Amphenol Corporation (APH)

Updated January 28th, 2026, by Ian Bezek

Key Metrics

Current Price:	$146	**5 Year Annual Expected Total Return:**	6.3%	**Market Cap:**	$179 B
Fair Value Price:	$116	**5 Year Growth Estimate:**	10.5%	**Ex-Dividend Date:**	03/18/26[1]
% Fair Value:	126%	**5 Year Valuation Multiple Estimate:**	-4.5%	**Dividend Payment Date:**	04/09/26[1]
Dividend Yield:	0.7%	**5 Year Price Target**	$191	**Years Of Dividend Growth:**	15
Dividend Risk Score:	A	**Sector:**	Information Technology	**Rating:**	Hold

Overview & Current Events

Amphenol is an American electronics company primarily involved in the production of fiber optic connectors, coaxial cables, and other such systems. The company was founded in 1932 as American Phenolic Corp; the name was subsequently shortened to Amphenol. Its primary end markets are for IT and data services, industrial, and automotive uses. The company had a highly successful run, with its share price rising 1,000% over the past 10 years. This, in turn, lifted Amphenol's market cap to more than $175 billion today.

Historically, Amphenol was a growth investment with a minimal dividend. However, the company started to put a focus on increasing its dividend. In fact, it has grown its annual payout at a 19.9% annualized rate since 2016.

On January 28th, 2026, Amphenol released its Q4 2025 earnings. The company earned 97 cents per share. That soared from last year's 55 cent figure. The company's revenue came in at $6.4 billion, which amounted to a 49% increase from the same period last year and exceeded expectations by about $200 million.

Amphenol continues to produce breathtaking results, with the top line coming above the high end of prior guidance. While Amphenol historically has had a diversified business serving verticals such as autos and consumer electronics, right now, it is posting scorching growth thanks to the insatiable demand for data centers and AI-related computing infrastructure.

The company's $10.5 billion acquisition of CommScope's connectivity and cable unit closed in January 2026 and will provide a boost to Amphenol's revenues and earnings over the next year. However, in the Q4 earnings report, the company said the CommScope acquisition will add just 15 cents per share to this year's earnings, which was less than we had expected, implying either lower profit margins or a longer integration timeline. We are starting our 2026 EPS outlook at $4.15 per share, which would be a 24% increase versus last year's growth rate.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$0.68	$0.78	$0.97	$0.94	$0.98	$1.24	$1.50	$1.56	$1.89	$3.34	***$4.15***	***$6.84***
DPS	$0.15	$0.18	$0.22	$0.24	$0.26	$0.32	$0.41	$0.43	$0.55	$0.74	***$1.00***	***$1.54***
Shares	1,230	1,222	1,194	1,192	1,198	1,198	1,198	1,194	1,208	1,226	***1,226***	***1,226***

Since 2016, Amphenol has grown its earnings at a 19.3% average compounded rate. Earnings growth had been consistent through 2023, and has absolutely blasted off since then thanks to AI-related demand growth.

Up until 2012, Amphenol paid a minimal dividend. Since then, Amphenol has become a tremendous dividend growth story. As a result of this change in capital allocation, Amphenol has managed tremendous dividend growth rates of 25.6% and 19.9% over the past five and 10 years, respectively. On October 22nd, 2025, the company announced a tremendous 51% dividend increase, raising its quarterly payment from 16.5 cents to 25 cents per share.

As for earnings, we estimate that Amphenol will generate 10.5% annualized earnings growth over the next five years. Investments in AI and data centers should power strong demand for Amphenol products in coming years.

[1] Estimated date.

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Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	21.7	24.7	23.1	25.4	26.4	29.0	26.0	28.2	37.5	31.4	***35.2***	***28.0***
Avg. Yld.	1.0%	0.9%	1.0%	1.0%	1.0%	0.9%	1.0%	1.0%	0.7%	0.7%	***0.7%***	***0.8%***

A significant portion of Amphenol's exemplary returns over the past decade came due to expansion of its P/E ratio. Amphenol's P/E rose from 21.7 in 2016 to 35x estimated 2026 earnings today. We are skeptical that Amphenol's business will be able to support the loftier P/E ratios that the stock has obtained recently. Rather, we see Amphenol's P/E ratio settling closer to 28 over the long term.

Amphenol's dividend yield of 0.7% is slightly below its long-term average. We expect the yield to remain below 1%.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	21%	22%	23%	26%	27%	26%	27%	27%	29%	22%	***24%***	***23%***

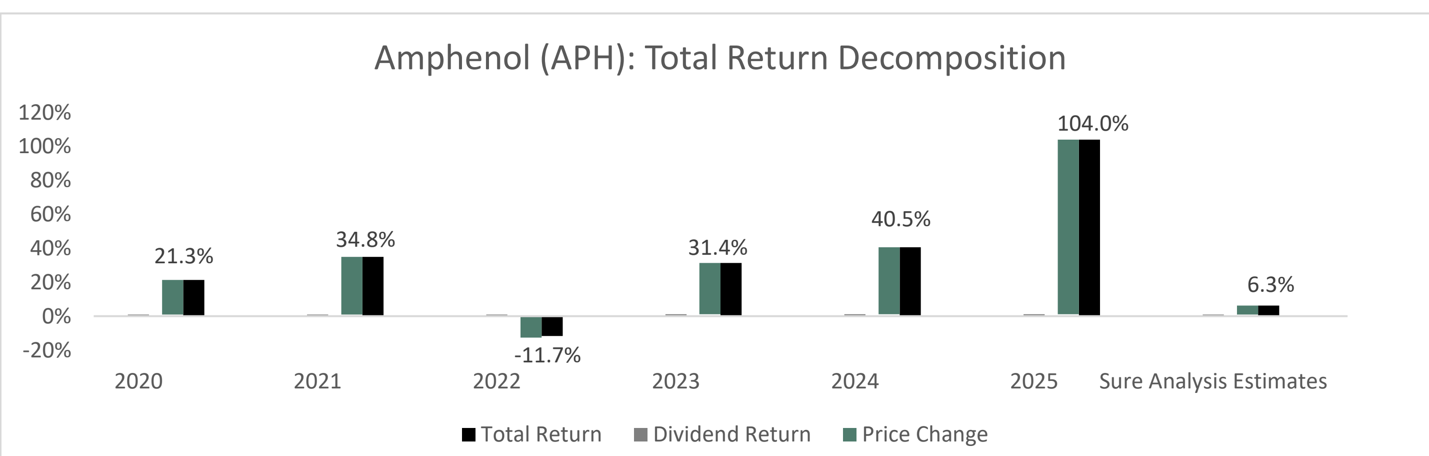
Amphenol operates in highly competitive markets with tons of rival firms. However, its broad product line and superior cost management have given the firm a persistent advantage over its peers. For example, the firm had a surprisingly strong 2022, and its results didn't cede much ground in 2023 despite broad weakness in much of the tech industry.

On paper, Amphenol might seem to face significant risk during economic downturns. But the company has developed durable relationships with key customers, insulating it from the technology industry's boom and bust cycle. Even with the company's large dividend increases recently, the firm's payout ratio remains at a healthy level of about 24%. Amphenol's balance sheet is in reasonable shape; while the firm carries a fair chunk of debt, its interest obligations should be manageable compared to its consistent cash flows.

Final Thoughts & Recommendation

Amphenol shares are trading above their long-term historical P/E average. However, the company has delivered absolutely dazzling growth figures over the past two years. Shares more than doubled in 2025, however, and fully reflect the improved fundamentals. Shares actually dipped following the Q4 earnings report, despite the strong results, seemingly because the company's Q1 guidance was a smidge softer than investors had been hoping for. This speaks to how there is not much margin of safety at this price point due to the threat of multiple compression. With a 6.3% total annualized return outlook, Amphenol stock earns a hold rating today.

Total Return Breakdown by Year



Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.

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Income Statement Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue	5,569	6,286	7,011	8,202	8,225	8,599	10,876	12,623	12,550	15,220
Gross Profit	1,780	2,040	2,310	2,655	2,616	2,664	3,402	4,028	4,084	5,140
Gross Margin	32.0%	32.5%	32.9%	32.4%	31.8%	31.0%	31.3%	31.9%	32.5%	33.8%
SG&A Exp.	669	798	878	960	971	1,014	1,226	1,421	1,490	1,855
D&A Exp.	172	217	227	300	312	308	396	393	406	573
Operating Profit	1,110	1,242	1,432	1,695	1,645	1,650	2,176	2,607	2,594	3,284
Op. Margin	19.9%	19.8%	20.4%	20.7%	20.0%	19.2%	20.0%	20.7%	20.7%	21.6%
Net Profit	764	823	651	1,205	1,155	1,203	1,591	1,902	1,928	2,424
Net Margin	13.7%	13.1%	9.3%	14.7%	14.0%	14.0%	14.6%	15.1%	15.4%	15.9%
Free Cash Flow	858	887	918	802	1,207	1,315	1,180	1,791	2,156	2,149
Income Tax	281	309	692	372	332	313	409	551	509	570

Balance Sheet Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Assets	7,458	8,499	10,004	10,045	10,816	12,327	14,678	15,326	16,530	21,440
Cash & Equivalents	1,737	1,035	1,719	1,279	891	1,702	1,197	1,373	1,475	3,317
Acc. Receivable	1,105	1,349	1,599	1,792	1,736	1,952	2,455	2,631	2,618	3,288
Inventories	852	929	1,107	1,234	1,310	1,462	1,894	2,094	2,167	2,546
Goodwill & Int.	2,909	4,153	4,484	4,501	5,309	5,430	7,134	7,180	7,927	9,461
Total Liabilities	4,180	4,776	5,961	5,981	6,219	6,875	8,299	8,232	8,100	11,580
Accounts Payable	588	678	876	891	867	1,121	1,312	1,309	1,351	1,819
Long-Term Debt	2,814	3,011	3,543	3,571	3,607	3,867	4,800	4,578	4,337	6,886
Total Equity	3,239	3,675	3,990	4,017	4,530	5,385	6,302	7,016	8,346	9,792
LTD/E Ratio	0.87	0.82	0.89	0.89	0.80	0.72	0.76	0.65	0.52	0.70

Profitability & Per Share Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Return on Assets	10.6%	10.3%	7.0%	12.0%	11.1%	10.4%	11.8%	12.7%	12.1%	12.8%
Return on Equity	24.8%	23.8%	17.0%	30.1%	27.0%	24.3%	27.2%	28.6%	25.1%	26.5%
ROIC	13.1%	12.8%	9.1%	15.8%	14.6%	13.7%	15.5%	16.6%	15.8%	16.4%
Shares Out.	616	615	611	597	596	599	599	595	621	1,264
Revenue/Share	8.80	9.97	11.08	13.12	13.36	13.98	17.39	20.33	20.23	12.05
FCF/Share	1.36	1.41	1.45	1.28	1.96	2.14	1.89	2.88	3.47	1.70

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.