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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2025

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number 1-12981

AMETEK, Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

1100 Cassatt Road
Berwyn, Pennsylvania
(Address of principal executive offices)
14-1682544
(I.R.S. Employer Identification No.)

19312-1177
(Zip Code)

Registrant's telephone number, including area code: (610) 647-2121

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	**AME**	**New York Stock Exchange**

The number of shares of the registrant’s common stock outstanding as of the latest practicable date was: Common Stock, $0.01 Par Value, outstanding at July 25, 2025 was 230,953,960 shares.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

AMETEK, Inc.
Consolidated Statement of Income
(In thousands, except per share amounts)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net sales	**$ 1,778,056**	$ 1,734,834	**$ 3,510,027**	$ 3,471,014
Cost of sales	**1,142,167**	1,110,425	**2,249,138**	2,255,106
Selling, general and administrative	**174,263**	176,895	**344,434**	351,178
Total operating expenses	**1,316,430**	1,287,320	**2,593,572**	2,606,284
Operating income	**461,626**	447,514	**916,455**	864,730
Interest expense	**(16,857)**	(30,590)	**(35,850)**	(65,844)
Other (expense) income, net	**(2,600)**	86	**(4,214)**	(547)
Income before income taxes	**442,169**	417,010	**876,391**	798,339
Provision for income taxes	**83,802**	79,327	**166,266**	149,713
Net income	**$ 358,367**	$ 337,683	**$ 710,125**	$ 648,626
Basic earnings per share	**$ 1.55**	$ 1.46	**$ 3.08**	$ 2.80
Diluted earnings per share	**$ 1.55**	$ 1.45	**$ 3.07**	$ 2.79
Weighted average common shares outstanding:				
Basic shares	**230,818**	231,437	**230,743**	231,267
Diluted shares	**231,472**	232,304	**231,507**	232,170
Dividends declared and paid per share	**$ 0.31**	$ 0.28	**$ 0.62**	$ 0.56

See accompanying notes.

AMETEK, Inc.
Condensed Consolidated Statement of Comprehensive Income
(In thousands)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	**2024**	**2025**	**2024**
Total comprehensive income	**$ 469,902**	$ 325,618	**$ 859,463**	$ 611,175

See accompanying notes.

AMETEK, Inc.
Consolidated Balance Sheet
(In thousands)

	June 30, 2025 (Unaudited)	December 31, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	**$ 619,712**	$ 373,999
Receivables, net	**1,020,967**	948,830
Inventories, net	**1,110,502**	1,021,713
Other current assets	**300,656**	258,490
Total current assets	**3,051,837**	2,603,032
Property, plant and equipment, net	**836,373**	818,611
Right of use assets, net	**245,691**	235,666
Goodwill	**6,723,879**	6,555,877
Other intangibles, net	**3,880,465**	3,915,173
Investments and other assets	**528,301**	502,810
Total assets	**$ 15,266,546**	$ 14,631,169
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Short-term borrowings and current portion of long-term debt, net	**$ 407,651**	$ 654,346
Accounts payable	**549,291**	523,332
Customer advanced payments	**380,407**	363,555
Income taxes payable	**77,574**	84,428
Accrued liabilities and other	**453,512**	472,926
Total current liabilities	**1,868,435**	2,098,587
Long-term debt, net	**1,534,347**	1,425,375
Deferred income taxes	**808,144**	831,030
Other long-term liabilities	**666,948**	620,873
Total liabilities	**4,877,874**	4,975,865
Stockholders' equity:		
Common stock	**2,723**	2,720
Capital in excess of par value	**1,275,795**	1,264,670
Retained earnings	**11,624,849**	11,057,684
Accumulated other comprehensive loss	**(406,401)**	(555,739)
Treasury stock	**(2,108,294)**	(2,114,031)
Total stockholders' equity	**10,388,672**	9,655,304
Total liabilities and stockholders' equity	**$ 15,266,546**	$ 14,631,169

See accompanying notes.

AMETEK, Inc.
Consolidated Statement of Stockholders' Equity
(In thousands)
(Unaudited)

	Three months ended June 30, 2025	Three months ended June 30, 2024	Six months ended June 30, 2025	Six months ended June 30, 2024
Capital stock				
Common stock, $0.01 par value				
Balance at the beginning of the period	$ 2,722	$ 2,715	$ 2,720	$ 2,709
Shares issued	**1**	1	**3**	7
Balance at the end of the period	**2,723**	2,716	**2,723**	2,716
Capital in excess of par value				
Balance at the beginning of the period	1,255,018	1,186,132	1,264,670	1,168,694
Issuance of common stock under employee stock plans	**7,928**	11,059	**(11,188)**	19,556
Share-based compensation expense	**12,849**	13,223	**22,313**	22,164
Balance at the end of the period	**1,275,795**	1,210,414	**1,275,795**	1,210,414
Retained earnings				
Balance at the beginning of the period	11,337,987	10,186,621	11,057,684	9,940,343
Net income	**358,367**	337,683	**710,125**	648,626
Cash dividends paid	**(71,505)**	(64,747)	**(142,960)**	(129,411)
Other	—	(1)	—	(2)
Balance at the end of the period	**11,624,849**	10,459,556	**11,624,849**	10,459,556
Accumulated other comprehensive (loss) income				
Foreign currency translation:				
Balance at the beginning of the period	(355,272)	(325,381)	(392,133)	(298,835)
Translation adjustments	**170,213**	(16,706)	**235,991**	(50,821)
Change in long-term intercompany notes	**(2,727)**	625	**(5,843)**	(4,048)
Net investment hedge instruments (loss) gain , net of tax of $17,857 and $(930) for the quarter ended June 30, 2025 and 2024 and $25,956 and $(4,917) for the six months ended June 30, 2025 and 2024, respectively	**(56,893)**	2,856	**(82,694)**	15,098
Balance at the end of the period	**(244,679)**	(338,606)	**(244,679)**	(338,606)
Defined benefit pension plans:				
Balance at the beginning of the period	(162,664)	(184,947)	(163,606)	(186,107)
Amortization of net actuarial loss and other, net of tax of $(296) and $(365) for the quarter ended June 30, 2025 and 2024 and $(592) and $(730) for the six months ended June 30, 2025 and 2024, respectively	**942**	1,160	**1,884**	2,320
Balance at the end of the period	**(161,722)**	(183,787)	**(161,722)**	(183,787)
Accumulated other comprehensive loss at the end of the period	**(406,401)**	(522,393)	**(406,401)**	(522,393)
Treasury stock				
Balance at the beginning of the period	(2,107,845)	(1,896,925)	(2,114,031)	(1,896,613)
Issuance of common stock under employee stock plans	**(338)**	(284)	**12,814**	6,319
Purchase of treasury stock	**(111)**	(680)	**(7,077)**	(7,595)
Balance at the end of the period	**(2,108,294)**	(1,897,889)	**(2,108,294)**	(1,897,889)
Total stockholders' equity	**$ 10,388,672**	$ 9,252,404	**$10,388,672**	$ 9,252,404

See accompanying notes.

AMETEK, Inc.
Condensed Consolidated Statement of Cash Flows
(In thousands)
(Unaudited)

	Six months ended June 30,	
	2025	**2024**
Cash provided by (used for):		
Operating activities:		
Net income	**$ 710,125**	$ 648,626
Adjustments to reconcile net income to total operating activities:		
Depreciation and amortization	**214,068**	196,681
Deferred income taxes	**(39,069)**	(21,946)
Share-based compensation expense	**22,313**	22,164
Gain on sale of facilities	**(91)**	(995)
Net change in assets and liabilities, net of acquisitions	**(121,101)**	(41,144)
Pension contributions	**(3,021)**	(2,924)
Other, net	**(6,590)**	(8,800)
Total operating activities	**776,634**	791,662
Investing activities:		
Additions to property, plant and equipment	**(52,338)**	(49,068)
Purchases of businesses, net of cash acquired	**(104,110)**	—
Proceeds from sale of business/investment	**—**	657
Proceeds from sale of facilities	**200**	4,246
Other, net	**521**	616
Total investing activities	**(155,727)**	(43,549)
Financing activities:		
Net change in short-term borrowings	**(202,653)**	(640,611)
Repayments of long-term borrowings	**(50,000)**	—
Repurchases of common stock	**(18,122)**	(7,595)
Cash dividends paid	**(142,960)**	(129,411)
Proceeds from stock option exercises	**12,343**	34,524
Other, net	**(8,016)**	(8,557)
Total financing activities	**(409,408)**	(751,650)
Effect of exchange rate changes on cash and cash equivalents	**34,214**	(9,694)
Increase (decrease) in cash and cash equivalents	**245,713**	(13,231)
Cash and cash equivalents:		
Beginning of period	373,999	409,804
End of period	**$ 619,712**	$ 396,573

See accompanying notes.

AMETEK, Inc.
Notes to Consolidated Financial Statements
June 30, 2025
(Unaudited)

1. Basis of Presentation

The accompanying consolidated financial statements are unaudited. AMETEK, Inc. (the “Company”) believes that all adjustments (which primarily consist of normal recurring accruals) necessary for a fair presentation of the consolidated financial position of the Company at June 30, 2025, the consolidated results of its operations for the three and six months ended June 30, 2025 and 2024 and its cash flows for the six months ended June 30, 2025 and 2024 have been included. The Company has two reportable segments, Electronic Instruments Group (“EIG”) and Electromechanical Group (“EMG”). The Company identifies its operating segments for segment reporting purposes primarily on the basis of product type, production processes, distribution methods and management organizations. Quarterly results of operations are not necessarily indicative of results for the full year. The accompanying consolidated financial statements should be read in conjunction with the audited consolidated financial statements and related notes presented in the Company’s Annual Report on Form 10-K for the year ended December 31, 2024 as filed with the U.S. Securities and Exchange Commission.

2. Recent Accounting Pronouncements

Recent Accounting Pronouncements

In November 2024, the FASB issued ASU 2024-03, Income Statement—Reporting Comprehensive Income —Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses, which requires additional disclosures about significant expenses included in certain expense captions presented on the face of the income statement. ASU 2024-03 is effective for annual periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. Prospective or retrospective application is allowed and early adoption is permitted. The Company has not determined the impact ASU 2024-03 may have on the Company’s financial statement disclosures.

In December 2023, the FASB issued ASU No. 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures ("ASU 2023-09"), which improves income tax disclosures by requiring (1) consistent categories and greater disaggregation of information in the rate reconciliation and (2) income taxes paid disaggregated by jurisdiction. It also includes certain other amendments to improve the effectiveness of income tax disclosures. ASU 2023-09 is effective for annual periods beginning after December 15, 2024. The ASU indicates that all entities will apply its guidance prospectively with an option for retroactive application to each period in the financial statements. ASU 2023-09 will require additional disclosures in the Income Taxes footnote, but it will not have a material impact on the Company's consolidated financial statements.

3. Revenues

The outstanding contract asset and liability accounts were as follows:

	2025	2024
	(In thousands)	
Contract assets—January 1	$ 136,432	$ 140,826
Contract assets – June 30	**160,443**	149,674
Change in contract assets – increase (decrease)	**24,011**	8,848
Contract liabilities – January 1	400,689	432,830
Contract liabilities – June 30	**420,585**	425,617
Change in contract liabilities – (increase) decrease	**(19,896)**	7,213
Net change	**$ 4,115**	$ 16,061

For the six months ended June 30, 2025 and 2024, the Company recognized revenue of $243.7 million and $285.5 million, respectively, that was previously included in the beginning balance of contract liabilities.

Contract assets are reported as a component of Other current assets in the consolidated balance sheet. At June 30, 2025 and December 31, 2024, $40.2 million and $37.1 million of Customer advanced payments (contract liabilities), respectively, were recorded in Other long-term liabilities in the consolidated balance sheets.

AMETEK, Inc.
Notes to Consolidated Financial Statements
June 30, 2025
(Unaudited)

The remaining performance obligations not expected to be completed within one year as of June 30, 2025 and December 31, 2024 were $627.3 million and $541.8 million, respectively. Remaining performance obligations represent the transaction price of firm, non-cancelable orders, with expected delivery dates to customers greater than one year from the balance sheet date, for which the performance obligation is unsatisfied or partially unsatisfied. These performance obligations will be substantially satisfied within two to three years.

Geographic Areas

Net sales were attributed to geographic areas based on the location of the customer. Information about the Company's operations in different geographic areas was as follows for the three and six months ended June 30:

	Three months ended June 30, 2025			Six months ended June 30, 2025		
	EIG	EMG	Total	EIG	EMG	Total
	(In thousands)					
United States	**$ 576,268**	**$ 358,738**	**$ 935,006**	**$ 1,156,393**	**$ 706,143**	**$ 1,862,536**
International(1):						
United Kingdom	**24,739**	**37,603**	**62,342**	**55,556**	**75,409**	**130,965**
European Union countries	**145,453**	**109,137**	**254,590**	**277,919**	**213,322**	**491,241**
Asia	**289,965**	**62,281**	**352,246**	**564,830**	**117,459**	**682,289**
Other foreign countries	**123,146**	**50,726**	**173,872**	**248,546**	**94,450**	**342,996**
Total international	**583,303**	**259,747**	**843,050**	**1,146,851**	**500,640**	**1,647,491**
Consolidated net sales	**$ 1,159,571**	**$ 618,485**	**$ 1,778,056**	**$ 2,303,244**	**$ 1,206,783**	**$ 3,510,027**

(1) Includes U.S. export sales of $472.9 million and $942.9 million for the three and six months ended June 30, 2025, respectively.

	Three months ended June 30, 2024			Six months ended June 30, 2024		
	EIG	EMG	Total	EIG	EMG	Total
	(In thousands)					
United States	$ 602,677	$ 342,201	$ 944,878	$ 1,171,574	$ 686,061	$ 1,857,635
International(1):						
United Kingdom	27,759	35,755	63,514	54,466	63,947	118,413
European Union countries	128,428	106,990	235,418	270,670	221,976	492,646
Asia	281,990	56,310	338,300	580,035	106,509	686,544
Other foreign countries	112,759	39,965	152,724	233,647	82,129	315,776
Total international	550,936	239,020	789,956	1,138,818	474,561	1,613,379
Consolidated net sales	$ 1,153,613	$ 581,221	$ 1,734,834	$ 2,310,392	$ 1,160,622	$ 3,471,014

(1) Includes U.S. export sales of $435.6 million and $909.3 million for the three and six months ended June 30, 2024, respectively.

AMETEK, Inc.
Notes to Consolidated Financial Statements
June 30, 2025
(Unaudited)

Major Products and Services

The Company’s major products and services in the reportable segments were as follows:

	Three months ended June 30, 2025			Six months ended June 30, 2025		
	EIG	EMG	Total	EIG	EMG	Total
	(In thousands)					
Process and analytical instrumentation	**$ 802,866**	**$ —**	**$ 802,866**	**$ 1,579,737**	**$ —**	**$ 1,579,737**
Aerospace and power	**356,705**	**180,723**	**537,428**	**723,507**	**352,631**	**1,076,138**
Automation and engineered solutions	**—**	**437,762**	**437,762**	**—**	**854,152**	**854,152**
Consolidated net sales	**$ 1,159,571**	**$ 618,485**	**$ 1,778,056**	**$ 2,303,244**	**$ 1,206,783**	**$ 3,510,027**

	Three months ended June 30, 2024			Six months ended June 30, 2024		
	EIG	EMG	Total	EIG	EMG	Total
	(In thousands)					
Process and analytical instrumentation	$ 802,724	$ —	$ 802,724	$ 1,594,262	$ —	$ 1,594,262
Aerospace and power	350,889	154,463	505,352	716,130	306,915	1,023,045
Automation and engineered solutions	—	426,758	426,758	—	853,707	853,707
Consolidated net sales	$ 1,153,613	$ 581,221	$ 1,734,834	$ 2,310,392	$ 1,160,622	$ 3,471,014

Timing of Revenue Recognition

	Three months ended June 30, 2025			Six months ended June 30, 2025		
	EIG	EMG	Total	EIG	EMG	Total
	(In thousands)					
Products transferred at a point in time	**$ 919,601**	**$ 564,030**	**$ 1,483,631**	**$ 1,826,488**	**$ 1,097,438**	**$ 2,923,926**
Products and services transferred over time	**239,970**	**54,455**	**294,425**	**476,756**	**109,345**	**586,101**
Consolidated net sales	**$ 1,159,571**	**$ 618,485**	**$ 1,778,056**	**$ 2,303,244**	**$ 1,206,783**	**$ 3,510,027**

	Three months ended June 30, 2024			Six months ended June 30, 2024		
	EIG	EMG	Total	EIG	EMG	Total
	(In thousands)					
Products transferred at a point in time	$ 925,932	$ 493,999	$ 1,419,931	$ 1,871,930	$ 997,584	$ 2,869,514
Products and services transferred over time	227,681	87,222	314,903	438,462	163,038	601,500
Consolidated net sales	$ 1,153,613	$ 581,221	$ 1,734,834	$ 2,310,392	$ 1,160,622	$ 3,471,014

Product Warranties

The Company provides limited warranties in connection with the sale of its products. The warranty periods for products sold vary among the Company’s operations, but the majority do not exceed one year. The Company calculates its warranty expense provision based on its historical warranty experience and adjustments are made periodically to reflect actual warranty expenses. Product warranty obligations are reported as a component of Accrued liabilities and other in the consolidated balance sheet.

AMETEK, Inc.
Notes to Consolidated Financial Statements
June 30, 2025
(Unaudited)

Changes in the accrued product warranty obligation were as follows:

	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
	(In thousands)	
Balance at the beginning of the period	$ 38,555	$ 37,087
Accruals for warranties issued during the period	**9,970**	10,648
Settlements made during the period	**(9,418)**	(11,073)
Warranty accruals related to acquired businesses and other during the period	**2,123**	(30)
Balance at the end of the period	**$ 41,230**	$ 36,632

Accounts Receivable

The Company maintains allowances for estimated losses resulting from the inability of customers to meet their financial obligations to the Company. The Company recognizes an allowance for credit losses, on all accounts receivable and contract assets, which considers risk of future credit losses based on factors such as historical experience, contract terms, as well as general and market business conditions, country, and political risk. Balances are written off when determined to be uncollectible.

At June 30, 2025, the Company had $1,021.0 million of accounts receivable, net of allowances of $13.1 million. At December 31, 2024, the Company had $948.8 million of accounts receivable, net of allowance of $13.0 million. Changes in the allowance were not material for the three and six months ended June 30, 2025.

4. Earnings Per Share

The calculation of basic earnings per share is based on the weighted average number of common shares considered outstanding during the periods. The calculation of diluted earnings per share reflects the effect of all potentially dilutive securities (principally outstanding stock options and restricted stock grants). The number of weighted average shares used in the calculation of basic earnings per share and diluted earnings per share was as follows:

	Three Months Ended June 30, 2025	Three Months Ended June 30, 2024	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
	(In thousands)			
Weighted average shares:				
Basic shares	**230,818**	231,437	**230,743**	231,267
Equity-based compensation plans	**654**	867	**764**	903
Diluted shares	**231,472**	232,304	**231,507**	232,170

The calculation of diluted earnings per share for the three and six months ended June 30, 2025 and 2024 excluded an immaterial number of stock options because the exercise prices of these stock options exceeded the average market price of the Company’s common shares, and the effect of their inclusion would have been antidilutive.

5. Fair Value Measurements

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

The Company utilizes a valuation hierarchy for disclosure of the inputs to the valuations used to measure fair value. This hierarchy prioritizes the inputs into three broad levels as follows. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are quoted prices for similar assets and liabilities in active markets or inputs that are observable for the asset or liability, either directly or indirectly through market corroboration, for substantially the full term of the financial instrument. Level 3 inputs are unobservable inputs based on the Company’s own assumptions used to measure assets and liabilities at fair value. A financial asset or liability's classification within the hierarchy is determined based on the lowest level input that is significant to the fair value measurement.

The following table provides the Company's assets that are measured at fair value on a recurring basis, consistent with the fair value hierarchy, at June 30, 2025 and December 31, 2024:

	June 30, 2025			
	Total	Level 1	Level 2	Level 3
	(In thousands)			
Mutual fund investments	**$ 9,787**	**$ 9,787**	**$ —**	**$ —**

	December 31, 2024			
	Total	Level 1	Level 2	Level 3
	(In thousands)			
Mutual fund investments	$ 9,124	$ 9,124	$ —	$ —

The fair value of mutual fund investments is based on quoted market prices. The mutual fund investments are shown as a component of investments and other assets on the consolidated balance sheet.

For the six months ended June 30, 2025 and 2024, gains and losses on the investments noted above were not significant. No transfers between level 1 and level 2 investments occurred during the six months ended June 30, 2025 and 2024.

Financial Instruments

Cash, cash equivalents and mutual fund investments are recorded at fair value at June 30, 2025 and December 31, 2024 in the accompanying consolidated balance sheet.

The following table provides the estimated fair values of the Company's financial instrument liabilities, for which fair value is measured for disclosure purposes only, compared to the recorded amounts at June 30, 2025 and December 31, 2024:

	June 30, 2025		December 31, 2024	
	Recorded Amount	Fair Value	Recorded Amount	Fair Value
	(In thousands)			
Long-term debt (including current portion)	**$ (1,910,540)**	**$ (1,858,979)**	$ (1,851,873)	$ (1,778,719)

The fair value of net short-term borrowings approximates the carrying value. The Company's net long-term debt is all privately held with no public market for this debt, therefore, the fair value of net long-term debt was computed based on comparable current market data for similar debt instruments and is considered a level 3 liability.

6. Hedging Activities

The Company has designated certain foreign-currency-denominated long-term borrowings as hedges of the net investment in certain foreign operations. As of June 30, 2025, these net investment hedges included British-pound-and Euro-denominated long-term debt. These borrowings were designed to create net investment hedges in certain designated foreign subsidiaries. The Company designated the British-pound- and Euro-denominated loans as hedging instruments to offset translation gains or losses on the net investment due to changes in the British pound and Euro exchange rates. These net investment hedges are evidenced by management's contemporaneous documentation supporting the hedge designation. Any gain or loss on the hedging instruments (the debt) following hedge designation is reported in accumulated other comprehensive income in the same manner as the translation adjustment on the hedged investment based on changes in the spot rate, which is used to measure hedge effectiveness.

At June 30, 2025, the Company had $308.7 million of British-pound-denominated loans and $676.8 million in Euro-denominated loans, which were designated as a hedge against the net investment in British pound and Euro functional currency foreign subsidiaries. As a result of the British-pound- and Euro-denominated loans designated and 100% effective as net investment hedges, $108.7 million of pre-tax currency remeasurement losses have been included in the foreign currency translation component of other comprehensive income for the six months ended June 30, 2025.

7. Inventories, net

	June 30, 2025	December 31, 2024
	(In thousands)	
Finished goods and parts	**$ 79,932**	$ 80,491
Work in process	**204,840**	171,084
Raw materials and purchased parts	**825,730**	770,138
Total inventories, net	**$ 1,110,502**	$ 1,021,713

8. Leases and Other Commitments

The Company has commitments under operating leases for certain facilities, vehicles and equipment used in its operations. Cash used in operations for operating leases was not materially different from operating lease expense for the six months ended June 30, 2025 and 2024. The Company's leases have a weighted average remaining lease term of approximately six years. Certain lease agreements contain provisions for future rent increases.

The components of lease expense were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
	(In thousands)			
Operating lease cost	**$ 22,962**	$ 17,797	**$ 43,237**	$ 35,401
Variable lease cost	**3,857**	3,142	**7,202**	6,333
Total lease cost	**$ 26,819**	$ 20,939	**$ 50,439**	$ 41,734

Supplemental balance sheet information related to leases was as follows:

	June 30, 2025	December 31, 2024
	(In thousands)	
Right of use assets, net	**$ 245,691**	$ 235,666
Lease liabilities included in Accrued Liabilities and other	**55,955**	54,736
Lease liabilities included in Other long-term liabilities	**200,746**	190,017
Total lease liabilities	**$ 256,701**	$ 244,753

Maturities of lease liabilities as of June 30, 2025 were as follows:

Lease Liability Maturity Analysis	Operating Leases (In thousands)
Remaining 2025	$ 32,739
2026	59,106
2027	48,173
2028	37,271
2029	31,017
Thereafter	93,763
Total lease payments	302,069
Less: imputed interest	45,368
	$ 256,701

The Company does not have any significant leases that have not yet commenced.

Other Commitments

In the ordinary course of its business, the Company issues guarantees, stand-by letters of credit and surety bonds to provide financial or performance assurance to third parties on behalf of its consolidated subsidiaries to support or enhance the subsidiary's stand-alone creditworthiness. At June 30, 2025, the maximum amount of future payment obligations relative to these various guarantees was $296.2 million and the outstanding liability under certain of those guarantees was $176.1 million.

9. Acquisitions

The Company spent $104.1 million in cash, net of cash acquired, to acquire Kern Microtechnik ("Kern") in January 2025. Kern is a leading manufacturer of high-precision machining and optical inspection solutions supporting a wide range of applications within the medical, semiconductor, research, and space markets. Kern has annual sales of approximately 50 million Euros. Kern is part of EIG.

The following table represents the allocation of the purchase price for the net assets of the Kern acquisition based on the estimated fair values at acquisition (in millions):

Property, plant and equipment	$ 10.1
Goodwill	55.0
Other intangible assets	59.6
Deferred income taxes	(18.9)
Net working capital and other[(1)]	7.2
Total purchase price	$ 113.0
Less: Acquisition date fair value of contingent payment liability	(8.9)
Total cash paid	$ 104.1

(1) Includes $6.4 million in accounts receivable, whose fair value, contractual cash flows and expected cash flows are approximately equal.

The amount allocated to goodwill is reflective of the benefits the Company expects to realize from the acquisition. Kern's design and engineering capabilities complement the Company's existing ultra precision technologies business.

At June 30, 2025, the purchase price allocated to other intangible assets of $59.6 million consists of $9.6 million of indefinite-lived intangible trade names, which are not subject to amortization. The remaining $50.0 million of other intangible assets consists of $40.4 million of customer relationships, which are being amortized over a period of 17 years, and $9.6 million of purchased technology, which is being amortized over a period of 17 years. Amortization expense for each of the next five years for the 2025 acquisition is expected to approximate $3 million per year.

The Kern acquisition includes an $8.9 million estimated fair value contingent payment due upon Kern achieving certain cumulative revenue and EBITDA targets over the period January 1, 2025 to January 1, 2027. The contingent liability was based on a probabilistic approach using level 3 inputs. At June 30, 2025, there was no change to the estimated fair value of the contingent payment liability.

The Kern acquisition had an immaterial impact on reported net sales, net income, and diluted earnings per share for the three and six months ended June 30, 2025. Had the acquisition been made at the beginning of 2025 or 2024, pro forma net sales, net income, and diluted earnings per share for the three and six months ended June 30, 2025 and 2024, would not have been materially different than the amounts reported.

The Company finalized its measurements of tangible and intangible assets and liabilities for its October 2024 acquisition of Virtek Vision International, which had no material impact to the consolidated statement of income and balance sheet. The Company has not finalized its measurements of certain tangible and intangible assets and liabilities or the accounting for income taxes for its January 2025 acquisition of Kern.

Acquisition Subsequent to June 30, 2025

In July 2025, the Company acquired all outstanding shares of FARO Technologies ("FARO") common stock for approximately $920.0 million, net of cash acquired. The transaction was completed following the approval of FARO's stockholders and receipt of all regulatory approvals. FARO has annual sales of approximately $340 million. FARO is a leading provider of 3D measurement and imaging solutions, including portable measurement arms, laser scanners and trackers, software solutions, and comprehensive service offerings. FARO will join the Electronic Instruments Group segment.

10. Goodwill

The changes in the carrying amounts of goodwill by segment were as follows:

	EIG	EMG	Total
		(In millions)	
Balance at December 31, 2024	$ 4,424.9	$ 2,131.0	$ 6,555.9
Goodwill acquired from 2025 acquisitions	**55.0**	**—**	**55.0**
Purchase price allocation adjustments and other	**4.5**	**—**	**4.5**
Foreign currency translation adjustments	**72.4**	**36.1**	**108.5**
Balance at June 30, 2025	**$ 4,556.8**	**$ 2,167.1**	**$ 6,723.9**

11. Income Taxes

At June 30, 2025, the Company had gross uncertain tax benefits of $223.1 million, of which $178.5 million, if recognized, would impact the effective tax rate.

The following is a reconciliation of the liability for uncertain tax positions (in millions):

Balance at December 31, 2024	$ 201.6
Additions for tax positions	**23.2**
Reductions for tax positions	**(1.7)**
Balance at June 30, 2025	**$ 223.1**

The additions above primarily reflect the tax positions for foreign tax planning initiatives. The Company recognizes interest and penalties accrued related to uncertain tax positions in income tax expense. The amounts recognized in income tax expense for interest and penalties during the three and six months ended June 30, 2025 and 2024 were not significant.

The effective tax rate for the three months ended June 30, 2025 and 2024 was 19.0%.

Subsequent Event

On July 4, 2025, the President signed into law the One Big Beautiful Bill Act (“OBBBA”), enacting permanent extensions of most expiring Tax Cuts and Jobs Act provisions and international tax changes, including modifications to bonus depreciation, R&D expensing, and interest expense limitations. The Company is currently evaluating the potential impacts of the OBBBA.

12. Debt

On January 6, 2025, the Company established a commercial paper program under which it may issue short-term, unsecured commercial paper notes. Amounts available under the commercial paper program may be borrowed, repaid and re-borrowed, with the aggregate face or principal amount of the notes outstanding under the commercial paper program at any time not to exceed $2.3 billion. The notes will have maturities of up to 364 days from the date of issue. The Company intends the commercial paper program to provide additional financing flexibility for various purposes including acquisitions. The Company expects that outstanding indebtedness of the Company under both the revolving credit facility and the commercial paper program will not exceed $2.3 billion at any time. At June 30, 2025, there were no borrowings outstanding under the commercial paper program.

In the second quarter of 2025, the Company paid in full, at maturity, a $50.0 million in aggregate principal amount of 3.91% senior notes.

13. Share-Based Compensation

The Company's share-based compensation plans are described in Note 11, Share-Based Compensation, to the consolidated financial statements in Part II, Item 8, filed on the Company’s Annual Report on Form 10-K for the year ended December 31, 2024.

Share Based Compensation Expense

Total share-based compensation expense was as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	**2024**	**2025**	**2024**
	(In thousands)			
Stock option expense	**$ 2,853**	$ 3,517	**$ 6,116**	$ 7,026
Restricted stock expense	**5,270**	5,329	**10,325**	10,126
Performance restricted stock unit expense	**4,726**	4,377	**5,872**	5,012
Total pre-tax expense	**$ 12,849**	$ 13,223	**$ 22,313**	$ 22,164

Pre-tax share-based compensation expense is included in the consolidated statement of income in either Cost of sales or Selling, general and administrative expenses, depending on where the recipient’s cash compensation is reported.

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Stock Options

The fair value of each stock option grant is estimated on the grant date using a Black-Scholes-Merton option pricing model. The following weighted average assumptions were used in the Black-Scholes-Merton model to estimate the fair values of stock options granted during the periods indicated:

	Six Months Ended June 30, 2025	Year Ended December 31, 2024
Expected volatility	**22.7%**	28.2%
Expected term (years)	**5.0**	5.0
Risk-free interest rate	**4.07%**	4.31%
Expected dividend yield	**0.70%**	0.62%
Black-Scholes-Merton fair value per stock option granted	**$ 46.21**	$ 56.42

The following is a summary of the Company's stock option activity and related information:

	Shares (In thousands)	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value (In millions)
Outstanding at December 31, 2024	2,140	$ 114.33		
Granted	**267**	**176.08**		
Exercised	**(134)**	**102.66**		
Forfeited	**(27)**	**159.79**		
Outstanding at June 30, 2025	**2,246**	**$ 121.83**	**6.4**	**$ 133.0**
Exercisable at June 30, 2025	**1,728**	**$ 107.70**	**5.6**	**$ 126.7**

The aggregate intrinsic value of stock options exercised during the six months ended June 30, 2025 was $10.1 million. The total fair value of stock options vested during the six months ended June 30, 2025 was $13.7 million. As of June 30, 2025, there was approximately $20.2 million of expected future pre-tax compensation expense related to the 0.5 million non-vested stock options outstanding, which is expected to be recognized over a weighted average period of approximately two years.

Restricted Stock

The following is a summary of the Company's non-vested restricted stock activity and related information:

	Shares (In thousands)	Weighted Average Grant Date Fair Value
Non-vested restricted stock outstanding at December 31, 2024	277	$ 159.71
Granted	**163**	**176.25**
Vested	**(134)**	**150.80**
Forfeited	**(18)**	**167.84**
Non-vested restricted stock outstanding at June 30, 2025	**288**	**$ 172.72**

The total fair value of restricted stock vested during the six months ended June 30, 2025 was $20.3 million. As of June 30, 2025, there was approximately $41.1 million of expected future pre-tax compensation expense related to the 0.3 million non-vested restricted shares outstanding, which is expected to be recognized over a weighted average period of approximately two years.

Performance Restricted Stock Units

The following is a summary of the Company's non-vested performance restricted stock activity and related information:

	Shares (In thousands)	Weighted Average Grant Date Fair Value
Non-vested performance restricted stock outstanding at December 31, 2024	235	$ 150.92
Granted	**93**	**176.08**
Performance assumption change [1]	**8**	**134.69**
Vested	**(92)**	**134.69**
Forfeited	**(1)**	**157.01**
Non-vested performance restricted stock outstanding at June 30, 2025	**243**	**$ 166.13**

[1] Reflects the number of PRSUs above target levels based on performance metrics.

As of June 30, 2025, there was approximately $15.9 million of expected future pre-tax compensation expense related to the 0.2 million non-vested restricted shares outstanding, which is expected to be recognized over a weighted average period of less than one year.

14. Retirement and Pension Plans

The components of net periodic pension benefit expense (income) were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
	(In thousands)			
Defined benefit plans:				
Service cost	**$ 596**	$ 727	**$ 1,168**	$ 1,457
Interest cost	**7,325**	6,978	**14,500**	13,967
Expected return on plan assets	**(13,236)**	(13,619)	**(26,330)**	(27,251)
Amortization of net actuarial loss and other	**2,066**	2,333	**4,085**	4,670
Pension income	**(3,249)**	(3,581)	**(6,577)**	(7,157)
Other plans:				
Defined contribution plans	**11,187**	10,985	**23,691**	25,580
Foreign plans and other	**1,184**	2,287	**2,988**	3,976
Total other plans	**12,371**	13,272	**26,679**	29,556
Total net pension expense	**$ 9,122**	$ 9,691	**$ 20,102**	$ 22,399

For defined benefit plans, the net periodic benefit income, other than the service cost component, is included in "Other (expense) income, net" in the consolidated statement of income.

For the six months ended June 30, 2025 and 2024, contributions to the Company's defined benefit pension plans were $3.0 million and $2.9 million, respectively. The Company's current estimate of 2025 contributions to its worldwide defined benefit pension plans is in line with the range disclosed in Note 12 of the Company's Annual Report on Form 10-K for the year ended December 31, 2024.

15. Contingencies

Asbestos Litigation

The Company (including its subsidiaries) has been named as a defendant in a number of asbestos-related lawsuits. Certain of these lawsuits relate to a business which was acquired by the Company and do not involve products which were manufactured or sold by the Company. In connection with these lawsuits, the seller of such business has agreed to indemnify the Company against these claims (the “Indemnified Claims”). The Indemnified Claims have been tendered to, and are being defended by, such seller. The seller has met its obligations, in all respects, and the Company does not have any reason to believe such party would fail to fulfill its obligations in the future. To date, no judgments have been rendered against the Company as a result of any asbestos-related lawsuit. The Company believes that it has good and valid defenses to each of these claims and intends to defend them vigorously.

Environmental Matters

Certain historic processes in the manufacture of products have resulted in environmentally hazardous waste by-products as defined by federal and state laws and regulations. At June 30, 2025, the Company is named a Potentially Responsible Party (“PRP”) at 13 non-AMETEK-owned former waste disposal or treatment sites (the “non-owned” sites). The Company is identified as a “de minimis” party in a majority of these sites based on the low volume of waste attributed to the Company relative to the amounts attributed to other named PRPs. The Company is participating in the investigation and/or related required remediation as part of a PRP Group and reserves have been established to satisfy the Company’s expected obligations. The Company historically has resolved these issues within established reserve levels and reasonably expects this result will continue. In addition to these non-owned sites, the Company has an ongoing practice of providing reserves for probable remediation activities at certain of its current or previously owned manufacturing locations (the “owned” sites). For claims and proceedings against the Company with respect to other environmental matters, reserves are established once the Company has determined that a loss is probable and estimable. This estimate is refined as the Company moves through the various stages of investigation, risk assessment, feasibility study and corrective action processes. In certain instances, the Company has developed a range of estimates for such costs and has recorded a liability based on the best estimate. It is reasonably possible that the actual cost of remediation of the individual sites could vary from the current estimates and the amounts accrued in the consolidated financial statements; however, the amounts of such variances are not expected to result in a material change to the consolidated financial statements. In estimating the Company’s liability for remediation, the Company also considers the likely proportionate share of the anticipated remediation expense and the ability of the other PRPs to fulfill their obligations.

Total environmental reserves at June 30, 2025 and December 31, 2024 were $29.1 million and $29.8 million, respectively, for both non-owned and owned sites. For the six months ended June 30, 2025, the Company recorded $3.5 million in reserves. Additionally, the Company spent $4.2 million on environmental matters for the six months ended June 30, 2025.

The Company has agreements with other former owners of certain of its acquired businesses, as well as new owners of previously owned businesses. Under certain of the agreements, the former or new owners retained, or assumed and agreed to indemnify the Company against, certain environmental and other liabilities under certain circumstances. The Company and some of these other parties also carry insurance coverage for some environmental matters.

The Company believes it has established reserves for the environmental matters described above, which are sufficient to perform all known responsibilities under existing claims and consent orders. In the opinion of management, based on presently available information and the Company’s historical experience related to such matters, an adequate provision for probable costs has been made and the ultimate cost resulting from these actions is not expected to materially affect the consolidated results of operations, financial position or cash flows of the Company.

16. Reportable Segments

The Company has two reportable segments, Electronic Instruments Group and Electromechanical Group. The Company identifies its operating segments for segment reporting purposes primarily on the basis of product type, production processes, distribution methods and management organizations.

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Reportable Segment Financial Information (in thousands):

	Three Months Ended June 30, 2025			
	EMG	EIG	Corporate	Total Consolidated
Net Sales	$ 618,485	$ 1,159,571	$ —	$ 1,778,056
Cost of sales	452,132	690,035	—	1,142,167
Selling expense	22,465	125,108	—	147,573
Segment Operating Income	143,888	344,428	—	488,316
Corporate G&A	—	—	26,690	26,690
Operating Income	143,888	344,428	(26,690)	461,626
Interest expense	—	—	(16,857)	(16,857)
Other (expense) income, net	—	—	(2,600)	(2,600)
Income before Income Taxes	$ 143,888	$ 344,428	$ (46,147)	$ 442,169
Depreciation	15,665	19,130	1,481	36,276
Amortization	26,812	44,613	—	71,425
Total depreciation and amortization	$ 42,477	$ 63,743	$ 1,481	$ 107,701
Research, Development & Engineering costs [1]	$ 21,032	$ 73,195	$ —	$ 94,227
Assets	$ 4,847,262	$ 9,541,110	$ 878,174	$ 15,266,546
Capital Expenditures	$ 10,193	$ 11,266	$ 7,810	$ 29,269

(1) Included in cost of sales.

	Three Months Ended June 30, 2024			
	EMG	EIG	Corporate	Total Consolidated
Net Sales	$ 581,221	$ 1,153,613	$ —	$ 1,734,834
Cost of sales	435,427	674,998	—	1,110,425
Selling expense	22,692	128,758	—	151,450
Segment Operating Income	123,102	349,857	—	472,959
Corporate G&A	—	—	25,445	25,445
Operating Income	123,102	349,857	(25,445)	447,514
Interest expense	—	—	(30,590)	(30,590)
Other (expense) income, net	—	—	86	86
Income before Income Taxes	$ 123,102	$ 349,857	$ (55,949)	$ 417,010
Depreciation	$ 16,514	$ 17,703	$ 1,644	$ 35,861
Amortization	19,607	43,214	—	62,821
Total depreciation and amortization	$ 36,121	$ 60,917	$ 1,644	$ 98,682
Research, Development & Engineering costs [1]	$ 18,261	$ 71,951	$ —	$ 90,212
Assets	$ 4,892,661	$ 9,368,934	$ 534,271	$ 14,795,866
Capital Expenditures	$ 6,375	$ 10,436	$ 4,605	$ 21,416

(1) Included in cost of sales.

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	Six Months Ended June 30, 2025			
	EMG	**EIG**	**Corporate**	**Total Consolidated**
Net Sales	**$ 1,206,783**	**$ 2,303,244**	**$ —**	**$ 3,510,027**
Cost of sales	**889,920**	**1,359,218**	**—**	**2,249,138**
Selling expense	**44,257**	**245,548**	**—**	**289,805**
Segment Operating Income	**272,606**	**698,478**	**—**	**971,084**
Corporate G&A	**—**	**—**	**54,629**	**54,629**
Operating Income	**272,606**	**698,478**	**(54,629)**	**916,455**
Interest expense	**—**	**—**	**(35,850)**	**(35,850)**
Other (expense) income, net	**—**	**—**	**(4,214)**	**(4,214)**
Income before Income Taxes	**$ 272,606**	**$ 698,478**	**$ (94,693)**	**$ 876,391**
Depreciation	**$ 31,058**	**$ 37,887**	**$ 2,917**	**$ 71,862**
Amortization	**53,455**	**88,751**	**—**	**142,206**
Total depreciation and amortization	**$ 84,513**	**$ 126,638**	**$ 2,917**	**$ 214,068**
Research, Development & Engineering costs (1)	**$ 42,275**	**$ 146,817**	**$ —**	**$ 189,092**
Capital Expenditures (2)	**$ 17,357**	**$ 21,669**	**$ 13,312**	**$ 52,338**

(1) Included in cost of sales.

(2) Includes $20.0 million in EIG from an acquired business.

	Six Months Ended June 30, 2024			
	EMG	**EIG**	**Corporate**	**Total Consolidated**
Net Sales	$ 1,160,622	$ 2,310,392	$ —	$ 3,471,014
Cost of sales (1)	901,805	1,353,301	—	2,255,106
Selling expense	45,024	254,294	—	299,318
Segment Operating Income	213,793	702,797	—	916,590
Corporate G&A	—	—	51,860	51,860
Operating Income	213,793	702,797	(51,860)	864,730
Interest expense	—	—	(65,844)	(65,844)
Other (expense) income, net	—	—	(547)	(547)
Income before Income Taxes	$ 213,793	$ 702,797	$ (118,251)	$ 798,339
Depreciation	$ 32,682	$ 35,430	$ 3,035	$ 71,147
Amortization	39,209	86,325	—	125,534
Total depreciation and amortization	$ 71,891	$ 121,755	$ 3,035	$ 196,681
Research, Development & Engineering costs (2)	$ 37,433	$ 148,904	$ —	$ 186,337
Capital Expenditures	$ 18,772	$ 23,143	$ 7,153	$ 49,068

(1) Includes $29.2 million in EMG for Paragon integration costs.

(2) Included in cost of sales.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

Recent Trends

In recent months, the United States government announced additional tariffs and trade restrictions on goods imported into the U.S. from various nations. In response, some nations countered with or are considering reciprocal tariffs and other actions. The U.S. government is negotiating with several of these nations regarding the tariffs, however, the outcome of these negotiations is still uncertain. Our businesses have been proactive in addressing the potential impacts of tariffs, including targeted pricing initiatives, strategic adjustments to our global supply chains, and leveraging our worldwide manufacturing footprint to localize production. As the situation continues to evolve, we cannot be certain of the outcome, which could adversely impact demand for our products, costs, inflation, customers, suppliers, and the overall global economy. We continue to monitor and analyze the impacts of the tariffs and will continue to implement appropriate actions as necessary to attempt to mitigate their effects.

Results of Operations

For the quarter ended June 30, 2025, the Company posted record sales as well as strong orders, operating income, and operating margins. Contributions from the acquisitions of Virtek Vision International ("Virtek") in October 2024 and Kern Microtechnik ("Kern") in January 2025 as well as our Operational Excellence initiatives had a positive impact on the second quarter of 2025 results.

Results of operations for the second quarter of 2025 compared with the second quarter of 2024

Net sales for the second quarter of 2025 were a record $1,778.1 million, an increase of $43.3 million or 2.5%, compared with net sales of $1,734.8 million for the second quarter of 2024. The increase in net sales for the second quarter of 2025 was due to a 2% increase from acquisitions as well as a 1% favorable effect of foreign currency translation.

Total international sales for the second quarter of 2025 were $843.0 million or 47.4% of net sales, an increase of $53.0 million or 6.7%, compared with international sales of $790.0 million or 45.5% of net sales for the second quarter of 2024. The increase in international sales was primarily driven by higher demand in all markets, as well as contributions from recent acquisitions.

Orders for the second quarter of 2025 were $1,782.1 million, an increase of $104.9 million or 6.3%, compared with $1,677.2 million for the second quarter of 2024. The increase in orders for the second quarter of 2025 was due to a 2% increase from acquisitions as well as a 5% favorable effect of foreign currency translation. The Company's backlog of unfilled orders at June 30, 2025 was $3,473.1 million, an increase of $69.9 million or 2.1% compared with $3,403.2 million at December 31, 2024.

Cost of sales for the second quarter of 2025 was $1,142.2 million or 64.2% of net sales, an increase of $31.8 million or 2.9%, compared with $1,110.4 million or 64.0% of net sales for the second quarter of 2024.

Segment operating income for the second quarter of 2025 was $488.3 million, an increase of $15.3 million or 3.2%, compared with segment operating income of $473.0 million for the second quarter of 2024. Segment operating margins, as a percentage of net sales, increased to 27.5% for the second quarter of 2025, compared with 27.3% for the second quarter of 2024. In the second quarter of 2025, segment operating margins were negatively impacted 30 basis points by the dilutive impact of recent acquisitions and 50 basis points from foreign currency translation headwinds. Excluding the dilutive impact of recent acquisitions and the effect of foreign currency translation, segment operating margins increased 100 basis points compared to the second quarter of 2024 due to the sales increase discussed above, as well as continued benefits from the Company's Operational Excellence initiatives.

Selling, general and administrative expenses for the second quarter of 2025 were $174.3 million or 9.8% of net sales, a decrease of $2.6 million or 1.5%, compared with $176.9 million or 10.2% of net sales for the second quarter of 2024. General and administrative expenses for the second quarter of 2025 were $26.7 million, compared with $25.4 million for the second quarter of 2024.

Consolidated operating income was $461.6 million or 26.0% of net sales for the second quarter of 2025, an increase of $14.1 million or 3.2%, compared with $447.5 million or 25.8% of net sales for the second quarter of 2024. In the second quarter of 2025, operating margins were negatively impacted 20 basis points by the dilutive impact of recent acquisitions and 50 basis points from foreign currency translation headwinds. Excluding the dilutive impact of recent acquisitions and the effect of foreign currency translation, operating margins increased 90 basis points compared to the second quarter of 2024 due to the sales increase discussed above, as well as continued benefits from the Company's Operational Excellence initiatives.

Interest expense for the second quarter of 2025 was $16.9 million, a decrease of $13.7 million or 44.9%, compared with $30.6 million for the second quarter of 2024. Higher borrowings under the revolving credit facility related to the Paragon acquisition resulted in higher interest expense in the second quarter of 2024.

Other expense, net was $2.6 million for the second quarter of 2025, compared with $0.1 million of other income, net for the second quarter of 2024.

The effective tax rate for the second quarter of 2025 and 2024 was 19.0%.

Net income for the second quarter of 2025 was $358.4 million, an increase of $20.7 million or 6.1%, compared with $337.7 million for the second quarter of 2024.

Diluted earnings per share for the second quarter of 2025 were $1.55, an increase of $0.10 or 6.9%, compared with $1.45 per diluted share for the second quarter of 2024.

Segment Results

EIG’s net sales totaled $1,159.6 million for the second quarter of 2025, an increase of $6.0 million or 0.5%, compared with $1,153.6 million for the second quarter of 2024. The net sales increase was due to a 2% increase from recent acquisitions, as well as a 1% favorable effect of foreign currency translation, partially offset by a 3% organic sales decrease.

EIG’s operating income was $344.4 million for the second quarter of 2025, a decrease of $5.5 million or 1.6%, compared with $349.9 million for the second quarter of 2024. EIG’s operating margins were 29.7% of net sales for the second quarter of 2025, compared with 30.3% for the second quarter of 2024. In the second quarter of 2025, EIG's operating margins were negatively impacted 50 basis points by the dilutive impact of recent acquisitions and foreign currency exchange headwinds of 50 basis points. Excluding the dilutive impact of recent acquisitions and the effect of foreign currency translation, EIG's operating margins increased 40 basis points compared to the second quarter of 2024 due to the continued benefits from the Company's Operational Excellence initiatives.

EMG’s net sales totaled a record $618.5 million for the second quarter of 2025, an increase of $37.3 million or 6.4%, compared with $581.2 million for the second quarter of 2024. The net sales increase was due to a 5% organic sales increase as well as a 1% favorable effect of foreign currency translation.

EMG’s operating income was a record $143.9 million for the second quarter of 2025, an increase of $20.8 million or 16.9%, compared with $123.1 million for the second quarter of 2024. EMG’s operating margins were 23.3% of net sales for the second quarter of 2025, compared with 21.2% for the second quarter of 2024. Foreign currency exchange headwinds negatively impacted EMG's operating margins in the second quarter of 2025 by 50 basis points. Excluding the effect of foreign currency translation, EMG's operating margins increased 260 basis points compared to the second quarter of 2024 due to the sales increase discussed above, as well as continued benefits from the Company's Operational Excellence initiatives.

Results of operations for the first six months of 2025 compared with the first six months of 2024

Net sales for the first six months of 2025 were $3,510.0 million, an increase of $39.0 million or 1.1%, compared with net sales of $3,471.0 million for the first six months of 2024. The increase in net sales for the first six months of 2025 was due to a 1% increase from acquisitions.

Total international sales for the first six months of 2025 were $1,647.5 million or 46.9% of net sales, an increase of $34.1 million or 2.1%, compared with international sales of $1,613.4 million or 46.5% of net sales for the first six months of 2024. The increase in international sales was primarily driven by contributions from recent acquisitions and increased demand in the Americas, partially offset by lower demand in Asia.

Orders for the first six months of 2025 were $3,579.8 million, an increase of $239.9 million or 7.2%, compared with $3,339.9 million for the first six months of 2024. The increase in orders for the first six months of 2025 was due to a 2% increase from acquisitions, a 4% favorable effect of foreign currency translation, as well as a 1% organic order increase.

Cost of sales for the first six months of 2025 was $2,249.1 million or 64.1% of net sales, a decrease of $6.0 million or 0.3%, compared with $2,255.1 million or 65.0% of net sales for the first six months of 2024.

Segment operating income for the first six months of 2025 was $971.1 million, an increase of $54.5 million or 5.9%, compared with segment operating income of $916.6 million for the first six months of 2024. Segment operating margins, as a percentage of net sales, increased to 27.7% for the first six months of 2025, compared with 26.4% for the first six months of 2024. In the first six months of 2025, the dilutive impact of recent acquisitions negatively impacted segment operating margins by 30 basis points. In the first six months of 2024, segment operating income and operating margins included $29.2 million of integration costs related to the Paragon acquisition, which negatively impacted segment operating margins by 80 basis points. Excluding the dilutive impact of the recent acquisitions and the Paragon integration costs, segment operating margins increased 80 basis points compared to the first six months of 2024, due to the continued benefits from the Company's Operational Excellence initiatives.

Selling, general and administrative expenses for the first six months of 2025 were $344.4 million or 9.8% of net sales, a decrease of $6.8 million or 1.9%, compared with $351.2 million or 10.1% of net sales for the first six months of 2024. General and administrative expenses for the first six months of 2025 were $54.6 million, compared with $51.9 million for the first six months of 2024.

Consolidated operating income was $916.5 million or 26.1% of net sales for the first six months of 2025, an increase of $51.8 million or 6.0%, compared with $864.7 million or 24.9% of net sales for the first six months of 2024. In the first six months of 2025, the dilutive impact of recent acquisitions negatively impacted operating margins by 30 basis points. In the first six months of 2024, operating income and operating margins included $29.2 million of integration costs related to the Paragon acquisition, which negatively impacted operating margins by 90 basis points. Excluding the dilutive impact of the recent acquisitions and the Paragon integration costs, operating margins increased 60 basis points compared to the first six months of 2024, due to the continued benefits from the Company's Operational Excellence initiatives.

Interest expense for the first six months of 2025 was $35.9 million, a decrease of $29.9 million or 45.4%, compared with $65.8 million for the first six months of 2024. Higher borrowings under the revolving credit facility related to the Paragon acquisition resulted in higher interest expense in the first six months of 2024.

Other expense, net was $4.2 million for the first six months of 2025, compared with $0.5 million of other expense, net for the first six months of 2024.

The effective tax rate for the first six months of 2025 was 19.0%, compared with 18.8% for the first six months of 2024.

Net income for the first six months of 2025 was $710.1 million, an increase of $61.5 million or 9.5%, compared with $648.6 million for the first six months of 2024.

Diluted earnings per share for the first six months of 2025 were $3.07, an increase of $0.28 or 10.0%, compared with $2.79 per diluted share for the first six months of 2024.

Segment Results

EIG’s net sales totaled $2,303.2 million for the first six months of 2025, a decrease of $7.2 million or 0.3%, compared with $2,310.4 million for the first six months of 2024. The net sales decrease was due to a 2% organic sales decrease, partially offset by a 2% increase from acquisitions.

EIG’s operating income was $698.5 million for the first six months of 2025, a decrease of $4.3 million or 0.6%, compared with $702.8 million for the first six months of 2024. EIG’s operating margins were 30.3% of net sales for the first six months of 2025, compared with 30.4% for the first six months of 2024. The dilutive impact of recent acquisitions in the first six months of 2025 negatively impacted EIG's operating margins by 60 basis points. Excluding the dilutive impact of recent acquisitions, EIG's operating margins increased 50 basis points in the first six months of 2025 compared to the first six months of 2024 due to the continued benefits from the Company's Operational Excellence initiatives.

EMG’s net sales totaled $1,206.8 million for the first six months of 2025, an increase of $46.2 million or 4.0%, compared with $1,160.6 million for the first six months of 2024. The net sales increase was due to a 4% organic sales increase.

EMG’s operating income was $272.6 million for the first six months of 2025, an increase of $58.8 million or 27.5%, compared with $213.8 million for the first six months of 2024. EMG’s operating margins were 22.6% of net sales for the first six months of 2025, compared with 18.4% for the first six months of 2024. EMG's operating income and operating margins for the first six months of 2024 included $29.2 million of integration costs related to the Paragon acquisition, which negatively impacted segment operating margins by 250 basis points. Excluding the Paragon integration costs, segment operating margins increased 170 basis points compared to the first six months of 2024, due to the sales increase discussed above, as well as to the continued benefits from the Company's Operational Excellence initiatives.

Financial Condition

Liquidity and Capital Resources

Cash provided by operating activities totaled $776.6 million for the first six months of 2025, a decrease of $15.1 million or 1.9%, compared with $791.7 million for the first six months of 2024. The decrease in cash provided by operating activities for the first six months of 2025 was primarily due to higher working capital investments, partially offset by higher net income.

Free cash flow (cash flow provided by operating activities less capital expenditures) was $724.3 million for the first six months of 2025, compared with $742.6 million for the first six months of 2024. EBITDA (earnings before interest, income taxes, depreciation and amortization) was $1,123.6 million for the first six months of 2025, compared with $1,057.5 million for the first six months of 2024. Free cash flow and EBITDA are presented because the Company is aware that they are measures used by third parties in evaluating the Company.

Cash used by investing activities totaled $155.7 million for the first six months of 2025, compared with cash used by investing activities of $43.5 million for the first six months of 2024. For the first six months of 2025, the Company paid $104.1 million, net of cash acquired, to purchase Kern Microtechnik ("Kern"). For the first six months of 2024, the Company received $4.2 million from the sale of a facility. Additions to property, plant and equipment totaled $52.3 million for the first six months of 2025, compared with $49.1 million for the first six months of 2024.

Cash used by financing activities totaled $409.4 million for the first six months of 2025, compared with cash used by financing activities of $751.7 million for the first six months of 2024. At June 30, 2025, total debt, net was $1,942.0 million, compared with $2,079.7 million at December 31, 2024. For the first six months of 2025, total borrowings decreased by $252.7 million compared with a $640.6 million decrease for the first six months of 2024. In the second quarter of 2025, the Company paid in full, at maturity, a $50.0 million in aggregate principal amount of 3.91% senior notes. At June 30, 2025, the Company had available borrowing capacity of $2,221.7 million under its revolving credit facility, excluding the $700 million accordion feature.

The debt-to-capital ratio was 15.7% at June 30, 2025, compared with 17.7% at December 31, 2024. The net debt-to-capital ratio (total debt, net less cash and cash equivalents divided by the sum of net debt and stockholders' equity) was 11.3% at June 30, 2025, compared with 15.0% at December 31, 2024. The net debt-to-capital ratio is presented because the Company is aware that this measure is used by third parties in evaluating the Company.

Additional financing activities for the first six months of 2025 included cash dividends paid of $143.0 million, compared with $129.4 million for the first six months of 2024. Effective February 7, 2025, the Company's Board of Directors approved an 11% increase in the quarterly cash dividend on the Company's common stock to $0.31 per common share from $0.28 per common share. The Company repurchased $18.1 million of its common stock for the first six months of 2025, compared with $7.6 million for the first six months of 2024. Proceeds from stock option exercises were $12.3 million for the first six months of 2025, compared with $34.5 million for the first six months of 2024.

As a result of all of the Company's cash flow activities for the first six months of 2025, cash and cash equivalents at June 30, 2025 totaled $619.7 million, compared with $374.0 million at December 31, 2024. At June 30, 2025, the Company had $388.7 million in cash outside the United States, compared with $361.5 million at December 31, 2024. The Company utilizes this cash to fund its international operations, as well as to acquire international businesses. The Company is in compliance with all covenants, including financial covenants, for all of its debt agreements. The Company believes it has sufficient cash-generating capabilities from domestic and unrestricted foreign sources, available credit facilities and access to long-term capital funds to enable it to meet its operating needs and contractual obligations in the foreseeable future.

Subsequent Event

In July 2025, the Company acquired all outstanding shares of FARO Technologies ("FARO") common stock for approximately $920.0 million, net of cash acquired. The transaction was completed following the approval of FARO's stockholders and receipt of all regulatory approvals. FARO has annual sales of approximately $340 million. FARO is a leading provider of 3D measurement and imaging solutions, including portable measurement arms, laser scanners and trackers, software solutions, and comprehensive service offerings. FARO will join the Electronic Instruments Group segment.

Critical Accounting Policies

The Company's critical accounting policies are detailed in Part II, Item 7, Management's Discussion and Analysis of Financial Condition of its Annual Report on Form 10-K for the year ended December 31, 2024. Primary disclosure of the Company's significant accounting policies is also included in Note 1 to the Consolidated Financial Statements included in Part II, Item 8 of its Annual Report on Form 10-K.

Forward-Looking Information

Information contained in this discussion, other than historical information, is considered "forward-looking statements" and is subject to various factors and uncertainties that may cause actual results to differ significantly from expectations. These factors and uncertainties include risks related to the Company's ability to consummate and successfully integrate future acquisitions; risks associated with international sales and operations, including supply chain disruptions; tariffs, trade disputes and currency conditions; the Company's ability to successfully develop new products, open new facilities or transfer product lines; the price and availability of raw materials; compliance with government regulations, including environmental regulations; changes in the competitive environment or the effects of competition in the Company's markets; the ability to maintain adequate liquidity and financing sources; and general economic conditions affecting the industries the Company serves. A detailed discussion of these and other factors that may affect the Company's future results is contained in AMETEK's filings with the U.S. Securities and Exchange Commission, including its most recent reports on Form 10-K, 10-Q, and 8-K. AMETEK disclaims any intention or obligation to update or revise any forward-looking statements, unless required by the securities laws to do so.

Item 4. Controls and Procedures

The Company maintains a system of disclosure controls and procedures that is designed to provide reasonable assurance that information, which is required to be disclosed, is accumulated and communicated to management in a timely manner. Under the supervision and with the participation of our management, including the Company's principal executive officer and principal financial officer, we have evaluated the effectiveness of our system of disclosure controls and procedures as required by Exchange Act Rule 13a-15(b) as of June 30, 2025. Based on that evaluation, the Company's principal executive officer and principal financial officer concluded that the Company's disclosure controls and procedures are effective at the reasonable assurance level.

Such evaluation did not identify any change in the Company's internal control over financial reporting during the quarter ended June 30, 2025 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

(c) Purchase of equity securities by the issuer and affiliated purchasers.

The following table reflects purchases of AMETEK, Inc. common stock by the Company during the three months ended June 30, 2025:

Period	Total Number of Shares Purchased (1)(2)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plan (2)	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plan
April 1, 2025 to April 30, 2025	—	$ —	—	$ 1,243,033,673
May 1, 2025 to May 31, 2025	277	175.34	277	1,242,985,104
June 1, 2025 to June 30, 2025	355	177.71	355	1,242,922,017
Total	632	$ 166.21	632	

(1) Represents shares surrendered to the Company to satisfy tax withholding obligations in connection with employees' share-based compensation awards.

(2) Effective February 7, 2025, the Company's Board of Directors approved a $1.25 billion share repurchase authorization. This new authorization replaces the previous $1 billion share repurchase authorization approved in May 2022. Consists of the number of shares purchased pursuant to the Company's Board of Directors $1.25 billion authorization for the repurchase of its common stock. Such purchases may be effected from time to time in the open market or in private transactions, subject to market conditions and at management's discretion.

Item 5. Other Information

Insider Trading Arrangements and Policies

During the quarter ended June 30, 2025, no director or officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

Item 6. Exhibits

Exhibit Number	Description
31.1*	Certification of Chief Executive Officer, Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Chief Financial Officer, Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of Chief Executive Officer, Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certification of Chief Financial Officer, Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS*	XBRL Instance Document.
101.SCH*	XBRL Taxonomy Extension Schema Document.
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as inline XBRL with applicable taxonomy extension information contained in Exhibits 101).

* Filed electronically herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

AMETEK, Inc.

By: /s/ THOMAS M. MONTGOMERY
Thomas M. Montgomery
Senior Vice President – Comptroller
(Principal Accounting Officer)

July 31, 2025