

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

	<b>Year Ended December 31,</b>		
	<b>2017</b>	<b>2016</b>	<b>2015</b>
Net sales	\$ 7,011.3	\$ 6,286.4	\$ 5,568.7
Cost of sales	4,701.4	4,246.4	3,789.2
Gross profit	2,309.9	2,040.0	1,779.5
Acquisition-related expenses	4.0	36.6	5.7
Selling, general and administrative expenses	878.3	798.2	669.1
Operating income	1,427.6	1,205.2	1,104.7
Interest expense	(92.3)	(72.6)	(68.3)
Other income, net	17.1	8.5	16.4
Income before income taxes	1,352.4	1,141.1	1,052.8
Provision for income taxes	(691.7)	(308.5)	(280.5)
Net income	660.7	832.6	772.3
Less: Net income attributable to noncontrolling interests	(10.2)	(9.7)	(8.8)
Net income attributable to Amphenol Corporation	\$ 650.5	\$ 822.9	\$ 763.5
Net income per common share — Basic	\$ 2.13	\$ 2.67	\$ 2.47
Weighted average common shares outstanding — Basic	305.7	308.3	309.1
Net income per common share — Diluted	\$ 2.06	\$ 2.61	\$ 2.41
Weighted average common shares outstanding — Diluted	316.5	315.2	316.5
Dividends declared per common share	\$ 0.70	\$ 0.58	\$ 0.53

*See accompanying notes to consolidated financial statements.*

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

	<b>December 31,</b>	
	<b>2017</b>	<b>2016</b>
<b>Assets</b>		
Current Assets:		
Cash and cash equivalents	\$ 1,719.1	\$ 1,034.6
Short-term investments	34.6	138.6
Total cash, cash equivalents and short-term investments	1,753.7	1,173.2
Accounts receivable, less allowance for doubtful accounts of \$23.0 and \$23.6, respectively	1,598.6	1,349.3
Inventories:		
Raw materials and supplies	386.2	319.8
Work in process	358.0	313.4
Finished goods	362.7	295.7
	1,106.9	928.9
Other current assets	196.8	139.8
Total current assets	4,656.0	3,591.2
Property, plant and equipment:		
Land	32.6	28.1
Buildings and improvements	322.3	281.7
Machinery and equipment	1,662.0	1,408.8
	2,016.9	1,718.6
Accumulated depreciation	(1,200.1)	(1,007.2)
	816.8	711.4
Goodwill	4,042.6	3,678.8
Intangibles, net and other long-term assets	488.5	517.3
	<u>\$ 10,003.9</u>	<u>\$ 8,498.7</u>
<b>Liabilities &amp; Equity</b>		
Current Liabilities:		
Accounts payable	\$ 875.6	\$ 678.2
Accrued salaries, wages and employee benefits	151.6	131.8
Accrued income taxes	154.2	125.1
Accrued dividends	58.1	49.3
Other accrued expenses	338.8	275.6
Current portion of long-term debt	1.1	375.2
Total current liabilities	1,579.4	1,635.2
Long-term debt, less current portion	3,541.5	2,635.5
Accrued pension and postretirement benefit obligations	272.0	288.4
Deferred income taxes	241.2	77.7
Other long-term liabilities	326.4	138.8
Commitments and contingent liabilities		
Equity:		
Class A Common Stock, \$.001 par value; 1,000.0 shares authorized; 305.7 and 308.3 shares issued and outstanding at December 31, 2017 and 2016, respectively	0.3	0.3
Additional paid-in capital	1,249.0	1,020.9
Retained earnings	2,941.5	3,122.7
Accumulated other comprehensive loss	(201.0)	(469.0)
Total shareholders' equity attributable to Amphenol Corporation	3,989.8	3,674.9
Noncontrolling interests	53.6	48.2
Total equity	4,043.4	3,723.1
	<u>\$ 10,003.9</u>	<u>\$ 8,498.7</u>

*See accompanying notes to consolidated financial statements.*

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

	Year Ended December 31,		
	2017	2016	2015
Cash from operating activities:			
Net income	\$ 660.7	\$ 832.6	\$ 772.3
Adjustments to reconcile net income to cash provided by operating activities:			
Depreciation and amortization	226.8	217.0	171.6
Stock-based compensation expense	49.7	47.6	44.2
Deferred income tax provision (benefit)	186.3	(29.9)	12.9
Excess tax benefits from stock-based compensation payment arrangements	—	(44.4)	(16.2)
Net change in operating assets and liabilities:			
Accounts receivable, net	(146.5)	(165.9)	(22.3)
Inventories	(100.4)	(14.2)	(5.2)
Other current assets	(75.9)	29.9	47.7
Accounts payable	140.5	47.8	(17.5)
Accrued income taxes	11.2	91.7	16.5
Other accrued liabilities	13.0	61.9	27.7
Accrued pension and postretirement benefits	5.0	2.5	8.7
Other long-term assets and liabilities	173.8	1.0	(9.9)
Net cash provided by operating activities	1,144.2	1,077.6	1,030.5
Cash from investing activities:			
Capital expenditures	(226.6)	(190.8)	(172.1)
Proceeds from disposals of property, plant and equipment	4.1	7.1	8.7
Purchases of short-term investments	(40.2)	(232.4)	(134.7)
Sales and maturities of short-term investments	148.0	108.5	470.6
Acquisitions, net of cash acquired	(265.5)	(1,305.1)	(199.8)
Net cash used in investing activities	(380.2)	(1,612.7)	(27.3)
Cash from financing activities:			
Proceeds from issuance of senior notes, net	749.3	—	—
Long-term borrowings under credit facilities	—	—	132.6
Repayments of long-term debt	(375.0)	—	(217.7)
Borrowings under commercial paper program, net	154.1	183.2	238.7
Payment of costs related to debt financing	(5.2)	(3.0)	—
Purchase and retirement of treasury stock	(618.0)	(325.8)	(248.9)
Proceeds from exercise of stock options	184.1	147.2	64.4
Excess tax benefits from stock-based compensation payment arrangements	—	44.4	16.2
Distributions to and purchases of noncontrolling interests	(24.4)	(6.8)	(6.1)
Dividend payments	(205.0)	(172.7)	(159.3)
Net cash used in financing activities	(140.1)	(133.5)	(180.1)
Effect of exchange rate changes on cash and cash equivalents	60.6	(34.0)	(54.8)
Net change in cash and cash equivalents	684.5	(702.6)	768.3
Cash and cash equivalents balance, beginning of year	1,034.6	1,737.2	968.9
Cash and cash equivalents balance, end of year	\$ 1,719.1	\$ 1,034.6	\$ 1,737.2
Cash paid during the year for:			
Interest	\$ 84.3	\$ 68.5	\$ 64.1
Income taxes	325.2	246.8	250.7

See accompanying notes to consolidated financial statements.