



AMETEK Announces Second Quarter 2015 Results

August 4, 2015

**-- Delivers Record Earnings per Share --
-- Reaffirms 2015 Earnings Guidance --**

BERWYN, Pa., Aug. 4, 2015 /PRNewswire/ -- AMETEK, Inc. (NYSE: AME) today announced its financial results for the three month period ended June 30, 2015.

AMETEK's second quarter 2015 sales of \$1.0 billion were up 1% over last year's second quarter. Operating income increased 4% to a record \$240.3 million and operating margins were up 50 basis points to 23.9%. Diluted earnings per share increased 5% to a record \$0.64 per diluted share from the second quarter 2014.

"AMETEK had another strong quarter. We delivered record levels of operating income and earnings per share as a result of the continued strong execution of our Four Growth Strategies. Despite continued softness in the global economy, our businesses performed well, allowing us to meet the high end of our second quarter earnings expectations and to reaffirm our full year earnings guidance," noted Frank S. Hermance, AMETEK Chairman and Chief Executive Officer.

"Cash flow was also very strong, with operating cash flow of \$163 million for the quarter, a 5% increase over the same period of 2014. We continue to use our cash flow to support our acquisition strategy, having closed on two recent acquisitions," continued Mr. Hermance.

Electronic Instruments Group (EIG)

In the second quarter of 2015, EIG sales increased 4% to \$596.5 million. Operating income increased 8% to \$164.0 million and operating margins were up 110 basis points to 27.5%.

"EIG had a very good quarter with excellent operating performance. Sales were up due to strength in our Aerospace business, combined with the contributions from the acquisitions of Zygo and Amptek in our Process business. Operating performance was superb, with operating margins up 110 basis points in the quarter," said Mr. Hermance.

Electromechanical Group (EMG)

For the second quarter of 2015, EMG sales decreased 2% to \$407.3 million. Operating income was down 3% to \$89.3 million and operating margins were 21.9% for the quarter.

"EMG also had a good second quarter in this difficult global market environment. The lower sales were driven largely by currency headwinds, partially offset by sales from the acquisition of Global Tubes. Operating margins were very strong benefitting from our focus on Operational Excellence initiatives," adds Mr. Hermance.

2015 Outlook

"AMETEK performed well in the second quarter due to our strong portfolio of businesses, proven operational capabilities, and a successful focus on strategic acquisitions. While we remain cautious around the pace of global economic activity, we are confident in our ability to successfully execute on our growth strategies and to deliver strong earnings growth," notes Mr. Hermance.

"We anticipate 2015 sales to be up low single digits with organic sales roughly flat versus 2014. We continue to expect earnings for 2015, excluding first quarter realignment costs, to be in the range of \$2.58 to \$2.63 per diluted share, up 7% to 9% over 2014 adjusted earnings per share," adds Mr. Hermance.

"Third quarter 2015 sales are expected to be approximately flat compared to last year's third quarter. We estimate our earnings in the third quarter to be approximately \$0.64 to \$0.65 per diluted share, an increase of 3% to 5% over last year's adjusted earnings per share," concludes Mr. Hermance.

Conference Call

AMETEK will webcast its Second Quarter 2015 investor conference call on Tuesday, August 4, 2015, beginning at 8:30 AM ET. The live audio webcast will be available at the Investors section of www.ametek.com and at www.streetevents.com. The call will also be archived at the Investors section of www.ametek.com.

Corporate Profile

AMETEK is a leading global manufacturer of electronic instruments and electro-mechanical devices with annual sales of \$4.0 billion. AMETEK's Corporate Growth Plan is based on Four Key Strategies: Operational Excellence, Strategic Acquisitions, Global & Market Expansion and New Products. AMETEK's objective is double-digit percentage growth in earnings per share over the business cycle and a superior return on total capital. The common stock of AMETEK is a component of the S&P 500 Index.

Forward-looking Information

Statements in this news release relating to future events, such as AMETEK's expected business and financial performance are "forward-looking statements." Forward-looking statements are subject to various factors and uncertainties that may cause actual results to differ significantly from expectations. These factors and uncertainties include our ability to consummate and successfully integrate future acquisitions; risks associated with international sales and operations; our ability to successfully develop new products, open new facilities or transfer product lines; the price and availability of raw materials; compliance with government regulations, including environmental regulations; changes in the competitive environment or

the effects of competition in our markets; the ability to maintain adequate liquidity and financing sources; and general economic conditions affecting the industries we serve. A detailed discussion of these and other factors that may affect our future results is contained in AMETEK's filings with the U.S. Securities and Exchange Commission, including its most recent reports on Form 10-K, 10-Q and 8-K. AMETEK disclaims any intention or obligation to update or revise any forward-looking statements.

(Financial Information Follows)

AMETEK, Inc.
Consolidated Statement of Income
(In thousands, except per share amounts)
(Unaudited)

| | Three Months Ended | | Six Months Ended | |
|---|--------------------|-------------------|--------------------|--------------------|
| | June 30, | | June 30, | |
| | 2015 | 2014 | 2015 | 2014 |
| Net sales | \$1,003,726 | \$ 990,718 | \$1,987,785 | \$1,966,010 |
| Operating expenses: | | | | |
| Cost of sales, excluding depreciation | 633,925 | 630,645 | 1,269,890 | 1,255,815 |
| Selling, general and administrative | 112,702 | 113,316 | 223,586 | 225,941 |
| Depreciation | 16,780 | 15,029 | 33,038 | 30,895 |
| Total operating expenses | <u>763,407</u> | <u>758,990</u> | <u>1,526,514</u> | <u>1,512,651</u> |
| Operating income | 240,319 | 231,728 | 461,271 | 453,359 |
| Other expenses: | | | | |
| Interest expense | (22,678) | (18,981) | (45,364) | (37,819) |
| Other, net | (2,493) | (4,326) | (3,973) | (8,203) |
| Income before income taxes | <u>215,148</u> | <u>208,421</u> | <u>411,934</u> | <u>407,337</u> |
| Provision for income taxes | <u>59,635</u> | <u>58,358</u> | <u>114,314</u> | <u>116,688</u> |
| Net income | \$ 155,513 | \$ 150,063 | \$ 297,620 | \$ 290,649 |
| Diluted earnings per share | \$ 0.64 | \$ 0.61 | \$ 1.22 | \$ 1.18 |
| Basic earnings per share | <u>\$ 0.64</u> | <u>\$ 0.61</u> | <u>\$ 1.23</u> | <u>\$ 1.19</u> |
| Weighted average common shares outstanding: | | | | |
| Diluted shares | 243,621 | 247,403 | 243,209 | 247,316 |
| Basic shares | <u>241,498</u> | <u>245,201</u> | <u>241,222</u> | <u>245,056</u> |
| Dividends per share | <u>\$ 0.09</u> | <u>\$ 0.09</u> | <u>\$ 0.18</u> | <u>\$ 0.15</u> |

AMETEK, Inc.
Information by Business Segment
(In thousands)
(Unaudited)

| | Three Months Ended | | Six Months Ended | |
|---|--------------------|-------------------|--------------------|--------------------|
| | June 30, | | June 30, | |
| | 2015 | 2014 | 2015 | 2014 |
| Net sales: | | | | |
| Electronic Instruments | \$ 596,464 | \$ 573,289 | \$1,190,262 | \$1,145,683 |
| Electromechanical | 407,262 | 417,429 | 797,523 | 820,327 |
| Consolidated net sales | <u>\$1,003,726</u> | <u>\$ 990,718</u> | <u>\$1,987,785</u> | <u>\$1,966,010</u> |
| Income: | | | | |
| Segment operating income: | | | | |
| Electronic Instruments | \$ 163,993 | \$ 151,499 | \$ 315,210 | \$ 301,818 |
| Electromechanical | 89,294 | 92,133 | 171,258 | 176,013 |
| Total segment operating income | <u>253,287</u> | <u>243,632</u> | <u>486,468</u> | <u>477,831</u> |
| Corporate administrative and other expenses | (12,968) | (11,904) | (25,197) | (24,472) |
| Consolidated operating income | <u>\$ 240,319</u> | <u>\$ 231,728</u> | <u>\$ 461,271</u> | <u>\$ 453,359</u> |

AMETEK, Inc.
Condensed Consolidated Balance Sheet

(In thousands)

| | June 30, 2015 | December 31, 2014 |
|---|---------------------|----------------------|
| | (Unaudited) | |
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 326,588 | \$ 377,615 |
| Receivables, net | 619,080 | 585,462 |
| Inventories, net | 541,919 | 495,896 |
| Other current assets | 111,755 | 119,631 |
| Total current assets | <u>1,599,342</u> | <u>1,578,604</u> |
| Property, plant and equipment, net | 484,932 | 448,446 |
| Goodwill | 2,668,625 | 2,614,030 |
| Other intangibles, investments and other assets | 1,804,912 | 1,779,883 |
| Total assets | <u>\$ 6,557,811</u> | <u>\$ 6,420,963</u> |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Current liabilities: | | |
| Short-term borrowings and current portion of long-term debt | \$ 183,903 | \$ 286,201 |
| Accounts payable and accruals | 646,228 | 649,943 |
| Total current liabilities | <u>830,131</u> | <u>936,144</u> |
| Long-term debt | 1,481,906 | 1,427,825 |
| Deferred income taxes and other long-term liabilities | 792,440 | 817,433 |
| Stockholders' equity | 3,453,334 | 3,239,561 |
| Total liabilities and stockholders' equity | <u>\$ 6,557,811</u> | <u>\$ 6,420,963</u> |

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