Amphenol

1999 Annual Report

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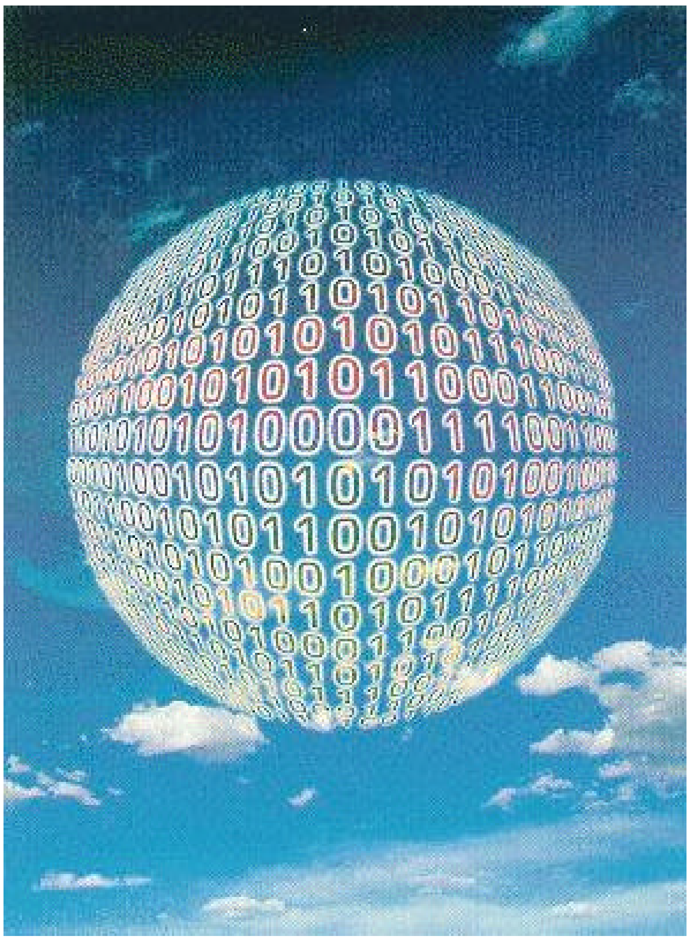
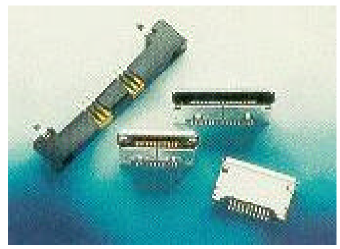
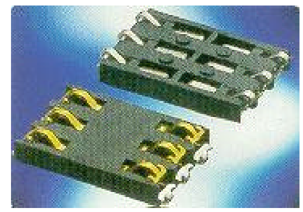
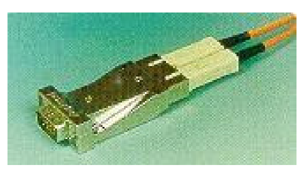
A Global Leader in Interconnect Systems for Communications

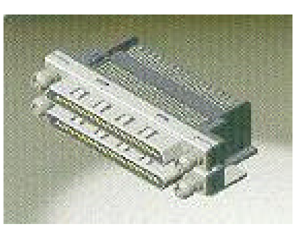
It's a digital world and Amphenol is a leading manufacturer of interconnect products and assemblies for wireless and wired voice, data and video communication networks.

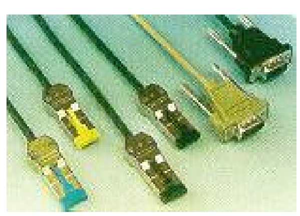


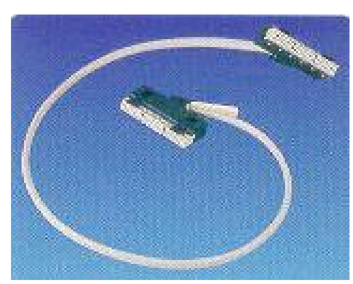












To Our Fellow Shareholders:

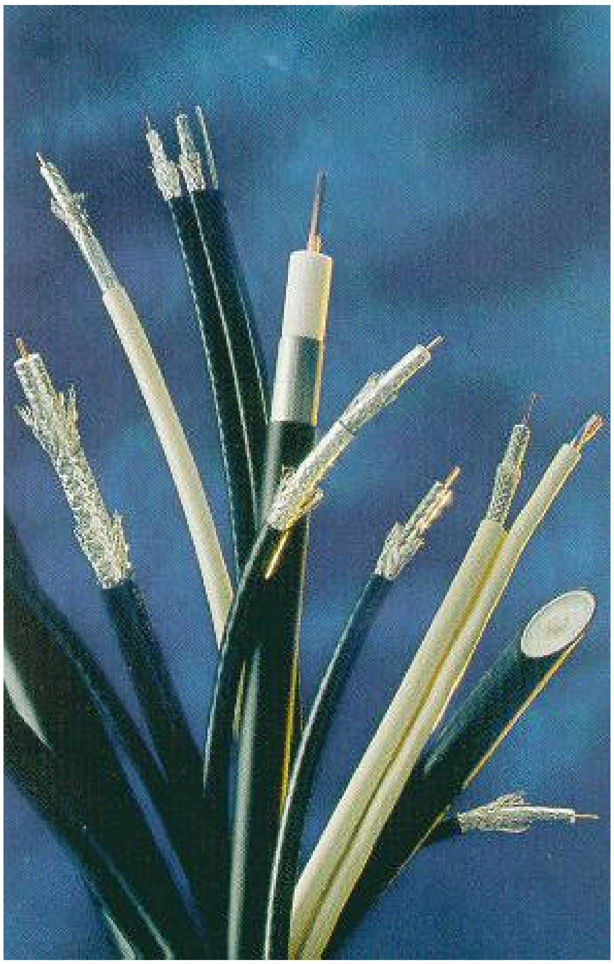
Amphenol had an excellent year in 1999. Momentum built throughout the year as each quarter set new records, with the result that for the full year we exceeded a billion dollars in sales, a significant milestone for the Company. Sales totaled $1,011 million, up 11% on a constant dollar basis; the seventh consecutive year that our sales growth has exceeded the industry average. Our growth was profitable; earnings per share was a record $2.42 share - up 19% from the prior year and a continuation of consecutive increases since becoming a public company in 1991. Sales of new products (products developed within the past two years) accounted for a record 20% of revenue - a reflection of our outstanding engineering and manufacturing capabilities. Our strategy of developing application-specific products for growth markets and our geographic diversity were the main drivers for the excellent performance. In December we sold 2.75 million shares of our common stock in a public offering, an action that we believe will give our shareholders more liquidity in the financial markets, and together with cash flow from operations, it allowed us to pay down a significant amount of outstanding debt.

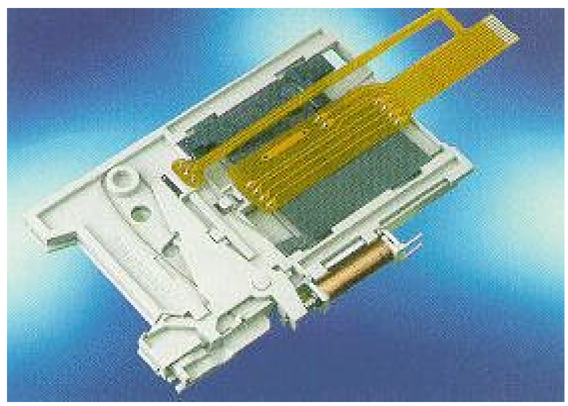
The convergence in the communications sector of voice, video and data technologies into the "infocom" market is accelerating. This is evident as providers with competing network architectures of wired and wireless systems rush to enroll subscribers with infocom services including voice, Internet access and broadband applications. It is also evident in the increasing number of mergers and affiliations between companies previously thought to be in different industries. Our participation in the evolution of the infocom market continued to drive sales growth; sales to such markets comprised approximately 60% of our business in 1999, and this market is a key element of our growth strategy. Our broad based product line for communications markets includes significant components for all of the competing infocom distribution infrastructures and subscriber equipment including modems and mobile handsets.

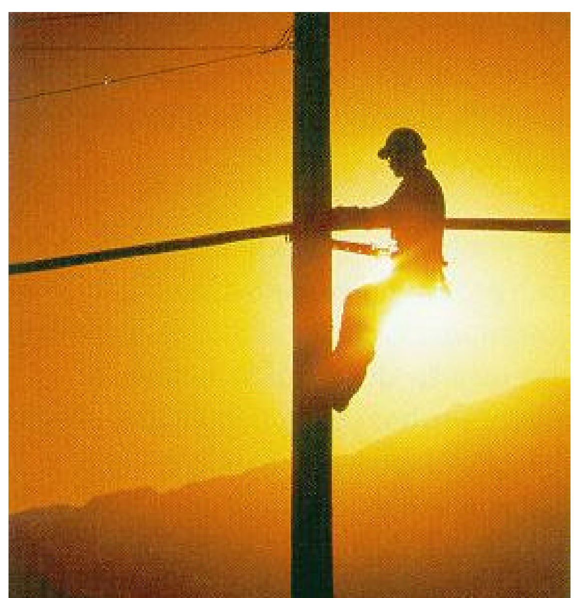
The evolution of the infocom market is grounded in digital technology and related technologies and protocols of information transmission. These sciences are greatly enhancing the communication capabilities in developed countries and rapidly bringing communication services to developing countries. The growth in mobile communications and Internet utilization has been phenomenal. And, this is just the beginning; both technologies are in their infancy in terms of market potential. Analysts estimate there were over 300 million mobile handset subscribers and over 200 million Internet subscribers in 1999. Both applications are

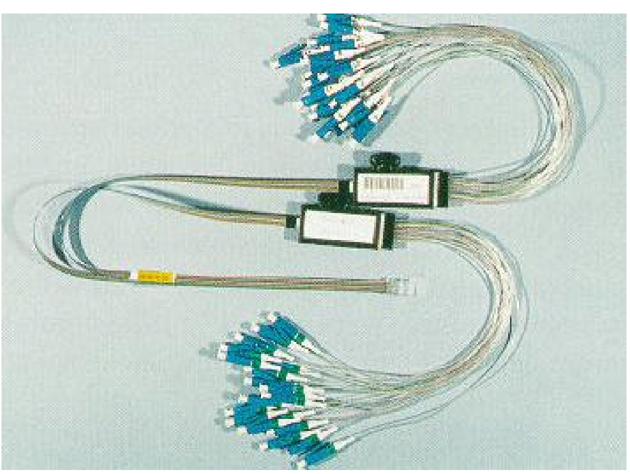
A Global Leader in Broadband Communications

Amphenol is a leading world provider of cable and interconnect products for full service broadband communication networks.







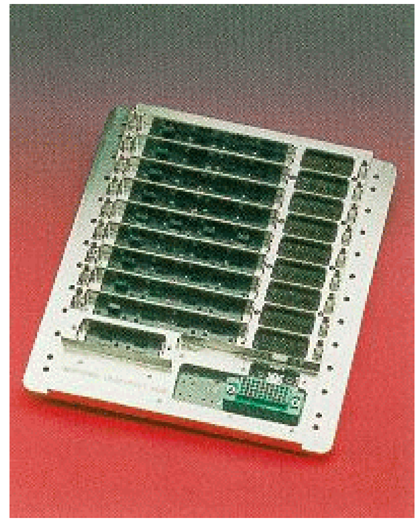


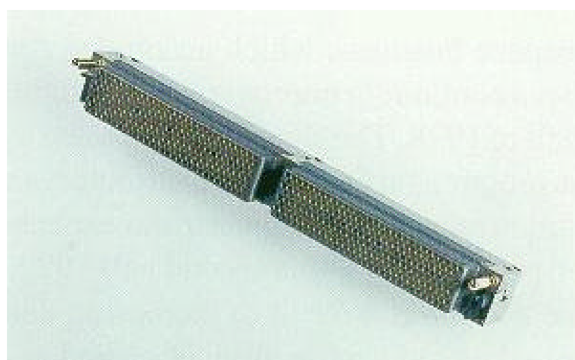
expected to increase to one billion subscribers within five years. The technologies to be used by these subscribers are in a state of continuous evolution; the one constant is change. Wireless networks and mobile handsets are evolving from primarily voice and paging systems to include Internet, data access and video capability. We produce a broad line of interconnect products, including radio frequency, fiber optic and filter technology, to serve the evolving wireless market including products for mobile handsets, the base station wireless infrastructure and the satellite and downlink portion of wireless networks. With our excellent engineering resources and worldwide presence, we have established relationships with the world's leading wireless manufacturers. We have also significantly expanded our product offering with application-specific interconnect products for Internet applications including input/output devices for cable modems, servers, routers and other elements of the Internet backbone. We will continue to play a significant role in the evolution of the digital age with interconnect componentry.

Our coaxial cable business for cable television had an excellent year in 1999. The demand for broadband systems utilizing hybrid fiber/coax ("HFC") architecture was validated by the significant mergers and acquisitions of system operators. The race to upgrade cable systems to offer enhanced digital infocom services is on, and our business benefitted from it in 1999. We expect this to continue. In the U.S., the activity consists of upgrading existing systems to increase bandwidth to offer a full range of voice, video and data services and expanding cable systems to new subscribers not previously served by older technologies. In most international markets, the penetration of cable television systems is in the early stages. International cable systems are a major opportunity for us, and 1999 was an excellent year, especially in the recovering Asian markets. We are the technology leader in expanding the bandwidth capabilities of coaxial cable and we are the world's second largest producer. Our coaxial cable products will make a significant contribution to the evolution of the digital age.

Our aerospace business, which accounted for approximately 19% of our total business, experienced continuing improvement throughout 1999 from the slowdown that began in the second half of 1998. The slowdown reflected lower builds of commercial aircraft, inventory reduction programs at OEM's and distributors and a pause in expenditures for the international Space Station program. We adjusted our expenses to the lower activity levels and experienced improved profitability in the second half 1999. We foresee continuing improvement in the aerospace market as a result of increasing defense expenditures, and as certain programs move from development to production and as other programs advance in the development cycle. We also foresee a longer term trend improvement in commercial aircraft as the industry accommodates the increasing demand for airline traffic. We take pride that the Company

A Global Leader in Interconnect Systems for Aerospace Applications





Amphenol is the world leader in sophisticated, highly-engineered interconnect products for commercial and defense related aerospace applications.

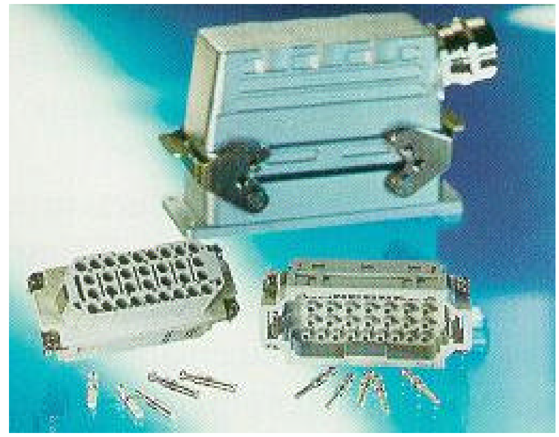
is the undisputed leader in interconnect systems for aerospace/harsh environment applications. Such applications require a high degree of engineering sophistication and precision manufacturing capability, and innovations and methodologies developed here have application to our other commercial markets.

Sales of interconnect products to industrial markets, which comprised approximately 21% of our business, also experienced improving trends throughout 1999. Such markets encompass a broad range of activities including factory automation, mass transportation, resource exploration, instrumentation and automotive safety interconnect applications. In 1999, we continued to make progress in developing application-specific products for industrial motion control applications, whereby new generations of factory automation equipment utilizing faster and more precise motion control devices are bringing higher levels of productivity to the factory. In addition, we have developed new generations of interconnect products for automotive safety applications, primarily airbags and seatbelt pretensioners, to maintain our leadership position in the European automotive market and we continued to make inroads in the U.S. and Asian markets. We are a leader in selected growth markets of interconnect products for industrial applications. Our engineering resources and global presence insure that we will continue to strengthen our position as industrial markets play a key role in providing the resources and productivity improvements for an expanding economy.

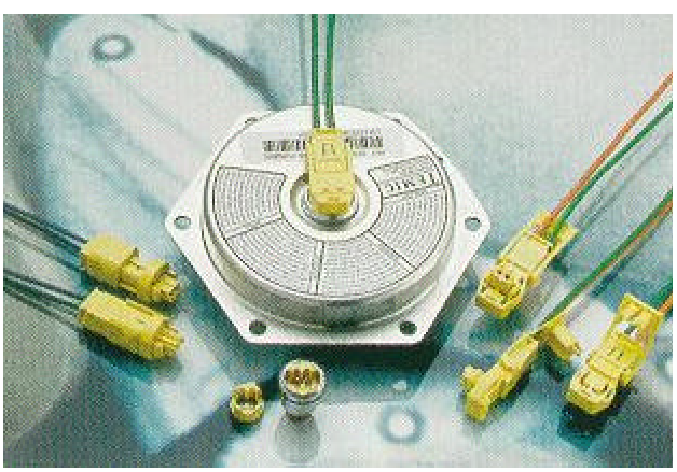
1999 was a year of accomplishment. We continued our growth at a rate in excess of the industry; we had excellent profitability which significantly increased shareholder value. We are positioned in growth markets with an excellent product line. We have added to our global resources to provide excellent customer service throughout the world. We broadened our shareholder base and lessened our financial risk through debt reduction. While 1999 was an excellent year, of greater significance is that the future looks bright. I have never been more confident in the future of the Company. To this, I am indebted to the ingenuity, hard work and resourcefulness of the 8,000 members of the Amphenol organization around the world. It is truly a dedicated group capable of outstanding achievements, and for this I am grateful. I also give great thanks to our loyal customers and suppliers for their invaluable support.

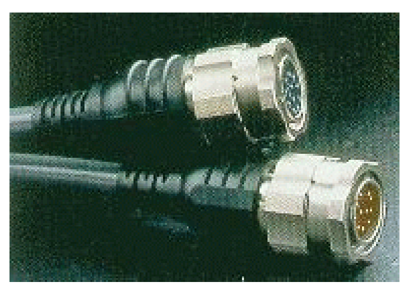
Martin H. Loeffler
Chairman, Chief Executive Officer
and President

A Global Leader in Interconnect Systems for Industrial Applications



Amphenol is a leader in developing interconnect products and systems for industrial and mass transportation applications.





Amphenol is a leading supplier of interconnect systems for automotive safety applications.

Financial Highlights
(dollars in thousands, except per share data)

	1999	1998	1997
Sales	$1,010,603	$918,877	$884,348
Operating income	160,729	149,727	155,448
Income before extraordinary item	44,295	36,510	51,264
Income per share before extraordinary item - diluted	2.42	2.03	1.83
Earnings before interest, taxes and depreciation and amortization ("EBITDA")	$205,609	$192,090	$188,471
Average common shares outstanding	18,332,008	17,942,397	28,002,977

Amphenol's Worldwide Management Conference, Wallingford, CT, December 1999.

Business Strategy

The Company's strategic objective is to further enhance its position as a leading global designer, manufacturer and marketer of connectors, interconnect systems and cable products. The Company seeks to achieve this objective by pursuing the following strategies:

- *Focus on Rapidly Growing Communications Markets*. We intend to capitalize on the convergence in the communications sector of voice, video and data technologies. The growth in recent years of mobile communications and Internet utilization has been substantial. We believe, however, that both technologies are in their infancy in terms of market potential. Analysts estimate that in 1999 there were over 300 million mobile handset subscribers and over 200 million Internet subscribers, and that both applications will increase to 1 billion subscribers by 2004. We will continue to aggressively pursue infocom opportunities through the development of new application-specific interconnect products to serve this expanding market.

- *Expand Sales of Broadband Products*. We believe that the increasing demand for enhanced services from existing cable television systems and the relatively low penetration rate for cable television in countries outside of the United States provides significant opportunity for future growth of coaxial cable and other broadband interconnect products. The demands of the digital age for high-speed Internet access, video on demand, specialized programming and the ability to carry voice, all place significant emphasis on expanded bandwidth for network delivery systems. Cable operators are upgrading and rebuilding their systems to offer such services. In addition, cable system developments are planned for large portions of Europe, Asia and Latin America. We believe that we are well positioned to take advantage of these opportunities because we are one of the world's leading producers of coaxial cable and broadband interconnect products and because we have extensive relationships with many of the multinational cable operators that are upgrading and expanding in domestic and international markets.

- *Develop Application-Specific Products for OEMs*. We seek to expand the scope and number of preferred supplier designations and application-specific product opportunities we have with OEM customers. We work closely with our network of OEM customers at the design stage to create and manufacture innovative connector solutions to meet our customers' specific interconnection needs. Our application-specific products designed and manufactured for OEMs generally have higher value-added content than our other interconnection products and have been developed across all of our product lines. In addition to solidifying our relationship with OEMs and providing a source of high value-added sales, this product development strategy has a number of important ancillary benefits. For example, once an application-specific product has been developed for a specific OEM customer, such new product often becomes widely accepted in the industry for similar applications and products manufactured by other potential customers, thereby providing additional sources of future revenue.

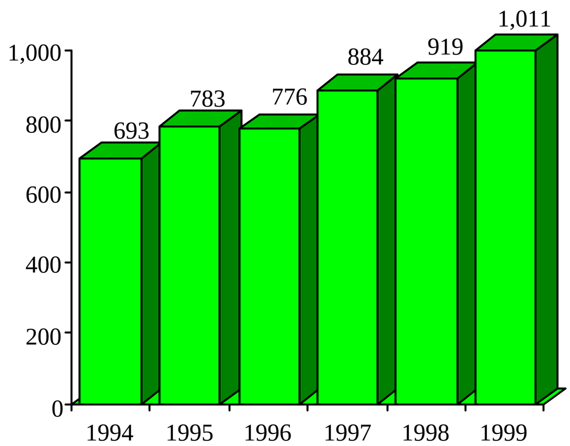
- *Expand Product Lines.* Our product lines encompass market segments comprising approximately 50% of the $37 billion connector industry. We have broad product lines for the markets we serve; as an example, in 1999 our sales included in excess of 100,000 stock keeping units ("SKU's"). We continuously strive to expand our product lines in order to become a primary source supplier of interconnect solutions for our customers. By expanding our product lines, we intend to leverage our extensive customer relationships to cross-sell additional connector products. For example, we developed and are now producing a broad line of radio frequency coaxial and fiber optic connectors for the cable television industry, which we market to our large base of existing cable customers. Moreover, in an environment in which many OEMs and other customers are reducing the size of their supplier base, we believe that the expansion of our product lines will further solidify our importance to existing customers and enable us to effectively market products to new customers.

- *Expand Global Presence.* We intend to further expand our global manufacturing, sales and service operations to better serve our existing client base, penetrate developing markets and establish new customer relationships. As our multinational OEM customers expand their international operations to take advantage of developing markets and the lower manufacturing and labor costs of such markets, we intend to similarly expand our international capabilities in order to provide just-in-time facilities near these customers. We believe that this type of international expansion will enable us to take advantage of the lower manufacturing costs in some countries. We have established low-cost manufacturing and assembly facilities in the three major geographical markets of the Americas, Europe and Asia.

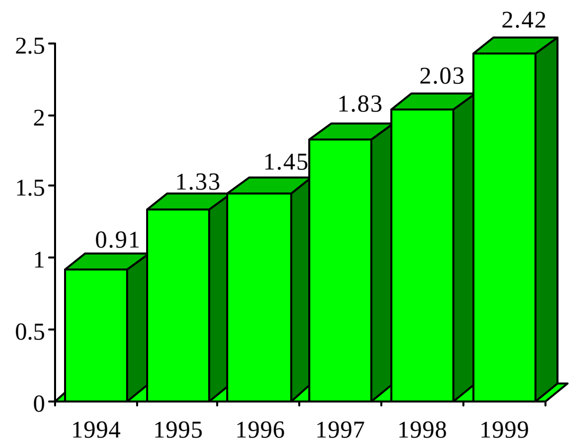
- *Pursue Strategic Acquisitions and Investments.* Our intention is to continue pursuing strategic acquisitions that complement our existing business and further expand our product lines, technological capabilities and geographic presence. We believe that the fragmented nature of the connector industry provides significant opportunities for future strategic acquisitions. Furthermore, we believe that we can improve the profitability of the acquired companies through our channels of access to world markets and through lower manufacturing costs as a result of economies of scale.

KEY OPERATING INDICES
1994-1999

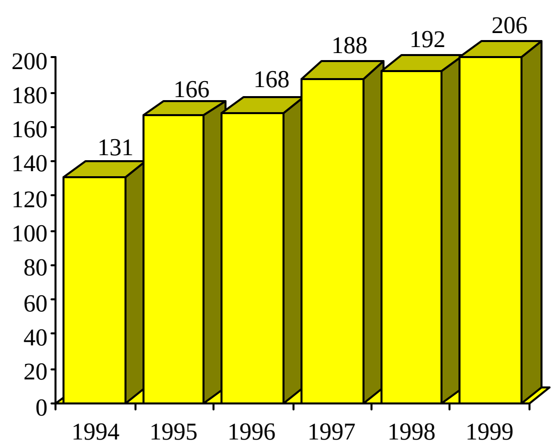
Net Sales
$ Millions



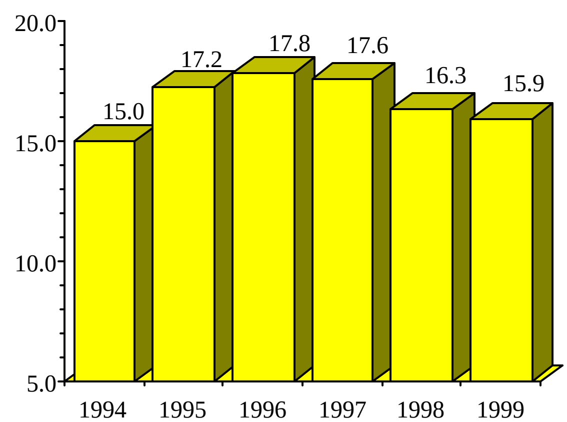
Earnings Per Share - Diluted
Dollars



EBITDA
$ Millions



Operating Margin
Percent (%)



SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)
[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [FEE REQUIRED]
For the Fiscal Year Ended December 31, 1999

or

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED]
For the transition period from__________ to __________

Commission file number 1-10879

AMPHENOL CORPORATION
(Exact name of Registrant as specified in its Charter)

Delaware	**22-2785165**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

358 Hall Avenue, Wallingford, Connecticut 06492
203-265-8900
(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)

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

Class A Common Stock, $.001 par value	**New York Stock Exchange, Inc.**
(Title of each Class)	(Name of each Exchange on which Registered)

Securities registered pursuant to Section 12(g) of the Act: None

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 X No ____

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [ ]

The aggregate market value of Amphenol Corporation common stock, $.001 Par Value, held by non-affiliates was approximately $583 million based on the reported last sale price of such stock on the New York Stock Exchange on February 29, 2000.

As of February 29, 2000 the total number of shares outstanding of common stock was 20,736,245.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Registrant's Definitive Proxy Statement which is expected to be filed within 120 days following the end of the fiscal year covered by this report, are incorporated by reference into Part III hereof.

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PART I

Item 1. Business

General

Amphenol Corporation ("Amphenol" or the "Company") is one of the world's largest designers, manufacturers and marketers of electrical, electronic and fiber optic connectors, interconnect systems and coaxial and flat-ribbon cable. The primary end markets for the Company's products are:

- communication systems for the converging technologies of voice, video and data communications;
- commercial and military aerospace electronics applications; and
- industrial factory automation equipment and automotive and mass transportation applications.

The Company focuses on optimizing its mix of higher margin, higher growth application-specific products in its product offerings and maintaining continuing programs of productivity improvement. As a result of these initiatives, the Company's operating profit margin has increased from 13.5% in 1993 to 15.9% in 1999. For 1999 the Company reported net sales, operating profit and net income before an extraordinary item of $1,010.6 million, $160.7 million and $44.3 million, respectively. The table below summarizes information regarding the Company's primary markets and end applications for the Company's products:

	Communications	Commercial and Military Aerospace	Industrial, Transportation and Other
Percentage of Sales	60%	19%	21%
Primary End Applications	Voice • wireless handsets and personal communication devices • base stations and other wireless infrastructure Video • cable television coaxial cables, connectors and set top converters Data • cable modems • personal computers and related peripherals	Military and Commercial Aircraft • avionics • engine controls • flight controls • entertainment systems Missile Systems Battlefield Communications Satellite and Space Station Programs	Factory Automation Instrumentation Systems Automobile Safety Systems Mass Transportation Systems Oil Exploration

The Company designs and manufactures connectors and interconnect systems which are used primarily to conduct electrical and optical signals for a wide range of sophisticated electronic applications. The Company believes, based primarily on published market research, that it is one of the largest connector manufacturers in the world. The Company has developed a broad range of connector and interconnect products to serve the rapidly growing and converging voice, video and data communications markets. These markets include wireless communications including cellular and personal communication networks, fiber optic networks and broadband cable networks. Based primarily on published market research, the Company also believes it is the leading supplier of high performance environmental connectors that require superior performance and reliability under conditions of stress and in hostile environments. These conditions are frequently encountered in commercial and military aerospace applications and other demanding industrial applications such as oil exploration, medical instrumentation and off-road construction. The Company is also one of the leaders in developing interconnect products for factory automation, machine tools, instrumentation systems, mass transportation applications and automotive safety applications, including airbags, pretensioner seatbelts and anti-lock braking systems.

The Company believes that the worldwide industry for interconnect products and systems is highly fragmented with over 2,000 producers of connectors worldwide, of which the 10 largest, including Amphenol, accounted for a combined market share of approximately 34% in 1999. Industry analysts estimate that the total sales for the industry were approximately $37 billion in 1999.

Our Times Fiber subsidiary is the world's second largest producer of coaxial cable for the cable television market. The Company believes that its Times Fiber unit is one of the lowest cost producers of coaxial cable for the cable television market, and that it is one of the technological leaders in increasing the bandwidth of coaxial cable products. For example, Times Fiber was the first to standardize a coaxial cable with a 1 GHZ bandwidth, and all of its coaxial cable presently has that bandwidth capability. The Company's coaxial cable and connector products are used in cable television systems including full service cable television/telecommunication systems being installed by cable operators and telecommunication companies offering video, voice and data services. The Company is also a major supplier of coaxial cable to the developing international cable television markets.

The Company is a global manufacturer employing advanced manufacturing processes. The Company manufactures and assembles its products at facilities in North America, South America, Europe, Asia and Australia. The Company sells its connector products through its own global sales force and independent manufacturers' representatives to thousands of OEMs in 54 countries throughout the world as well as through a global network of electronics distributors. The Company sells its coaxial cable products primarily to cable television operators and to telecommunication companies who have entered the broadband communications market. For the year 1999, approximately 57% of the Company's net sales were in North America, 27% were in Europe and 16% were in Asia and other countries.

The Company implements its product development strategy through product design teams and collaboration arrangements with customers which result in the Company obtaining approved vendor status for its customers' new products and programs. The Company seeks to have its products become widely accepted within the industry for similar applications and products manufactured by other potential customers, which the Company believes will provide additional sources of future revenue. By developing application-specific products, the Company has decreased its exposure to standard products which generally experience greater pricing pressure. In addition to product design teams and customer collaboration arrangements, the Company uses key account managers to manage customer relationships on a global basis such that it can bring to bear its total resources to meet the worldwide needs of its multinational customers. The Company is also focused on making strategic acquisitions in certain markets to further broaden and enhance its product offerings and expand its global capabilities.

Business Segments

The following table sets forth the dollar amounts of the Company's net trade sales for its business segments. For a discussion of factors affecting changes in sales by business segment, see "Management's Discussion and Analysis of Financial Condition and Results of Operations."

	1999	1998	1997
	(dollars in thousands)		
Net trade sales by business segment:			
Interconnect products and assemblies	$ 769,967	$718,109	$679,887
Cable products	240,636	200,768	204,461
	$1,010,603	$918,877	$884,348
Net trade sales by geographic area:			
United States operations	$ 519,459	$499,891	$462,349
International operations (1)	491,144	418,986	421,999
	$1,010,603	$918,877	$884,348

(1) Includes international coaxial cable sales, which are primarily export sales.

Interconnect Products and Assemblies. The Company produces a broad range of interconnect products and assemblies primarily for voice, video and data communication systems, commercial and military aerospace systems, automotive and mass transportation applications, and industrial and factory automation equipment. Interconnect products include connectors, which when attached to an electronic or fiber optic cable, a printed circuit board or other device facilitate electronic or fiber optic transmission. Interconnect assemblies generally consist of a system of cable and connectors for linking electronic and fiber optic equipment. The Company designs and produces a broad range of connector products used in communication applications, such as: smart card acceptor devices used in mobile GSM telephones, cable modems and other applications to facilitate reading data from smart cards; fiber optic couplers and connectors used in fiber optic signal transmission; input/output connectors used for linking personal computers and peripheral equipment; and sculptured flexible circuits used for integrating printed circuit boards in communication applications. The Company also designs and produces a broad range of radio frequency connector products used in telecommunications, computer and office equipment, instrumentation equipment and local area networks. The Company's radio frequency connectors are used in base stations, handheld sets and other components of cellular and personal communications networks. The Company has also developed a broad line of radio frequency connectors for coaxial cable for full service cable television/ telecommunication networks.

The Company believes, based primarily on published market research, that it is the largest supplier of circular, military-specification connectors. Such connectors require superior performance and reliability under conditions of stress and in hostile environments. High performance environmental connectors are generally used to interconnect electronic and fiber optic systems in sophisticated aerospace, military, commercial and industrial equipment. These applications present demanding technological requirements in that the connectors can be subject to rapid and severe temperature changes, vibration, humidity and nuclear radiation. Frequent applications of these connectors include aircraft, guided missiles, radar, military vehicles, equipment for spacecraft, energy, medical instrumentation and geophysical applications and off-road construction equipment. The Company also designs and produces industrial interconnect products used in a variety of applications such as factory automation equipment, mass transportation applications including railroads and marine transportation; and automotive safety products including interconnect devices and systems used in automotive airbags, pretensioner seatbelts and anti-lock braking systems. The Company also designs and produces highly-engineered cable assemblies. Such assemblies are specially designed by the Company in conjunction with OEM customers for specific applications, primarily for computer, wired and wireless communication systems and office equipment applications. The cable assemblies utilize the Company's connector and cable products as well as components purchased from others.

Cable Products. The Company designs, manufactures and markets coaxial cable primarily for use in the cable television industry. The Company manufactures two primary types of coaxial cable: semi-flexible, which has an aluminum tubular shield, and flexible, which has one or more braided metallic shields. Semi-flexible coaxial cable is used in the trunk and feeder distribution portion of cable television systems, and flexible cable (also known as drop cable) is used primarily for hookups from the feeder cable to the cable television subscriber's residence. Flexible cable is also used in other communication applications.

The rapid developments in fiber optic technologies, digital compression (which allows several channels to be transmitted within the same bandwidth that a single analog channel currently requires) and other communication technologies, including the Company's development of higher capacity coaxial cable, have resulted in technologies which enable cable television systems to provide channel capacity in excess of 500 channels. Such expanded channel capacity, along with other component additions, will permit cable operators to offer full service networks with a variety of capabilities including near video-on-demand, pay-per-view special events, home shopping networks, interactive entertainment and education services, telephone services and high-speed access to data resources such as the Internet. With respect to expanded channel capacity systems, cable operators have generally adopted, and the Company believes that for the foreseeable future will continue to adopt, a cable system using both fiber optic cable and coaxial cable. Such systems combine the advantages of fiber optic cable in transmitting clear signals over a long distance without amplification, with the advantages of coaxial cable in ease of installation, low cost and compatibility with the receiving components of the customer's communication devices. The Company believes that while system operators are likely to increase their use of fiber optic cable for the trunk and feeder portions of the cable systems, there will be an ongoing need for high capacity coaxial cable for the local distribution and street-to-the-home portions of the cable system.

U.S. cable system designs are increasingly being employed in international markets where cable television penetration is low. For example, it is estimated that in 1999 only 31% of the television households in Europe subscribed to some form of multichannel television service as compared to an estimated subscription rate of 66% in the U.S. The estimated subscription rates in the Asian and Latin American markets are even lower at approximately 17% and 14%, respectively. In terms of television households, it is estimated that there are 256 million television households in Europe, 453 million in Asia and 96 million in Latin America. This compares to an estimated 96 million television households in the U.S. In 1999, the Company had sales of coaxial cable in approximately 50 countries, and the Company believes the development of cable television systems in international markets presents a significant opportunity to increase sales of its coaxial cable products.

The Company is also a leading producer of flat-ribbon cable, a cable made of wires assembled side by side such that the finished cable is flat. Flat-ribbon cable is used to connect internal components in systems with space and component configuration limitations. The product is used in computer and office equipment components as well as in a variety of telecommunications applications.

International Operations

The Company believes that its global presence is an important competitive advantage as it allows the Company to provide quality products on a timely and worldwide basis to its multinational customers. Approximately 49% of the Company's sales for the year ended December 31, 1999 were outside the United States. Approximately 55% of such international sales were in Europe. The Company has manufacturing and assembly facilities in the United Kingdom, Germany, France, Sweden, the Czech Republic, Estonia and sales offices in most European markets. The Company's European operations generally have strong positions in their respective local markets. The balance of the Company's international activities are located primarily in the Far East, which includes manufacturing facilities in Japan, Taiwan, People's Republic of China, Korea and India. The Company's international manufacturing and assembly facilities generally serve the respective local markets, and local operations coordinate product design and manufacturing responsibility with the Company's other operations around the world. In addition, the Company has low cost manufacturing and assembly sources in Mexico, the People's Republic of China, the Czech Republic, Estonia and Scotland to serve regional and world markets.

Customers

The Company's products are used in a wide variety of applications by numerous customers, the largest of which is the U.S. government and its subcontractors which accounted for approximately 7% of net sales for the year ended December 31, 1999; however the Company participates across a broad spectrum of government programs and believes that no single program accounted for more than 2% of net sales. The Company sells its products at over 10,000 customer locations worldwide. The Company's products are sold both directly to OEMs, cable system operators, telecommunication companies and through distributors. There has been a trend on the part of OEM customers to consolidate their lists of qualified suppliers to companies that have a global presence, can meet quality and delivery standards, have a broad product portfolio and design capability, and have competitive prices. The Company has focused its global resources to position itself to compete effectively in this environment. The Company has concentrated its efforts on service and productivity improvements including advanced computer aided design and manufacturing systems, statistical process controls and just-in-time inventory programs to increase product quality and shorten product delivery schedules. The Company's strategy is to provide a broad selection of products in the areas in which it competes. The Company has achieved a preferred supplier designation from many of its OEM customers.

The Company's sales to distributors represented approximately 25% of the Company's 1999 sales. The Company's recognized brand names including "Amphenol," "Times Fiber," "Tuchel," "Socapex," "Sine," "Spectra-Strip," "Pyle-National," "Matrix," and "Kai Jack" together with the Company's strong connector design-in position (products that are specified in the plans and qualified by the OEM), enhance its ability to reach the secondary market through its network of distributors. The Company believes that its distributor network represents a competitive advantage.

Manufacturing

The Company employs advanced manufacturing processes including molding, stamping, plating, turning, extruding, die casting and assembly operations as well as proprietary process technology for flat-ribbon and coaxial cable production. The Company's manufacturing facilities are generally vertically integrated operations from the initial design stage through final design and manufacturing. Outsourcing of certain fabrication processes is used when cost-effective. Substantially all of the Company's manufacturing facilities are certified to the ISO9000 series of quality standards.

The Company employs a global manufacturing strategy to lower its production costs and to improve service to customers. The Company sources its products on a worldwide basis with manufacturing and assembly operations in North and South America, Europe, Asia and Australia. To better serve high volume OEM customers, the Company has established just-in-time facilities near major customers.

The Company's policy is to maintain strong cost controls in its manufacturing and assembly operations. The Company has undertaken programs to rationalize its production facilities, reduce expenses and maximize the return on capital expenditures. The programs to improve productivity are ongoing.

The Company purchases a wide variety of raw materials for the manufacture of its products, including precious metals such as gold and silver used in plating; aluminum, brass, steel and copper used for cable, contacts and connector shells; and plastic materials used for cable and connector bodies and inserts. Such raw materials are generally available throughout the world and are purchased locally from a variety of suppliers. The Company is not dependent upon any one source for raw materials, or if one source is used the Company attempts to protect itself through long-term supply agreements.

Research and Development

The Company's research, development and engineering expenditures for the creation and application of new and improved products and processes were $18.5 million, $17.7 million and $15.3 million for 1999, 1998 and 1997, respectively. The Company's research and development activities focus on selected product areas and are performed by individual operating divisions. Generally, the operating divisions work closely with OEM customers to develop highly-engineered products that meet customer needs. The Company continues to focus its research and development efforts primarily on those product areas that it believes have the potential for broad market applications and significant sales within a one-to-three year period.

Trademarks and Patents

The Company owns a number of active patents worldwide. While the Company considers its patents to be valuable assets, the Company does not believe that its competitive position is dependent on patent protection or that its operations are dependent on any individual patent. The Company regards its trademarks "Amphenol," "Times Fiber," "Tuchel", "Socapex," "Sine," "Spectra-Strip," "Pyle-National," "Matrix," and "Kai Jack" to be of value in its businesses. The Company has exclusive rights in all its major markets to use these registered trademarks.

Competition

The Company encounters competition in substantially all areas of its business. The Company competes primarily on the basis of product quality, price, engineering, customer service and delivery time. Competitors include large, diversified companies, some of which have substantially greater assets and financial resources than the Company, as well as medium to small companies. In the area of coaxial cable for cable television, the Company believes that it and CommScope are the primary world providers of such cable; however, CommScope is larger than the Company in this market. In addition, the Company faces competition from other companies that have concentrated their efforts in one or more areas of the coaxial cable market.

Backlog

The Company estimates that its backlog of unfilled orders was $235.3 million and $221.5 million at December 31, 1999 and 1998, respectively. Orders typically fluctuate from quarter to quarter based on customer demands and general business conditions. Unfilled orders may be cancelled prior to shipment of goods; however, such cancellations historically have not been significant. It is expected that all or a substantial portion of the backlog will be filled within the next 12 months. Significant elements of the Company's business, such as sales to the cable television industry, distributors, the computer industry, and other commercial customers, generally have short lead times. Therefore, backlog may not be indicative of future demand.

Employees

As of December 31, 1999, the Company had approximately 8,000 full-time employees worldwide. Of these employees, approximately 5,700 were hourly employees, of which approximately 2,900 were represented by labor unions, and the remainder were salaried. The Company had a one week strike in October 1995 at its Sidney, New York facility relating to the renewal of the labor contract at that facility with the International Association of Machinists and Aerospace Workers. The Company has not had any other work stoppages in the past ten years. In 1997, the United States Steelworkers International Union, AFL-CIO established a union, affecting approximately 500 employees, at the Company's plant in Chatham, Virginia, the Company's primary plant for the production of coaxial cable. The Company believes that it has a good relationship with its unionized and non-unionized employees.

Cautionary Statements for Purposes of Forward Looking Information

Statements made by the Company in written or oral form to various persons, including statements made in filings with the SEC, that are not strictly historical facts are "forward looking" statements. Such statements should be considered as subject to uncertainties that exist in the Company's operations and business environment. The following includes some, but not all, of the factors or uncertainties that could cause the Company to fail to conform with expectations and predictions:

- A global economic slowdown in any one, or all, of the Company's market segments.
- The effects of extreme changes in monetary and fiscal policies in the U.S. and abroad including extreme currency fluctuations and unforeseen inflationary pressures.
- Drastic and unforeseen price pressure on the Company's products or significant cost increases that cannot be recovered through price increases or productivity improvements.
- Increased difficulties in obtaining a consistent supply of basic materials like steel, aluminum, copper, gold or plastic resins at stable pricing levels.
- Unpredictable difficulties or delays in the development of new product programs.
- Significant changes in interest rates or in the availability of financing for the Company or certain of its customers.
- Rapid escalation of the cost of regulatory compliance and litigation.
- Unexpected government policies and regulations affecting the Company or its significant customers.
- Unforeseen intergovernmental conflicts or actions, including but not limited to armed conflict and trade wars.
- Difficulties and unanticipated expense of assimilating newly-acquired businesses.
- Any difficulties in obtaining or retaining the management and other human resource competencies that the Company needs to achieve its business objectives.
- The risks associated with any technological shifts away from the Company's technologies and core competencies. For example, a technological shift away from the use of coaxial cable in cable television/ telecommunication systems could have a substantial impact on the Company's coaxial cable business.
- Unforeseen interruptions to the Company's business with its largest customers, distributors and suppliers resulting from, but not limited to, strikes, financial instabilities, computer malfunctions or inventory excesses.

Item 2. Properties

The Company's fixed assets include certain plants and warehouses and a substantial quantity of machinery and equipment, most of which is general purpose machinery and equipment using tools and fixtures and in many instances having automatic control features and special adaptations. The Company's plants, warehouses, machinery and equipment are in good operating condition, are well maintained, and substantially all of its facilities are in regular use. The Company considers the present level of fixed assets along with planned capital expenditures as suitable and adequate for operations in the current business environment. At December 31, 1999, the Company operated a total of 49 plants and warehouses of which (a) the locations in the U.S. had approximately 1.9 million square feet, of which .9 million square feet were leased; and (b) the locations outside the U.S. had approximately 1.3 million square feet, of which .7 million square feet were leased.

The Company believes that its facilities are suitable and adequate for the business conducted therein and are being appropriately utilized for their intended purposes. Utilization of the facilities varies based on demand for the products. The Company continuously reviews its anticipated requirements for facilities and, based on that review, may from time to time acquire or lease additional facilities and/or dispose of existing facilities.

Item 3. Legal Proceedings

The Company and its subsidiaries have been named as defendants in several legal actions in which various amounts are claimed arising from normal business activities. Although the amount of any ultimate liability with respect to such matters cannot be precisely determined, in the opinion of management, such matters are not expected to have a material effect on the Company's financial condition or results of operations.

Certain operations of the Company are subject to federal, state and local environmental laws and regulations which govern the discharge of pollutants into the air and water, as well as the handling and disposal of solid and hazardous wastes. The Company believes that its operations are currently in substantial compliance with all applicable environmental laws and regulations and that the costs of continuing compliance will not have a material effect on the Company's financial condition or results of operations.

Subsequent to the acquisition of Amphenol from Allied Signal Corporation ("Allied") in 1987, Amphenol and Allied have been named jointly and severally liable as potentially responsible parties in relation to several environmental cleanup sites. Amphenol and Allied have jointly consented to perform certain investigations and remedial and monitoring activities at two sites and they have been jointly ordered to perform work at another site. The responsibility for costs incurred relating to these sites is apportioned between Amphenol and Allied based on an agreement entered into in connection with the acquisition. For sites covered by this agreement, to the extent that conditions or circumstances occurred or existed at the time of or prior to the acquisition, Allied is currently obligated to pay 80% of the costs up to $30 million and 100% of the costs in excess of $30 million. At December 31, 1999, approximately $20 million of total costs have been incurred applicable to this agreement. Allied representatives are presently working closely with the Company in addressing the most significant potential environmental liabilities including the Sidney Center landfill and the Richardson Hill landfill projects, as described below.

Owners and occupiers of sites containing hazardous substances, as well as generators of hazardous substances, are subject to broad liability under various federal and state environmental laws and regulations, including expenditures for cleanup costs and damages arising out of past disposal activities. Such liability in many cases may be imposed regardless of fault or the legality of the original disposal activity. The Company is currently monitoring activities at its manufacturing site in Sidney, New York. Currently, the Company is also voluntarily performing monitoring, investigation, design and cleanup activities at two local, public off-site disposal sites previously utilized by the Sidney facility and others. The Company is also performing proposed remedial design activities and is currently negotiating with respect to a third site. The Company and Allied have entered into an administrative consent order with the United States Environmental Protection Agency (the "EPA") and are presently determining necessary and appropriate remedial measures for one such site (the "Richardson Hill" landfill) used by Amphenol and other companies, which has been designated a "Superfund" site on the National Priorities List under the Comprehensive Environmental Response, Compensation and Liability Act of 1980. With respect to the second site, (the "Route 8" landfill), used exclusively by Amphenol, the Company initiated a remediation program pursuant to a Consent Order with the New York Department of Environmental Protection and is continuing to monitor the results of those remediation efforts. In December 1995, the Company and Allied received a letter from the EPA demanding that the Company and Allied accept responsibility for the investigation and cleanup of the Sidney Center landfill, another Superfund Site. The Sidney Center landfill was a municipal landfill site utilized by the Company's Sidney facility and other local towns and businesses. The Company has acknowledged that it sent general plant refuse but no hazardous waste to the Sidney Center landfill site. In 1996, the Company and Allied received a unilateral order from the EPA directing the Company and Allied to perform certain investigation, design and cleanup activities at the Sidney Center landfill site. The Company and Allied responded to the unilateral order by agreeing to undertake certain remedial design activities. In 1997, the EPA filed a lawsuit against the Company and Allied seeking to recover $2.7 million for past costs expended by the EPA in connection with activities at the Sidney Center landfill site and seeking to affix liability upon the Company and Allied for all additional costs to be incurred in connection with all further investigations, design and cleanup activities at the site. The Company joined four local municipalities as co-defendants in the lawsuit. The EPA and the four municipalities entered into a proposed settlement agreement which the Company and Allied has successfully contested as being unfair and inequitable. A similar settlement proposal was not offered to the Company and Allied. The Company and Allied intend to continue to vigorously defend the lawsuit although remedial design work for the Sidney Center landfill site has continued pursuant to the 1996 unilateral order. The Company is also engaged in remediating or monitoring environmental conditions at several of its other manufacturing facilities and has been named as a potentially responsible party for cleanup costs at several other off-site disposal sites. During 1999, the Company incurred costs of approximately $1.0 million, net of indemnification payments received from Allied, in connection with investigating, remediating and monitoring environmental conditions at all of these facilities and sites. Amphenol expects such expenditures, net of expected indemnification payments from Allied, to be less than $1.0 million in 2000.

Since 1987, the Company has not been identified nor has it been named as a potentially responsible party with respect to any other significant on-site or off-site hazardous waste matters. In addition, the Company believes that all of its manufacturing activities and disposal practices since 1987 have been in material compliance with all applicable environmental laws and regulations. Nonetheless, it is possible that the Company will be named as a potentially responsible party in the future with respect to additional Superfund or other sites. Although the Company is unable to predict with any reasonable certainty the extent of its ultimate liability with respect to any pending or future environmental matters, the Company believes, based upon all information currently known by management about the Company's manufacturing activities, disposal practices and estimates of liability with respect to all known environmental matters, that any such liability will not be material to its financial condition or results of operations.

Item 4. Submission of Matters to a Vote of Security-Holders

The Annual Meeting of Stockholders was held on May 26, 1999. The following matters were submitted to and approved by the stockholders: (i) the election of two directors, G. Robert Durham and George R. Roberts, each for a three year term expiring in the year 2002 and (ii) ratification of Deloitte & Touche LLP as independent accountants of the Company.

Item 4.1 Executive Officers

The following table sets forth the name, age and position with the Company of each person who was an executive officer of Amphenol as of December 31, 1999. Officers are elected to serve at the discretion of the Board of Directors in accordance with the By-Laws of the Company. The By-Laws of the Company provide that the Board of Directors shall elect the officers of the Company at its first meeting held after the Annual Meeting of Stockholders of the Company. All officers of the Company are elected to hold office until their successors are chosen and qualified, or until their earlier resignation or removal.

Name	Age	Position
Martin H. Loeffler	55	Chairman of the Board, Chief Executive Officer and President
Edward G. Jepsen	56	Executive Vice President and Chief Financial Officer
Timothy F. Cohane	47	Senior Vice President
Edward C. Wetmore	43	Secretary and General Counsel
Diana G. Reardon	40	Controller and Treasurer

Martin H. Loeffler has been a Director of Amphenol since December 1987 and Chairman of the Board since May 1997. He has been Chief Executive Officer since May 1996 and President since July 1987.

Edward G. Jepsen has been Executive Vice President and Chief Financial Officer of Amphenol since May 1989 and Senior Vice President and Director of Finance since November 1988.

Timothy F. Cohane has been Senior Vice President of Amphenol since December 1994 and a Vice President since 1991.

Edward C. Wetmore has been Secretary and General Counsel of Amphenol since 1987.

Diana G. Reardon has been Treasurer of Amphenol since March 1992 and Controller since July 1994 and Assistant Controller since June 1988.

PART II

Item 5. Market for the Registrant's Common Stock and Related Stockholder Matters

The Company effected the initial public offering of its Class A Common Stock in November 1991. The Company's common stock has been listed on the New York Stock Exchange since that time under the symbol "APH." The following table sets forth on a per share basis the high and low closing prices for the common stock for both 1999 and 1998 as reported on the New York Stock Exchange.

	1999		1998	
	High	Low	High	Low
First Quarter	38 1/2	29 7/16	64	53 1/4
Second Quarter	40 3/8	34 1/2	61 5/8	39
Third Quarter	56 5/8	39 5/16	44 1/8	29 13/16
Fourth Quarter	71 1/2	45 3/4	35 1/16	27 1/2

As of February 29, 2000 there were 95 holders of record of the Company's common stock. A significant number of outstanding shares of common stock are registered in the name of only one holder, which is a nominee of The Depository Trust Company, a securities depository for banks and brokerage firms. The Company believes that there are a significant number of beneficial owners of its common stock.

Since its initial public offering in 1991, the Company has not paid any cash dividends on its common stock and it does not have any present intention to commence payment of any cash dividends. The Company intends to retain earnings to provide funds for the operation and expansion of the Company's business and to repay outstanding indebtedness.

Currently the Company is restricted from declaring and paying any cash dividends on, or repurchasing the Company's common stock under certain covenants contained in the Company's debt agreements.

Partnerships affiliated with Kohlberg Kravis Roberts & Co. L.P. ("KKR") owned 63.9% of the Company's Class A Common Stock as of December 31, 1999.

Item 6. Selected Financial Data

(dollars in thousands, except per share data)

					Year Ended December 31,
	1999	1998	1997	1996	1995
Operations					
Net sales	$ 1,010,603	$918,877	$884,348	$776,221	$783,233
Income before extraordinary item	44,295	36,510	51,264	67,578	62,858
Extraordinary loss	(8,674)		(24,547)		
Net income	35,621	36,510	26,717	67,578	62,858
Net income per common share-diluted:					
Income before extraordinary item	2.42	2.03	1.83	1.45	1.33
Extraordinary loss	(.48)		(.88)		
Net income	1.94	2.03	.95	1.45	1.33
Financial Position					
Working capital	$ 189,252	$163,508	$137,526	$136,864	$121,313
Total assets	836,376	807,401	737,154	710,662	689,924
Current portion of long-term debt	16,829	1,655	212	7,759	2,670
Long-term debt	745,658	952,469	937,277	219,484	195,195
Shareholders' equity (deficit)	(81,166)	(292,257)	(343,125)	360,548	344,085
Weighted average shares outstanding - diluted	18,332,008	17,942,397	28,002,977	46,720,900	47,412,015

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of the results of operations for the three fiscal years ended December 31, 1999 has been derived from and should be read in conjunction with the consolidated financial statements contained herein.

Results of Operations

The following table sets forth the components of net income before extraordinary item as a percentage of net sales for the periods indicated.

	Year Ended December 31,		
	1999	*1998*	*1997*
Net sales	100.0%	100.0%	100.0%
Cost of sales, excluding depreciation and amortization	65.7	65.5	64.7
Depreciation and amortization expense	4.0	3.8	3.6
Selling, general and administrative expense	14.4	14.4	14.1
Operating income	15.9	16.3	17.6
Interest expense	(7.9)	(8.8)	(7.3)
Other expenses, net	(.5)	(.5)	(.1)
Expenses relating to Merger and Recapitalization			(.3)
Income before income taxes and extraordinary item	7.5	7.0	9.9
Provision for income taxes	(3.1)	(3.0)	(4.1)
Net income before extraordinary item	4.4%	4.0%	5.8%

1999 Compared to 1998

Net sales were $1,010.6 million for the year ended December 31, 1999 compared to $918.9 million for 1998. Sales of interconnect products and assemblies increased 7% compared to 1998 ($770.0 million in 1999 versus $718.1 million in 1998). Such increase is primarily attributable to increased sales of products and interconnect systems for wireless, telecom and datacom communications applications reflecting the continuing build and enhancements to wireless communication infrastructure and mobile communication devices as well as increasing Internet communication applications. The increase was partially offset by a decline in sales of interconnect products for aerospace applications reflecting lower builds of commercial aircraft, customer inventory reduction programs and lower activity for the International Space Station program. Sales of cable products increased 20% compared to 1998 ($240.6 million in 1999 versus $200.8 million in 1998). Sales of coaxial cable for cable television increased as cable operators continued to upgrade and expand their systems to offer enhanced services and international markets for cable television strengthened, especially in the economic recovering Asian markets.

Geographically, sales in the U.S. in 1999 increased approximately 4% compared to 1998 ($519.5 million in 1999 versus $499.9 million in 1998); international sales for 1999, including export sales, increased approximately 17% in U.S. dollars ($491.1 million in 1999 versus $419.0 million in 1998) and increased approximately 19% in local currency compared to 1998. The comparatively strong U.S. dollar in 1999 had the currency effect of decreasing net sales by approximately $7.1 million when compared to foreign currency translation rates in 1998.

The gross profit margin as a percentage of net sales (including depreciation in cost of sales) remained relatively constant at approximately 32% in 1999 compared to 1998.

Selling, general and administrative expenses as a percentage of sales remained relatively constant at approximately 14% in 1999 compared to 1998.

Interest expense was $79.3 million for 1999 compared to $81.2 million for 1998. The decrease is primarily attributable to lower interest rates on the Company's term loan facility.

Other expenses, net for 1999 was $5.3 million. See Note 9 to the Company's Consolidated Financial Statements for details of the components of other expenses, net.

The provision for income taxes for 1999 was at an effective rate of 41.9% compared to an effective rate of 42.9% in 1998. The decrease is generally attributable to non-deductible expenses (goodwill amortization) being a lower percentage of pretax income.

1998 Compared to 1997

Net sales were $918.9 million for the year ended December 31, 1998 compared to $884.3 million for 1997. Sales of interconnect products and assemblies increased 6% compared to 1997 ($718.1 million in 1998 versus $679.9

million in 1997). Such increase is primarily due to increased sales of interconnect products and assemblies for wireless communications, data applications and smart card acceptor devices. Sales of interconnect products for space, military and commercial aviation applications increased slightly and were offset by a decline in sales for industrial applications. Sales of cable products declined 2% compared to 1997 ($200.8 million in 1998 versus $204.5 million in 1997). Sales of coaxial cable for cable television increased in the U.S. as cable operators began upgrading and expanding their systems to offer enhanced services; however, the increase was offset by declines in sales in international cable television markets, primarily Asia and Latin America, as a result of generally weak economic conditions in those regions. Sales of flat ribbon cable, primarily for data communication applications, were approximately even with the prior year.

Geographically, sales in the U.S. in 1998 increased 8% compared to 1997 ($499.9 million in 1998 versus $462.3 million in 1997); international sales for 1998, including export sales, decreased 1% in U.S. dollars ($419.0 million in 1998 versus $422.0 million in 1997) and increased approximately 1% in local currency compared to 1997. The comparatively strong U.S. dollar in 1998 had the currency effect of decreasing net sales by approximately $8.7 million when compared to foreign currency translation rates in 1997.

The gross profit margin as a percentage of net sales (including depreciation in cost of sales) decreased to 32% in 1998 from 33% in 1997. The decrease is generally attributable to competitive pricing pressure on the Company's coaxial cable products.

Selling, general and administrative expenses as a percentage of sales remained relatively constant at approximately 14% in 1998 compared to 1997.

Interest expense was $81.2 million for 1998 compared to $64.7 million for 1997. The increase is due to increased debt levels resulting from the Merger and Recapitalization in May 1997.

Other expenses, net for 1998 was $4.5 million, an increase of $3.4 million from 1997. The 1997 period included a gain on the sale of marketable securities of $3.9 million. See Note 9 to the Company's Consolidated Financial Statements for details of the components of other expenses, net.

The provision for income taxes for 1998 was at an effective rate of 42.9% compared to an effective rate of 41.2% in 1997. The increase is generally attributable to non-deductible expenses (goodwill amortization) being a higher percentage of pretax income.

Liquidity and Capital Resources

Cash provided by operating activities totaled $64.1 million, $53.2 million, and $86.3 million for 1999, 1998 and 1997, respectively. The increase in cash from operating activities in 1999 compared to 1998 is primarily attributable to an increase in net income adjusted for depreciation and amortization charges and offset in part by a net increase in non-cash components of working capital. In 1998, cash from operating activities was lower than 1997 primarily because of increased interest payments ($78.6 million in 1998 versus $53.2 million in 1997) on borrowings resulting from the Merger and Recapitalization and increased income taxes paid ($26.0 million in 1998 versus $20.6 million in 1997).

Cash from operating activities was used for capital expenditures ($23.5 million, $26.3 million and $24.1 million in 1999, 1998 and 1997, respectively), and acquisitions ($12.3 million, $32.7 million, and $4.0 million in 1999, 1998 and 1997, respectively).

In conjunction with the Merger and Recapitalization in 1997, the Company entered into a $900 million bank agreement with a syndicate of financial institutions (the "Bank Agreement"), comprised of a $150 million revolving credit facility that expires in the year 2004 and a $750 million term loan facility. The term loan facility includes a $350 million Tranche A maturing over a 7 year period ending 2004, and a $375 million Tranche B with required amortization in 2005 and 2006. The credit agreement is secured by pledges of 100% of the capital stock of the Company's direct domestic subsidiaries and 65% of the capital stock of direct material foreign subsidiaries, and the agreement requires the maintenance of certain interest coverage and leverage ratios, and includes limitations with respect to, among other things, indebtedness and restricted payments, including dividends on the Company's common stock. At December 31, 1999 there were $599.5 million of borrowings outstanding under the term loan facility. Availability under the revolving credit facility at December 31, 1999 was $134.6 million, after reduction of $8.3 million for outstanding letters of credit.

The Company has entered into interest rate swap agreements that effectively fixed the Company's interest cost on $450 million of borrowings under the Bank Agreement to the extent that LIBOR interest rates remain below 7% for $300 million of borrowings and below 8% for $150 million of borrowings.

The Company's EBITDA as defined in the Bank Agreement was $205.6 million and $192.1 million for 1999 and 1998, respectively. EBITDA is not a defined term under Generally Accepted Accounting Principles (GAAP) and is not an alternative to operating income or cash flow from operations as determined under GAAP. The Company believes that EBITDA provides additional information for determining its ability to meet future debt service requirements; however, EBITDA does not reflect cash available to fund cash requirements.

The Company's primary ongoing cash requirements will be for debt service, capital expenditures and product development activities. The Company's debt service requirements consist primarily of principal and interest on bank borrowings and interest on its 9 7/8% Senior Subordinated Notes due 2007.

In December 1999, the Company sold 2.75 million shares of common stock in a public offering resulting in net proceeds of $181.8 million. $105.5 million of such proceeds was used to redeem $96 million principal amount of Notes at a price of 109.875% and the balance of the proceeds was used to pay down term debt under the Bank Agreement. The redemption of Notes resulted in an extraordinary loss for the early extinguishment of debt (consisting of a prepayment premium and the write off of related deferred debt issuance costs) of $13.6 million less tax benefits of $4.9 million.

The Company has not paid, and does not have any present intention to commence payment of, cash dividends on its common stock. The Company expects that ongoing requirements for debt service, capital expenditures and product development activities will be funded by internally generated cash flow and availability under the Company's revolving credit facility. The Company expects that capital expenditures in 2000 will be approximately $35 million. The Company's required debt amortization in 2000 is $16.8 million; the Company's required cash interest payments for 2000, at current interest rates, are estimated at approximately $58 million. The Company may also use cash to fund part or all of the cost of future acquisitions.

Environmental Matters

Subsequent to the acquisition of Amphenol Corporation in 1987, Amphenol and Allied have been named jointly and severally liable as potentially responsible parties in relation to several environmental cleanup sites. Amphenol and Allied have jointly consented to perform certain investigations and remedial and monitoring activities at two sites and they have been jointly ordered to perform work at another site. The responsibility for costs incurred relating to these sites is apportioned between Amphenol and Allied based on an agreement entered into in connection with the acquisition. For sites covered by this agreement, to the extent that conditions or circumstances occurred or existed at the time of or prior to the acquisition, Allied is currently obligated to pay 80% of the costs up to $30 million and 100% of the costs in excess of $30 million. At December 31, 1999, approximately $20 million of the total costs have been incurred applicable to this agreement. Management does not believe that the costs associated with resolution of these or any other environmental matters will have a material adverse effect on the Company's financial condition or results of operations.

Inflation and Costs

The cost of the Company's products is influenced by the cost of a wide variety of raw materials, including precious metals such as gold and silver used in plating; aluminum, copper, brass and steel used for contacts, shells and cable; and plastic materials used in molding connector bodies, inserts and cable. In general, increases in the cost of raw materials, labor and services have been offset by price increases, productivity improvements and cost saving programs.

Risk Management

The Company has to a significant degree mitigated its exposure to currency risk in its business operations by manufacturing and procuring its products in the same country or region in which the products are sold so that costs reflect local economic conditions. In other cases involving U.S. export sales, raw materials are a significant component of product costs for the majority of such sales and raw material costs are generally dollar based on a worldwide scale, such as basic metals and petroleum derived materials.

Recent Accounting Change

In June 1998 the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 133 (FAS 133), "Accounting for Derivative Instruments and Hedging Activities." This statement requires that an entity recognize all derivatives as either assets or liabilities in the Statement of Financial Position and measure those instruments at fair value. The accounting for changes in the fair value of a derivative (that is, gains and losses) depends on the intended use of the derivative and its resulting designation. The Company is in the process of evaluating the effect this new standard will have on the Company's financial statements. The Company is required to adopt FAS 133, as amended by FAS 137, beginning January 1, 2001.

Information Systems and the Year 2000

The Year 2000 issue was primarily the result of computer programs using a two digit format, as opposed to four digits, to indicate the year. Such computer systems would be unable to interpret dates beyond the year 1999, which could cause system failures or other computer errors, leading to a disruption in the operation of such systems. In 1996, the Company began a systematic review of all of its business information systems to ensure that the systems now in use worldwide would be Year 2000 compliant before the turn of the century. The Company established a Year 2000 Program Management Group to provide overall guidance and direction for this compliance mission. Communications were initiated to all of the Company's business units focusing on the critical nature of this project and the Program Management Group continued to monitor the progress and status of each business unit. The Program Management Group focused its efforts on four main areas: (1) information systems software and hardware; (2) non-information technology systems; (3) facilities equipment; and (4) customer and vendor relationships. The Company's Year 2000 conversion project was completed with no significant impact on business operations.

Based on assessment efforts to date

and since the Company experienced no major Year 2000 related issues during the transition, the Company does not believe that the Year 2000 issue will have a material adverse effect on its financial condition or results of operations. The Company operates a number of business units worldwide and has a large supplier base and believes that this will mitigate any adverse impact. The Company's beliefs and expectations, however, are based on certain assumptions and expectations that ultimately may prove to be inaccurate. Potential sources of risk include: (a) the inability of principal suppliers to be Year 2000 ready, which could result in delays in product deliveries from such suppliers, (b) disruption of the product distribution channel, including ports and transportation vendors and (c) the general breakdown of necessary infrastructure such as electricity supply. The Company has developed contingency plans to reduce the impact of transactions with non-compliant suppliers and other parties. Although there can be no assurance that multiple business disruptions caused by technology failures can be adequately anticipated, the Company has identified various alternatives to minimize the potential risk to its business operations.

The Company estimates the cost for its Year 2000 compliance efforts to be approximately $3.0 million, including the cost of new systems and upgrades some of which were capitalized. The cost was funded through operating cash flows. The Company's aggregate cost estimate does not include time and costs incurred by the Company as a result of the failure of any third parties, including suppliers, to become Year 2000 ready or costs to implement any contingency plans. Such costs are not anticipated to have a material impact on the Company's financial position, results of operations or cash flows.

Euro Currency Conversion

On January 1, 1999, certain member countries of the European Union established fixed conversion rates between their existing currencies and the European Union's common currency (the "euro"). The transition period for the introduction of the euro began on January 1, 1999. Beginning January 1, 2002, the participating countries will issue new euro-denominated bills and coins for use in cash transactions. No later than July 1, 2002, the participating countries will withdraw all bills and coins denominated in the legacy currencies, so that the legacy currencies will no longer be legal tender for any transactions, making the conversion to the euro complete.

The company is addressing the issues involved with the introduction of the euro. Based on progress to date, the company believes that the use of the euro will not have a significant impact on the manner in which it conducts its business. Accordingly, conversion to the euro is not expected to have a material effect on the company's consolidated financial position, consolidated results of operations, or liquidity.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

The Company, in the normal course of doing business, is exposed to the risks associated with foreign currency exchange rates and changes in interest rates.

Foreign Currency Exchange Rate Risk

The Company conducts business in several major international currencies through its worldwide operations, and as a result is subject to foreign exchange exposures due to changes in exchange rates of the various currencies. Changes in exchange rates can positively or negatively effect the Company's sales, gross margins and retained earnings. The Company attempts to minimize currency exposure risk by producing its products in the same country or region in which the products are sold and thereby generating revenues and incurring expenses in the same currency and by managing its working capital; although there can be no assurance that this approach will be successful, especially in the event of a significant and sudden decline in the value of any of the international currencies of the Company's worldwide operations. In addition, the Company periodically enters into foreign exchange contracts to hedge its transaction exposures. The Company does not engage in purchasing forward exchange contracts for speculative purposes.

Interest Rate Risk

The Company is subject to market risk from exposure to changes in interest rates based on its financing activities. The Company utilizes interest rate swap agreements to manage and mitigate its exposure to changes in interest rates. At December 31, 1999, the Company had interest rate protection in the form of such swaps that effectively fixed the Company's LIBOR interest rate on $450 million of floating rate bank debt at 5.76%. At December 31, 1999, the three month LIBOR rate was 6.00%. Such swap agreements are in effect to the extent that LIBOR remains below 7% for $300 million of debt and remains below 8% for an additional $150 million of debt. These swap agreements expire in July 2002. A 10% change in the LIBOR interest rate at December 31, 1999 would have the effect of increasing or decreasing interest expense by approximately $1.0 million. However, if the LIBOR interest rate increased above 7% (a 17% increase from the LIBOR interest rate at December 31, 1999), further increases above 7% would have a more significant effect in increasing interest expense. The Company does not expect changes in interest rates to have a material effect on income or cash flows in 2000, although there can be no assurances that interest rates will not significantly change.

Item 8. Financial Statements and Supplementary Data

Report of Management

Management is responsible for the integrity and objectivity of the financial statements and other information appearing in this annual report on Form 10-K. The financial statements have been prepared in conformity with generally accepted accounting principles and include amounts based on management's best estimates and judgments. The Company maintains a system of internal accounting controls and procedures intended to provide reasonable assurance that assets are safeguarded and transactions are properly recorded and accounted for in accordance with management's authorization.

Deloitte & Touche LLP has been engaged to audit the financial statements in accordance with generally accepted auditing standards. They obtain an understanding of the Company's accounting policies and controls, and conduct such tests and related procedures as they consider necessary to arrive at their opinion. The Board of Directors has appointed an Audit Committee composed of outside directors. The Audit Committee meets periodically with representatives of management and Deloitte & Touche LLP to discuss and review their activities with respect to internal accounting controls and financial reporting and auditing.

Independent Auditors' Report

To the Board of Directors and
Shareholders of Amphenol Corporation

We have audited the accompanying consolidated balance sheets of Amphenol Corporation and subsidiaries as of December 31, 1999 and 1998, and the related consolidated statements of income, changes in shareholders' equity (deficit), and cash flows for each of the three years in the period ended December 31, 1999. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of Amphenol Corporation and subsidiaries at December 31, 1999 and 1998, and the results of their operations and their cash flows for each of the three years in the period then ended in conformity with generally accepted accounting principles.

Hartford, Connecticut
January 18, 2000
(March 14, 2000, as to Note 13)

Consolidated Statement of Income

(dollars in thousands, except per share data)

	Year Ended December 31,		
	1999	*1998*	*1997*
Net sales	$1,010,603	$ 918,877	$884,348
Costs and expenses:			
Cost of sales, excluding depreciation and amortization	663,978	601,930	572,092
Depreciation and amortization expense	27,673	23,553	20,428
Selling, general and administrative expense	145,852	131,966	125,064
Amortization of goodwill	12,371	11,701	11,316
Operating income	160,729	149,727	155,448
Interest expense	(79,297)	(81,199)	(64,713)
Expenses relating to Merger and Recapitalization (Note 2)			(2,500)
Other expenses, net	(5,262)	(4,545)	(1,061)
Income before income taxes and extraordinary item	76,170	63,983	87,174
Provision for income taxes	(31,875)	(27,473)	(35,910)
Income before extraordinary item	44,295	36,510	51,264
Extraordinary item:			
Loss on early extinguishment of debt, net of income taxes (Notes 2 and 3)	(8,674)		(24,547)
Net income	$ 35,621	$ 36,510	$ 26,717
Net income per common share - Basic:			
Income before extraordinary item	$2.46	$2.07	$1.84
Extraordinary loss	(.48)		(.88)
Net income	$1.98	$2.07	$ .96
Average common shares outstanding	18,029,778	17,663,212	27,806,260
Net income per common share - Diluted:			
Income before extraordinary item	$2.42	$2.03	$1.83
Extraordinary loss	(.48)		(.88)
Net income	$1.94	$2.03	$ .95
Average common shares outstanding	18,332,008	17,942,397	28,002,977

See accompanying notes to consolidated financial statements.

Consolidated Balance Sheet

(dollars in thousands, except per share data)

	December 31, 1999	1998
Assets		
Current Assets:		
Cash and short-term cash investments	$ 12,898	$ 3,095
Accounts receivable, less allowance for doubtful accounts of $2,232 and $1,832	111,711	83,065
Inventories:		
Raw materials and supplies	28,022	24,806
Work in process	115,231	114,035
Finished goods	46,180	45,583
	189,433	184,424
Prepaid expenses and other assets	21,137	17,089
Total current assets	335,179	287,673
Land and depreciable assets:		
Land	10,582	10,782
Buildings	69,493	68,426
Machinery and equipment	246,798	237,618
	326,873	316,826
Less accumulated depreciation	(206,923)	(190,047)
	119,950	126,779
Deferred debt issuance costs	10,267	16,783
Excess of cost over fair value of net assets acquired	360,999	360,265
Other assets	9,981	15,901
	$ 836,376	$ 807,401
Liabilities & Shareholders' Deficit		
Current Liabilities:		
Accounts payable	$ 71,495	$ 67,885
Accrued interest	9,779	11,306
Accrued salaries, wages and employee benefits	14,604	14,385
Other accrued expenses	33,220	28,934
Current portion of long-term debt	16,829	1,655
Total current liabilities	145,927	124,165
Long-term debt	745,658	952,469
Deferred taxes and other liabilities	25,957	23,024
Commitments and contingent liabilities (Notes 3, 7 and 10)		
Shareholders' Deficit:		
Class A Common Stock, $.001 par value; 40,000,000 shares authorized; 20,616,220 and 17,862,328 shares outstanding at December 31, 1999 and 1998, respectively	21	18
Additional paid-in deficit	(318,641)	(499,928)
Accumulated earnings	250,482	214,861
Accumulated other comprehensive loss (Note 6)	(13,028)	(7,208)
Total shareholders' deficit	(81,166)	(292,257)
	$ 836,376	$ 807,401

See accompanying notes to consolidated financial statements.

Consolidated Statement of Changes in Shareholders' Equity (Deficit)

(dollars in thousands, except per share data)

	Common Stock	*Additional Paid-In Capital (Deficit)*	*Comprehensive Income*	*Accumulated Earnings*	*Accumulated Other Comprehensive Income (Loss) (Note 6)*	*Treasury Stock at Cost*	*Total Shareholders' Equity (Deficit)*
Balance December 31, 1996	$47	$265,425		$151,634	$(3,887)	$(52,671)	$360,548
Comprehensive income:							
Net income			[$26,717]	26,717			26,717
Other comprehensive income (loss), net of tax:							
Reclassification adjustment for gain on securities realized in net income			(3,687)				(3,687)
Translation adjustments			(8,147)				(8,147)
Minimum pension liability adjustment			5,809				5,809
Other comprehensive loss			(6,025)		(6,025)		
Comprehensive income			[$20,692]				
Stock subscription proceeds		532					532
Sale of 13,116,955 shares of common stock (Note 2)	13	341,028					341,041
Purchase of 40,325,240 shares of common stock (Note 2)	(40)	(1,048,450)					(1,048,490)
Fees and other expenses related to the Merger and Recapitalization (Note 2)		(17,644)					(17,644)
Retirement of Treasury Stock	(2)	(52,669)				52,671	
Amortization of deferred compensation		186					186
Stock options exercised		10					10
Balance December 31, 1997	18	(511,582)		178,351	(9,912)		(343,125)
Comprehensive income:							
Net income			[$36,510]	36,510			36,510
Other comprehensive income, net of tax:							
Translation adjustments			2,704		2,704		2,704
Comprehensive income			[$39,214]				
Stock subscription proceeds		25					25
Deferred compensation		180					180
Stock issued in connection with acquisition		11,449					11,449
Balance December 31, 1998	18	(499,928)		214,861	(7,208)		(292,257)
Comprehensive income:							
Net income			[$35,621]	35,621			35,621
Other comprehensive loss, net of tax:							
Translation adjustments			(5,820)		(5,820)		(5,820)
Comprehensive income			[$29,801]				
Deferred compensation		180					180
Sale of 2,750,000 shares of common stock	3	181,107					181,110
Balance December 31, 1999	$21	$ (318,641)		$250,482	$(13,028)	—	$ (81,166)

See accompanying notes to consolidated financial statements.

Consolidated Statement of Cash Flow

(dollars in thousands, except per share data)

	Year Ended December 31, 1999	1998	1997
Net income	$ 35,621	$ 36,510	$ 26,717
Adjustments for cash from operations:			
Depreciation and amortization	40,044	35,254	31,744
Amortization of deferred debt issuance costs	2,733	2,749	2,638
Net extraordinary loss on early extinguishment of debt	8,674		24,547
Non-recurring expenses relating to the Merger and Recapitalization			2,500
Gain on sale of marketable securities			(3,917)
Net change in:			
Accounts receivable	(27,793)	(2,926)	(18,261)
Inventory	(9,795)	(9,229)	(17,700)
Prepaid expenses and other assets	(2,856)	(1,788)	(2,479)
Accounts payable	2,646	(257)	15,653
Accrued liabilities	12,792	(4,251)	18,938
Accrued interest	(2,262)	(142)	8,944
Accrued pension and post employment benefits	1,113	(1,102)	(4,717)
Deferred taxes and other liabilities	2,887	57	2,607
Other	291	(1,647)	(952)
Cash flow provided by operations	64,095	53,228	86,262
Cash flow from investing activities:			
Additions to property, plant and equipment	(23,464)	(26,340)	(24,059)
Investments in acquisitions and joint ventures	(12,274)	(32,663)	(4,000)
Proceeds from the sale of marketable securities			7,351
Cash flow used by investing activities	(35,738)	(59,003)	(20,708)
Cash flow from financing activities:			
Net change in borrowings under revolving credit facilities	(14,328)	9,157	(20,461)
Repurchase of senior notes and subordinated debt	(105,480)		(212,479)
Payment of fees and other expenses related to Merger and Recapitalization			(59,436)
Borrowings under Bank Agreement			750,000
Net change in receivables sold			10,000
Decrease in borrowings under Bank Agreement	(80,500)	(5,000)	(65,000)
Proceeds from the issuance of senior subordinated notes			240,000
Purchase of common stock			(1,048,490)
Sale of common stock	181,754		341,041
Cash flow provided by (used by) financing activities	(18,554)	4,157	(64,825)
Net change in cash and short-term cash investments	9,803	(1,618)	729
Cash and short-term cash investments balance, beginning of period	3,095	4,713	3,984
Cash and short-term cash investments balance, end of period	$ 12,898	$ 3,095	$ 4,713
Cash paid during the year for:			
Interest	$ 78,091	$ 78,634	$ 53,237
Income taxes paid, net of refunds	20,285	26,024	20,623

See accompanying notes to consolidated financial statements.

Notes to Consolidated Financial Statements

(dollars in thousands, except per share data)

Note 1 - Summary of Significant Accounting Policies

Operations

Amphenol Corporation ("Amphenol" or the "Company") is in two business segments which consist of manufacturing and selling interconnect products and assemblies, and manufacturing and selling cable products.

Use of Estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its subsidiaries. All intercompany transactions have been eliminated in consolidation.

Cash and Short-Term Cash Investments

Cash and short-term cash investments consist of cash and liquid investments with an original maturity of less than three months.

Inventories

Inventories are stated at the lower of standard cost, which approximates average cost, or market. The principal components of cost included in inventories are materials, direct labor and manufacturing overhead.

Depreciable Assets

Property, plant and equipment are carried at cost. Depreciation and amortization of property, plant and equipment are provided on a straight-line basis over the respective asset lives determined on a composite basis by asset group or on a specific item basis using the estimated useful lives of such assets which range from 3 to 12 years for machinery and equipment and 20 to 40 years for buildings. It is the Company’s policy to periodically review fixed asset lives.

Deferred Debt Issuance Costs

Deferred debt issuance costs are being amortized on the interest method over the term of the related debt and such amortization is included in interest expense.

Excess of Cost Over Fair Value of Net Assets Acquired

The excess of cost over the fair value of net assets acquired (goodwill) is being amortized on the straight-line basis over a period of 40 years. Accumulated amortization was $121,045 and $108,674 at December 31, 1999 and 1998, respectively. Management continually reassesses the appropriateness of both the carrying value and remaining life of goodwill. Such reassessments are based on forecasting cash flows, on an undiscounted basis, and other factors. In the event an impairment is indicated, the amount of the impairment would be based on estimated discounted cash flows.

Revenue Recognition

Sales and related cost of sales are recognized upon shipment of products. Sales and related cost of sales under long-term contracts with commercial customers and the U.S. Government are recognized as units are delivered or services provided.

Retirement Pension Plans

Costs for retirement pension plans include current service costs and amortization of prior service costs over periods of up to thirty years. It is the Company’s policy to fund current pension costs taking into consideration minimum funding requirements and maximum tax deductible limitations. The expense of retiree medical benefit programs is recognized during the employees' service with the Company as well as amortization of a transition obligation recognized on adoption of the accounting principle.

Income Taxes

Deferred income taxes are provided for revenue and expenses which are recognized in different periods for income tax and financial statement purposes. Deferred income taxes are not provided on undistributed earnings of foreign affiliated companies which are considered to be permanently invested.

Research and Development

Research, development and engineering expenditures for the creation and application of new and improved products and processes were $18,467, $17,669 and $15,313, excluding customer sponsored programs representing expenditures of $286, $523 and $214, for the years 1999, 1998 and 1997, respectively.

Environmental Obligations

The Company recognizes the potential cost for environmental remediation activities when assessments are made, remedial efforts are probable and related amounts can be reasonably estimated; potential insurance reimbursements are not recorded. The Company regularly assesses its environmental liabilities through reviews of contractual commitments, site assessments, feasibility studies and formal remedial design and action plans.

Net Income per Common Share

Basic income per common share is based on the net income for the period divided by the weighted average common shares outstanding. Diluted income per common share assumes the exercise of outstanding, dilutive stock options using the treasury stock method.

Derivative Financial Instruments

Derivative financial instruments, which are periodically used by the Company in the management of its interest rate and foreign currency exposures, are accounted for on an accrual basis. Income and expense are recorded in the same category as that arising from the related asset or liability. For example, amounts to be paid or received under interest rate swap agreements are recognized as interest income or expense in the periods in which they accrue.

In June 1998 the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 133 (FAS 133), "Accounting for Derivative Instruments and Hedging Activities." This statement requires that an entity recognize all derivatives as either assets or liabilities in the Statement of Financial Position and measure those instruments at fair value. The accounting for changes in the fair value of a derivative (that is, gains and losses) depends on the intended use of the derivative and its resulting designation. The Company is in the process of evaluating the effect this new standard will have on the Company's financial statements. The Company is required to adopt FAS 133, as amended by FAS 137, beginning January 1, 2001.

Note 2 - Merger and Recapitalization

On May 19, 1997, the Company merged with NXS Acquisition Corp., a wholly owned subsidiary of KKR 1996 Fund L.P., KKR Partners II, L.P., and NXS Associates, L.P., limited partnerships formed at the direction of Kohlberg Kravis Roberts & Co. L.P. ("KKR"). The Merger had the effect of affiliates of KKR investing $341,041 in exchange for 13,116,955 shares, or 75% of the Company's common stock. Such equity proceeds , along with $240,000 of proceeds from the sale of 9 7/8% Senior Subordinated Notes due 2007 and borrowings of $750,000 under a $900,000 bank loan agreement ("Bank Agreement") were used to repurchase 40,325,240 shares of the Company's common stock for $1,048,490, purchase all of the Company's outstanding 10.45% Senior Notes and substantially all of the Company's 12 3/4% Subordinated Debentures for $211,153 and pay fees and expenses of $59,436, including $18,000 paid to KKR and $39,292 relating to the issuance of new debt.

The Merger and related transactions have been recorded as a recapitalization ("Merger and Recapitalization"). Expenses of $17,644 related to the repurchase of the Company's common stock have been reflected as a reduction of additional paid-in capital; other expenses of approximately $2,500, primarily relating to the buyout of certain stock options, are reflected in the accompanying Consolidated Statement of Income. In conjunction with the Merger and Recapitalization, the Company recorded the costs associated with early extinguishment of debt of $12,845, net of tax, as an extraordinary item in the accompanying Consolidated Statement of Income. Such costs included the premium associated with redemption of the Company's 10.45% Senior Notes and 12 3/4% Subordinated Debentures and the write off of unamortized deferred debt issuance costs. Supplemental earnings per share for 1997 assuming the Merger and Recapitalization was completed at January 1, 1997, and excluding the impact of related non-recurring expenses, is $1.98 per share.

Note 3 - Long-Term Debt

Long-term debt consists of the following:

	Interest Rate at December 31, 1999	Maturity	December 31, 1999	December 31, 1998
Bank Agreement:				
Term loan	7.60%	2000-2006	$599,500	$680,000
Revolving credit facility	8.64%	2004	7,100	19,500
Senior subordinated notes	9.875%	2007	144,000	240,000
Notes payable to foreign banks and other debt	1.0%-15.0%	2000-2004	11,887	14,624
			762,487	954,124
Less current portion			16,829	1,655
Total long-term debt			$745,658	$952,469

In conjunction with the Merger and Recapitalization, the Company entered into a $900,000 Bank Agreement with a syndicate of financial institutions, comprised of a $150,000 revolving credit facility that expires in the year 2004 and a $750,000 term loan facility - $350,000 (Tranche A) maturing over a seven-year period ending 2004, $200,000 (Tranche B) maturing in 2005 and $200,000 (Tranche C) maturing in 2006. In October 1997, the Company negotiated a significant amendment and restatement to the term loan under the Bank Agreement. The amendment extinguished the Tranche B and C indebtedness with borrowings under a new $375,000 Term Loan Tranche B with required amortization in 2005 and 2006. In conjunction with the amendment and restatement, the Company incurred an extraordinary loss, net of tax, of $11,702 for the write off of unamortized deferred debt issuance costs. Availability under the revolving credit facility at December 31, 1999 was $134,581, after reduction of $8,319 for outstanding letters of credit.

At December 31, 1999, interest under the Bank Agreement generally accrues at .25% to .75% over prime or 1.50% to 2.0% over LIBOR at the Company's option. The Company also pays certain annual agency and commitment fees. At December 31, 1999, the Company had interest rate protection in the form of swap agreements that effectively fixed the Company's LIBOR interest rate on $450,000 of floating rate bank debt at 5.76%. Such agreements are in effect to the extent that LIBOR remains below 7% for $300,000 of debt and remains below 8% for an additional $150,000 of debt. These agreements expire in July 2002.

The Bank Agreement is secured by a first priority pledge of 100% of the capital stock of the Company's direct domestic subsidiaries and 65% of the capital stock of direct material foreign subsidiaries, as defined in the Bank Agreement. The Bank Agreement also requires that the Company satisfy certain financial covenants including interest coverage and leverage ratio tests, and includes limitations with respect to, among other things, (i) incurring debt, (ii) creating or incurring liens, (iii) making other investments, (iv) acquiring or disposing of assets, (v) capital expenditures, and (vi) restricted payments, including dividends on the Company's common stock.

The 9 7/8% Senior Subordinated Notes due 2007 are general unsecured obligations of the Company. The Notes are subject to redemption at the option of the Company, in whole or in part, beginning in 2002 at 104.938% and declining to 100% by 2005. In December 1999, the Company funded the redemption of $96,000 principal amount of Notes at a price of 109.875% plus accrued interest. Such funding was from a portion of the proceeds received on issuance of 2.75 million shares of common stock. The redemption resulted in an extraordinary loss for the early extinguishment of debt (consisting of a prepayment premium and the write off of related deferred debt issuance costs) of $13,553, less tax benefits of $4,879.

The maturity of the Company's long-term debt over each of the next five years ending December 31, is as follows: 2000 - $16,829; 2001 - $48,701; 2002 - $61,504; 2003 - $82,026; and 2004 - $119,561.

Note 4 - Income Taxes

The components of income before income taxes and extraordinary item and the provision for income taxes are as follows:

	Year Ended December 31, 1999	1998	1997
Income before taxes and extraordinary item:			
United States	$ 18,508	$ 18,725	$ 45,354
Foreign	57,662	45,258	41,820
	$76,170	$63,983	$ 87,174
Current provision:			
United States	$ 13,671	$ 10,002	$ 21,857
Foreign	18,353	17,651	12,611
	32,024	27,653	34,468
Deferred provision:			
United States	$ (260)	$ 745	$ 1,407
Foreign	111	(925)	35
	(149)	(180)	1,442
Total provision for income taxes	$ 31,875	$27,473	$ 35,910

At December 31, 1999, the Company had $13,829 of foreign tax loss carryforwards, of which $1,691 expire at various dates through 2003 and the balance can be carried forward indefinitely, and $612 of tax credit carryforwards, of which $450 expire between the years 2000 and 2011 and the balance can be carried forward indefinitely. Accrued income tax liabilities of $ 1,572 and $5,667 at December 31, 1999 and 1998, respectively, are included in other accrued expenses in the Consolidated Balance Sheet.

Differences between the U.S. statutory federal tax rate and the Company's effective income tax rate are analyzed below:

	Year Ended December 31, 1999	1998	1997
U.S. statutory federal tax rate	35.0%	35.0%	35.0%
State and local taxes	1.7	2.1	1.4
Non-deductible purchase accounting differences	5.7	6.4	4.5
Foreign tax expense in excess of U.S. statutory rate	2.1	2.8	.9
Valuation allowance provided (utilized)	(2.9)	(.9)	.1
Other	.3	(2.5)	(.7)
Effective tax rate	41.9%	42.9%	41.2%

The Company's deferred tax assets and liabilities, excluding a valuation allowance, were comprised of the following:

	December 31, 1999	1998
Deferred tax assets:		
Accrued liabilities and reserves	$ 4,766	$ 4,415
Operating loss carryforwards	4,882	7,298
Tax credit carryforwards	612	450
Employee benefits	2,152	2,221
	$12,412	$14,384
Deferred tax liabilities:		
Depreciation	$ 6,290	$ 7,399
Prepaid pension costs	7,128	6,103
	$13,418	$13,502

A valuation allowance of $3,723 and $5,919 at December 31, 1999 and 1998, respectively, has been recorded which relates primarily to foreign net operating loss carryforwards and tax credits. The net change in the valuation allowance for deferred tax assets was a reduction of $2,196 in 1999 and a decrease of $549 in 1998. In 1999 the net change in the valuation allowance was related to the utilization of foreign net operating loss carryforwards and in 1998 to the expiration of tax credits. Current and non-current deferred tax assets and liabilities within the same tax jurisdiction are offset for presentation in the Consolidated Balance Sheet.

United States income taxes have not been provided on undistributed earnings of international subsidiaries. The Company's intention is to reinvest these earnings permanently or to repatriate the earnings only when it is tax effective to do so. Accordingly, the Company believes that any United States tax on repatriated earnings would be substantially offset by U.S. foreign tax credits. The Company is subject to periodic audits of its various tax returns by government agencies; management does not believe that amounts, if any, which may be required to be paid by reason of such audits will have a material effect on the Company's financial position or results of operations.

Note 5 - Benefit Plans and Other Postretirement Benefits

The Company and its domestic subsidiaries have a defined benefit plan covering substantially all U.S. employees. Plan benefits are generally based on years of service and compensation. The plan is noncontributory, except for certain salaried employees. Certain foreign subsidiaries have defined benefit plans covering their employees. Certain U.S. employees not covered by the defined benefit plan are covered by defined contribution plans. The following is a summary of the Company's defined benefit plans funded status as of the most recent actuarial valuations (December 31, 1999 and 1998).

	December 31, 1999		*December 31, 1998*	
	Accumulated Benefits Exceed Assets	*Assets Exceed Accumulated Benefits*	*Accumulated Benefits Exceed Assets*	*Assets Exceed Accumulated Benefits*
Change in benefit obligation:				
Benefit obligation at beginning of year	$ 25,302	$193,634	$ 21,540	$178,982
Service cost	881	4,385	768	3,697
Interest cost	1,429	12,913	1,450	12,692
Plan participants' contributions		296		272
Plan amendments				4,797
Actuarial (gain) loss	827	(8,410)	762	7,955
Foreign exchange	(3,551)	(159)	1,717	(223)
Benefits paid	(914)	(13,701)	(935)	(14,538)
Benefit obligation at end of year	23,974	188,958	25,302	193,634
Change in plan assets:				
Fair value of plan assets at beginning of year		222,219		204,679
Actual return on plan assets		29,849		32,065
Employer contribution		92		61
Plan participants' contributions		296		272
Foreign exchange		(208)		(320)
Benefits paid		(13,701)		(14,538)
Fair value of plan assets at end of year	–	238,547	–	222,219
Funded status	(23,974)	49,589	(25,302)	28,585
Unrecognized net actuarial (gain) loss	3,419	(29,592)	1,075	(9,236)
Unrecognized prior service cost		8,983		10,076
Unrecognized transition obligation net	124	(2,276)	167	(2,540)
(Accrued) prepaid benefit cost	$(20,431)	$ 26,704	$(24,060)	$ 26,885

	Year Ended December 31,		
	1999	1998	1997
Components of net pension cost:			
Service cost	$ 5,266	$ 4,465	$ 3,969
Interest cost	14,342	14,142	13,761
Expected return on plan assets	(19,110)	(18,038)	(35,321)
Net amortization and deferral of actuarial losses	1,376	983	19,417
Net pension cost	$ 1,874	$ 1,552	$ 1,826

The weighted-average discount rate and rate of increase in future compensation levels used in determining actuarial present value of the projected benefit obligation was 7.5% (7.0% in 1998 and 7.25% in 1997) and 3.5% (3.0% in 1998 and 3.25% in 1997), respectively. The expected long-term rate of return on assets was 10.5%. Plan assets consist primarily of U.S. equity and debt securities. The Company has also adopted an unfunded Supplemental Employee Retirement Plan ("SERP") which provides for the payment of the portion of annual pension which cannot be paid from the retirement plan as a result of regulatory limitations on average compensation for purposes of the benefit computation. The largest non-U.S. pension plan, in accordance with local custom, is unfunded and had an accumulated benefit obligation of approximately $19,277 and $21,139 at December 31, 1999 and 1998, respectively. Such obligation is included in the Consolidated Balance Sheet and the tables above. Pension plans of certain of the Company's other international subsidiaries generally do not determine the actuarial value of accumulated benefits and the value of net assets on the basis shown above. The plans, in accordance with local practices, are generally unfunded. The vested benefit obligations of these plans are not significant.

The Company maintains self insurance programs for that portion of its health care and workers compensation costs not covered by insurance. The Company also provides certain health care and life insurance benefits to certain eligible retirees through postretirement benefit programs. The Company's share of the cost of such plans for most participants is fixed, and any increase in the cost of such plans will be the responsibility of the retirees. The Company funds the benefit costs for such plans on a pay-as-you-go basis. Since the Company's obligation for postretirement medical plans is fixed and since the accumulated postretirement benefit obligation ("APBO") and the net postretirement benefit expense are not material in relation to the Company's financial condition or results of operations, management believes any change in medical costs from that estimated will not have a significant impact on the Company. The discount rates used in determining the APBO at December 31, 1999 and 1998 were 7.5% and 7.0%, respectively.

Summary information on the Company's postretirement medical plans as of December 31, 1999 and 1998 is as follows:

	December 31,	
	1999	1998
Change in benefit obligation:		
Benefit obligation at beginning of year	$ 12,665	$ 13,027
Service cost	68	72
Interest cost	901	935
Paid benefits and expenses	(2,093)	(2,616)
Actuarial gain (loss)	939	1,247
Benefit obligation at end of year	$ 12,480	$ 12,665
Funded status	$ (12,480)	$(12,665)
Unrecognized net actuarial loss	8,897	9,111
Unrecognized transition obligation	807	869
Accrued benefit cost	$ (2,776)	$ (2,685)

	Year ended December 31,		
	1999	1998	1997
Components of net postretirement benefit cost:			
Service cost	$ 68	$ 72	$ 65
Interest cost	901	935	963
Amortization of transition obligation	62	62	62
Net amortization and deferral of actuarial losses	1,107	961	733
Net postretirement benefit cost	$ 2,138	$ 2,030	$ 1,823

Note 6 - Shareholders' Equity (Deficit)

The Company had a stock option plan which authorized the granting of stock options by the Board of Directors for up to a maximum of 1,000,000 shares of Class A Common Stock (the "Old Plan"). In conjunction with the Merger and Recapitalization, all outstanding options under the Old Plan were cancelled and the holders of options with an exercise price less than $26.00 per share were paid the difference between $26.00 and the exercise price. Such amount for all of the then outstanding options was approximately $2.2 million. In May 1997, the Company adopted the 1997 Option Plan (the "New Plan") which authorizes the granting of stock options by a committee of the Board of Directors for up to a maximum of 1,200,000 shares of common stock. In May 1998, the New Plan was amended to increase the number of authorized shares to a maximum of 1,750,000. Options granted under the New Plan vest ratably over a period of five years from the date of grant and are exercisable over a period of ten years from the date of grant. In addition, shares issued in conjunction with the exercise of stock options under the New Plan are generally subject to a Management Stockholders' Agreement which, among other things, places restrictions on the sale or transfer of such shares.

Stock option plan activity for 1997, 1998, and 1999 was as follows:

	Old Plan	New Plan	Average Price
Options outstanding at December 31, 1996	423,438		$20.58
Options granted		1,190,176	26.12
Options exercised	(14,001)		13.15
Options cancelled	(409,437)	(11,750)	20.47
Options outstanding at December 31, 1997	-	1,178,426	26.12
Options granted	-	240,460	50.82
Options cancelled	-	(148,450)	51.36
Options outstanding at December 31, 1998	-	1,270,436	27.85
Options granted	-	241,400	38.48
Options cancelled	-	(53,306)	29.98
Options outstanding at December 31, 1999	-	1,458,530	$29.53

The following table summarizes information about stock options outstanding at December 31, 1999:

	Options Outstanding			*Options Exercisable*	
Exercise Price	***Shares***	***Average Price***	***Remaining Term***	***Shares***	***Average Price***
$26.00	1,105,826	$26.00	7.38	448,571	$26.00
30.00-35.00	61,104	32.09	8.83	11,976	32.00
36.00-40.00	229,900	38.27	9.23	4,000	39.93
55.00-60.00	61,700	57.79	8.39	11,340	58.00

The Company applies APB Opinion 25, "Accounting for Stock Issued to Employees," and related interpretations in accounting for the stock option plans. Accordingly, no compensation cost has been recognized for the plans. Had compensation cost for the stock option plans been determined based on the fair value of the option at date of grant consistent with the requirements of SFAS No. 123, "Accounting for Stock-Based Compensation," the Company's income before extraordinary item and net income and earnings per share would have been reduced to the pro forma amounts indicated below:

		1999	*1998*	*1997*
Income before extraordinary item	As reported	$44,295	$36,510	$51,264
	Pro forma	42,261	34,075	49,704
Income per share before extraordinary item - Basic	As reported	$2.46	$2.07	$1.84
	Pro forma	2.34	1.93	1.79
Income per share before extraordinary item - Diluted	As reported	$2.42	$2.03	$1.83
	Pro forma	2.31	1.90	1.78
Net income	As reported	$35,621	$36,510	$26,717
	Pro forma	33,587	34,075	25,157
Net income per share - Basic	As reported	$1.98	$2.07	$ .96
	Pro forma	1.86	1.93	.90
Net income per share - Diluted	As reported	$1.94	$2.03	$ .95
	Pro forma	1.83	1.90	.90

The fair value of each stock option has been estimated at the date of grant using the Black-Scholes option pricing model with the following weighted-average assumptions:

	1999	*1998*	*1997*
Risk free interest rate	5.6%	5.1%	5.4%
Expected life	4 years	4 years	4 years
Expected volatility	40.0%	30.0%	30.0%
Expected dividend yield	—	—	—

The weighted-average fair values of options granted during 1999, 1998 and 1997 were $15.01, $16.69 and $8.36, respectively.

Activity in the Company's Accumulated Other Comprehensive Income accounts for 1997, 1998 and 1999 is as follows:

	Cumulative Translation Adjustment	*Cumulative Appreciation in Marketable Securities*	*Cumulative Minimum Pension Liability Adjustment*	*Accumulated Other Comprehensive Income*
Balance December 31, 1996	$ (1,765)	$ 3,687	$ (5,809)	$ (3,887)
Translation adjustments	(8,147)			(8,147)
Change in appreciation in market value of marketable securities available-for-sale		(1,140)		(1,140)
Sale of available-for-sale securities		(2,547)		(2,547)
Change in minimum pension liability adjustment			5,809	5,809
Balance December 31, 1997	(9,912)	–	–	(9,912)
Translation adjustments	2,704			2,704
Balance December 31, 1998	(7,208)	–	–	(7,208)
Translation adjustments	(5,820)			(5,820)
Balance December 31, 1999	$(13,028)	–	–	$(13,028)

In December 1999, the Company issued 2.75 million shares of common stock in a public offering.

At December 31, 1999, KKR and its affiliates owned 63.9% of the Company's outstanding common stock.

Note 7 - Leases

At December 31, 1999, the Company was committed under operating leases which expire at various dates through 2008. Total rent expense under operating leases for the years 1999, 1998, and 1997 was $15,895, $13,927 and $11,495 respectively.

Minimum lease payments under non-cancelable operating leases are as follows:

2000	$11,766
2001	8,186
2002	5,945
2003	4,598
2004	3,528
Beyond 2004	913
Total minimum obligation	$34,936

Note 8 - Reportable Business Segments and International Operations

The Company has two reportable business segments: interconnect products and assemblies and cable products. The interconnect products and assemblies segment produces connectors and connector assemblies primarily for the communications, aerospace, industrial and automotive markets. The cable products segment produces coaxial and flat ribbon cable primarily for communication markets, including cable television. The accounting policies of the segments are the same as those for the Company as a whole and are described in Note 1 herein. The Company evaluates the performance of business units on, among other things, profit or loss from operations before interest expense, goodwill and other intangible amortization expense, headquarters' expense allocations, income taxes and nonrecurring gains and losses. The Company's reportable segments are an aggregation of business units that have similar production processes and products.

	Interconnect products and assemblies			*Cable products*			*Total*		
	1999	*1998*	*1997*	*1999*	*1998*	*1997*	*1999*	*1998*	*1997*
Net Sales									
- external	$769,967	$718,109	$679,887	$240,636	$200,768	$204,461	$1,010,603	$918,877	$884,348
- intersegment	569	358	102	9,417	7,189	5,037	9,986	7,547	5,139
Depreciation and amortization	21,953	18,235	15,029	3,446	3,039	2,960	25,399	21,274	17,989
Segment operating income	135,721	135,739	132,520	47,585	31,880	39,313	183,306	167,619	171,833
Segment assets	347,844	311,892	256,380	53,554	55,119	58,743	401,398	367,011	315,123
Additions to property, plant and equipment	21,321	22,483	21,275	2,032	3,834	2,666	23,353	26,317	23,941

Reconciliation of segment operating income to consolidated income before taxes and extraordinary item:

	1999	*1998*	*1997*
Segment operating income	$183,306	$167,619	$171,833
Amortization of goodwill	(12,371)	(11,701)	(11,316)
Interest expense	(79,297)	(81,199)	(64,713)
Headquarters' expense and other net expenses	(15,468)	(10,736)	(8,630)
Consolidated income before taxes and extraordinary item	$ 76,170	$ 63,983	$ 87,174

Reconciliation of segment assets to consolidated total assets:

	1999	*1998*	*1997*
Segment assets	$401,398	$367,011	$315,123
Goodwill	360,999	360,265	339,223
Other unallocated assets	73,979	80,125	82,808
Consolidated total assets	$836,376	$807,401	$737,154

Geographic information:

	Net Sales			Land and depreciable assets		
	1999	1998	1997	1999	1998	1997
United States	$ 627,699	$591,377	$581,278	$ 65,536	$ 70,072	$ 64,020
Europe	268,815	245,057	230,923	39,811	43,301	36,519
Other	199,426	155,350	133,355	14,603	13,406	11,053
Eliminations	(85,337)	(72,907)	(61,208)			
Total	$1,010,603	$918,877	$884,348	$119,950	$126,779	$111,592

Revenues by geographic area are based on origin of shipment. The Company had export sales from the United States operations of approximately $81,000, $58,000 and $88,000 in 1999, 1998 and 1997, respectively.

Note 9 - Other Expenses, net

Other income (expense) is comprised as follows:

	Year Ended December 31,		
	1999	1998	1997
Interest income	$ 541	$ 121	$ 234
Foreign currency transaction gains	499	1,445	1,283
Program fees on sale of accounts receivable	(3,851)	(4,121)	(3,671)
Minority interests	(2,220)	(849)	(1,042)
Gain on sale of marketable securities			3,917
Agency and commitment fees	(701)	(705)	(678)
Other	470	(436)	(1,104)
	$(5,262)	$(4,545)	$(1,061)

Note 10 - Commitments and Contingencies

In the course of pursuing its normal business activities, the Company is involved in various legal proceedings and claims. Management does not expect that amounts, if any, which may be required to be paid by reason of such proceedings or claims will have a material effect on the Company's financial position or results of operations.

Subsequent to the acquisition of Amphenol from Allied Signal Corporation ("Allied") in 1987, Amphenol and Allied have been named jointly and severally liable as potentially responsible parties in relation to several environmental cleanup sites. Amphenol and Allied have jointly consented to perform certain investigations and remedial and monitoring activities at two sites and they have been jointly ordered to perform work at another site. The responsibility for costs incurred relating to these sites is apportioned between Amphenol and Allied based on an agreement entered into in connection with the acquisition. For sites covered by this agreement, to the extent that conditions or circumstances occurred or existed at the time of or prior to the acquisition, Allied is currently obligated to pay 80% of the costs up to $30,000 and 100% of the costs in excess of $30,000. At December 31, 1999, approximately $20,000 of total costs have been incurred applicable to this agreement. Management does not believe that the costs associated with resolution of these or any other environmental matters will have a material adverse effect on the Company's financial condition or results of operations.

A subsidiary of the Company has an agreement with a financial institution whereby the subsidiary can sell an undivided interest of up to $60,000 in a designated pool of qualified accounts receivable. The agreement expires in May 2004. Under the terms of the agreement, new receivables are added to the pool as collections reduce previously sold accounts receivable. The Company services, administers and collects the receivables on behalf of the purchaser. Fees payable to the purchaser under this agreement are equivalent to rates afforded high quality commercial paper issuers plus certain administrative expenses and are included in other expenses, net, in the accompanying Consolidated Statement of Income. The agreement contains certain covenants and provides for various events of termination. In certain circumstances the Company is contingently liable for the collection of the receivables sold; management believes that its allowance for doubtful accounts is adequate to absorb the expense of any such liability. At December 31, 1999 and 1998, approximately $60,000 in receivables were sold under the agreement and are therefore not reflected in the accounts receivable balance in the accompanying Consolidated Balance Sheet.

Note 11 - Financial Instruments

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:

Cash and short-term cash investments: The carrying amount approximates fair value because of the short maturity of those instruments.

Long-term debt: The fair value of the Company's long-term debt is estimated based on the quoted market prices for the same or similar issues or on the current rates offered to the Company for debt of the same remaining maturities. At December 31, 1999 and 1998, based on market quotes for the same or similar securities it is estimated that the Company's 9 7/8% Subordinated Debentures were trading at a premium of 5% over book value. The book value of the Company's other long-term debt approximates fair value.

Investments: The Company periodically uses derivative financial instruments. The instruments are primarily used to manage defined interest rate risk, and to a lesser extent foreign exchange and commodity risks arising out of the Company's core activities. In 1997, the Company entered into interest rate swaps to limit exposure to interest rate fluctuations on the Company's floating rate bank debt. At December 31, 1999 and 1998, the Company had $450,000 of interest rate swaps outstanding as described in Note 3. While it is not the Company's intention to terminate the interest rate swap agreements, the fair values were estimated by obtaining quotes from brokers which represented the amounts that the Company would receive or pay if the agreements were terminated. These fair values indicated that termination of the agreements at December 31, 1999 and 1998 would have resulted in a pretax gain of $3,543 and a pretax loss of $12,829, respectively. Due to the volatility of interest rates, these estimated results may or may not be realized.

The Company does not utilize financial instruments for trading or other speculative purposes. It is estimated that the carrying value of the Company's other financial instruments at December 31, 1999 and 1998 approximates fair value.

Note 12 - Selected Quarterly Financial Data (Unaudited)

				Three Months Ended
	March 31	*June 30*	*September 30*	*December 31*
1999				
Net sales	$237,164	$247,438	$256,857	$269,144
Gross profit, including depreciation	73,323	78,509	81,804	86,448
Income before extraordinary items	8,239	10,463	11,586	14,007
Income per share before extraordinary item - Basic	.46	.59	.65	.76
Income per share before extraordinary item - Diluted	.46	.58	.64	.74
Net income	8,239	10,463	11,586	5,333
Net income per share - Basic	.46	.59	.65	.29
Net income per share - Diluted	.46	.58	.64	.28
Stock price - High	38 1/2	40 3/8	56 5/8	71 1/2
- Low	29 7/16	34 1/2	39 5/16	45 3/4
1998				
Net sales	$228,541	$227,942	$229,018	$233,376
Gross profit, including depreciation	74,397	74,621	72,813	72,892
Net income	9,673	10,355	8,212	8,270
Net income per share - Basic	.55	.59	.46	.46
Net income per share - Diluted	.54	.58	.46	.46
Stock price - High	64	61 5/8	44 1/8	35 1/16
- Low	53 1/4	39	29 13/16	27 1/2
1997				
Net sales	$211,773	$226,996	$223,494	$222,085
Gross profit, including depreciation	69,583	75,682	74,002	74,069
Income before extraordinary items	17,497	15,774	8,559	9,434
Income per share before extraordinary item - Basic	.39	.50	.49	.54
Income per share before extraordinary item - Diluted	.39	.49	.48	.53
Net income (loss)	17,497	2,929	8,559	(2,268)
Net income (loss) per share - Basic	.39	.09	.49	(.13)
Net income (loss) per share - Diluted	.39	.09	.48	(.13)
Stock price - High	26	38 7/8	43 1/2	56
- Low	21 3/4	24 1/8	39 1/16	44

Note 13 - Subsequent Event

On March 14, 2000, the Board of Directors approved a two-for-one split of the Company's common stock to be paid to shareholders of record as of March 23, 2000. On or about April 25, 2000 each shareholder will receive one additional share of common stock for each share of stock then held, subject to majority shareholder approval of an increase in the number of authorized shares.

Item 9. Changes in and Disagreements with Independent Accountants on Accounting and Financial Disclosure

None.

PART III

Item 10. Directors and Executive Officers of the Registrant

Pursuant to Instruction G(3) to Form 10-K, the information required by Item 10 with respect to the Directors of the Registrant is incorporated by reference from the Company's definitive proxy statement which is expected to be filed pursuant to Regulation 14A within 120 days following the end of the fiscal year covered by this report.

The information required by Item 10 with respect to the Executive Officers of the Registrant has been included in Part I of this Form 10-K in reliance on Instruction G(3) of Form 10-K and Instruction 3 to Item 401(b) of Regulation S-K.

Item 11. Executive Compensation

Pursuant to Instruction G(3) to Form 10-K, the information required in Item 11 is incorporated by reference from the Company's definitive proxy statement which is expected to be filed pursuant to Regulation 14A within 120 days following the end of the fiscal year covered by this report.

Item 12. Security Ownership of Certain Beneficial Owners and Management

Pursuant to Instruction G(3) to Form 10-K, the information required in Item 12 is incorporated by reference from the Company's definitive proxy statement which is expected to be filed pursuant to Regulation 14A within 120 days following the end of the fiscal year covered by this report.

Item 13. Certain Relationships and Related Transactions

Pursuant to Instruction G(3) to Form 10-K, the information required in Item 13 is incorporated by reference from the Company's definitive proxy statement which is expected to be filed pursuant to Regulation 14A within 120 days following the end of the fiscal year covered by this report.

PART IV

Item 14. Exhibits, Financial Statement Schedules and Reports on Form 8-K

(a)(2) Financial Statement Schedules for the Three Years Ended December 31, 1999

All financial statement schedules are omitted because they are not applicable or required, or because the required information is included in the consolidated financial statements or notes thereto.

Signatures

Pursuant to the requirements of Section 13 or 15(d) 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 in the Town of Wallingford, State of Connecticut on the 28th day of March 2000.

AMPHENOL CORPORATION

Martin H. Loeffler
Chairman, Chief Executive
Officer and President

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and as of the date indicated below.

Signature	Title	Date
/s/ Martin H. Loeffler Martin H. Loeffler	Chairman, Chief Executive Officer and President (Principal Executive Officer)	March 28, 2000
/s/ Edward G. Jepsen Edward G. Jepsen	Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	March 28, 2000
/s/ Andrew Clarkson	Director	March 28, 2000
/s/ G. Robert Durham	Director	March 28, 2000
/s/ Henry R. Kravis	Director	March 28, 2000
/s/ Marc S. Lipschultz	Director	March 28, 2000
/s/ Michael W. Michelson	Director	March 28, 2000
/s/ George R. Roberts	Director	March 28, 2000

Additional Financial Data

(dollars in thousands, except per share data)

	Year Ended December 31,				
	1999	1998	1997	1996	1995
Net sales by business segment:					
Interconnect products and assemblies	$ 769,967	$718,109	$679,887	$585,033	$531,168
Cable products	240,636	200,768	204,461	191,188	252,065
	$1,010,603	$918,877	$884,348	$776,221	$783,233
Net sales by geographic area:					
United States	$ 519,459	$499,891	$462,349	$397,023	$394,563
International	491,144	418,986	421,999	379,198	388,670
	$1,010,603	$918,877	$884,348	$776,221	$783,233
Earnings before interest, taxes and depreciation and amortization (EBITDA)	$ 205,609	$192,090	$188,471	$168,180	$165,913
Net income before extraordinary item	44,295	36,510	51,264	67,578	62,858
Net income	35,621	36,510	26,717	67,578	62,858
Net income per common share before extraordinary item	2.46	2.07	1.84	1.45	1.33
Net income per common share	1.98	2.07	.96	1.45	1.33
Backlog	235,321	221,542	209,220	207,357	203,443
Working capital plus fixed asset turnover	3.2X	3.3X	3.6X	3.4X	3.7X
Days sales outstanding in accounts receivable	59	57	53	55	55
Inventory turnover	3.7X	3.5X	3.7X	3.5X	4.0X
Fixed asset turnover	8.2X	7.8X	8.3X	7.9X	8.5X
Average employees	7,826	7,520	6,558	5,969	5,322
Year end shares outstanding	20,616,220	17,862,328	17,532,804	44,720,287	47,320,382

Directors

Martin H. Loeffler
Chairman of the Board,
Chief Executive Officer
and President

Andrew Clarkson

G . Robert Durham

Henry R. Kravis

Marc S. Lipschultz

Michael W. Michelson

George R. Roberts

Officers

(Other than Directors)

Edward G. Jepsen
Executive Vice President
and Chief Financial Officer

Diana G. Reardon
Controller and Treasurer

Edward C. Wetmore
Secretary and General Counsel

Timothy F. Cohane
Senior Vice President

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Amphenol-TFC (Changzhou) Communications Equipment Co., Ltd.
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Amphenol Taiwan
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Optimize Manufacturing Company
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Technical Products International
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Symbol: APH

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Annual Meeting
See Proxy material for time and location.