

Amphenol Sales Up +7.1% Year-Over-Year

Amphenol Corporation reported 2Q13 sales of \$1,136.6 million, up +7.1% over 2Q12 and up +5.3% over 1Q13. Organic sales were up +3% from the prior year (excludes acquisitions and foreign exchange).

Orders in 2Q13 were strong at \$1,177 million for a book-to-bill of 1.04.

Net income was \$154 million (13.6% of sales), up +9.3% year-over-year and up +0.6% sequentially.

All market sectors had year-over-year growth except for the industrial and military sectors.

Market	% of Total Sales in Quarter	2Q13 YOY	2Q13 Sequential
Automotive	12%	20%	7%
Military	13%	Down Slightly	Down Slightly
Commercial Aerospace	6%	23%	4%
Broadband	8%	24%	7%
IT/Data	20%	6%	15%
Industrial	13%	-6%	5%
Mobile Networks	11%	12%	9%
Mobile Devices	17%	4%	Down Slightly
	100%	7.1%	5.3%

In the quarter, Amphenol generated an operating margin of 19.7%.

In June 2013, Amphenol acquired DC Electronics, a U.S. based manufacturer of cable assemblies for harsh environments. DC Electronics has annual sales of approximately \$40 million.

Outlook

Amphenol forecasts sales of \$1,120 to \$1,145 million in the 3Q13, a year-over-year increase of +1.5% to +3.8%. The full year 2013 forecast is \$4,490 to \$4,540 million, an increase of +4.6% to +5.8%.

Bishop & Associates' Comments

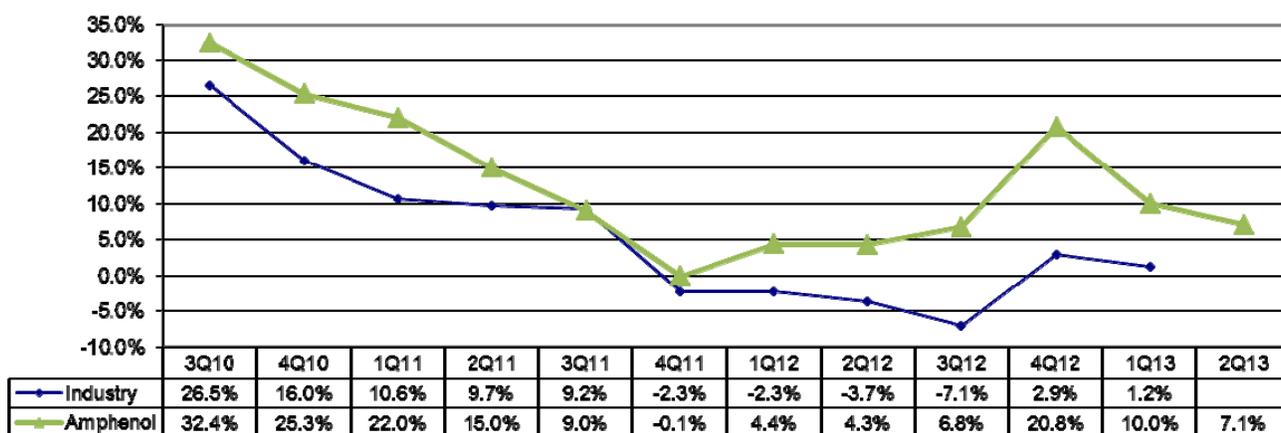
Amphenol continues to perform above the connector industry in profitability and sales growth. Net income of 13.6% of sales is outstanding and year-to-date sales growth of 8.5% will exceed the industry sales growth for the first half of 2013. Amphenol has outperformed industry sales growth for the past seven consecutive quarters. Acquisitions continue to enhance Amphenol's growth.

At the end of 1Q13, Amphenol's mid-range projection was for a YOY increase of 7.6% for 2013. Amphenol has now lowered their full year 2013 growth to 5.2% (mid-range of forecast).

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. Sales in commercial aviation, however, have been strong.

The following graph plots Amphenol's sales performance versus the connector industry by quarter since 3Q10 (year-over-year percentage change).

Amphenol Vs. Industry



Note - 2Q13 industry growth will be available the week of August 12th.