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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

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**FORM 10-Q**

(Mark One)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2017

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number 1-12981

**AMETEK, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**14-1682544**  
(I.R.S. Employer  
Identification No.)

**1100 Cassatt Road**  
**Berwyn, Pennsylvania**  
(Address of principal executive offices)

**19312-1177**  
(Zip Code)

Registrant's telephone number, including area code: (610) 647-2121

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  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

(Do not check if a smaller reporting company)

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

The number of shares of the registrant's common stock outstanding as of the latest practicable date was: Common Stock, \$0.01 Par Value, outstanding at April 30, 2017 was 230,108,187 shares.

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**Form 10-Q**  
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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

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

	Three Months Ended March 31,	
	2017	2016
<b>Net sales</b>	<b>\$1,007,682</b>	<b>\$944,398</b>
Operating expenses:		
Cost of sales	664,935	623,681
Selling, general and administrative	122,449	112,194
Total operating expenses	<u>787,384</u>	<u>735,875</u>
<b>Operating income</b>	<b>220,298</b>	<b>208,523</b>
Other expenses:		
Interest expense	(24,516)	(23,401)
Other, net	<u>(4,360)</u>	<u>(2,080)</u>
Income before income taxes	191,422	183,042
Provision for income taxes	<u>52,496</u>	<u>48,872</u>
<b>Net income</b>	<b>\$ 138,926</b>	<b>\$134,170</b>
Basic earnings per share	<u>\$ 0.61</u>	<u>\$ 0.57</u>
<b>Diluted earnings per share</b>	<b>\$ 0.60</b>	<b>\$ 0.57</b>
Weighted average common shares outstanding:		
Basic shares	<u>229,548</u>	<u>234,983</u>
Diluted shares	<u>231,004</u>	<u>236,216</u>
Dividends declared and paid per share	<u>\$ 0.09</u>	<u>\$ 0.09</u>

See accompanying notes.

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**AMETEK, Inc.**  
**Consolidated Statement of Comprehensive Income**  
**(In thousands)**  
**(Unaudited)**

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<u>2017</u>	<u>2016</u>
<b>Total comprehensive income</b>	<b><u>\$149,179</u></b>	<b><u>\$169,276</u></b>

See accompanying notes.

**AMETEK, Inc.**  
**Consolidated Balance Sheet**  
(In thousands)

	March 31, 2017 (Unaudited)	December 31, 2016
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 570,233	\$ 717,259
Receivables, net	603,900	592,326
Inventories, net	529,927	492,104
Deferred income taxes	—	50,004
Other current assets	83,383	76,497
Total current assets	1,787,443	1,928,190
Property, plant and equipment, net	482,908	473,230
Goodwill	2,975,039	2,818,950
Other intangibles, net	1,901,004	1,734,021
Investments and other assets	152,416	146,283
Total assets	<u>\$ 7,298,810</u>	<u>\$ 7,100,674</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Short-term borrowings and current portion of long-term debt, net	\$ 337,951	\$ 278,921
Accounts payable	382,805	369,537
Income taxes payable	44,401	29,913
Accrued liabilities	251,641	246,070
Total current liabilities	1,016,798	924,441
Long-term debt, net	2,076,577	2,062,644
Deferred income taxes	582,838	621,776
Other long-term liabilities	218,362	235,300
Total liabilities	3,894,575	3,844,161
Stockholders' equity:		
Common stock	2,622	2,615
Capital in excess of par value	623,520	604,143
Retained earnings	4,521,986	4,403,683
Accumulated other comprehensive loss	(532,136)	(542,389)
Treasury stock	(1,211,757)	(1,211,539)
Total stockholders' equity	3,404,235	3,256,513
Total liabilities and stockholders' equity	<u>\$ 7,298,810</u>	<u>\$ 7,100,674</u>

See accompanying notes.

**AMETEK, Inc.**  
**Condensed Consolidated Statement of Cash Flows**  
(In thousands)  
(Unaudited)

	Three Months Ended March 31,	
	2017	2016
<b>Cash provided by (used for):</b>		
<b>Operating activities:</b>		
Net income	\$ 138,926	\$ 134,170
Adjustments to reconcile net income to total operating activities:		
Depreciation and amortization	42,541	40,086
Deferred income taxes	4,767	5,063
Share-based compensation expense	5,328	5,079
Net change in assets and liabilities, net of acquisitions	1,510	(31,847)
Pension contribution	(50,853)	(1,157)
Other, net	225	225
Total operating activities	<u>142,444</u>	<u>151,619</u>
<b>Investing activities:</b>		
Additions to property, plant and equipment	(13,385)	(11,115)
Purchases of businesses, net of cash acquired	(334,543)	(294,611)
Other, net	(324)	—
Total investing activities	<u>(348,252)</u>	<u>(305,726)</u>
<b>Financing activities:</b>		
Net change in short-term borrowings	58,894	283,333
Repurchases of common stock	(172)	(116,659)
Cash dividends paid	(20,623)	(21,006)
Excess tax benefits from share-based payments	—	1,966
Proceeds from employee stock plans and other, net	13,785	2,004
Total financing activities	<u>51,884</u>	<u>149,638</u>
Effect of exchange rate changes on cash and cash equivalents	6,898	10,404
(Decrease) increase in cash and cash equivalents	<u>(147,026)</u>	<u>5,935</u>
Cash and cash equivalents:		
Beginning of period	717,259	381,005
End of period	<u>\$ 570,233</u>	<u>\$ 386,940</u>

See accompanying notes.

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**AMETEK, Inc.**  
**Notes to Consolidated Financial Statements**  
**March 31, 2017**  
(Unaudited)

**1. Basis of Presentation**

The accompanying consolidated financial statements are unaudited. AMETEK, Inc. (the “Company”) believes that all adjustments (which primarily consist of normal recurring accruals) necessary for a fair presentation of the consolidated financial position of the Company at March 31, 2017, and the consolidated results of its operations and its cash flows for the three months ended March 31, 2017 and 2016 have been included. Quarterly results of operations are not necessarily indicative of results for the full year. The accompanying consolidated financial statements should be read in conjunction with the consolidated financial statements and related notes presented in the Company’s Annual Report on Form 10-K for the year ended December 31, 2016 as filed with the Securities and Exchange Commission.

**2. Recent Accounting Pronouncements**

In May 2014, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) No. 2014-09, *Revenue from Contracts with Customers* (“ASU 2014-09”) and modified the standard thereafter. The objective of ASU 2014-09 is to establish a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and will supersede most of the existing revenue recognition guidance. The core principle of ASU 2014-09 is that an entity recognizes revenue at the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. ASU 2014-09 applies to all contracts with customers except those that are within the scope of other topics in the FASB Accounting Standards Codification.

ASU 2014-09 is effective for interim and annual reporting periods beginning after December 15, 2017 and may be early adopted for interim and annual reporting periods beginning after December 15, 2016. The Company will adopt ASU 2014-09 as of January 1, 2018. The guidance permits adoption by retrospectively applying the guidance to each prior reporting period presented (full retrospective method) or prospectively applying the guidance and providing additional disclosures comparing results to previous guidance, with the cumulative effect of initially applying the guidance recognized in beginning retained earnings at the date of initial application (modified retrospective method). The Company expects to determine its method of adoption by the end of the second quarter of 2017.

The Company is currently evaluating the impact of the potential changes identified by its initial assessment work. The standard is expected to impact the Company’s revenue recognition processes, primarily in the areas of the allocation of contract revenues (such as installations, training and warranty services) and the timing of when certain revenues should be recognized (“over-time” or at a “point-in-time”). The Company is continuing to determine the impact ASU 2014-09 may have on its consolidated results of operations, financial position, cash flows and financial statement disclosures.

In July 2015, the FASB issued ASU No. 2015-11, *Simplifying the Measurement of Inventory* (“ASU 2015-11”), which applies to inventory that is measured using first-in, first-out (“FIFO”) or average cost. As prescribed in this update, an entity should measure inventory that is within scope at the lower of cost and net realizable value, which is the estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal and transportation. Subsequent measurement is unchanged for inventory that is measured using last-in, first-out (“LIFO”). The Company prospectively adopted ASU 2015-11 effective January 1, 2017 and the adoption did not have a significant impact on the Company’s consolidated results of operations, financial position or cash flows.

In November 2015, the FASB issued ASU No. 2015-17, *Balance Sheet Classification of Deferred Taxes* (“ASU 2015-17”). ASU 2015-17 simplifies the presentation of deferred taxes by requiring deferred tax assets and liabilities be classified as noncurrent on the consolidated balance sheet. The Company prospectively adopted ASU 2015-17 effective January 1, 2017 and the adoption did not have a significant impact on the Company’s consolidated results of operations, financial position or cash flows. The December 31, 2016 consolidated balance sheet was not adjusted for the adoption of ASU 2015-17.

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**AMETEK, Inc.**  
**Notes to Consolidated Financial Statements**  
**March 31, 2017**  
(Unaudited)

In February 2016, the FASB issued ASU No. 2016-02, *Leases* (“ASU 2016-02”). The new standard establishes a right-of-use model that requires a lessee to record a right-of-use asset and a lease liability on the balance sheet for all leases with terms longer than twelve months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. ASU 2016-02 is effective for interim and annual reporting periods beginning after December 15, 2018. ASU 2016-02 is to be adopted using a modified retrospective approach and early adoption is permitted. The Company has not determined the impact ASU 2016-02 may have on the Company’s consolidated results of operations, financial position, cash flows and financial statement disclosures.

In March 2016, the FASB issued ASU No. 2016-09, *Improvements to Employee Share-Based Payment Accounting* (“ASU 2016-09”). ASU 2016-09 includes changes to the accounting for share-based payment transactions, including the income tax consequences, classification of awards as either equity or liabilities and classification on the statement of cash flows. The Company prospectively adopted ASU 2016-09 effective January 1, 2017. For the three months ended March 31, 2017, the Company recorded a tax benefit of \$5.8 million within Provision for income taxes related to the tax effects of share-based payment transactions. Prior to adoption, this amount would have been recorded as a reduction of Capital in excess of par value. The adoption of this standard could create volatility in the Company’s effective tax rate going forward. The Company elected not to change its accounting policy with respect to the estimation of forfeitures. The Company no longer reclassifies the excess tax benefits from share-based payments from operating activities to financing activities in the consolidated statement of cash flows. For the three months ended March 31, 2017, the Company excluded the excess tax benefits from the assumed proceeds available to repurchase shares in the computation of its diluted earnings per share and the related increase in the Company’s diluted weighted average common shares outstanding was not significant.

In January 2017, the FASB issued ASU No. 2017-01, *Clarifying the Definition of a Business* (“ASU 2017-01”). ASU 2017-01 provides a more robust framework to use in determining when a set of assets and activities is a business. ASU 2017-01 requires an entity to evaluate if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or a group of similar identifiable assets; if so, the set of assets is not a business. ASU 2017-01 requires that, to be a business, the set must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. ASU 2017-01 is effective for interim and annual reporting periods beginning after December 15, 2017. ASU 2017-01 will be applied prospectively to any transactions occurring within the period of adoption. Early adoption is permitted, including for interim or annual periods in which the financial statements have not been issued or made available for issuance. The Company does not expect the adoption of ASU 2017-01 to have a significant impact on the Company’s consolidated results of operations, financial position, cash flows and financial statement disclosures.

In January 2017, the FASB issued ASU No. 2017-04, *Simplifying the Test for Goodwill Impairment* (“ASU 2017-04”). ASU 2017-04 eliminates the requirement to calculate the implied fair value of goodwill (second step) to measure a goodwill impairment charge. Under the guidance, an impairment charge will be measured based on the excess of the reporting unit’s carrying amount over its fair value (first step). ASU 2017-04 is effective for interim and annual reporting periods beginning after December 15, 2019 and early adoption is permitted. The Company early adopted ASU 2017-04 effective January 1, 2017 and the adoption did not have a significant impact on the Company’s consolidated results of operations, financial position, cash flows and financial statement disclosures.

In March 2017, the FASB issued ASU No. 2017-07, *Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost* (“ASU 2017-07”), which changes how employers that sponsor defined benefit pension and/or other postretirement benefit plans present the net periodic benefit cost in the income statement. ASU 2017-07 requires employers to present the service cost component of net periodic benefit cost in the same income statement line item as other employee compensation costs. All other components of the net periodic benefit cost will be presented outside of operating income. ASU 2017-07 is effective for interim and annual reporting periods beginning after December 15, 2017 and early adoption is permitted. The Company has not determined the impact ASU 2017-07 may have on the Company’s consolidated results of operations, financial position or cash flows.

**AMETEK, Inc.**  
**Notes to Consolidated Financial Statements**  
**March 31, 2017**  
(Unaudited)

**3. Earnings Per Share**

The calculation of basic earnings per share is based on the weighted average number of common shares considered outstanding during the periods. The calculation of diluted earnings per share reflects the effect of all potentially dilutive securities (principally outstanding stock options and restricted stock grants). The number of weighted average shares used in the calculation of basic earnings per share and diluted earnings per share was as follows:

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2017</b>	<b>2016</b>
	<b>(In thousands)</b>	
<b>Weighted average shares:</b>		
Basic shares	<b>229,548</b>	234,983
Equity-based compensation plans	<b>1,456</b>	1,233
Diluted shares	<b><u>231,004</u></b>	<u>236,216</u>

**4. Accumulated Other Comprehensive Income (Loss)**

The components of accumulated other comprehensive income (loss) consisted of the following:

	<b>Three Months Ended</b>			<b>Three Months Ended</b>		
	<b>March 31, 2017</b>			<b>March 31, 2016</b>		
	<b>Foreign Currency Items and Other</b>	<b>Defined Benefit Pension Plans</b>	<b>Total</b>	<b>Foreign Currency Items and Other</b>	<b>Defined Benefit Pension Plans</b>	<b>Total</b>
	<b>(In thousands)</b>					
Balance at the beginning of the period	\$(338,631)	\$(203,758)	\$(542,389)	\$(250,593)	\$(155,038)	\$(405,631)
Other comprehensive income (loss) before reclassifications:						
Translation adjustments	4,679	—	4,679	21,679	—	21,679
Change in long-term intercompany notes	2,704	—	2,704	13,703	—	13,703
Net investment hedges	1,044	—	1,044	(2,910)	—	(2,910)
Gross amounts reclassified from accumulated other comprehensive income (loss)	—	3,512	3,512	—	2,484	2,484
Income tax benefit (expense)	(365)	(1,321)	(1,686)	1,019	(869)	150
Other comprehensive (loss) income, net of tax	8,062	2,191	10,253	33,491	1,615	35,106
Balance at the end of the period	<b><u>\$(330,569)</u></b>	<b><u>\$(201,567)</u></b>	<b><u>\$(532,136)</u></b>	<b><u>\$(217,102)</u></b>	<b><u>\$(153,423)</u></b>	<b><u>\$(370,525)</u></b>

Reclassifications for the amortization of defined benefit pension plans are included in Cost of sales in the consolidated statement of income. See Note 11 for further details.

**AMETEK, Inc.**  
**Notes to Consolidated Financial Statements**  
**March 31, 2017**  
(Unaudited)

**5. Fair Value Measurements**

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

The Company utilizes a valuation hierarchy for disclosure of the inputs to the valuations used to measure fair value. This hierarchy prioritizes the inputs into three broad levels as follows. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are quoted prices for similar assets and liabilities in active markets or inputs that are observable for the asset or liability, either directly or indirectly through market corroboration, for substantially the full term of the financial instrument. Level 3 inputs are unobservable inputs based on the Company's own assumptions used to measure assets and liabilities at fair value. A financial asset or liability's classification within the hierarchy is determined based on the lowest level input that is significant to the fair value measurement.

The following table provides the Company's assets that are measured at fair value on a recurring basis as of March 31, 2017 and December 31, 2016, consistent with the fair value hierarchy:

	<u>March 31, 2017</u>	<u>December 31, 2016</u>
	Fair Value	Fair Value
	(In thousands)	
Fixed-income investments	\$ 7,623	\$ 7,317

The fair value of fixed-income investments, which are valued as level 1 investments, was based on quoted market prices. The fixed-income investments are shown as a component of long-term assets on the consolidated balance sheet.

For the three months ended March 31, 2017, gains and losses on the investments noted above were not significant. No transfers between level 1 and level 2 investments occurred during the three months ended March 31, 2017.

*Financial Instruments*

Cash, cash equivalents and fixed-income investments are recorded at fair value at March 31, 2017 and December 31, 2016 in the accompanying consolidated balance sheet.

The following table provides the estimated fair values of the Company's financial instrument liabilities, for which fair value is measured for disclosure purposes only, compared to the recorded amounts at March 31, 2017 and December 31, 2016:

	<u>March 31, 2017</u>		<u>December 31, 2016</u>	
	Recorded Amount	Fair Value	Recorded Amount	Fair Value
	(In thousands)			
Short-term borrowings, net	\$ (58,192)	\$ (58,192)	\$ —	\$ —
Long-term debt, net (including current portion)	(2,356,336)	(2,400,520)	(2,341,565)	(2,386,901)

The fair value of short-term borrowings, net approximates the carrying value. Short-term borrowings, net are valued as level 2 liabilities as they are corroborated by observable market data. The Company's long-term debt, net is all privately held with no public market for this debt, therefore, the fair value of long-term debt, net was computed based on comparable current market data for similar debt instruments and is considered to be a level 3 liability.

**AMETEK, Inc.**  
**Notes to Consolidated Financial Statements**  
**March 31, 2017**  
(Unaudited)

**6. Hedging Activities**

The Company has designated certain foreign-currency-denominated long-term borrowings as hedges of the net investment in certain foreign operations. As of March 31, 2017, these net investment hedges included British-pound-and Euro-denominated long-term debt. These borrowings were designed to create net investment hedges in each of the designated foreign subsidiaries. The Company designated the British-pound- and Euro-denominated loans referred to above as hedging instruments to offset translation gains or losses on the net investment due to changes in the British pound and Euro exchange rates. These net investment hedges are evidenced by management's contemporaneous documentation supporting the hedge designation. Any gain or loss on the hedging instruments (the debt) following hedge designation is reported in accumulated other comprehensive income in the same manner as the translation adjustment on the investment based on changes in the spot rate, which is used to measure hedge effectiveness.

At March 31, 2017, the Company had \$382.3 million of British-pound-denominated loans, which were designated as a hedge against the net investment in British pound functional currency foreign subsidiaries. At March 31, 2017, the Company had \$534.9 million in Euro-denominated loans, which were designated as a hedge against the net investment in Euro functional currency foreign subsidiaries. As a result of the British-pound-and Euro-denominated loans being designated and 100% effective as net investment hedges, \$13.1 million of currency remeasurement losses have been included in the foreign currency translation component of other comprehensive income for the three months ended March 31, 2017.

**7. Inventories, net**

	<b>March 31, 2017</b>	<b>December 31, 2016</b>
<b>(In thousands)</b>		
Finished goods and parts	<b>\$ 88,893</b>	\$ 75,827
Work in process	<b>109,653</b>	101,484
Raw materials and purchased parts	<b>331,381</b>	314,793
Total inventories, net	<b><u>\$529,927</u></b>	<u>\$ 492,104</u>

**8. Acquisitions**

The Company spent \$334.5 million in cash, net of cash acquired, plus a potential \$30 million contingent payment due upon the achievement of certain milestones to acquire Rauland-Borg Corporation ("Rauland") in February 2017. Rauland is a global provider of enterprise clinical and education communications solutions for hospitals, healthcare systems and educational facilities. Rauland is part of AMETEK's Electronic Instruments Group.

The following table represents the preliminary allocation of the aggregate purchase price for the net assets of the above acquisition based on their estimated fair values at acquisition (in millions):

Property, plant and equipment	<b>\$ 13.3</b>
Goodwill	<b>146.0</b>
Other intangible assets	<b>184.5</b>
Long-term liabilities	<b>(9.4)</b>
Net working capital and other <sup>(1)</sup>	<b>25.6</b>
Total purchase price	<b><u>360.0</u></b>
Less: Contingent payment liability	<b><u>(25.5)</u></b>
Total cash paid	<b><u>\$334.5</u></b>

(1) Includes \$22.3 million in accounts receivable, whose fair value, contractual cash flows and expected cash flows are approximately equal.

**AMETEK, Inc.**  
**Notes to Consolidated Financial Statements**  
**March 31, 2017**  
(Unaudited)

The amount allocated to goodwill is reflective of the benefits the Company expects to realize from the acquisition as follows: Rauland provides the Company with an attractive new growth segment within the medical technology market, strong growth opportunities in its core markets and incremental growth opportunities through acquisitions and international expansion. The Company expects approximately \$146 million of the goodwill recorded in connection with the Rauland acquisition will be tax deductible in future years.

At March 31, 2017, purchase price allocated to other intangible assets of \$184.5 million consists of \$36.6 million of indefinite-lived intangible trade names, which are not subject to amortization. The remaining \$147.9 million of other intangible assets consists of a \$111.0 million customer relationship, which is being amortized over a period of 20 years and \$36.9 million of purchased technology, which is being amortized over a period of 15 years. Amortization expense for each of the next five years for the Rauland acquisition is expected to approximate \$8 million per year.

The Company is in the process of finalizing the measurement of certain tangible and intangible assets and liabilities for its Rauland acquisition, including inventory, property, plant and equipment, goodwill, customer relationships, trade names, purchased technology, and the accounting for income taxes and certain long-term liabilities.

The above mentioned contingent payment is based on Rauland achieving a certain cumulative revenue target over the period October 1, 2016 to September 30, 2018. If Rauland achieves the target, the \$30 million contingent payment will be made; however, if the target is not achieved, no payment will be made. At the acquisition date, the estimated fair value of the contingent payment liability was \$25.5 million, which was based on a probabilistic approach using level 3 inputs.

The Rauland acquisition had an immaterial impact on reported net sales, net income and diluted earnings per share for the three months ended March 31, 2017. Had the Rauland acquisition been made at the beginning of 2017 or 2016, unaudited pro forma net sales, net income and diluted earnings per share for the three months ended March 31, 2017 and 2016, respectively, would not have been materially different than the amounts reported.

**Subsequent Event**

In April 2017, the Company entered into a definitive merger agreement under which AMETEK will acquire all of the outstanding shares of common stock of MOCON, Inc. The aggregate enterprise value of the transaction is approximately \$182 million, including MOCON's outstanding equity awards and net cash to be acquired in the transaction. For the calendar year ended December 31, 2016, MOCON had sales of approximately \$63 million. MOCON is a provider of laboratory and field gas analysis instrumentation to research laboratories, production facilities and quality control departments in food and beverage, pharmaceutical and industrial applications and will join AMETEK's Electronic Instruments Group. The closing of the definitive merger agreement is subject to customary closing conditions, including the approval of MOCON's shareholders and applicable regulatory approvals. The transaction is expected to be completed towards the end of the second quarter or the beginning of the third quarter of 2017.

**9. Goodwill**

The changes in the carrying amounts of goodwill by segment were as follows:

	Electronic Instruments Group	Electro- mechanical Group	Total
	(In millions)		
Balance at December 31, 2016	\$ 1,817.0	\$ 1,002.0	\$2,819.0
Goodwill acquired	146.0	—	146.0
Purchase price allocation adjustments and other	—	0.6	0.6
Foreign currency translation adjustments	5.0	4.4	9.4
Balance at March 31, 2017	<u>\$ 1,968.0</u>	<u>\$ 1,007.0</u>	<u>\$2,975.0</u>

**AMETEK, Inc.**  
**Notes to Consolidated Financial Statements**  
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(Unaudited)

**10. Income Taxes**

At March 31, 2017, the Company had gross unrecognized tax benefits of \$59.2 million, of which \$49.9 million, if recognized, would impact the effective tax rate.

The following is a reconciliation of the liability for uncertain tax positions (in millions):

Balance at December 31, 2016	\$57.9
Additions for tax positions	1.3
Reductions for tax positions	—
Balance at March 31, 2017	<u>\$59.2</u>

The Company recognizes interest and penalties accrued related to uncertain tax positions in income tax expense. The amounts recognized in income tax expense for interest and penalties during the three months ended March 31, 2017 and 2016 were not significant.

**11. Retirement and Pension Plans**

The components of net periodic pension benefit expense (income) were as follows:

	Three Months Ended	
	March 31,	
	2017	2016
	(In thousands)	
<b>Defined benefit plans:</b>		
Service cost	\$ 1,855	\$ 1,659
Interest cost	6,805	7,613
Expected return on plan assets	(13,238)	(12,969)
Amortization of net actuarial loss and other	3,512	2,484
Pension income	(1,066)	(1,213)
<b>Other plans:</b>		
Defined contribution plans	7,034	7,042
Foreign plans and other	1,476	1,336
Total other plans	8,510	8,378
Total net pension expense	<u>\$ 7,444</u>	<u>\$ 7,165</u>

For the three months ended March 31, 2017 and 2016, contributions to the Company's defined benefit pension plans were \$50.9 million and \$1.2 million, respectively. The Company's current estimate of 2017 contributions to its worldwide defined benefit pension plans is in line with the range disclosed in the Company's Annual Report on Form 10-K for the year ended December 31, 2016.

**AMETEK, Inc.**  
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**12. Product Warranties**

The Company provides limited warranties in connection with the sale of its products. The warranty periods for products sold vary among the Company's operations, but generally do not exceed one year. The Company calculates its warranty expense provision based on its historical warranty experience and adjustments are made periodically to reflect actual warranty expenses.

Changes in the accrued product warranty obligation were as follows:

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2017</b>	<b>2016</b>
	<b>(In thousands)</b>	
Balance at the beginning of the period	\$22,007	\$22,761
Accruals for warranties issued during the period	3,505	3,104
Settlements made during the period	(3,210)	(4,010)
Warranty accruals related to acquired businesses and other during the period	1,470	729
Balance at the end of the period	<u>\$23,772</u>	<u>\$22,584</u>

Certain settlements of warranties made during the period were for specific nonrecurring warranty obligations. Product warranty obligations are reported as current liabilities in the consolidated balance sheet.

**13. Contingencies**

*Asbestos Litigation*

The Company (including its subsidiaries) has been named as a defendant in a number of asbestos-related lawsuits. Certain of these lawsuits relate to a business which was acquired by the Company and do not involve products which were manufactured or sold by the Company. In connection with these lawsuits, the seller of such business has agreed to indemnify the Company against these claims (the "Indemnified Claims"). The Indemnified Claims have been tendered to, and are being defended by, such seller. The seller has met its obligations, in all respects, and the Company does not have any reason to believe such party would fail to fulfill its obligations in the future. To date, no judgments have been rendered against the Company as a result of any asbestos-related lawsuit. The Company believes it has strong defenses to the claims being asserted and intends to continue to vigorously defend itself in these matters.

*Environmental Matters*

Certain historic processes in the manufacture of products have resulted in environmentally hazardous waste by-products as defined by federal and state laws and regulations. At March 31, 2017, the Company is named a Potentially Responsible Party ("PRP") at 13 non-AMETEK-owned former waste disposal or treatment sites (the "non-owned" sites). The Company is identified as a "de minimis" party in 12 of these sites based on the low volume of waste attributed to the Company relative to the amounts attributed to other named PRPs. In eight of these sites, the Company has reached a tentative agreement on the cost of the de minimis settlement to satisfy its obligation and is awaiting executed agreements. The tentatively agreed-to settlement amounts are fully reserved. In the other four sites, the Company is continuing to investigate the accuracy of the alleged volume attributed to the Company as estimated by the parties primarily responsible for remedial activity at the sites to establish an appropriate settlement amount. At the remaining site where the Company is a non-de minimis PRP, the Company is participating in the investigation and/or related required remediation as part of a PRP Group and reserves have been established sufficient to satisfy the Company's expected obligations. The Company historically has resolved these issues within established reserve levels and reasonably expects this result will continue. In addition to these non-owned sites, the Company has an ongoing practice of providing reserves for probable remediation activities at certain of its current or previously owned manufacturing locations (the "owned" sites). For claims and proceedings against the Company with respect to other environmental matters, reserves are established once the Company has determined that a loss is probable and estimable. This estimate is refined as the Company moves through the various stages of investigation, risk assessment, feasibility study and corrective action processes. In certain instances, the Company has developed a range of estimates for

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such costs and has recorded a liability based on the best estimate. It is reasonably possible that the actual cost of remediation of the individual sites could vary from the current estimates and the amounts accrued in the consolidated financial statements; however, the amounts of such variances are not expected to result in a material change to the consolidated financial statements. In estimating the Company's liability for remediation, the Company also considers the likely proportionate share of the anticipated remediation expense and the ability of the other PRPs to fulfill their obligations.

Total environmental reserves at March 31, 2017 and December 31, 2016 were \$28.2 million and \$28.4 million, respectively, for both non-owned and owned sites. For the three months ended March 31, 2017, the Company recorded \$1.2 million in reserves and the reserve increased \$0.1 million due to foreign currency translation. Additionally, the Company spent \$1.5 million on environmental matters for the three months ended March 31, 2017. The Company's reserves for environmental liabilities at March 31, 2017 and December 31, 2016 include reserves of \$12.5 million and \$12.4 million, respectively, for an owned site acquired in connection with the 2005 acquisition of HCC Industries ("HCC"). The Company is the designated performing party for the performance of remedial activities for one of several operating units making up a Superfund site in the San Gabriel Valley of California. The Company has obtained indemnifications and other financial assurances from the former owners of HCC related to the costs of the required remedial activities. At March 31, 2017, the Company had \$11.9 million in receivables related to HCC for probable recoveries from third-party escrow funds and other committed third-party funds to support the required remediation. Also, the Company is indemnified by HCC's former owners for approximately \$19 million of additional costs.

The Company has agreements with other former owners of certain of its acquired businesses, as well as new owners of previously owned businesses. Under certain of the agreements, the former or new owners retained, or assumed and agreed to indemnify the Company against, certain environmental and other liabilities under certain circumstances. The Company and some of these other parties also carry insurance coverage for some environmental matters. To date, these parties have met their obligations in all material respects.

The Company believes it has established reserves which are sufficient to perform all known responsibilities under existing claims and consent orders. The Company has no reason to believe that other third parties would fail to perform their obligations in the future. In the opinion of management, based on presently available information and the Company's historical experience related to such matters, an adequate provision for probable costs has been made and the ultimate cost resulting from these actions is not expected to materially affect the consolidated results of operations, financial position or cash flows of the Company.

#### **14. Reportable Segments**

The Company has two reportable segments, Electronic Instruments Group ("EIG") and Electromechanical Group ("EMG"). The Company's operating segments are identified based on the existence of segment managers. Certain of the Company's operating segments have been aggregated for segment reporting purposes primarily on the basis of product type, production processes, distribution methods and similarity of economic characteristics.

At March 31, 2017, there were no significant changes in identifiable assets of reportable segments from the amounts disclosed at December 31, 2016, other than those described in the acquisitions footnote (Note 8), nor were there any significant changes in the basis of segmentation or in the measurement of segment operating results. Operating information relating to the Company's reportable segments for the three months ended March 31, 2017 and 2016 can be found in the table included in Part I, Item 2. "Management's Discussion and Analysis of Financial Condition and Results of Operations" of this Quarterly Report on Form 10-Q.

**AMETEK, Inc.**  
**Notes to Consolidated Financial Statements**  
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**15. Restructuring Charges**

During the fourth quarter of 2016, the Company recorded pre-tax restructuring charges totaling \$25.6 million, which had the effect of reducing net income by \$17.0 million. The restructuring charges were reported in the consolidated statement of income as follows: \$24.0 million in Cost of sales and \$1.6 million in Selling, general and administrative expenses. The restructuring charges were reported in segment operating income as follows: \$12.4 million in EIG, \$11.6 million in EMG and \$1.6 million in corporate administrative expenses. The restructuring actions primarily related to \$19.3 million in severance costs for a reduction in workforce and \$6.2 million of asset write-downs in response to the impact of a weak global economy on certain of the Company's businesses and the effects of a continued strong U.S. dollar. The restructuring activities will be broadly implemented across the Company's various businesses through the end of 2017, with most actions expected to be completed in 2018.

During the fourth quarter of 2015, the Company recorded pre-tax restructuring charges totaling \$20.7 million, which had the effect of reducing net income by \$13.9 million. The restructuring charges were reported in the consolidated statement of income as follows: \$20.0 million in Cost of sales and \$0.7 million in Selling, general and administrative expenses. The restructuring charges were reported in segment operating income as follows: \$9.3 million in EIG, \$10.8 million in EMG and \$0.7 million in corporate administrative expenses. The restructuring actions primarily related to a reduction in workforce in response to the impact of a weak global economy on certain of the Company's businesses and the effects of a continued strong U.S. dollar. The restructuring activities have been broadly implemented across the Company's various businesses with all actions expected to be completed in the second half of 2017.

Accrued liabilities in the Company's consolidated balance sheet included amounts related to the 2016 and 2015 restructuring charges as follows (in millions):

	<b>Fourth Quarter of 2016 Restructuring</b>	<b>Fourth Quarter of 2015 Restructuring</b>
Balance at December 31, 2016	\$ 19.2	\$ 9.2
Utilization	(1.9)	(1.0)
Foreign currency translation adjustments and other	(0.2)	—
Balance at March 31, 2017	<u>\$ 17.1</u>	<u>\$ 8.2</u>

## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

### Results of Operations

The following table sets forth net sales and income by reportable segment and on a consolidated basis:

	Three Months Ended	
	March 31,	
	2017	2016
	(In thousands)	
<b>Net sales(1):</b>		
Electronic Instruments	\$ 619,769	\$568,956
Electromechanical	<u>387,913</u>	<u>375,442</u>
Consolidated net sales	<u>\$1,007,682</u>	<u>\$944,398</u>
<b>Operating income and income before income taxes:</b>		
Segment operating income(2):		
Electronic Instruments	\$ 156,721	\$141,832
Electromechanical	<u>79,350</u>	<u>79,426</u>
Total segment operating income	<u>236,071</u>	<u>221,258</u>
Corporate administrative and other expenses	<u>(15,773)</u>	<u>(12,735)</u>
Consolidated operating income	<u>220,298</u>	<u>208,523</u>
Interest and other expenses, net	<u>(28,876)</u>	<u>(25,481)</u>
Consolidated income before income taxes	<u>\$ 191,422</u>	<u>\$183,042</u>

(1) After elimination of intra- and intersegment sales, which are not significant in amount.

(2) Segment operating income represents net sales less all direct costs and expenses (including certain administrative and other expenses) applicable to each segment, but does not include interest expense.

For the quarter ended March 31, 2017, the Company posted record orders and strong sales, operating income, operating income margins, net income and diluted earnings per share. The Company achieved these results from organic sales growth in both the Electronic Instruments Group ("EIG") and Electromechanical Group ("EMG"), contributions from the acquisitions of Rauland-Borg Corporation ("Rauland") in February 2017, Laserage Technology Corporation ("Laserage") in October 2016, HS Foils and Nu Instruments in July 2016, and Brookfield Engineering Laboratories ("Brookfield") and ESP/SurgeX in January 2016, as well as our Operational Excellence initiatives, including the 2016 realignment actions.

The Company recorded realignment costs totaling \$25.6 million in the fourth quarter of 2016 (the "2016 realignment costs"). The restructuring actions primarily related to \$19.3 million in severance costs for a reduction in workforce and \$6.2 million of asset write-downs in response to the impact of a weak global economy on certain of the Company's businesses and the effects of a continued strong U.S. dollar. See Note 15 to the Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q for further details.

For 2017, the strengthening global economic environment compared to 2016, the full year impact of the 2017 and 2016 acquisitions and continued focus on and implementation of Operational Excellence initiatives, including the 2016 realignment actions, are expected to have a positive impact on the remainder of the Company's 2017 results.

#### **Results of operations for the first quarter of 2017 compared with the first quarter of 2016**

Net sales for the first quarter of 2017 were \$1,007.7 million, an increase of \$63.3 million or 6.7%, compared with net sales of \$944.4 million for the first quarter of 2016. The increase in net sales for the first quarter of 2017 was due to 4% organic sales growth and a 4% increase from acquisitions, partially offset by an unfavorable 1% effect of foreign currency translation.

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**Results of Operations (continued)**

Total international sales for the first quarter of 2017 were \$525.1 million or 52.1% of net sales, an increase of \$28.8 million or 5.8%, compared with international sales of \$496.3 million or 52.6% of net sales for the first quarter of 2016. The \$28.8 million increase in international sales was primarily driven by higher organic sales growth. Both reportable segments of the Company maintain strong international sales presences in Europe and Asia.

Orders for the first quarter of 2017 were \$1,120.3 million, an increase of \$152.4 million or 15.7%, compared with \$967.9 million for the first quarter of 2016. The increase in orders for the first quarter of 2017 was due to 9% organic order growth and an 8% increase from acquisitions, partially offset by an unfavorable 1% effect of foreign currency translation. As a result, the Company's backlog of unfilled orders was a record at March 31, 2017 of \$1,269.1 million, an increase of \$112.6 million or 9.7%, compared with \$1,156.5 million at December 31, 2016.

Segment operating income for the first quarter of 2017 was \$236.1 million, an increase of \$14.8 million or 6.7%, compared with segment operating income of \$221.3 million for the first quarter of 2016. Segment operating income, as a percentage of net sales, was 23.4% for both the first quarter of 2017 and 2016. The increase in segment operating income for the first quarter of 2017 resulted primarily from the increase in net sales noted above.

Cost of sales for the first quarter of 2017 was \$664.9 million or 66.0% of net sales, an increase of \$41.2 million or 6.6%, compared with \$623.7 million or 66.0% of net sales for the first quarter of 2016. The cost of sales increase for the first quarter of 2017 was affected by the net sales increase noted above.

Selling, general and administrative ("SG&A") expenses for the first quarter of 2017 were \$122.4 million, an increase of \$10.2 million or 9.1%, compared with \$112.2 million for the first quarter of 2016. As a percentage of net sales, SG&A expenses were 12.1% for the first quarter of 2017, compared with 11.9% for the first quarter of 2016. Selling expenses for the first quarter of 2017 were \$106.7 million, an increase of \$7.2 million or 7.2%, compared with \$99.5 million for the first quarter of 2016. Selling expenses, as a percentage of net sales, increased to 10.6% for the first quarter of 2017, compared with 10.5% for the first quarter of 2016. The selling expenses increase and the corresponding increase in selling expenses as a percentage of sales were due primarily to business acquisitions. The Company's acquisition strategy generally is to acquire differentiated businesses, which tend to have a higher rate of selling expenses because of their distribution channels and higher marketing costs. Base business selling expenses increased approximately 2% for the first quarter of 2017, which was in line with internal sales growth.

Corporate administrative expenses for the first quarter of 2017 were \$15.8 million, an increase of \$3.1 million or 24.4%, compared with \$12.7 million for the first quarter of 2016. As a percentage of net sales, corporate administrative expenses were 1.6% for the first quarter of 2017, compared with 1.3% for the first quarter of 2016. The increase in corporate administrative expenses was primarily driven by higher compensation-related costs and consulting expenses.

Consolidated operating income was \$220.3 million or 21.9% of net sales for the first quarter of 2017, an increase of \$11.8 million or 5.7%, compared with \$208.5 million or 22.1% of net sales for the first quarter of 2016.

The effective tax rate for the first quarter of 2017 was 27.4%, compared with 26.7% for the first quarter of 2016. The effective tax rates for the first quarter of 2017 and 2016 reflect the impact of foreign earnings, which are taxed at lower rates. The first quarter of 2017 effective tax rate reflects \$5.8 million of tax benefits related to share-based payment transactions in accordance with the January 1, 2017 adoption of ASU 2016-09. See Note 2 to the Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q for further details. The first quarter of 2016 effective tax rate reflects tax benefits related to international tax planning initiatives.

Net income for the first quarter of 2017 was \$138.9 million, an increase of \$4.7 million or 3.5%, compared with \$134.2 million for the first quarter of 2016.

Diluted earnings per share for the first quarter of 2017 were \$0.60, an increase of \$0.03 or 5.3%, compared with \$0.57 per diluted share for the first quarter of 2016.

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**Results of Operations (continued)****Segment Results**

**EIG's** net sales totaled \$619.8 million for the first quarter of 2017, an increase of \$50.8 million or 8.9%, compared with \$569.0 million for the first quarter of 2016. The net sales increase was due to a 6% increase from the 2017 acquisition of Rauland and 2016 acquisitions of HS Foils, Nu Instruments, Brookfield and ESP/SurgeX, and 4% organic sales growth, partially offset by an unfavorable 1% effect of foreign currency translation.

EIG's operating income was \$156.7 million for the first quarter of 2017, an increase of \$14.9 million or 10.5%, compared with \$141.8 million for the first quarter of 2016. EIG's operating margins were 25.3% of net sales for the first quarter of 2017, compared with 24.9% of net sales for the first quarter of 2016. The increase in EIG's operating income and operating margins for the first quarter of 2017 was primarily due to the higher sales mentioned above, as well as the benefits of the Group's Operational Excellence initiatives.

**EMG's** net sales totaled \$387.9 million for the first quarter of 2017, an increase of \$12.5 million or 3.3%, compared with \$375.4 million for the first quarter of 2016. The net sales increase was due to 4% organic sales growth and a 1% increase from the 2016 acquisition of Laserage, partially offset by an unfavorable 2% effect of foreign currency translation.

EMG's operating income was \$79.4 million for both the first quarter of 2017 and 2016. EMG's operating margins were 20.5% of net sales for the first quarter of 2017, compared with 21.2% of net sales for the first quarter of 2016. The decrease in EMG's operating income margins for the first quarter of 2017 was primarily due to weaker profitability in EMG's engineered materials, interconnects and packaging businesses.

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## Financial Condition

### *Liquidity and Capital Resources*

Cash provided by operating activities totaled \$142.4 million for the first three months of 2017, a decrease of \$9.2 million or 6.1%, compared with \$151.6 million for the first three months of 2016. The decrease in cash provided by operating activities was primarily due to the \$49.7 million increase in defined benefit pension plan contributions, driven by a \$50.1 million contribution to the Company's defined benefit pension plans in the first quarter of 2017, with \$40.0 million contributed to U.S. defined benefit pension plans and \$10.1 million contributed to foreign defined benefit pension plans. Offsetting the increase in defined benefit pension plan contributions was lower overall operating working capital levels driven by the Company's continued focus on working capital management.

Free cash flow (cash flow provided by operating activities less capital expenditures) was \$129.1 million for the first three months of 2017, compared with \$140.5 million for the first three months of 2016. EBITDA (earnings before interest, income taxes, depreciation and amortization) was \$257.9 million for the first three months of 2017, compared with \$246.3 million for the first three months of 2016. Free cash flow and EBITDA are presented because the Company is aware that they are measures used by third parties in evaluating the Company.

Cash used for investing activities totaled \$348.3 million for the first three months of 2017, compared with \$305.7 million for the first three months of 2016. For the first three months of 2017, the Company paid \$334.5 million, net of cash acquired, to acquire Rauland in February 2017. For the first three months of 2016, the Company paid \$294.6 million, net of cash acquired, to acquire Brookfield and ESP/SurgeX in January 2016. Additions to property, plant and equipment totaled \$13.4 million for the first three months of 2017, compared with \$11.1 million for the first three months of 2016.

Cash provided by financing activities totaled \$51.9 million for the first three months of 2017, compared with \$149.6 million for the first three months of 2016. For the first three months of 2017, short-term borrowings increased \$58.9 million, compared with an increase of \$283.3 million for the first three months of 2016. At March 31, 2017, the Company had available borrowing capacity of \$1,058.2 million under its revolving credit facility, including the \$300 million accordion feature.

For the first three months of 2017, the Company repurchased approximately 3,000 shares of its common stock for \$0.2 million, compared with \$116.7 million used for repurchases of approximately 2,406,000 shares for the first three months of 2016. At March 31, 2017, \$375.4 million was available under the Company's Board of Directors authorization for future share repurchases.

At March 31, 2017, total debt, net was \$2,414.5 million, compared with \$2,341.6 million at December 31, 2016. In the fourth quarter of 2017, \$270 million of 6.20% senior notes will mature and become payable. The debt-to-capital ratio was 41.5% at March 31, 2017, compared with 41.8% at December 31, 2016. The net debt-to-capital ratio (total debt, net less cash and cash equivalents divided by the sum of net debt and stockholders' equity) was 35.1% at March 31, 2017, compared with 33.3% at December 31, 2016. The net debt-to-capital ratio is presented because the Company is aware that this measure is used by third parties in evaluating the Company.

As a result of all of the Company's cash flow activities for the first three months of 2017, cash and cash equivalents at March 31, 2017 totaled \$570.2 million, compared with \$717.3 million at December 31, 2016. At March 31, 2017, the Company had \$536.1 million in cash outside the United States, compared with \$481.6 million at December 31, 2016. The Company utilizes this cash to fund its international operations, as well as to acquire international businesses. The Company is in compliance with all covenants, including financial covenants, for all of its debt agreements. The Company believes it has sufficient cash-generating capabilities from domestic and unrestricted foreign sources, available credit facilities and access to long-term capital funds to enable it to meet its operating needs and contractual obligations in the foreseeable future.

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**Forward-Looking Information**

Information contained in this discussion, other than historical information, is considered “forward-looking statements” and is subject to various factors and uncertainties that may cause actual results to differ significantly from expectations. These factors and uncertainties include general economic conditions affecting the industries the Company serves; changes in the competitive environment or the effects of competition in the Company’s markets; risks associated with international sales and operations; the Company’s ability to consummate and successfully integrate future acquisitions; the Company’s 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; and the ability to maintain adequate liquidity and financing sources. A detailed discussion of these and other factors that may affect the Company’s 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, unless required by the securities laws to do so.

**Item 4. Controls and Procedures**

The Company maintains a system of disclosure controls and procedures that is designed to provide reasonable assurance that information, which is required to be disclosed, is accumulated and communicated to management in a timely manner. Under the supervision and with the participation of our management, including the Company’s principal executive officer and principal financial officer, we have evaluated the effectiveness of our system of disclosure controls and procedures as required by Exchange Act Rule 13a-15(b) as of March 31, 2017. Based on that evaluation, the Company’s principal executive officer and principal financial officer concluded that the Company’s disclosure controls and procedures are effective at the reasonable assurance level.

Such evaluation did not identify any change in the Company’s internal control over financial reporting during the quarter ended March 31, 2017 that has materially affected, or is reasonably likely to materially affect, the Company’s internal control over financial reporting.

**PART II. OTHER INFORMATION**

**Item 2. Unregistered Sales of Equity Securities and Use of Proceeds**

(c) Purchase of equity securities by the issuer and affiliated purchasers.

The following table reflects purchases of AMETEK, Inc. common stock by the Company during the three months ended March 31, 2017:

<u>Period</u>	<u>Total Number of Shares Purchased (1)(2)</u>	<u>Average Price Paid per Share</u>	<u>Total Number of Shares Purchased as Part of Publicly Announced Plan (2)</u>	<u>Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plan</u>
January 1, 2017 to January 31, 2017	—	\$ —	—	\$ 375,594,178
February 1, 2017 to February 28, 2017	3,129	51.63	3,129	375,432,621
March 1, 2017 to March 31, 2017	189	54.21	189	375,422,375
Total	<u>3,318</u>	<u>51.78</u>	<u>3,318</u>	

- (1) Represents shares surrendered to the Company to satisfy tax withholding obligations in connection with employees' share-based compensation awards.
- (2) Consists of the number of shares purchased pursuant to the Company's Board of Directors \$400 million authorization for the repurchase of its common stock announced in November 2016. Such purchases may be effected from time to time in the open market or in private transactions, subject to market conditions and at management's discretion.

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**Item 6. Exhibits**

<b><u>Exhibit Number</u></b>	<b><u>Description</u></b>
10.1*	Termination and Change of Control Agreement between AMETEK, Inc. and a named executive, dated May 8, 2017.
31.1*	Certification of Chief Executive Officer, Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Chief Financial Officer, Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of Chief Executive Officer, Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certification of Chief Financial Officer, Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS*	XBRL Instance Document.
101.SCH*	XBRL Taxonomy Extension Schema Document.
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document.

\* Filed electronically herewith.

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**SIGNATURES**

Pursuant to the requirements 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.

AMETEK, Inc.  
(Registrant)

By: /s/ Thomas M. Montgomery  
Thomas M. Montgomery  
Senior Vice President - Comptroller  
(Principal Accounting Officer)

May 8, 2017

**TERMINATION AND CHANGE OF CONTROL AGREEMENT**

TERMINATION AND CHANGE OF CONTROL AGREEMENT (“Agreement”), made as of May 8, 2017, between AMETEK, Inc. (the “Company”), and David A. Zapico (the “Executive”).

**WITNESSETH:**

WHEREAS, on the date hereof, the Executive is the Chief Executive Officer of the Company; and

WHEREAS, the Company wishes to provide certain benefits to the Executive in the event of a termination of the Executive’s employment under certain circumstances, including in the event of a change of control of the Company;

NOW, THEREFORE, in consideration of the mutual covenants and promises of the parties hereto, the Company and the Executive agree as follows:

1. **Definitions.** For purposes of this Agreement, the following terms shall have the meanings set forth below, unless the context clearly indicates otherwise:

(a) “Awards” shall mean such Restricted Shares, such Stock Options and other equity or equity based awards, if any, as may be granted to the Executive by the Company from time to time.

(b) “Board” shall mean the Board of Directors of the Company.

(c) “Cash Compensation” shall mean the sum of the Executive’s base salary (equal to the rate of annual base salary for the Company’s fiscal year immediately prior to the Termination Date) plus (i) the Executive’s targeted bonus, if known, for the year in which the Termination Date occurs, or (ii) if the targeted bonus described in clause (i) is not known, the average of the Executive’s bonuses for the two fiscal years of the Company immediately preceding the year in which the Termination Date occurs, including all such salary and bonuses earned in all capacities with the Company and its Subsidiaries, as reported for Federal income tax purposes on Form W-2, together with any amounts which would have been included in the Executive’s salary or bonus but for a deferral election by the Executive under any plan of the Company or its Subsidiaries, including, but not limited to, a plan qualified under Section 401(k) or 125 of the Code.

(d) “Cause” shall mean (i) misappropriation of Company funds, (ii) habitual insobriety or substance abuse, (iii) conviction of a felony, or (iv) gross negligence in the performance of duties, which gross negligence has had a material adverse effect on the business, operations, assets, properties or financial condition of the Company; provided, however, that the Executive’s having, or being regarded as having, a “disability” as defined by the Americans with

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Disabilities Act of 1990 or the ADA Amendments Act of 1998 shall not constitute Cause; provided, further, that none of the events described herein shall constitute Cause unless (A) the Company has first delivered a written notice to the Executive of the occurrence of the applicable event(s) giving rise to Cause, and (B) where remedial action is feasible, the Executive fails to correct or cure such event within twenty (20) days of receipt of the Notice of Termination. If the Executive fails to timely correct or cure the condition, the termination is effective (and the Executive's employment terminates) as of the end of such twenty (20) day cure period. If the Executive timely corrects or cures the condition(s) giving rise to Cause for the Executive's termination, the Notice of Termination shall be deemed withdrawn and of no further force or effect.

(e) "Change of Control" shall mean (i) the acquisition by any person or group, other than the Company or any of its Subsidiaries, of 30% or more of the voting stock of the Company; (ii) the acquisition by the Company or any of its Subsidiaries, or any Executive benefit plan of the Company or any Subsidiary, or any person or entity organized, appointed or established by the Company or Subsidiary for or pursuant to the terms of any such Executive benefit plan, acting separately or in combination with each other or with other persons, of 50% or more of the voting stock of the Company, if after such acquisition the Shares are no longer publicly traded; (iii) within any two year period the individuals who constituted the Board at the beginning of the period shall cease for any reason to constitute a majority of the Board, provided that the election of each subsequent member who was approved in advance by two thirds of the members of the Board in office at the beginning of such two year period or whose election or nomination for election was previously so approved, shall be considered as though such individual was a member of the Board at the beginning of the period; or (iv) the consummation of a merger, consolidation or reorganization, the result of which is that the shareholders of the Company immediately prior to the merger, consolidation or reorganization do not own or control immediately after the merger, consolidation or reorganization at least 50% of the value of the outstanding equity or combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors of the Board or (v) a sale or other disposition (in one transaction or a series of related transactions) of all or substantially all of the Company's assets. Notwithstanding the foregoing, for any payment or benefit that is considered deferred compensation under Section 409A and where Change of Control is a payment, delivery, or issuance event or changes the time and form of payment, delivery or issuance and failure of such event to constitute a "change in control" event under Section 409A would result in additional taxes or penalties on the Executive, an event shall not constitute a Change of Control for purposes of such payment, delivery or issuance (or change in time and form of payment, delivery or issuance) unless it would also be a "change in control" (whether by change in ownership, effective control or change in the ownership of a substantial portion of the assets) under Section 409A.

(f) "Change of Control Termination" shall mean a Separation from Service due to the Executive's employment being terminated by the Company without Cause or by the Executive for Good Reason either (x) during the ninety (90) day period ending on the date

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of the Change of Control; provided that the substantial possibility of the Change of Control was known to the Executive and to a majority of the Board on or before the date the Notice of Termination was delivered, or (y) upon or at any time following a Change of Control.

(g) “Code” shall mean the Internal Revenue Code of 1986, as amended.

(h) “Disability” shall mean that as a result of the Executive’s incapacity due to physical or mental illness or injury as determined in good faith by a physician selected jointly by the Company and the Executive, the Executive shall have been unable to perform his material duties for a period of one hundred fifty (150) consecutive days. If the Company and the Executive cannot agree on a physician, each of the Company and the Executive shall select a physician, who together shall select a third physician, and the third physician shall make the determination, which such determination shall be final and binding on the Company and the Executive.

(i) “Good Reason” shall mean, without the written consent of the Executive, one or more of the following occurrences: (i) any failure of the Company to comply with and satisfy any of the terms of this Agreement; (ii) any reduction of the authority, duties or responsibilities held by the Executive, or removal from, or failure to be reelected to, the Board; (iii) any change in the Executive’s reporting structure such that he is no longer reporting directly to the Board or the Chairman of the Board; (iv) any reduction of the Executive’s current base compensation or bonus opportunity or any material reduction of the Executive’s benefit entitlements; or (v) any transfer of the Executive to a location which is outside the Berwyn, Pennsylvania area (or the general area in which his principal place of business immediately preceding the transfer may be located at such time if other than Berwyn, Pennsylvania) by more than fifty miles other than on a temporary basis (less than six (6) months), except for required travel on the Company’s business to an extent substantially consistent with the Executive’s business travel obligations on behalf of the Company in effect immediately prior to the transfer; provided, however, that if the Executive agrees to no longer be the Chief Executive Officer and accept the position of Executive Chairman of the Board such event shall not constitute Good Reason; provided, further, that none of the events described herein shall constitute Good Reason unless the Executive has first delivered a Notice of Termination to the Company of the occurrence of the applicable event(s) within ninety (90) days of the initial existence of such event and the Company fails to correct or cure such event within twenty (20) days of receipt of the Notice of Termination and, if uncured, the termination is effective (and the Executive terminates) as of the end of such twenty (20) day cure period. If the Company timely corrects or cures the condition giving rise to Good Reason for the Executive’s resignation, the Notice of Termination shall be deemed withdrawn and of no further force or effect. For purposes of Good Reason, the “authority, duties or responsibilities held by the Executive” shall mean the authorities, duties, or responsibilities customarily associated with the Executive’s position in a company the size and nature of the Company.

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(j) “Notice of Termination” shall mean a written notice which conforms to the requirements of Section 2.

(k) “Restricted Shares” shall mean any restricted stock awards of Shares which may be granted to the Executive under any Stock Incentive Plan of the Company, as adjusted pursuant to the terms of the agreement between the Company and the Executive evidencing such awards, which Shares continue to be forfeitable as of the applicable date or event referred to herein; upon becoming Vested, such Shares shall no longer be Restricted Shares for purposes of this Agreement.

(l) “Separation from Service” shall mean the Executive’s ceasing to perform services for the Company and its successors and affiliates due to a termination of his employment; provided that, if the Executive continues thereafter providing services as an independent contractor for the Company or its successors and affiliates, then such continuing services must be at a level of less than fifty percent (50%) of the average level of services performed over the immediately preceding thirty-six (36) month period, or as otherwise provided under Section 409A.

(m) “Share” shall mean a share of the common stock of the Company or any successor.

(n) “Stock Incentive Plan” shall mean any stock incentive plan(s) maintained by the Company pursuant to which equity or equity based awards may be granted by the Company to employees, as such plan as in effect from time to time.

(o) “Stock Option” shall mean any option to purchase Shares which may be granted to the Executive under any Stock Incentive Plan of the Company, as adjusted pursuant to the terms of the agreement between the Company and the Executive evidencing such option, which option is not fully exercisable as of the applicable date or event referred to herein, upon becoming Vested, such option (or the portion of the option which has become Vested) shall no longer be a Stock Option for purposes of this Agreement.

(p) “Subsidiary” shall mean any corporation or other entity which is deemed to be part of the affiliated group of the Company for purposes of Section 280G(d)(5) of the Code.

(q) “Termination Date” shall mean the date specified in the Notice of Termination, or the date of receipt of the Notice of Termination if the Notice is sent by the Company to the Executive and asserts that the Termination is for Cause, subject to any applicable cure period.

(r) “Vested” shall mean, with respect to Restricted Stock Awards, that the Shares subject to such Restricted Stock Awards have become nonforfeitable and transferable in accordance with the terms of the awards and restricted stock agreements between the

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Company and the Executive pursuant to which they were issued, and with respect to Stock Options (or any portion thereof) or other Awards exercisable, convertible or exchangeable into Shares (or any portion thereof), that the Stock Option (or such portion of the Stock Option) or such other Awards that may be exercisable, convertible or exchangeable into Shares (or such portion thereof), has become immediately exercisable, convertible or exchangeable by the Executive in accordance with the terms of the agreement between the Company and the Executive pursuant to which such Stock Option or other Award, as applicable, was granted.

2. **Notice of Termination; Resignation of Positions.**

( a ) **Notice of Termination.** Any Separation from Service due to termination of the Executive's employment by either the Company or the Executive shall be communicated by a Notice of Termination to the other party to this Agreement, given in accordance with Section 19 hereof. For purposes of this Agreement, a "Notice of Termination" means a written notice of the termination of the Executive's employment which (i) in the case of a Notice of Termination from the Company, indicates whether the termination is for Cause or without Cause, or, in the case of a Notice of Termination from the Executive, indicates whether the resignation is for Good Reason or not for Good Reason, (ii) refers to the specific provision in this Agreement relied upon and briefly summarizes the facts and circumstances deemed to provide a basis for the termination of employment under the provision so indicated, and (iii) specifies the Termination Date, which date shall not be less than twenty (20) nor more than thirty (30) days after the giving of such Notice, except for a Notice of Termination from the Company that the Executive is being terminated for Cause, which shall be effective immediately, subject to any applicable cure period.

( b ) **Resignation of Other Positions.** Upon the Executive's Separation from Service for any reason, the Executive shall be deemed to have resigned from any and all directorships, offices, committee memberships and other positions with, on behalf of, or relating to the Company, its Subsidiaries or any of its controlled affiliates or benefits plans, effective as of such date of the Executive's termination of employment, unless otherwise mutually agreed with the Board.

3 . **Termination Not in Connection With a Change of Control.** If the Executive has a Separation from Service due to the Executive's employment being terminated by the Company without Cause or by the Executive for Good Reason, and such termination is not a Change of Control Termination, the following benefits shall be provided to the Executive:

(a) The Company shall pay to the Executive on the next payroll following the sixtieth (60th) day following the Executive's Separation from Service, in a lump sum, an amount equal to two (2) times the Executive's Cash Compensation;

(b) All Awards shall become immediately Vested;

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(c) Any Stock Option (whether previously Vested or which becomes Vested pursuant to Subsection (b) above), other than a Stock Option which has been designated as an “incentive stock option” within the meaning of Section 422 of the Code, shall be exercisable by the Executive (or following the Executive’s death, by his estate) for a period of one year from the Termination Date (or such later date as provided under any award agreement or Stock Incentive Plan) (but not beyond the expiration date of the Stock Option);

(d) The Company shall continue the Executive’s current coverage (single or family) under (or, at the election of the Company, provide a tax equivalent monthly payment equal to the cost of) the Company’s plans or programs to provide health benefits (including, but not limited to, hospitalization, surgical, major medical, dental and vision benefits), disability insurance and death benefits (but Executive will be treated as a terminated employee as of the Termination Date for purposes of the Company’s 2004 Executive Death Benefit Plan), as in effect from time to time for other senior executives of the Company, until the earliest of (i) the end of the second year following the year of the Separation from Service, (ii) as applied to health benefit coverage, the Executive’s eligibility for Medicare, (iii) as applied to health benefits, disability insurance and death benefits, considered separately from each other, the Executive’s commencement of new employment where the Executive is eligible to participate in substantially similar plans or programs, or (iv) the Executive’s death. Notwithstanding the foregoing, if the Company determines in good faith that its payment of such costs will result in the imposition of excise taxes or penalties on the Company and/or the insurance carrier with respect to some or all of such benefit continuation, then the Company shall provide an economically equivalent benefit or payment, to the extent that such benefit or payment is consistent with applicable law and will not result in the imposition of such excise taxes or penalties; and

(e) The Company shall continue to provide the Executive with the Company provided car available to him at the Termination Date (or a comparable car, if the lease on such car should expire) and shall pay (or reimburse Executive) for the reasonable operating expenses of the car, until the earlier of the second anniversary of the Termination Date or the Executive’s death. The foregoing shall be subject to the following requirements: (i) the provision of the car pursuant hereto, and the amount of expenses eligible for reimbursement hereunder, during one calendar year may not affect the car to be provided or expenses eligible for reimbursement hereunder in any other calendar year, (ii) the reimbursement of an eligible expense hereunder shall be made by December 31st of the calendar year next following the calendar year in which the expense was incurred and (iii) the right to reimbursement or provision of the car hereunder shall not be subject to liquidation or exchange for another benefit.

4 . **Change of Control - Awards.** If the Executive is employed by the Company on the date of a Change of Control, or has a Change of Control Termination, the following shall apply with respect to the Executive’s Awards:

(a) All Awards shall become immediately Vested.

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(b) Any Stock Option (whether previously Vested or which becomes Vested pursuant to Subsection (a) above), other than a Stock Option which has been designated as an “incentive stock option” within the meaning of Section 422 of the Code, shall be exercisable by the Executive (or following the Executive’s death, by his estate) for a period which expires one year after the Executive’s Termination Date (or such later date as provided under any award agreement or Stock Incentive Plan) (but not beyond the expiration date of the Stock Option).

(c) If any Awards become Vested at or following a Change of Control and the Shares are not publicly traded, then

(i) the Executive (or his beneficiary or estate following his death) shall have the right (“Put Rights”) to compel the Company to buy back some or all of the Shares which were originally Restricted Shares or which were acquired by exercise of Stock Options or the exercise, conversion or exchange of other Awards, held by the Executive (or his beneficiary or estate, as applicable), for their fair market value, as established for the fiscal year. For purposes of this Subsection (c), if, at any time following a Change of Control, the Shares are not publicly traded, the Company, at its own expense, shall cause a nationally recognized investment banking firm mutually acceptable to the Executive and the Company to make an annual valuation, effective as of the first day of the Company’s fiscal year, which valuation shall establish the fair market value of a Share for such fiscal year. Copies of the valuation shall be furnished, in writing, to the Executive and the Company within three (3) months after the effective date of the valuation;

(ii) after the Executive’s termination of employment or his death, the Company shall have the right (“Call Rights”) to compel the Executive (or his beneficiary or estate, as applicable) to sell all the Shares which were originally Restricted Shares or which were acquired by exercise of Stock Options, held by the Executive (or his beneficiary or estate, as applicable), to the Company for their fair market value, as established for the fiscal year pursuant to clause (i) above, as modified by clause (iii) below; and

(iii) notwithstanding anything to the contrary in clauses (i) and (ii) above, the Company’s repurchase price pursuant to any exercise of the Put Rights or the Call Rights shall be the fair market value of such Shares that are being repurchased, as established for the year pursuant to clause (i) above, provided that (A) if the Change of Control is in the form of a merger, consolidation, tender offer, going private transaction or any similar transaction, the amount per Share received by shareholders of the Company in the Change of Control transaction (the “Transaction Price”) shall be deemed to be the fair market value per Share for a period of twelve (12) months following the consummation of the Change of Control unless any facts or circumstances arise

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within such twelve (12) month period that may materially affect the value of the Company (in which case such facts or circumstances shall be taken into account in determining fair market value), and (B) the first annual valuation pursuant to clause (i) above shall be made as of the first anniversary of such Change of Control and shall remain in effect for the remainder of the fiscal year with each subsequent annual valuation made as of the first day of each fiscal year thereafter, and remain in effect for the remainder of such fiscal year unless any facts or circumstances arise within such twelve (12) month period that may materially affect the value of the Company (in which case such facts or circumstances shall be taken into account in determining fair market value).

The Executive (or his beneficiary or estate) may exercise the Put Rights not more than once during any fiscal year of the Company. Neither the Executive (or his beneficiary or estate) nor the Company may exercise the Put Rights or Call Rights more than ninety (90) days after the issuance of the most recent annual valuation if the price at which the Put Rights or Call Rights are to be exercised is based on such valuation. The provisions of this Subsection (c) shall cease to apply if the Shares are again publicly traded.

(d) Immediately before a Change of Control, the Company shall sponsor and fund an irrevocable grantor trust (within the meaning of Rev. Proc. 92-64, as modified by Notice 2000-56) pursuant to a trust agreement to hold assets to satisfy any and all amounts which may become due to the Executive under Sections 4 or 5 of this Agreement as well as an amount equal to the reasonable Professional Fees the Company determines that it will incur under Section 13(2) or Section 23. For this purpose, the trust shall be funded using the assumption that the Executive's employment will be terminated when the Change of Control occurs, regardless of whether the Executive's employment will be terminated on that date. Such amounts shall be contributed to the irrevocable grantor trust, no later than the day immediately following a Change of Control; provided, however, that no contributions shall be made to such trust pursuant to this Section 4(d) if such funding would cause the amount contributed to be treated as property transferred in connection with the performance of services pursuant to Section 409A(b)(3) of the Code or result in the imposition of additional taxes by reason of Section 409A(b)(2). Such grantor trust may either be a new grantor trust established by the Company or a grantor trust the Company maintains for other purposes, provided, however, that such grantor trust is irrevocable.

5 . **Termination in Connection With a Change of Control.** If the Executive has a Change of Control Termination, then, in addition to the benefits under Section 4 hereof regarding the Executive's Awards, the following benefits shall be provided to the Executive:

(a) The Company shall pay to the Executive on the next payroll following the sixtieth (60<sup>th</sup>) day following the Executive's Separation from Service, in a lump sum, an amount equal to 2.99 times the Executive's Cash Compensation.

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(b) The Company shall provide the Executive (and his family, if applicable) with benefit coverage continuation pursuant to and subject to the terms and conditions of Section 3(d); provided, however, that health benefits provided for under Section 3(d) shall continue until the earliest of (i) the end of the tenth year following the year of the termination of employment, (ii) the Executive's eligibility for Medicare, (iii) the Executive's commencement of new employment where the Executive is eligible to participate in substantially similar plans or programs, or (iv) the Executive's death. Notwithstanding the foregoing, if the Company determines in good faith that the payment of such costs will result in the imposition of excise taxes or penalties on the Company and/or the insurance carrier with respect to some or all of such benefit continuation, then the Company shall provide an economically equivalent benefit or payment, to the extent that such benefit or payment is consistent with applicable law and will not result in the imposition of such excise taxes or penalties; and

(c) The Company shall provide the Executive with additional benefits pursuant to and subject to the terms and conditions of Section 3(e).

6 . **Termination for Death or for Disability or for Cause or Without Good Reason.** If the Executive's employment is terminated by the Company for Cause, by the Executive without Good Reason, or on account of the Executive's death, or on account of the Executive's Disability, in all cases, whether or not prior to, in connection with, or following a Change of Control, the provisions of Sections 3 and 5 hereof shall not apply.

7. **No Mitigation.** The Executive shall not be required to mitigate the amount of any payment or benefit provided for in this Agreement by seeking other employment or otherwise, nor shall the amount of any payment or benefit provided for herein be reduced by any compensation earned by other employment or otherwise, except as provided in Sections 3(d) and 5(b).

8 . **Non-Exclusivity of Rights.** Nothing in this Agreement shall prevent or limit the Executive's continuing or future participation in or rights under any benefit, bonus, incentive or other plan or program provided by the Company, or any of its Subsidiaries, and for which the Executive may qualify, other than severance benefits.

9 . **No Set Off.** The Company's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any circumstances, including, without limitation, any set off, counterclaim, recoupment, defense or other right which the Company may have against the Executive or others.

10. **Restrictive Covenants.**

(a) **Non-Competition.** The Executive agrees that during his employment by the Company and for twelve (12) months thereafter, regardless of the circumstances which result in his termination, he shall not own (other than less than three percent (3%) ownership in a publicly traded company), manage, finance (other than financing less than

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three (3%) of a publicly traded company), operate, or participate in the ownership, management, financing, operation, or control of, or be employed by or engaged as a consultant by or provides services in any other capacity to, any person, company or entity that has products or services then under development or offered by such company or entity that are directly competitive with products or services then under development or offered by the Company for which the Company derives more than twenty percent (20%) of its total annual net sales (or revenue) (which net sales (or revenue) will be determined on a consolidated basis and not on the performance of each individual Subsidiary) from such products or services for the Company's prior fiscal year ("Competitive Business"); provided, however, that the obligations of this Section 10(a) shall not apply in the event that the Executive's employment is terminated by the Company without Cause or by the Executive for Good Reason or if such termination is following a Change of Control.

(b) Non-Solicitation. The Executive agrees that during his employment by the Company and for twelve (12) months thereafter, regardless of the circumstances which result in his termination, he shall not (i) solicit or attempt to solicit, directly or indirectly, whether as an employee, officer, director, consultant or otherwise, any person or entity which is then a customer of the Company or has been a customer or solicited by the Company in the preceding twelve (12)-month period, to purchase products or services directly competitive with those sold or provided by the Company from any entity other than the Company; provided, however, that such non-solicitation shall not apply to customers where the Executive accepts a job under Section 10(a) with a company or entity that is not a Competitive Business and such customers are solicited to purchase products or services which are not part of a Competitive Business; (ii) solicit for employment, whether directly or indirectly, any individual who is then employed by the Company, or engaged by the Company, as an independent subcontractor or consultant; and/or (iv) encourage or induce, whether directly or indirectly, any individual who is then employed by the Company, or engaged by the Company as an independent contractor or consultant, to end his/her business relationship with the Company.

( c ) Confidential Information. The Executive recognizes and acknowledges that, by reason of his employment by and service to the Company, he has had and will continue to have access to confidential information of the Company and its Subsidiaries, including, without limitation, information and knowledge pertaining to products and services offered, innovations, designs, ideas, plans, trade secrets, proprietary information, distribution and sales methods and systems, sales and profit figures, customer and client lists, and relationships between the Company and its Subsidiaries and affiliates and other distributors, customers, clients, suppliers and others who have business dealings with the Company and its Subsidiaries ("Confidential Information"). The Executive acknowledges that such Confidential Information is a valuable and unique asset and covenants that he will not, either during or after his employment by the Company, use or disclose any such Confidential Information except to authorized representatives of the Company or as required in the performance of his duties and responsibilities hereunder without the prior written authorization of the Board. The Executive shall not be required to keep confidential any Confidential Information which (i) is or becomes publicly available through no fault of the Executive, (ii) is already in his possession (unless

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obtained from the Company or one of its customers) or (iii) is required to be disclosed by applicable law or regulation, or pursuant to the valid order of a court of competent jurisdiction or an authorized government agency, provided that the Executive shall provide the Company written notice of any such order prior to such disclosure to the extent practicable under the circumstances and permitted by applicable law. Further, the Executive shall be free to use and employ his general skills, know-how and expertise, and to use, disclose and employ any contact information, generalized ideas, concepts, know-how, methods, techniques or skills, including, without limitation, those gained or learned during the course of the performance of his duties and responsibilities hereunder, so long as he applies such information without disclosure or use of any Confidential Information. Upon the Executive's Separation from Service, the Executive will return (or destroy, if requested by Company) all Confidential Information to the Company to the fullest extent possible. The Company and the Executive acknowledge that pursuant to 18 U.S.C § 1833(b)(1) the Executive shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (A) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. The Company and the Executive further acknowledge that, pursuant to 18 U.S.C § 1833(b)(2) if the Executive files a lawsuit for alleged retaliation by the Company for reporting a suspected violation of law, the Executive may disclose the trade secret to the Executive's attorney and use the trade secret information in the court proceeding, if the Executive (1) files any document containing the trade secret under seal; and (2) does not disclose the trade secret, except pursuant to court order.

(d) Non-Disparagement. During the Executive's employment and at any time thereafter, the Executive agrees not to at any time make statements or representations, orally or in writing, that disparage the commercial reputation, goodwill or interests of the Company, or any current or former employee, officer, or director of the Company. The Company shall direct its executive officers and directors employed at the time of the termination of his employment not to make statements or representations, orally or in writing, that disparage the Executive's commercial reputation, goodwill or interests. Nothing in this Agreement shall limit or otherwise prevent (i) any person from providing truthful testimony or information in any proceeding or in response to any request from any governmental agency or any judicial, arbitral or self-regulatory forum or as otherwise required by law; (ii) either party from enforcing the other terms of this Agreement; (iii) the Company from reviewing the Executive's performance, conducting investigations and otherwise acting in compliance with applicable law, including making statements or reports in connection therewith, or making any public filings or reports that may be required by law; (iv) the Executive from the performance of his duties while employed by the Company; (v) the Executive from making a report to any governmental agency or entity, including but not limited to, the Equal Employment Opportunity Commission, the National Labor Relations Board, the Department of Justice, the Securities and Exchange Commission, the Congress and any agency Inspector General, if he has a reasonable belief that there has been a potential violation of federal or state law or regulation or from making other disclosures that are

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protected under the whistleblower provisions of any applicable federal or state law or regulation provided that no prior authorization to make any such reports or disclosures is required and Executive is not required to notify the Company he made any such reports or disclosures; or (vi) the Executive from communicating with any governmental agency or entity or otherwise fully participating in any investigation or proceeding that may be conducted by any governmental agency or entity. The Executive, however, may not waive the Company's attorney-client privilege.

(e) Injunctive Relief; Remedy. The Executive acknowledges that a breach or threatened breach of any of the terms set forth in this Section 10 may result in irreparable and continuing harm to the Company for which there may be no adequate remedy at law. The Company shall be entitled to seek injunctive and other equitable relief, in addition to any other remedies available to the Company.

(f) Essential and Independent Agreements. It is understood by the parties hereto that the Executive's obligations and the restrictions and remedies set forth in this Section 10 are essential elements of this Agreement and that but for his agreement to comply with and/or agree to such obligations, restrictions and remedies, the Company would not have entered into this Agreement and offered the entitlements set forth in Sections 3 through 5. The Executive's obligations and the restrictions and remedies set forth in this Section 10 are independent agreements and the existence of any claim or claims by him against the Company under this Agreement or otherwise will not excuse his breach of any of his obligations or affect the restrictions and remedies set forth under this Section 10.

(g) Representations. The Executive acknowledges that he is sophisticated in business, and that the restrictions and remedies set forth in this Section 10 do not create an undue hardship on him and will not prevent him from earning a livelihood. The Executive further acknowledges that he has had a sufficient period of time within which to review this Agreement, including, without limitation, this Section 10, with an attorney of his choice and he has done so to the extent he desired. The Executive and the Company agree that the restrictions and remedies contained in this Section 10 are reasonable and necessary to protect the Company's legitimate business interests regardless of the reason for or circumstances giving rise to such termination and that he and the Company intend that such restrictions and remedies shall be enforceable to the fullest extent permissible by law. Further the Executive and the Company agree that the Executive is entering into the restrictions contained in this Section 10 for the consideration offered in Sections 3 through 5 and that such consideration is reasonable and the Company would not have entered into this Agreement or agreed to pay such consideration if Executive had not agreed to such restrictions. The Executive agrees that given the scope of the Company's business and the sophistication of the information highway, any further geographic limitation on such remedies and restrictions would deny the Company the protection to which it is entitled hereunder. If it shall be found by a court or arbitrator of competent jurisdiction that any such restriction or remedy is unenforceable but would be enforceable if some part thereof were deleted or modified, then such restriction or remedy shall apply with such modification as shall be necessary to make it enforceable to the fullest extent permissible under law.

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(h) Company. For purposes of the provisions of this Section 10, the term “Company” shall be deemed to include the Company and any of its Subsidiaries.

11. **Cooperation**. The parties hereto agree that certain matters in which the Executive may be involved during his employment with the Company may necessitate the Executive’s cooperation in the future. Accordingly, the Executive agrees, upon reasonable notice, to cooperate reasonably with the Company and its legal counsel on any matters which relate to the Executive’s employment with the Company or to events or occurrences that transpired while the Executive was employed with the Company and as to which the Company reasonably determines that the Executive’s cooperation is necessary or appropriate (other than in connection with a dispute between the Executive and the Company), including, but not limited to, making himself reasonably available to meet and speak with officers or employees of the Company, the Company’s counsel or any third-parties at the request of the Company and giving accurate and truthful information at any interviews and accurate and truthful testimony in any legal proceedings or actions. The Company shall, when scheduling the Executive to appear, take into account the Executive’s business and personal time commitments, and reimburse the Executive for reasonable and pre-approved travel and other similar out-of-pocket expenses (upon submission of receipts or other appropriate documentation) incurred in connection with any such cooperation. In the event that the Executive’s cooperation on non-legal matters pursuant to this Section 11 exceeds twenty (20) hours of time, the Company will compensate the Executive for time spent at his hourly rate then in effect or, in the event the Executive is no longer working, at the hourly rate of the Company’s then current Chief Executive Officer. Nothing in this Agreement or any other agreement by and between the parties is intended to or shall preclude or in any way limit or restrict the Executive from providing accurate and truthful testimony or information to any governmental agency.

12. **Clawback**. Notwithstanding any other provision of this Agreement to the contrary, any incentive compensation (whether cash or equity) received by the Executive which is subject to recovery under any law, government regulation, order or stock exchange listing requirement (or any policy of the Company adopted pursuant to any such law, government regulation, order or stock exchange listing requirement) (any “Policy”), shall be subject to such deductions and clawback (recovery) as may be required to be made pursuant to law, government regulation, order, stock exchange listing or any Policy. The Executive agrees and consents to the Company’s application, implementation and enforcement of (i) any Policy and (ii) any provision of applicable law relating to cancellation, rescission, payback or recoupment of incentive compensation, and expressly agrees that the Company may take such actions as are necessary to effectuate any Policy, any similar policy (as applicable to the Executive) or applicable law without further consent or action being required by the Executive. To the extent that the terms of this Agreement and any Policy conflict, then the terms of such Policy shall prevail, except as provided below. If any Policy implemented by the Company exceeds the deductions and clawback (recovery) mandated by applicable law,

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government regulation, order or stock exchange listing requirement, then following the Executive's Separation from Service, the policy applicable to the Executive shall, except to the extent required by such applicable law, government regulation, order or stock exchange listing requirement, not exceed the deductions and clawback (recovery) provided under such Policy in effect prior to the Executive's Separation from Service.

13. **Professional Fees.** The Executive will be entitled to reimbursement of reasonable and documented legal, accounting and other professional fees ("Professional Fees") incurred by him in connection with the negotiation of this Agreement not to exceed \$20,000 in the aggregate. Further, the Company shall, upon request of the Executive, advance the Executive (or his beneficiaries or estate following his death) any and all Professional Fees, reasonable costs and expenses incurred by the Executive (or his beneficiaries or estate following his death) (1) in resolving any controversy, dispute or claim arising out of or relating to this Agreement, or (2) relating to the Executive's compensation or payments under this Agreement in connection with a Change of Control; provided, that the Executive shall reimburse the Company any such advances on a net after-tax basis to cover expenses incurred by the Executive for claims (a) if it is determined that the Company is the prevailing party by an arbitrator or court of competent jurisdiction, as the case may be, or (b) brought by the Executive that are determined to be frivolous or advanced in bad faith by an arbitrator or court of competent jurisdiction, as the case may be.

14. **Amendments.** No amendment or modification of this Agreement or of any covenant, condition or limitation herein contained shall be valid, unless in writing and duly executed by both parties.

15. **Waivers.** A waiver by any party hereto of any breach of this Agreement or the failure by a party to insist upon strict adherence to any term of this Agreement shall not be considered a waiver of any other breach or deprive that party of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement.

16. **Severability.** All agreements and covenants contained herein are severable, and in the event any of them shall be held to be invalid by any arbitrator or court of competent jurisdiction, this Agreement shall be interpreted as if such invalid agreements or covenants were not contained herein. Nothing contained in this Agreement shall be construed so as to require the commission of any act contrary to law, and whenever there is any conflict between any provision of this Agreement and any statute, law, ordinance, order or regulation, contrary to which the parties hereto have no legal right to contract, the latter shall prevail, but in such event any provision of this Agreement so affected shall be curtailed and limited only to the extent necessary to bring it within the legal requirements.

17. **Assignment.** The Executive may not assign his rights or obligations under this Agreement. This Agreement shall inure to the benefit of and be binding upon the Executive, his heirs, executors and administrators, and the Company, its successors and assigns.

18. **Prior Agreements.** This Agreement supersedes and cancels the Change of Control Agreement, dated as of October 24, 2007, between the Company and the Executive.



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in writing as to such successorship, to provide the Executive the opportunity to review and agree to the successor's assumption of this Agreement or to obtain such agreement prior to the effectiveness of any such succession shall be a breach of this Agreement. As used in this Agreement, the Company shall mean the Company as hereinbefore defined and any such successor or successors to its business and/or assets, jointly and severally.

21. **Taxes.** The Company may withhold from or with respect to any payment of compensation or taxable benefit provided for under this Agreement any federal, state or local tax (including any applicable payroll tax or excise tax) to the extent required by law.

22. **Release.** Notwithstanding anything to the contrary contained herein, the Executive's entitlement to the payment of any amount or receipt of any benefit coverage under this Agreement, upon or following his termination of employment, is expressly conditioned upon his execution on or after the Termination Date of a release in the form acceptable to the Company (with such release is consistent with the terms of this Agreement) and such release becoming effective before the sixtieth (60<sup>th</sup>) day following the Executive's Termination Date.

23. **Section 280G.**

(a) Payments under this Agreement shall be made without regard to whether the deductibility of such payments (or any other payments to or for the benefit of the Executive) ("Change of Control Payments") would be limited or precluded by Section 280G of the Code, and without regard to whether such payments (or any other payments) would subject the Executive to the federal excise tax levied on certain "excess parachute payments" under Section 4999 of the Code; provided, that if the total of all payments to or for the benefit of the Executive (whether under this Agreement or otherwise), after reduction for all state and federal taxes (including the tax described in Section 4999 of the Code, if applicable) with respect to such payments ("Executive's Total After-Tax Payments"), would be increased by the limitation or elimination of any payment under this Agreement, amounts payable under this Agreement shall be reduced to the extent, and only to the extent, necessary to maximize the Executive's total after-tax payments (the "Required Reduction Amount").

(b) The determination as to whether and to what extent payments under this Agreement are required to be reduced in accordance with Section 23(a) shall be made at the Company's expense by the Company's independent accounting firm immediately prior to the Change of Control (provided, however, that if the independent accounting firm is precluded from performing such services, an independent accountant mutually agreeable to the parties shall be used) (the "Outside Firm"). Such Outside Firm shall, in making its determination, consider available exemptions, including to what extent (if any) such Change of Control Payments or portions thereof may properly be treated as "reasonable compensation for personal services rendered" by the Executive before, or after, the Change of Control, within the meaning of Code Section 280G(b)(4) and the regulations issued thereunder, including, without limitation, the valuation of the Executive's obligations under Section 10 and any other covenants to refrain from performing services.

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(c) In the event of any mistaken underpayment or overpayment under this Section 23, as determined by the Outside Firm, the amount of such underpayment or overpayment shall forthwith be paid to the Executive or refunded to the Company, as the case may be, with interest at 120% of the applicable federal rate provided for in Section 7872(f)(2) of the Code. Any reduction in payments required by this Section 23 shall be applied in the following order: (i) stock options or stock appreciation rights whose exercise price exceeds the fair market value of the optioned stock; (ii) Full Credit Payments (as defined below) that are payable in cash, (iii) non-cash Full Credit Payments that are then taxable, (iv) non-cash Full Credit Payments that are not then taxable (v) Partial Credit Payments (as defined below) and (vi) non-cash employee welfare benefits. In each case, reductions shall be made in reverse chronological order such that the payment or benefit owed on the latest date following the occurrence of the event triggering the excise tax will be the first payment or benefit to be reduced (with reductions made pro-rata in the event payments or benefits are owed at the same time). "Full Credit Payment" shall mean a payment, distribution or benefit, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise, that if reduced in value by one dollar reduces the amount of the parachute payment (as defined in Section 280G of the Code) by one dollar, determined as if such payment, distribution or benefit had been paid or distributed on the date of the event triggering the excise tax. "Partial Credit Payment" shall mean any payment, distribution or benefit that is not a Full Credit Payment. In no event shall Executive have any discretion with respect to the ordering of payment reductions.

(d) A determination as to whether any reduction in the Executive's Change of Control Payments is required pursuant to this Section 23, and if so, as to which Change of Control Payments are to be reduced and the amount of reduction to be made to any such Change of Control Payments shall be made by no later than thirty (30) days prior to the closing of the transaction or the occurrence of the event that constitutes the Change of Control, or as soon thereafter as administratively practicable. Such determinations, and the assumptions to be utilized in arriving at such determinations shall be made by counsel to the Company in consultation with the Outside Firm. The Outside Firm shall provide a written report of its determinations hereunder, including detailed supporting calculations, both to the Executive and to the Company.

24. **Section 409A.**

(a) The payments and benefits to be provided under this Agreement are intended to be made and provided in a manner that is either exempt from or avoids taxation under Section 409A of the Code and the rules, regulations and notices thereunder ("Section 409A"). Any ambiguity in this Agreement shall be interpreted to comply with the above. The Executive acknowledges that the Company has made no representations as to the treatment of the compensation and benefits provided hereunder and the Executive has been advised to obtain his own tax advice. Each amount or benefit payable pursuant to this Agreement shall be deemed a separate payment for purposes of Section 409A.

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(b) Notwithstanding anything to the contrary in this Agreement, if at the time of the Executive's Separation from Service, the Executive is a "specified employee" (within the meaning of Section 409A(a)(2)(B)), as determined under the policy of the Company, or any successor thereto, for identifying such specified employees, and the Company makes a determination that an amount payable on account of such Separation from Service to the Executive would be considered "nonqualified deferred compensation" subject to Section 409A the payment of which is required to be delayed pursuant to the six-month delay rule set forth in Section 409A in order to avoid taxes or penalties under Section 409A, then the Company shall not pay (or begin payment) of such amount on the otherwise scheduled payment date but will instead pay (or begin payment) of such amount on the earlier of the first payroll following (i) the Executive's death or (ii) the six (6) month anniversary of the Executive's Separation from Service. If the payment of any amounts under this Agreement are so delayed, the Executive shall be paid an amount equal to the sum of the payments that he would otherwise have received during such period, together with interest for the period of the delay at the one-year LIBOR rate in effect on the date of the Executive's Separation from Service, plus 50 basis points, as such rate is set forth in the Wall Street Journal.

(c) To the extent that the reimbursement of any expenses or the provision of any in-kind benefits pursuant to this Agreement is subject to Section 409A, (i) the amount of such expenses eligible for reimbursement, or in-kind benefits to be provided hereunder during any one calendar year shall not affect the amount of such expenses eligible for reimbursement or in-kind benefits to be provided hereunder in any other calendar year; provided, however, that the foregoing shall not apply to any limit on the amount of any expenses incurred by the Executive that may be reimbursed or paid under the terms of the Company's medical plan, if such limit is imposed on all similarly situated participants in such plan; (ii) all such expenses eligible for reimbursement hereunder shall be paid to the Executive no later than December 31st of the calendar year following the calendar year in which such expenses were incurred or such earlier date as provided under the Company's policies; and (iii) the Executive's right to receive any such reimbursements or in-kind benefits shall not be subject to liquidation or exchange for any other benefit.

25. **Arbitration.** In the event of any dispute under the provisions of this Agreement, other than a claim by the Company regarding the breach of any of the Executive's obligations pursuant to Section 10 of this Agreement (it being understood and agreed that the Company may seek and obtain relief for any such breach including equitable relief from a court of competent jurisdiction), the parties agree first to engage in prompt and serious good faith discussions to resolve the dispute. If such discussions fail to resolve the dispute within thirty (30) days, the parties shall try to resolve the dispute, subject to the parties mutual agreement, through mediation using the services of JAMS or, at either party's option, arbitration as provided below. If the parties agree to mediation and such mediation fails to resolve the dispute, then the dispute, controversy or claim shall be settled by arbitration in Philadelphia, Pennsylvania, in accordance with the National Rules for the Resolution of Employment Disputes then in effect of the American Arbitration Association, before one arbitrator who shall be an executive officer or

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former executive officer of a publicly traded corporation, selected by the parties. Any award entered by the arbitrator shall be final, binding and nonappealable and judgment may be entered thereon by either party in accordance with applicable law in any court of competent jurisdiction. This arbitration provision shall be specifically enforceable. The arbitrator shall have no authority to modify any provision of this Agreement or to award a remedy for a dispute involving this Agreement other than a benefit specifically provided under or by virtue of the Agreement. The Company shall be responsible for all of the fees of JAMS and the mediator and/or the American Arbitration Association and the arbitrator and any expenses relating to the conduct of the mediation and/or the arbitration (including reasonable attorneys' fees and expenses).

26. **Governing Law.** This Agreement shall be subject to, and construed in accordance with, the laws of the Commonwealth of Pennsylvania, except to the extent that such laws are preempted by Federal law.

27. **Survival of Agreement.** The terms of this Agreement and the obligations of the parties hereunder, including, but not limited to Section 10 and Section 13, shall survive the termination of the Executive's employment with the Company for any reason.

28. **Interpretation; Counterparts.** No provision of this Agreement is to be interpreted for or against any party because that party drafted such provision. For purposes of this Agreement: "herein," "hereby," "hereinafter," "herewith," "hereafter" and "hereinafter" refer to this Agreement in its entirety, and not to any particular subsection or paragraph; and "includes" or "including" shall be deemed to be followed by the phrase "without limitation". This Agreement may be executed in any number of counterparts, including by facsimile or PDF, each of which shall be deemed an original, and all of which shall constitute one and the same instrument.

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IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

AMETEK, INC.

By: /s/ FRANK S. HERMANCE  
Name: Frank S. Hermance  
Title: Executive Chairman

EXECUTIVE

/s/ DAVID A. ZAPICO  
David A. Zapico

## CERTIFICATIONS

I, David A. Zapico, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of AMETEK, Inc. (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of registrant’s board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: May 8, 2017

/s/ David A. Zapico  
David A. Zapico  
Chief Executive Officer

## CERTIFICATIONS

I, William J. Burke, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of AMETEK, Inc. (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of registrant’s board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: May 8, 2017

/s/ William J. Burke  
William J. Burke  
Executive Vice President –  
Chief Financial Officer & Treasurer

**AMETEK, Inc.**

**Certification Pursuant to  
18 U.S.C. Section 1350,  
as Adopted Pursuant to  
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of AMETEK, Inc. (the "Company") on Form 10-Q for the quarter ended March 31, 2017 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, David A. Zapico, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (a) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (b) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ David A. Zapico

David A. Zapico  
Chief Executive Officer

Date: May 8, 2017

A signed original of this written statement required by Section 906 has been provided to AMETEK, Inc. and will be retained by AMETEK, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

**AMETEK, Inc.**

**Certification Pursuant to  
18 U.S.C. Section 1350,  
as Adopted Pursuant to  
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of AMETEK, Inc. (the "Company") on Form 10-Q for the quarter ended March 31, 2017 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, William J. Burke, Executive Vice President – Chief Financial Officer & Treasurer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (a) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (b) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ William J. Burke

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William J. Burke

Executive Vice President –  
Chief Financial Officer & Treasurer

Date: May 8, 2017

A signed original of this written statement required by Section 906 has been provided to AMETEK, Inc. and will be retained by AMETEK, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

