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AMPHENOL REPORTS FIRST QUARTER 2021 RESULTS AND ANNOUNCES NEW STOCK REPURCHASE PROGRAM

First Quarter 2021 Highlights:

- Sales of \$2.377 billion, up 28% in U.S. dollars and 23% organically¹ compared to the first quarter 2020
- GAAP diluted EPS of \$0.53, up 33% compared to the prior year period
- Adjusted Diluted EPS¹ of \$0.52, up 49% compared to the prior year period
- Operating margin of 19.6%
- Operating Cash Flow of \$321 million and Free Cash Flow¹ of \$243 million
- Announces closing of two new acquisitions during the quarter, Euromicron and Cabelcon
- Closed on the acquisition of MTS Systems Corporation
- Announces a new three-year, \$2 billion open market stock repurchase program

Wallingford, Connecticut, April 28, 2021. Amphenol Corporation (NYSE: APH) today reported first quarter 2021 results and announced a new three-year, \$2 billion stock repurchase program.

“I am very proud that our team drove results that significantly exceeded our expectations in the first quarter 2021, while still prioritizing the safety and health of our employees worldwide amidst the ongoing COVID-19 pandemic,” said Amphenol President and Chief Executive Officer, R. Adam Norwitt.

“We are pleased to have closed the first quarter with sales and Adjusted Diluted EPS exceeding the high end of our guidance. Sales increased by a strong 28% in the quarter, with growth in nearly all markets, driven in particular by the automotive, mobile devices, industrial and IT datacom markets.”

“Amphenol continued to deploy its financial strength in a variety of ways to increase shareholder value in the first quarter. To that end, the Company purchased 2.4 million shares of its common stock for \$153 million, bringing total share repurchases under the 2018 stock repurchase program to 40.3 million shares, or \$1.95 billion. The Company also paid dividends of \$87 million, resulting in total capital returned to shareholders during the first quarter of \$240 million.”

“We remain focused on expanding our growth opportunities through a deep commitment to developing enabling technologies for customers in all markets, an ongoing strategy of market and geographic diversification and an active and successful acquisition program. To that end, and as previously announced on April 7, 2021, we are excited to have closed the acquisition of MTS Systems Corporation (“MTS”), and look forward to closing the sale of the MTS Test &

Simulation business to Illinois Tool Works Inc. (NYSE: ITW) following the receipt of all required regulatory approvals and satisfaction of other customary closing conditions.”

“In addition to the MTS acquisition, we are excited to have closed two new acquisitions since January, Euromicon and Cabelcon. In February, we closed on the acquisition of Euromicon Werkzeuge GmbH and its sister company LWL-Sachsenkabel GmbH (collectively, “Euromicon”) from the Gustav Zech Foundation. Based in Germany and with annual sales of approximately \$25 million, Euromicon is a manufacturer of highly engineered fiber optic interconnect solutions for the mobile networks and IT datacom markets. In March, we closed on the acquisition of the Cabelcon business of Corning Incorporated (NYSE: GLW). Based in Denmark with annual sales of approximately \$25 million, Cabelcon is a designer and manufacturer of high-technology connectors and interconnect assemblies primarily for the broadband market. The five acquisitions we have completed so far this year strengthen the Company’s global capabilities and enhance our product offerings, while adding talented management teams to the Amphenol family. With our long-term, successful acquisition program, we look forward to creating more value in the future by bringing additional outstanding businesses into Amphenol.”

New Stock Repurchase Program

During April 2021, the Company purchased the remaining authorized amount of common stock under its existing three-year, \$2 billion stock repurchase plan. As a result, on April 27, 2021, the Company’s Board of Directors approved a new three-year, \$2 billion open market stock repurchase plan.

Second Quarter 2021 Outlook

Given the current dynamic market environment and assuming no new material disruptions from the COVID-19 pandemic as well as constant exchange rates, for the second quarter 2021, Amphenol expects sales to be in the range of \$2.415 billion to \$2.475 billion, representing 22% to 25% growth over the second quarter of 2020, and Adjusted Diluted EPS from continuing operations in the range of \$0.53 to \$0.55, representing 33% to 38% growth over the second quarter of 2020. The Company’s guidance excludes cash and non-cash costs related to the MTS acquisition. These costs are currently expected to be approximately \$85 million, or \$0.12 per diluted share, and include expenses related to the early extinguishment of debt, non-cash purchase accounting related expenses, external transaction expenses, severance and other costs.

“Despite the ongoing challenges and uncertainties posed by the COVID-19 pandemic, we are encouraged by the platform of strength that has been created by the Company’s performance,” Mr. Norwitt continued. “The electronics revolution continues to create exciting long-term growth opportunities for Amphenol across each of our diversified end markets, with customers driving their products and networks to achieve ever higher levels of performance. We believe these opportunities will enable a long-term increase in demand for our expanded range of high-technology interconnect, sensor and antenna products. Our ongoing actions to leverage our competitive advantages and create sustained financial strength, as well as our initiatives to expand our high-technology product offerings, both organically and through our acquisition program, have created an excellent base for the Company’s future performance. I remain confident in the ability of our outstanding entrepreneurial management team to dynamically adjust to changing market conditions, to capitalize on the wide array of growth opportunities that arise even in times of crisis and to continue to generate sustainable value for the long-term. Most importantly, I continue to be truly grateful to our team for their extraordinary efforts to protect

the safety and health of our employees around the world, while continuing to strongly support our customers and drive outstanding operating performance.”

2-for-1 Stock Split

As announced on January 27, 2021, the Company’s Board of Directors approved a 2-for-1 stock split, which was paid in the form of a stock dividend to shareholders of record as of the close of business on February 16, 2021. The additional shares were distributed on March 4, 2021 and the Company’s common stock began trading on a split-adjusted basis on March 5, 2021. The effect of the stock split on the Company’s financial results, including all share and per share data for both the current and prior year periods, is reflected in this press release.

Conference Call and Webcast Details

The Company will host a conference call to discuss its first quarter results at 1:00 PM (EDT) Wednesday, April 28, 2021. The toll-free dial-in number to participate in this call is 888-455-0949; International dial-in number is +1-773-799-3973; Passcode: LAMPO. There will be a replay available until 11:59 PM (EDT) on Friday, May 28, 2021. The replay numbers are toll free 800-395-7443; International toll number +1-203-369-3271; Passcode: 7183.

A live broadcast as well as a replay of the call can be accessed through the Investor Relations section of the company’s website at <https://investors.amphenol.com>.

About Amphenol

Amphenol Corporation is one of the world’s largest designers, manufacturers and marketers of electrical, electronic and fiber optic connectors and interconnect systems, antennas, sensors and sensor-based products and coaxial and high-speed specialty cable. Amphenol designs, manufactures and assembles its products at facilities in the Americas, Europe, Asia, Australia and Africa and sells its products through its own global sales force, independent representatives and a global network of electronics distributors. Amphenol has a diversified presence as a leader in high-growth areas of the interconnect market including: Automotive, Broadband Communications, Commercial Aerospace, Industrial, Information Technology and Data Communications, Military, Mobile Devices and Mobile Networks.

Non-GAAP Financial Measures

The financial statements included within this press release are prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”). This press release also contains certain non-GAAP financial measures, including Adjusted Operating Income, Adjusted Operating Margin, Adjusted Net Income attributable to Amphenol Corporation, Adjusted Effective Tax Rate, Adjusted Diluted EPS, Organic Sales Growth, and Free Cash Flow (collectively, “non-GAAP financial measures”), which are intended to supplement the reported GAAP results. Management utilizes these non-GAAP financial measures as part of its internal reviews for purposes of monitoring, evaluating and forecasting the Company’s financial performance, communicating operating results to the Company’s Board of Directors and assessing related employee compensation measures. Management believes that such non-GAAP financial measures may be helpful to investors in assessing the Company’s overall financial performance, trends and period-over-period comparative results, in addition to the reasons noted later within this press release. Non-GAAP financial measures related to operating income, operating margin, net income attributable to Amphenol Corporation, effective tax rate and diluted EPS exclude income and expenses that are not directly related to the Company’s operating performance during the periods presented. Items excluded in the presentation of these non-GAAP financial measures in any period may consist of, without limitation, acquisition-related expenses, refinancing-related costs and certain discrete tax items including but not limited to (i) the excess tax benefits related to stock-based compensation and (ii) the impact of significant changes in tax law. Non-GAAP financial measures related to net sales exclude the impact related to foreign currency exchange and acquisitions. Reconciliations of non-GAAP financial measures to the most directly comparable GAAP financial measures are included at the end of this press release. However, such non-GAAP financial measures should not be considered in isolation, as a substitute for or superior to the related GAAP financial measures. In addition, these non-GAAP financial measures

are not necessarily the same or comparable to similar measures presented by other companies, as such measures may be calculated differently or may exclude different items. The non-GAAP financial measures are defined within the “Supplemental Financial Information” table at the end of this press release and should be read in conjunction with the Company’s financial statements presented in accordance with GAAP.

Forward-Looking Statements

This press release may include forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, which relate to future events and are subject to risks and uncertainties. All statements that address events or developments that we expect or believe may or will occur in the future are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The forward-looking statements, which address the Company’s expected business and financial performance and financial condition as well as expectations regarding the anticipated timing and estimated expenses associated with the closing of certain acquisitions and divestitures, among other matters, may contain words and terms such as: “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “forecast,” “guidance,” “intend,” “look ahead,” “may,” “ongoing,” “optimistic,” “plan,” “potential,” “predict,” “project,” “seek,” “should,” “target,” “will” or “would” and other words and terms of similar meaning. Forward-looking statements by their nature address matters that are, to different degrees, uncertain, such as statements about expected earnings, revenues, growth, liquidity or other financial matters, together with any forward-looking statements related in any way to (i) the COVID-19 pandemic including its future impact on the Company, (ii) the expected acquisition costs associated with the MTS transaction and (iii) the expected closing of the divestiture of the MTS Test & Simulation business to Illinois Tool Works Inc., which divestiture transaction may not be completed in a timely manner or at all. Although the Company believes the expectations reflected in all forward-looking statements, including those regarding second quarter 2021 sales, Adjusted Diluted EPS from continuing operations and acquisition-related costs associated with the MTS acquisition, among other matters, are based upon reasonable assumptions, the expectations may not be attained or there may be material deviation. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made.

There are risks and uncertainties that could cause actual results to differ materially from these forward-looking statements, which include, but are not limited to, the following: future risks and existing uncertainties associated with adverse public health developments, including epidemics and pandemics such as the COVID-19 pandemic, which continues to disrupt our operations including, depending on the specific location, government regulations that limit our ability to operate certain of our facilities at full capacity and to adjust certain costs, travel restrictions, “work-from-home” orders, supplier constraints, supply-chain interruptions, logistics challenges and limitations, and reduced demand from certain customers; uncertainties associated with a protracted economic slowdown that could negatively affect the financial condition of our customers; uncertainties and volatility in the global capital markets; political, economic, military and other risks in countries outside the United States; the impact of general economic conditions, geopolitical conditions and U.S. trade policies, legislation, trade disputes, treaties and tariffs, including those affecting China, on the Company’s business operations; risks associated with the improper conduct by any of our employees, customers, suppliers, distributors or any other business partners which could impair our business reputation and financial results and could result in our non-compliance with anti-corruption laws and regulations of the U.S. government and various foreign jurisdictions; changes in exchange rates of the various currencies in which the Company conducts business; the Company’s ability to obtain a consistent supply of materials, at stable pricing levels; the Company’s dependence on sales to the communications industry, which markets are dominated by large manufacturers and operators who regularly exert significant pressure on suppliers, including the Company; changes in defense expenditures in the military market, including the impact of reductions or changes in the defense budgets of U.S. and foreign governments; the Company’s ability to compete successfully on the basis of technology innovation, product quality and performance, price, customer service and delivery time; the Company’s ability to continue to conceive, design, manufacture and market new products and upon continuing market acceptance of its existing and future product lines; difficulties and unanticipated expenses in connection with purchasing and integrating newly acquired businesses, including the potential for the impairment of goodwill and other intangible assets; events beyond the Company’s control that could lead to an inability to meet its financial covenants which could result in a default under the Company’s revolving credit facility; the Company’s ability to access the capital markets on favorable terms, including as a result of significant deterioration of general economic or capital market conditions, or as a result of a downgrade in the Company’s credit rating; changes in interest rates; government contracting risks that the Company may be subject to, including laws and regulations governing performance of U.S. government contracts and related risks associated with conducting business with the U.S. government or its suppliers (both directly and indirectly); governmental export and import controls that certain of our products may be subject to, including export licensing, customs regulations, economic sanctions or other laws; cybersecurity threats or incidents that could arise on our information technology systems which could disrupt business operations or cause

the release of highly sensitive confidential information and adversely impact our reputation and operating results and potentially lead to litigation and/or governmental investigations; changes in fiscal and tax policies, audits and examinations by taxing authorities, laws, regulations and guidance in the United States and foreign jurisdictions; any difficulties in protecting the Company's intellectual property rights; and litigation, customer claims, product recalls, governmental investigations, criminal liability or environmental matters including changes to laws and regulations to which the Company may be subject. In addition, the extent to which the COVID-19 pandemic will continue to impact our business and financial results going forward will be dependent on future developments such as the length and severity of the crisis, future government regulations and actions in response to the crisis, the timing, availability and effectiveness of vaccines, and the overall impact of the COVID-19 pandemic on the global economy and capital markets, among many other factors, all of which remain highly uncertain and unpredictable.

A further description of these uncertainties and other risks can be found in the Company's Annual Report on Form 10-K for the year ended December 31, 2020, Quarterly Reports on Form 10-Q and the Company's other reports filed with the Securities and Exchange Commission. These or other uncertainties may cause the Company's actual future results to be materially different from those expressed in any forward-looking statements. The Company undertakes no obligation to update or revise any forward-looking statements except as required by law.

¹ All referenced non-GAAP financial measures are defined in the tables at the end of this press release.

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AMPHENOL CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)
(dollars and shares in millions, except per share data)

	Three Months Ended March 31,	
	2021	2020
Net sales	\$ 2,377.1	\$ 1,862.0
Cost of sales	1,649.6	1,302.2
Gross profit	727.5	559.8
Selling, general and administrative expenses	262.7	242.9
Operating income	464.8	316.9
Interest expense	(28.6)	(28.8)
Other (expense) income, net	(0.3)	1.1
Income before income taxes	435.9	289.2
Provision for income taxes (1)	(104.1)	(46.0)
Net income	331.8	243.2
Less: Net income attributable to noncontrolling interests	(2.2)	(1.1)
Net income attributable to Amphenol Corporation	\$ 329.6	\$ 242.1
Net income per common share - Basic	\$ 0.55	\$ 0.41
Weighted average common shares outstanding - Basic	598.5	594.9
Net income per common share - Diluted (2)	\$ 0.53	\$ 0.40
Weighted average common shares outstanding - Diluted	624.1	612.9

Note 1 Provision for income taxes for the three months ended March 31, 2021 and 2020 includes excess tax benefits related to stock-based compensation of \$2.6 million (\$0.00 per share) and \$5.0 million (\$0.01 per share), respectively. Provision for income taxes for the three months ended March 31, 2020 also includes a discrete tax benefit of \$19.9 million (\$0.03 per share) related to the settlements of refund claims in certain non-U.S. jurisdictions and the resulting adjustments to deferred taxes.

Note 2 Net income per share for the three months ended March 31, 2021 and 2020 includes excess tax benefits related to stock-based compensation discussed in Note 1. Net income per share for the three months ended March 31, 2020 also includes the discrete tax benefit discussed in Note 1.

Excluding these effects and the impact of rounding, Adjusted Diluted EPS, a non-GAAP financial measure which is defined and reconciled to its most comparable GAAP financial measure in this press release, was \$0.52 and \$0.35 for the three months ended March 31, 2021 and 2020, respectively.

AMPHENOL CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)
(dollars in millions)

	March 31, 2021	December 31, 2020
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 2,327.6	\$ 1,702.0
Short-term investments	33.6	36.1
Total cash, cash equivalents and short-term investments	2,361.2	1,738.1
Accounts receivable, less allowance for doubtful accounts of \$43.3 and \$44.8, respectively	1,931.8	1,951.6
Inventories	1,565.1	1,462.2
Prepaid expenses and other current assets	328.6	338.9
Total current assets	6,186.7	5,490.8
Property, plant and equipment, less accumulated depreciation of \$1,767.5 and \$1,738.6, respectively	1,076.2	1,054.6
Goodwill	5,093.0	5,032.1
Other intangible assets, net	410.3	397.5
Other long-term assets	367.3	352.3
	<u>\$ 13,133.5</u>	<u>\$ 12,327.3</u>
LIABILITIES & EQUITY		
Current Liabilities:		
Accounts payable	\$ 1,070.7	\$ 1,120.7
Accrued salaries, wages and employee benefits	191.9	195.4
Accrued income taxes	129.4	112.6
Accrued dividends	86.6	86.8
Other accrued expenses	542.9	558.5
Current portion of long-term debt	526.4	230.3
Total current liabilities	2,547.9	2,304.3
Long-term debt, less current portion	4,110.3	3,636.2
Accrued pension and postretirement benefit obligations	224.8	228.6
Deferred income taxes	314.8	299.1
Other long-term liabilities	414.0	407.2
Equity:		
Common stock	0.6	0.6
Additional paid-in capital	2,105.7	2,068.1
Retained earnings	3,807.1	3,705.4
Treasury stock, at cost	(117.4)	(111.1)
Accumulated other comprehensive loss	(335.0)	(278.1)
Total shareholders' equity attributable to Amphenol Corporation	5,461.0	5,384.9
Noncontrolling interests	60.7	67.0
Total equity	5,521.7	5,451.9
	<u>\$ 13,133.5</u>	<u>\$ 12,327.3</u>

AMPHENOL CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW
(Unaudited)
(dollars in millions)

	Three Months Ended March 31,	
	2021	2020
Cash from operating activities:		
Net income	\$ 331.8	\$ 243.2
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation and amortization	76.7	72.1
Stock-based compensation expense	19.1	15.4
Deferred income tax provision	14.2	13.4
Net change in components of working capital	(114.6)	43.8
Net change in other long-term assets and liabilities	(6.2)	(3.6)
Net cash provided by operating activities	<u>321.0</u>	<u>384.3</u>
Cash from investing activities:		
Capital expenditures	(78.4)	(60.8)
Proceeds from disposals of property, plant and equipment	0.9	1.2
Purchases of short-term investments	(46.2)	(12.0)
Sales and maturities of short-term investments	48.5	17.7
Acquisitions, net of cash acquired	(185.6)	(16.5)
Other	(2.4)	—
Net cash used in investing activities	<u>(263.2)</u>	<u>(70.4)</u>
Cash from financing activities:		
Proceeds from issuance of senior notes and other long-term debt	1.2	399.3
Repayments of senior notes and other long-term debt	(0.8)	(0.3)
Borrowings under credit facilities	—	1,567.4
Repayments under credit facilities	—	(215.0)
Borrowings (repayments) under commercial paper programs, net	811.9	(250.4)
Payment of costs related to debt financing	—	(3.9)
Proceeds from exercise of stock options	21.1	30.0
Distributions to and purchases of noncontrolling interests	(7.6)	(8.1)
Purchase of treasury stock	(152.8)	(257.2)
Dividend payments	(86.8)	(74.4)
Net cash provided by financing activities	<u>586.2</u>	<u>1,187.4</u>
Effect of exchange rate changes on cash and cash equivalents	(18.4)	(20.2)
Net change in cash and cash equivalents	625.6	1,481.1
Cash and cash equivalents balance, beginning of period	<u>1,702.0</u>	<u>891.2</u>
Cash and cash equivalents balance, end of period	<u>\$ 2,327.6</u>	<u>\$ 2,372.3</u>
Cash paid for:		
Interest	\$ 28.1	\$ 22.0
Income taxes, net	75.2	64.2

AMPHENOL CORPORATION
SEGMENT INFORMATION
(Unaudited)
(dollars in millions)

	Three Months Ended March 31,	
	2021	2020
Net sales:		
Interconnect Products and Assemblies	\$ 2,280.0	\$ 1,779.0
Cable Products and Solutions	97.1	83.0
Consolidated Net sales	<u>\$ 2,377.1</u>	<u>\$ 1,862.0</u>
Operating income:		
Interconnect Products and Assemblies	\$ 489.4	\$ 339.8
Cable Products and Solutions	8.5	6.3
Stock-based compensation expense	(19.1)	(15.4)
Other operating expenses	(14.0)	(13.8)
Consolidated Operating income	<u>\$ 464.8</u>	<u>\$ 316.9</u>
Operating margin (%):		
Interconnect Products and Assemblies	21.5%	19.1%
Cable Products and Solutions	8.8%	7.6%
Stock-based compensation expense	-0.8%	-0.8%
Other operating expenses	-0.6%	-0.7%
Consolidated Operating margin (%)	19.6%	17.0%

AMPHENOL CORPORATION
SUPPLEMENTAL FINANCIAL INFORMATION
RECONCILIATIONS OF GAAP TO NON-GAAP FINANCIAL MEASURES
(Unaudited)
(dollars in millions, except per share data)

Management utilizes the non-GAAP financial measures defined below as part of its internal reviews for purposes of monitoring, evaluating and forecasting the Company's financial performance, communicating operating results to the Company's Board of Directors and assessing related employee compensation measures. Management believes that such non-GAAP financial measures may be helpful to investors in assessing the Company's overall financial performance, trends and period-over-period comparative results. Non-GAAP financial measures related to net sales exclude the impact of foreign currency exchange rates and acquisitions. Non-GAAP financial measures related to operating income, operating margin, net income attributable to Amphenol Corporation, effective tax rate and diluted EPS exclude income and expenses that are not directly related to the Company's operating performance during the periods presented. Items excluded from such non-GAAP financial measures in any period may consist of, without limitation, acquisition-related expenses, refinancing-related costs and certain discrete tax items including but not limited to (i) the excess tax benefits related to stock-based compensation and (ii) the impact of significant changes in tax law. The following non-GAAP financial information is included for supplemental purposes only and should not be considered in isolation, as a substitute for or superior to the related U.S. GAAP financial measures. In addition, these non-GAAP financial measures are not necessarily the same or comparable to similar measures presented by other companies, as such measures may be calculated differently or may exclude different items. Such non-GAAP financial measures should be read in conjunction with the Company's financial statements presented in accordance with U.S. GAAP.

The following are reconciliations of non-GAAP financial measures to the most directly comparable U.S. GAAP financial measures for the periods presented:

NET SALES

			Percentage Growth (relative to same prior year period)				
	2021	2020	Net sales growth in U.S. Dollars (1) (GAAP)	Foreign currency impact (2) (non-GAAP)	Constant Currency Net Sales Growth (4) (non-GAAP)	Acquisition impact (3) (non-GAAP)	Organic Net Sales Growth (4) (non-GAAP)
Three Months Ended March 31:							
Net sales:							
Interconnect Products and Assemblies	\$ 2,280.0	\$ 1,779.0	28 %	3 %	25 %	2 %	23 %
Cable Products and Solutions	97.1	83.0	17 %	(1) %	18 %	— %	18 %
Consolidated	<u>\$ 2,377.1</u>	<u>\$ 1,862.0</u>	28 %	3 %	25 %	2 %	23 %

(1) **Net sales growth in U.S. dollars** is calculated based on Net sales as reported in the Condensed Consolidated Statements of Income. While the term "net sales growth in U.S. dollars" is not considered a U.S. GAAP financial measure, for purposes of this table, we derive the reported (GAAP) measure based on GAAP results, which serves as the basis for the reconciliation to its comparable non-GAAP financial measures.

(2) **Foreign currency translation impact**, a non-GAAP measure, represents the impact on net sales resulting from foreign currency exchange rate changes in the current year period(s) compared to the same period(s) in the prior year. Such amount is calculated by subtracting current year net sales translated at average foreign currency exchange rates for the respective prior year period(s) from current year reported net sales, taken as a percentage of the respective prior period net sales.

(3) **Acquisition impact**, a non-GAAP measure, represents the impact on net sales resulting from acquisitions closed since the beginning of the prior calendar year, which were not included in the Company's results as of the comparable prior year periods and which do not reflect the underlying growth of the Company on a comparative basis.

(4) The following are definitions of certain non-GAAP financial measures presented in the table(s) above, which may be referred to within this press release. For purposes of this press release, the terms "constant currencies" and "organically" have the same meaning, respectively, as the following non-GAAP financial measures, respectively:

Constant Currency Net Sales Growth is defined as the period-over-period percentage change in net sales growth, excluding the impact of changes in foreign currency exchange rates. The Company's results are subject to volatility related to foreign currency translation fluctuations. As such, management evaluates the Company's sales performance based on actual sales growth in U.S. dollars, as well as Organic Net Sales Growth (defined below) and Constant Currency Net Sales Growth, and believes that such information is useful to investors to assess the underlying sales trends.

Organic Net Sales Growth is defined as the period-over-period percentage change in net sales growth resulting from operating volume and pricing changes, and excludes the impact of (i) changes in foreign currency exchange rates, which directly impact the Company's operating results and are outside the control of the Company and (ii) acquisitions closed since the beginning of the prior calendar year, which were not included in the Company's results as of the comparable prior year periods and which do not reflect the underlying growth of the Company on a comparative basis. Management evaluates the Company's sales performance based on actual sales growth in U.S. dollars, as well as Constant Currency Net Sales Growth (defined above) and Organic Net Sales Growth, and believes that such information is useful to investors to assess the underlying sales trends.

AMPHENOL CORPORATION
SUPPLEMENTAL FINANCIAL INFORMATION
RECONCILIATIONS OF GAAP TO NON-GAAP FINANCIAL MEASURES (continued)
(Unaudited)
(dollars in millions, except per share data)

OPERATING RESULTS

	Three Months Ended March 31,					2020				
	2021		Net Income attributable to Amphenol Corporation	Effective Tax Rate (i)	Diluted EPS	2020		Net Income attributable to Amphenol Corporation	Effective Tax Rate (i)	Diluted EPS
	Operating Income	Operating Margin (i)				Operating Income	Operating Margin (i)			
Reported (GAAP)	\$ 464.8	19.6 %	\$ 329.6	23.9 %	\$ 0.53	\$ 316.9	17.0 %	\$ 242.1	15.9 %	\$ 0.40
Excess tax benefits related to stock-based compensation	—	—	(2.6)	0.6	—	—	—	(5.0)	1.7	(0.01)
Discrete tax item	—	—	—	—	—	—	—	(19.9)	6.9	(0.03)
Adjusted (non-GAAP) (ii) (iii)	<u>\$ 464.8</u>	<u>19.6 %</u>	<u>\$ 327.0</u>	<u>24.5 %</u>	<u>\$ 0.52</u>	<u>\$ 316.9</u>	<u>17.0 %</u>	<u>\$ 217.2</u>	<u>24.5 %</u>	<u>\$ 0.35</u>

FREE CASH FLOW

	Three Months Ended March 31,	
	2021	2020
Operating Cash Flow (GAAP)	\$ 321.0	\$ 384.3
Capital expenditures (GAAP)	(78.4)	(60.8)
Proceeds from disposals of property, plant and equipment (GAAP)	0.9	1.2
Free Cash Flow (non-GAAP) (iii)	<u>\$ 243.5</u>	<u>\$ 324.7</u>

(i) While the terms “operating margin” and “effective tax rate” are not considered U.S. GAAP financial measures, for purposes of this table, we derive the reported (GAAP) measures based on GAAP results, which serve as the basis for the reconciliation to their comparable non-GAAP financial measure.

(ii) All percentages and per share amounts in this table were calculated using actual, unrounded results; therefore, the sum of the components may not add due to rounding.

(iii) The following are definitions of non-GAAP financial measures presented in the tables above, which may be referred to within this press release:

Adjusted Operating Income is defined as Operating Income (as reported in the Condensed Consolidated Statements of Income), excluding income and expenses that are not directly related to the Company’s operating performance during the periods presented.

Adjusted Operating Margin is defined as Adjusted Operating Income (as defined above) expressed as a percentage of Net sales (as reported in the Condensed Consolidated Statements of Income).

Adjusted Net Income attributable to Amphenol Corporation is defined as Net Income attributable to Amphenol Corporation (as reported in the Condensed Consolidated Statements of Income), excluding income and expenses and their specific tax effects that are not directly related to the Company’s operating performance during the periods presented.

Adjusted Effective Tax Rate is defined as Provision for income taxes (as reported in the Condensed Consolidated Statements of Income) expressed as a percentage of Income before income taxes (as reported in the Condensed Consolidated Statements of Income), each excluding the income and expenses and their specific tax effects that are not directly related to the Company’s operating performance during the periods presented.

Adjusted Diluted EPS is defined as diluted earnings per share (as reported in accordance with U.S. GAAP), excluding income and expenses and their specific tax effects that are not directly related to the Company’s operating performance during the periods presented. Adjusted Diluted EPS is calculated as Adjusted Net Income attributable to Amphenol Corporation, as defined above, divided by the weighted average outstanding diluted shares (as reported in the Condensed Consolidated Statements of Income).

Free Cash Flow is defined as (i) Net cash provided by operating activities (“Operating Cash Flow” - as reported in accordance with U.S. GAAP) less (ii) capital expenditures (as reported in accordance with U.S. GAAP), net of proceeds from disposals of property, plant and equipment (as reported in accordance with U.S. GAAP), all of which are derived from the Condensed Consolidated Statements of Cash Flow. Free Cash Flow is an important liquidity measure for the Company, as we believe it is useful for management and investors to assess our ability to generate cash, as well as to assess how much cash can be used to reinvest in the growth of the Company or to return to shareholders through either stock repurchases or dividends.

AMPHENOL CORPORATION
SUPPLEMENTAL FINANCIAL INFORMATION
RECONCILIATIONS OF GAAP TO NON-GAAP FINANCIAL MEASURES - GUIDANCE
(Unaudited)
(dollars in millions, except per share data)

Management utilizes the non-GAAP financial measures defined earlier as part of its internal reviews for purposes of monitoring, evaluating and forecasting the Company's financial performance, communicating operating results to the Company's Board of Directors and assessing related employee compensation measures. Management believes that such non-GAAP financial measures may be helpful to investors in assessing the Company's overall financial performance, trends and period-over-period comparative results. Adjusted Diluted EPS, a non-GAAP financial measure, excludes income and expenses that are not directly related to the Company's operating performance during the periods presented. Items excluded from such non-GAAP financial measures in any period may consist of, without limitation, acquisition-related expenses, refinancing-related costs and certain discrete tax items including but not limited to (i) the excess tax benefits related to stock-based compensation and (ii) the impact of significant changes in tax law. All non-GAAP financial measures and their most directly comparable U.S. GAAP financial measures presented in the following table are on a continuing operations basis and exclude any discontinued operations. Adjusted Diluted EPS is not necessarily the same or comparable to similar measures presented by other companies, as such measures may be calculated differently or may exclude different items. Such non-GAAP financial measure should be read in conjunction with the Company's financial statements presented in accordance with U.S. GAAP.

The following is a reconciliation from GAAP Diluted earnings per share (Diluted EPS) to Adjusted Diluted EPS (non-GAAP) as it relates to current guidance for the second quarter of 2021:

	<u>GUIDANCE (1)</u> <u>SECOND QUARTER 2021</u>
Diluted EPS (GAAP)	\$0.41 - \$0.43
Estimated acquisition-related expenses, net of tax	0.12
Adjusted Diluted EPS (non-GAAP)	<u>\$0.53 - \$0.55</u>

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- (1) Forward-looking guidance included in this press release and related to Net sales and/or Adjusted Diluted EPS reflects only the Company's results on a continuing operations basis and does not include the anticipated results associated with the MTS Test & Simulation ("MTS T&S") business which we expect to divest later in 2021. Forward-looking Adjusted Diluted EPS reflected in our guidance excludes certain income and expenses, described above, that are not directly related to the Company's operating performance, only to the extent that such items have either (i) already been reflected in periods reported and are therefore included in the forward-looking full-year period or (ii) the Company reasonably expects to record such items in the forward-looking periods presented and such amounts are estimable. The Company expects to incur acquisition-related expenses associated with the MTS acquisition related to the early extinguishment of debt, non-cash purchase accounting expenses, external transaction expenses, severance and other costs, which are currently expected to be approximately \$85 million, or \$0.12 per diluted share, for the upcoming second quarter of 2021.