Amphenol Corporation (APH)

Updated August 1st, 2026, by Ian Bezek

Key Metrics

Current Price:	$161	**5 Year Annual Expected Total Return:**	8.5%	**Market Cap:**	$198 B
Fair Value Price:	$143	**5 Year Growth Estimate:**	10.5%	**Ex-Dividend Date:**	08/16/26[1]
% Fair Value:	113%	**5 Year Valuation Multiple Estimate:**	-2.4%	**Dividend Payment Date:**	09/10/26[1]
Dividend Yield:	0.6%	**5 Year Price Target**	$235	**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 $198 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 July 29th, 2026, Amphenol released its Q2 2026 earnings. The company earned $1.35 cents per share. That soared from last year's 81 cent figure. The company's revenue came in at $8.8 billion, which amounted to a 55% increase from the same period last year and exceeded expectations by more than $400 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. Meanwhile, the rest of Amphenol's business is absolutely booming thanks to heightened AI- and data center-related demand. Management has guided to about 51% revenue growth and similar EPS growth next quarter. That is a big step up from prior guidance and the analyst consensus, and we've significantly raised our full-year EPS estimate accordingly.

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	***$5.10***	***$8.40***
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 an outstanding dividend growth story. As a result of this change in capital allocation, Amphenol has managed 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.

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[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	***31.6***	***28.0***
Avg. Yld.	1.0%	0.9%	1.0%	1.0%	1.0%	0.9%	1.0%	1.0%	0.7%	0.7%	***0.6%***	***0.7%***

A 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 as high as 37x in 2024. We are skeptical that Amphenol's business will be able to support the loftier P/E ratios that the stock has obtained recently. While the P/E ratio has slipped from the peak, we expect it to further contract to 28x over time.

Amphenol's dividend yield of 0.6% is below its long-term average. However, 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%	***20%***	***18%***

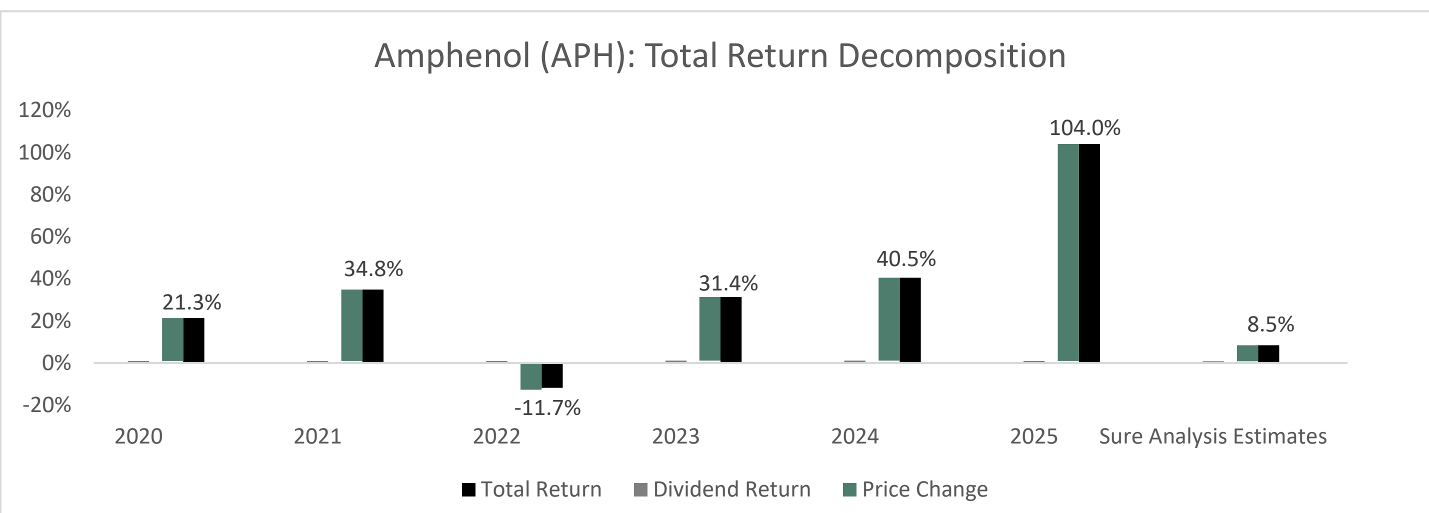
Amphenol operates in highly competitive markets with tons of rival firms. However, its broad product line and superior cost management have given the firm a persistent advantage over its peers. For example, Amphenol had a surprisingly strong 2022, and its results didn't cede much ground in 2023 despite 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 20%. 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 a bit above their long-term historical P/E average. However, the company has delivered absolutely dazzling growth figures over the past two years. Amphenol shares doubled in 2025, as investors woke up to this compelling growth story. Amphenol stock is up 19% year-to-date, and has rallied 50% over the past 12 months. This has pushed shares to above our fair value estimate. Regardless, even with the multiple contraction headwind, we expect reasonable 8.5% annualized total returns. Shares stay at 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	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	6,286	7,011	8,202	8,225	8,599	10,876	12,623	12,550	15,220	23,090
Gross Profit	2,040	2,310	2,655	2,616	2,664	3,402	4,028	4,084	5,140	8,158
Gross Margin	32.5%	32.9%	32.4%	31.8%	31.0%	31.3%	31.9%	32.5%	33.8%	35.3%
SG&A Exp.	798	878	960	971	1,014	1,226	1,421	1,490	1,855	2,546
D&A Exp.	217	227	300	312	308	396	393	406	573	922
Operating Profit	1,242	1,432	1,695	1,645	1,650	2,176	2,607	2,594	3,284	5,972
Op. Margin	19.8%	20.4%	20.7%	20.0%	19.2%	20.0%	20.7%	20.7%	21.6%	25.9%
Net Profit	823	651	1,205	1,155	1,203	1,591	1,902	1,928	2,424	4,305
Net Margin	13.1%	9.3%	14.7%	14.0%	14.0%	14.6%	15.1%	15.4%	15.9%	18.6%
Free Cash Flow	887	918	802	1,207	1,315	1,180	1,791	2,156	2,149	4,378
Income Tax	309	692	372	332	313	409	551	509	570	1,295

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	8,499	10,004	10,045	10,816	12,327	14,678	15,326	16,530	21,440	36,240
Cash & Equivalents	1,035	1,719	1,279	891	1,702	1,197	1,373	1,475	3,317	11,430
Acc. Receivable	1,349	1,599	1,792	1,736	1,952	2,455	2,631	2,618	3,288	4,717
Inventories	929	1,107	1,234	1,310	1,462	1,894	2,094	2,167	2,546	3,425
Goodwill & Int.	4,153	4,484	4,501	5,309	5,430	7,134	7,180	7,927	9,461	12,820
Total Liabilities	4,776	5,961	5,981	6,219	6,875	8,299	8,232	8,100	11,580	22,730
Accounts Payable	678	876	891	867	1,121	1,312	1,309	1,351	1,819	2,662
Long-Term Debt	3,011	3,543	3,571	3,607	3,867	4,800	4,578	4,337	6,886	15,930
Total Equity	3,675	3,990	4,017	4,530	5,385	6,302	7,016	8,346	9,792	13,410
LTD/E Ratio	0.82	0.89	0.89	0.80	0.72	0.76	0.65	0.52	0.70	1.20

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	10.3%	7.0%	12.0%	11.1%	10.4%	11.8%	12.7%	12.1%	12.8%	14.9%
Return on Equity	23.8%	17.0%	30.1%	27.0%	24.3%	27.2%	28.6%	25.1%	26.5%	36.9%
ROIC	12.8%	9.1%	15.8%	14.6%	13.7%	15.5%	16.6%	15.8%	16.4%	18.4%
Shares Out.	615	611	597	596	599	599	595	621	1,264	1,278
Revenue/Share	9.97	11.08	13.12	13.36	13.98	17.39	20.33	20.23	12.05	18.08
FCF/Share	1.41	1.45	1.28	1.96	2.14	1.89	2.88	3.47	1.70	3.43

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