

**AMPHENOL CORPORATION**
**Consolidated Statements of Income**
*(dollars and shares in millions, except per share data)*

	<b>Year Ended December 31,</b>		
	<b>2018</b>	<b>2017</b>	<b>2016</b>
Net sales	\$ 8,202.0	\$ 7,011.3	\$ 6,286.4
Cost of sales	5,547.1	4,701.4	4,246.4
Gross profit	2,654.9	2,309.9	2,040.0
Acquisition-related expenses	8.5	4.0	36.6
Selling, general and administrative expenses	959.5	878.3	798.2
Operating income	1,686.9	1,427.6	1,205.2
Interest expense	(101.7)	(92.3)	(72.6)
Other income, net	3.2	17.1	8.5
Income before income taxes	1,588.4	1,352.4	1,141.1
Provision for income taxes	(371.5)	(691.7)	(308.5)
Net income	1,216.9	660.7	832.6
Less: Net income attributable to noncontrolling interests	(11.9)	(10.2)	(9.7)
Net income attributable to Amphenol Corporation	\$ 1,205.0	\$ 650.5	\$ 822.9
Net income per common share — Basic	\$ 4.00	\$ 2.13	\$ 2.67
Weighted average common shares outstanding — Basic	301.2	305.7	308.3
Net income per common share — Diluted	\$ 3.85	\$ 2.06	\$ 2.61
Weighted average common shares outstanding — Diluted	312.6	316.5	315.2
Dividends declared per common share	\$ 0.88	\$ 0.70	\$ 0.58

*See accompanying notes to consolidated financial statements.*

**AMPHENOL CORPORATION**
**Consolidated Balance Sheets**
*(dollars and shares in millions, except per share data)*

	December 31,	
	2018	2017
<b>Assets</b>		
Current Assets:		
Cash and cash equivalents	\$ 1,279.3	\$ 1,719.1
Short-term investments	12.4	34.6
Total cash, cash equivalents and short-term investments	1,291.7	1,753.7
Accounts receivable, less allowance for doubtful accounts of \$33.5 and \$23.0, respectively	1,791.8	1,598.6
Inventories:		
Raw materials and supplies	463.6	386.2
Work in process	371.1	358.0
Finished goods	399.1	362.7
	1,233.8	1,106.9
Other current assets	254.3	196.8
Total current assets	4,571.6	4,656.0
Property, plant and equipment:		
Land and improvements	29.3	32.6
Buildings and improvements	325.7	322.3
Machinery and equipment	1,835.6	1,662.0
	2,190.6	2,016.9
Accumulated depreciation	(1,314.8)	(1,200.1)
	875.8	816.8
Goodwill	4,103.2	4,042.6
Intangibles, net and other long-term assets	494.3	488.5
	\$ 10,044.9	\$ 10,003.9
<b>Liabilities &amp; Equity</b>		
Current Liabilities:		
Accounts payable	\$ 890.5	\$ 875.6
Accrued salaries, wages and employee benefits	157.2	151.6
Accrued income taxes	203.5	154.2
Accrued dividends	68.7	58.1
Other accrued expenses	367.1	338.8
Current portion of long-term debt	764.3	1.1
Total current liabilities	2,451.3	1,579.4
Long-term debt, less current portion	2,806.4	3,541.5
Accrued pension and postretirement benefit obligations	190.2	272.0
Deferred income taxes	255.6	241.2
Other long-term liabilities	277.2	326.4
Commitments and contingent liabilities		
Equity:		
Class A Common Stock, \$0.001 par value; 1,000.0 shares authorized; 299.2 shares issued and 298.5 shares outstanding as of December 31, 2018; 305.7 shares issued and outstanding as of December 31, 2017	0.3	0.3
Additional paid-in capital	1,433.2	1,249.0
Retained earnings	3,028.7	2,941.5
Treasury stock, at cost; 0.7 shares as of December 31, 2018	(55.0)	—
Accumulated other comprehensive loss	(390.2)	(201.0)
Total shareholders' equity attributable to Amphenol Corporation	4,017.0	3,989.8
Noncontrolling interests	47.2	53.6
Total equity	4,064.2	4,043.4
	\$ 10,044.9	\$ 10,003.9

*See accompanying notes to consolidated financial statements.*

**AMPHENOL CORPORATION**  
**Consolidated Statements of Cash Flow**  
*(dollars in millions)*

	Year Ended December 31,		
	2018	2017	2016
Cash from operating activities:			
Net income	\$ 1,216.9	\$ 660.7	\$ 832.6
Adjustments to reconcile net income to cash provided by operating activities:			
Depreciation and amortization	299.7	226.8	217.0
Stock-based compensation expense	55.6	49.7	47.6
Deferred income tax (benefit) provision	(12.0)	186.3	(29.9)
Excess tax benefits from stock-based compensation payment arrangements	—	—	(44.4)
Net change in operating assets and liabilities:			
Accounts receivable, net	(237.9)	(146.5)	(165.9)
Inventories	(173.3)	(100.4)	(14.2)
Other current assets	(47.7)	(75.9)	29.9
Accounts payable	48.8	140.5	47.8
Accrued income taxes	(9.7)	11.2	91.7
Other accrued liabilities	57.4	13.0	61.9
Accrued pension and postretirement benefits	(76.6)	5.0	2.5
Other long-term assets and liabilities	(8.5)	173.8	1.0
Net cash provided by operating activities	1,112.7	1,144.2	1,077.6
Cash from investing activities:			
Capital expenditures	(310.6)	(226.6)	(190.8)
Proceeds from disposals of property, plant and equipment	5.0	4.1	7.1
Purchases of short-term investments	(44.5)	(40.2)	(232.4)
Sales and maturities of short-term investments	67.2	148.0	108.5
Acquisitions, net of cash acquired	(158.9)	(265.5)	(1,305.1)
Net cash used in investing activities	(441.8)	(380.2)	(1,612.7)
Cash from financing activities:			
Proceeds from issuance of senior notes	571.7	749.3	—
Repayments of long-term debt	(15.2)	(375.0)	—
(Repayments) borrowings under commercial paper programs, net	(544.6)	154.1	183.2
Payment of costs related to debt financing	(5.6)	(5.2)	(3.0)
Purchase of treasury stock	(935.2)	(618.0)	(325.8)
Proceeds from exercise of stock options	130.7	184.1	147.2
Excess tax benefits from stock-based compensation payment arrangements	—	—	44.4
Distributions to and purchases of noncontrolling interests	(18.2)	(24.4)	(6.8)
Dividend payments	(253.7)	(205.0)	(172.7)
Net cash used in financing activities	(1,070.1)	(140.1)	(133.5)
Effect of exchange rate changes on cash and cash equivalents	(40.6)	60.6	(34.0)
Net change in cash and cash equivalents	(439.8)	684.5	(702.6)
Cash and cash equivalents balance, beginning of year	1,719.1	1,034.6	1,737.2
Cash and cash equivalents balance, end of year	\$ 1,279.3	\$ 1,719.1	\$ 1,034.6
Cash paid during the year for:			
Interest	\$ 94.2	\$ 84.3	\$ 68.5
Income taxes	393.2	325.2	246.8

See accompanying notes to consolidated financial statements.