Amphenol is the market leader, will probably remain weak for the next few years as military expenditures in the United States and Western Europe will continue at lower levels to deal with each governments' respective budget issues. Amphenol's commercial aviation and industrial sales are strong and making up for some of the short-fall in military sales.

The following graph plots Amphenol's sales performance versus the connector industry by quarter since 4Q11 (year-over-year percentage change).

**Amphenol versus Industry**

