

Amphenol Sales Up +10% Year-Over-Year

Amphenol Corporation reported 1Q13 sales of \$1,079.8 million, up +10.0% over 1Q12 and down -5.8% over 4Q12. Organic sales, excluding acquisitions and foreign exchange, were up only +4.0% year over year.

Orders in 1Q13 were strong at \$1,120 million for a book-to-bill of 1.04.

Net income was \$153.0 million (14.2% of sales), up +20.9% year-over-year and up +9.0% sequentially.

All market sectors had year-over-year growth except for the military sector which was flat.

Market	% of Total Sales in Quarter	1Q13 YOY	1Q13 Sequential
Automotive	12%	9%	17%
Military	13%	Flat	Flat
Commercial Aerospace	6%	15%	8%
Broadband	8%	14%	Down Slightly
IT/Data	19%	5%	-5%
Industrial	13%	8%	2%
Mobile Networks	10%	13%	-3%
Mobile Devices	18%	42%	15%
	100%	10.0%	-5.8%

In the quarter, Amphenol generated an operating margin of 19.2%. As a comparison, the average industry operating income in 2012 was 12.6% of sales.

Outlook

Amphenol forecasts sales of \$1,115 to \$1,140 million in the 2Q13, a year-over-year increase of +5.1% to +7.4%. The full year 2013 forecast is \$4,580 to \$4,655 million, an increase of +6.7% to +8.5%. The 2013 industry forecast is sales growth of +4.2%.

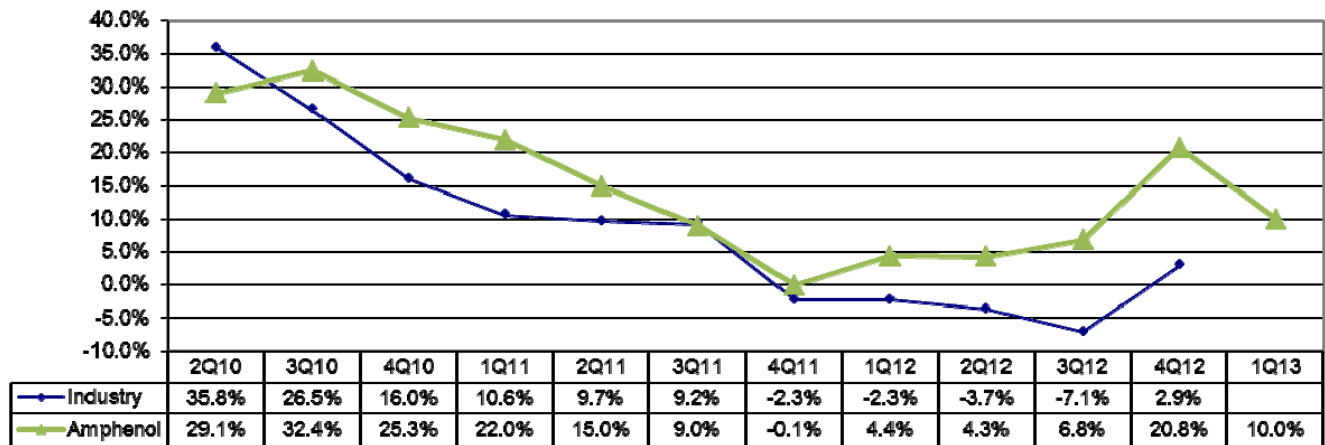
Bishop & Associates' Comments

Amphenol continues to perform above the connector industry in profitability and sales growth. Net income of 14.2% of sales is outstanding and year-to-date sales growth of +10% will probably exceed the industry sales growth for 1Q13. Acquisitions continue to enhance Amphenol's growth.

Amphenol's 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.

The following graph plots Amphenol's sales performance versus the connector industry by quarter since 2Q10 (year-over-year percentage change).

Amphenol Vs. Industry



Note - 1Q13 industry growth will be available the week of April 29.