



1049 Camino Dos Rios  
Thousand Oaks, CA 91360-2362

# *NEWSRELEASE*

## **TELEDYNE TECHNOLOGIES REPORTS THIRD QUARTER RESULTS**

THOUSAND OAKS, Calif. – October 23, 2019 – Teledyne Technologies Incorporated (NYSE:TDY)

- **Record quarterly sales of \$802.2 million, an increase of 10.6% compared to last year**
- **Record quarterly GAAP earnings per diluted share of \$2.84, an increase of 16.9% compared to last year**
- **Record cash flow**
- **Record third quarter operating margin**
- **Raising full year 2019 GAAP earnings outlook to \$10.37 to \$10.42 per diluted share, an increase from the prior outlook of \$9.86 to \$9.96**
- **Completed acquisition of the Gas and Flame Detection business of 3M**
- **Acquired Micralyne Inc.**

Teledyne today reported third quarter 2019 net sales of \$802.2 million, compared with net sales of \$725.3 million for the third quarter of 2018, an increase of 10.6%. Net income was \$106.7 million (\$2.84 per diluted share) for the third quarter of 2019, compared with \$90.3 million (\$2.43 per diluted share) for the third quarter of 2018, an increase of 18.2%. The third quarter of 2019 reflected net discrete income tax benefits of \$10.4 million compared with net discrete income tax benefits of \$11.4 million for the third quarter of 2018. The third quarter of 2019 included \$0.3 million in severance and facility consolidation costs compared with \$4.1 million in severance and facility consolidation costs for the third quarter of 2018.

“Once again, we achieved all-time record sales, earnings per share and cash flow for any quarterly period,” said Robert Mehrabian, Executive Chairman. “Due to our greater emphasis on margin improvement, operating margin increased 150 basis points over last year. We also closed two acquisitions in the quarter, including the quick completion of the Gas and Flame Detection business of 3M. In fact, each of our two 2019 corporate carve-out acquisitions were closed within two months of announcement.” Al Pichelli, President and Chief Executive Officer, added, “Teledyne continued to benefit from our balanced business portfolio. Strong sales of defense electronics and advanced detectors for medical imaging, as well as a recovery in marine instrumentation, helped generate total company organic growth of approximately five percent. In addition, given recent acquisitions, every segment reported double-digit sales growth.”

### **Review of Operations**

Comparisons are with the third quarter of 2018, unless noted otherwise. In the third quarter of 2019, we realigned the reporting structure for certain business units, primarily related to certain refinements of our management reporting structure. This change primarily related to moving certain electronic manufacturing services products from the Aerospace and Defense Electronics segment to the Engineered Systems segment. Total net sales for these products were \$76.2 million for fiscal year 2018. Other immaterial changes included moving certain United Kingdom (U.K.) microwave product lines (previously within the Digital Imaging segment) and certain U.K. manufactured composite parts (previously within the Engineered Systems segment) into the Aerospace and Defense Electronics segment. Total net sales for these U.K. product lines were less than \$20.0 million for fiscal year 2018. Previously reported segment data has been adjusted to reflect these changes.

## **Instrumentation**

The Instrumentation segment's third quarter 2019 net sales were \$282.9 million, compared with \$256.2 million, an increase of 10.4%. Operating income was \$52.0 million for the third quarter of 2019, compared with \$35.7 million, an increase of 45.7%.

The third quarter 2019 net sales increase resulted from higher sales of environmental instrumentation, marine instrumentation and test and measurement instrumentation. Sales of environmental instrumentation increased \$17.1 million, sales of marine instrumentation increased \$8.2 million and sales of test and measurement instrumentation increased \$1.4 million. The increase in sales in environmental instrumentation included \$17.3 million in sales from the acquisition of the Gas and Flame Detection business of 3M. The increase in operating income reflected the impact of higher sales and higher margins across most product lines. The third quarter of 2019 included \$0.1 million in severance and facility consolidation costs compared with \$3.2 million in severance and facility consolidation costs for the third quarter of 2018.

## **Digital Imaging**

The Digital Imaging segment's third quarter 2019 net sales were \$244.0 million, compared with \$220.7 million, an increase of 10.6%. Operating income was \$41.2 million for the third quarter of 2019, compared with \$42.3 million, a decrease of 2.6%.

The third quarter 2019 net sales primarily reflected higher sales of X-ray detectors for life sciences applications and aerospace, defense and MEMS products, as well as \$23.5 million in sales from the acquisitions of the scientific imaging businesses of Roper Technologies, Inc. and Micralyne Inc., partially offset by lower sales of industrial machine vision products. The decrease in operating income in the third quarter of 2019 primarily reflected product mix differences.

## **Aerospace and Defense Electronics**

The Aerospace and Defense Electronics segment's third quarter 2019 net sales were \$177.1 million, compared with \$160.3 million, an increase of 10.5%. Operating income was \$39.5 million for the third quarter of 2019, compared with \$33.0 million, an increase of 19.7%.

The third quarter 2019 net sales reflected \$20.8 million of higher sales of defense electronics, partially offset by lower sales of \$4.0 million for aerospace electronics. The increase in operating income in the third quarter of 2019 reflected the impact of higher sales and improved margins.

## **Engineered Systems**

The Engineered Systems segment's third quarter 2019 net sales were \$98.2 million compared with \$88.1 million, an increase of 11.5%. Operating income was \$10.6 million for the third quarter of 2019, compared with \$9.6 million, an increase of 10.4%.

The third quarter 2019 net sales reflected higher sales of \$9.3 million of engineered products and services and higher sales of \$1.6 million for turbine engines, partially offset by lower sales of \$0.8 million of energy systems. The higher sales of engineered products and services primarily reflected increased sales for marine manufacturing, missile defense and space programs, as well as electronic manufacturing services products. Operating income in the third quarter of 2019 increased primarily due to higher sales.

## Additional Financial Information

### Cash Flow

Cash provided by operating activities was \$150.9 million for the third quarter of 2019, compared with \$141.9 million. The higher cash provided by operating activities in the third quarter of 2019 reflected the impact of higher operating income and cash flow from recent acquisitions, partially offset by higher income tax payments. At September 29, 2019, cash totaled \$128.5 million compared with \$142.5 million at December 30, 2018. At September 29, 2019, total debt was \$925.4 million, compared with \$747.5 million at December 30, 2018. At September 29, 2019, \$225.0 million was outstanding under the \$750.0 million credit facility. The company received \$8.5 million from the exercise of stock options in the third quarter of 2019, compared with \$12.3 million. Capital expenditures for the third quarter of 2019 were \$25.1 million, compared with \$20.9 million. Depreciation and amortization expense for the third quarter of 2019 was \$27.9 million, compared with \$27.3 million. On August 1, 2019, Teledyne acquired the Gas and Flame Detection business of 3M for \$230.0 million in cash. On August 30, 2019, Teledyne acquired Micralyne Inc. for \$25.0 million in cash.

Free Cash Flow (a)	Third Quarter	
	2019	2018
(in millions, brackets indicate use of funds)		
Cash provided by operating activities	\$ 150.9	\$ 141.9
Capital expenditures for property, plant and equipment	(25.1)	(20.9)
Free cash flow	\$ 125.8	\$ 121.0

(a) The company defines free cash flow as cash provided by operating activities (a measure prescribed by generally accepted accounting principles) less capital expenditures for property, plant and equipment. The company believes that this supplemental non-GAAP information is useful to assist management and the investment community in analyzing the company's ability to generate cash flow.

### Income Taxes

The effective tax rate for the third quarter of 2019 was 13.5% compared with 9.9%. The third quarter of 2019 reflected net discrete income tax benefits of \$10.4 million. This amount primarily included \$7.8 million in income tax benefit as a result of the remeasurement of uncertain tax positions due to expiration of statute of limitations and a favorable tax settlement, as well as, a \$3.5 million income tax benefit related to share-based accounting. The third quarter of 2018 reflected net discrete income tax benefits of \$11.4 million. This amount primarily included \$4.4 million in income tax benefit as a result of the remeasurement of uncertain tax positions due to expiration of statute of limitations and a \$5.0 million income tax benefit related to share-based accounting. Excluding the net discrete income tax benefits in both periods, the effective tax rates would have been 21.9% for the third quarter of 2019 and 21.3% for the third quarter of 2018.

### Other

Stock option expense was \$5.7 million for the third quarter of 2019, compared with \$4.6 million. Stock option expense for fiscal year 2019 is currently expected to be \$26.2 million, compared with \$19.8 million for fiscal year 2018. Non-service retirement benefit income was \$1.9 million for the third quarter of 2019, compared with \$3.4 million. Interest expense, net of interest income, decreased to \$5.5 million for the third quarter of 2019 compared with \$6.0 million. Corporate expense was \$14.6 million for the third quarter of 2019, compared with \$15.1 million.

### Recent Accounting Pronouncements

Effective December 31, 2018, the beginning of our 2019 fiscal year, Teledyne adopted the requirements of Accounting Standards Update ("ASU") No. 2016-02, "Leases (Topic 842)" using the modified retrospective transition option of applying the new guidance at the adoption date. In addition, we elected the package of practical expedients permitted under the transition guidance within the new standard, which among other things, allowed us to carry forward the historical lease classification. Adoption of the new guidance resulted in the recording of right-of-use assets and a lease liability for 2019. Prior period comparative information was not adjusted. At September 29, 2019, Teledyne has right-of-use assets of \$130.2 million included in long-term other assets and a total lease liability for operating leases of \$141.5 million of which \$122.6 million is included in other long-term liabilities and \$18.9 million is included in accrued liabilities.

## **Outlook**

Based on its current outlook, the company's management believes that fourth quarter 2019 GAAP earnings per diluted share will be in the range of \$2.71 to \$2.76 and full year 2019 GAAP earnings per diluted share will be in the range of \$10.37 to \$10.42, an increase from the prior outlook of \$9.86 to \$9.96. The company's annual estimated tax rate for 2019 is 21.9%, before discrete items.

## **Forward-Looking Statements Cautionary Notice**

This press release contains forward-looking statements, as defined in the Private Securities Litigation Reform Act of 1995, relating to sales, earnings, stock option compensation expense and taxes. Forward-looking statements are generally accompanied by words such as "estimate", "project", "predict", "believes" or "expect", that convey the uncertainty of future events or outcomes. All statements made in this press release that are not historical in nature should be considered forward-looking.

Actual results could differ materially from these forward-looking statements. Many factors could change the anticipated results, including: disruptions in the global economy; changes in demand for products sold to the defense electronics, instrumentation, digital imaging, energy exploration and production, commercial aviation, semiconductor and communications markets; funding, continuation and award of government programs; cuts to defense spending resulting from existing and future deficit reduction measures; impacts from the United Kingdom's pending exit from the European Union; uncertainties related to the policies of the U.S. Presidential Administration; the imposition and expansion of, and responses to, trade sanctions and tariffs; and threats to the security of our confidential and proprietary information, including cyber security threats. Lower oil and natural gas prices, as well as instability in the Middle East or other oil producing regions, and regulations or restrictions relating to energy production, including with respect to hydraulic fracturing, could further negatively affect the company's businesses that supply the oil and gas industry. Increasing fuel costs and disruptions from the grounding of Boeing's 737 Max aircraft could negatively affect the markets of our commercial aviation businesses. In addition, financial market fluctuations affect the value of the company's pension assets.

Changes in the policies of U.S. and foreign governments, could result, over time, in reductions or realignment in defense or other government spending and further changes in programs in which the company participates.

While the company's growth strategy includes possible acquisitions, we cannot provide any assurance as to when, if or on what terms any acquisitions will be made. Acquisitions involve various inherent risks, such as, among others, our ability to integrate acquired businesses, retain customers and achieve identified financial and operating synergies. There are additional risks associated with acquiring, owning and operating businesses internationally, including those arising from U.S. and foreign policy changes and exchange rate fluctuations.

While the company believes its internal and disclosure control systems are effective, there are inherent limitations in all control systems, and misstatements due to error or fraud may occur and may not be detected.

Readers are urged to read the company's periodic reports filed with the Securities and Exchange Commission ("SEC") for a more complete description of the company, its businesses, its strategies and the various risks that the company faces. Various risks are identified in Teledyne's 2018 Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q. The company assumes no duty to publicly update or revise any forward-looking statements, whether as a result of new information or otherwise.

A live webcast of Teledyne's third quarter earnings conference call will be held at 11:00 a.m. (Eastern) on Wednesday, October 23, 2019. To access the call, go to [www.teledyne.com](http://www.teledyne.com) approximately ten minutes before the scheduled start time. A replay will also be available for one month starting at 12:00 p.m. (Eastern) on Wednesday, October 23, 2019.

Contact: Jason VanWees  
(805) 373-4542

**TELEDYNE TECHNOLOGIES INCORPORATED**  
**CONDENSED CONSOLIDATED STATEMENTS OF INCOME**  
**FOR THE THIRD QUARTER AND NINE MONTHS ENDED**  
**SEPTEMBER 29, 2019 AND SEPTEMBER 28, 2018**

(Unaudited - in millions, except per share amounts)

	<u>Third Quarter</u> <u>2019</u>	<u>Third Quarter</u> <u>2018</u>	<u>Nine Months</u> <u>2019</u>	<u>Nine Months</u> <u>2018</u>
Net sales	\$ 802.2	\$ 725.3	\$ 2,329.4	\$ 2,153.4
Costs and expenses:				
Costs of sales	487.7	446.2	1,415.2	1,331.4
Selling, general and administrative expenses	185.8	173.6	556.3	516.6
Total costs and expenses	673.5	619.8	1,971.5	1,848.0
Operating income	128.7	105.5	357.9	305.4
Interest and debt expense, net	(5.5)	(6.0)	(16.3)	(19.8)
Non-service retirement benefit income	1.9	3.4	6.1	10.1
Other expense, net	(1.7)	(2.7)	(3.5)	(8.9)
Income before income taxes	123.4	100.2	344.2	286.8
Provision for income taxes	16.7	9.9	57.6	44.1
Net income	\$ 106.7	\$ 90.3	\$ 286.6	\$ 242.7
Diluted earnings per common share	\$ 2.84	\$ 2.43	\$ 7.66	\$ 6.56
Weighted average diluted common shares outstanding	37.6	37.2	37.4	37.0

**TELEDYNE TECHNOLOGIES INCORPORATED**  
**SUMMARY OF SEGMENT NET SALES AND OPERATING INCOME**  
**FOR THE THIRD QUARTER AND NINE MONTHS ENDED**  
**SEPTEMBER 29, 2019 AND SEPTEMBER 28, 2018**

(Unaudited - in millions)

	<u>Third Quarter</u> <u>2019</u>	<u>Third Quarter</u> <u>2018</u>	<u>% Change</u>	<u>Nine Months</u> <u>2019</u>	<u>Nine Months</u> <u>2018</u>	<u>% Change</u>
Net sales:						
Instrumentation	\$ 282.9	\$ 256.2	10.4 %	\$ 803.5	\$ 757.8	6.0 %
Digital Imaging (a)	244.0	220.7	10.6 %	724.8	652.0	11.2 %
Aerospace and Defense Electronics (a)	177.1	160.3	10.5 %	519.7	474.2	9.6 %
Engineered Systems (a)	98.2	88.1	11.5 %	281.4	269.4	4.5 %
Total net sales	\$ 802.2	\$ 725.3	10.6 %	\$ 2,329.4	\$ 2,153.4	8.2 %
Operating income:						
Instrumentation	\$ 52.0	\$ 35.7	45.7 %	\$ 140.9	\$ 104.4	35.0 %
Digital Imaging (a)	41.2	42.3	(2.6)%	129.4	119.2	8.6 %
Aerospace and Defense Electronics (a)	39.5	33.0	19.7 %	110.6	96.4	14.7 %
Engineered Systems (a)	10.6	9.6	10.4 %	26.0	27.2	(4.4)%
Corporate expense	(14.6)	(15.1)	(3.3)%	(49.0)	(41.8)	17.2 %
Operating income	128.7	105.5	22.0 %	357.9	305.4	17.2 %
Interest and debt expense, net	(5.5)	(6.0)	(8.3)%	(16.3)	(19.8)	(17.7)%
Non-service retirement benefit income	1.9	3.4	(44.1)%	6.1	10.1	(39.6)%
Other expense, net	(1.7)	(2.7)	(37.0)%	(3.5)	(8.9)	(60.7)%
Income before income taxes	123.4	100.2	23.2 %	344.2	286.8	20.0 %
Provision for income taxes	16.7	9.9	68.7 %	57.6	44.1	30.6 %
Net income	\$ 106.7	\$ 90.3	18.2 %	\$ 286.6	\$ 242.7	18.1 %

(a) The 2018 periods have been adjusted to reflect the realignment of the reporting structure for certain business units, primarily related to certain refinements of our management reporting structure. This change primarily related to moving certain electronic manufacturing services products from the Aerospace and Defense Electronics segment to the Engineered Systems segment. Other immaterial changes included moving certain United Kingdom (U.K.) microwave product lines (previously within the Digital Imaging segment) and certain U.K. manufactured composite parts (previously within the Engineered Systems segment) into the Aerospace and Defense Electronics segment.

**TELEDYNE TECHNOLOGIES INCORPORATED**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(Unaudited – in millions)

	<u>September 29, 2019</u>	<u>December 30, 2018</u>
<b>ASSETS</b>		
Cash	\$ 128.5	\$ 142.5
Accounts receivable, net	643.7	561.8
Inventories, net	404.4	364.3
Prepaid expenses and other current assets	61.5	45.8
<b>Total current assets</b>	<b>1,238.1</b>	<b>1,114.4</b>
Property, plant and equipment, net	468.2	442.6
Goodwill and acquired intangible assets, net	2,447.7	2,079.5
Prepaid pension asset	108.0	88.2
Other assets, net (a)	217.6	84.6
<b>Total assets</b>	<b>\$ 4,479.6</b>	<b>\$ 3,809.3</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Accounts payable	\$ 244.9	\$ 227.8
Accrued liabilities (a)	384.5	355.6
Current portion of long-term debt and other debt	206.1	137.4
<b>Total current liabilities</b>	<b>835.5</b>	<b>720.8</b>
Long-term debt	719.3	610.1
Other long-term liabilities (a)	353.8	248.7
<b>Total liabilities</b>	<b>1,908.6</b>	<b>1,579.6</b>
<b>Total stockholders' equity</b>	<b>2,571.0</b>	<b>2,229.7</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 4,479.6</b>	<b>\$ 3,809.3</b>

- a) Effective December 31, 2018, Teledyne adopted the requirements of Accounting Standards Update ("ASU") No. 2016-02, "Leases (Topic 842)" using the modified retrospective transition option of applying the new guidance at the adoption date. Prior periods were not changed. At September 29, 2019, Teledyne has right-of-use assets of \$130.2 million included in long-term other assets, net and a total lease liability of \$141.5 million for operating leases of which long-term liabilities includes \$122.6 million and accrued liabilities includes \$18.9 million.

**TELEDYNE TECHNOLOGIES INCORPORATED**  
**SUMMARY OF QUARTERLY SEGMENT NET SALES AND OPERATING INCOME**

(Unaudited - in millions)

<b>Adjusted to current reporting structure</b>	<b>First Quarter</b>	<b>Second Quarter</b>	<b>Six Months</b>
	<b>2019</b>	<b>2019</b>	<b>2019</b>
Net sales:			
Instrumentation	\$ 256.5	\$ 264.1	\$ 520.6
Digital Imaging (a)	232.4	248.4	480.8
Aerospace and Defense Electronics (a)	166.6	176.0	342.6
Engineered Systems (a)	89.7	93.5	183.2
<b>Total net sales</b>	<b>\$ 745.2</b>	<b>\$ 782.0</b>	<b>\$ 1,527.2</b>

(a) Adjusted to reflect the realignment in the third quarter of 2019, of our reporting structure for certain business units, primarily related to certain refinements of our management reporting structure.

<b>Adjusted to current reporting structure</b>	<b>First Quarter</b>	<b>Second Quarter</b>	<b>Six Months</b>
	<b>2019</b>	<b>2019</b>	<b>2019</b>
Operating income:			
Instrumentation	\$ 39.9	\$ 49.0	\$ 88.9
Digital Imaging (a)	36.6	51.6	88.2
Aerospace and Defense Electronics (a)	32.5	38.6	71.1
Engineered Systems (a)	6.4	9.0	15.4
Corporate expense	(18.1)	(16.3)	(34.4)
<b>Operating income</b>	<b>\$ 97.3</b>	<b>\$ 131.9</b>	<b>\$ 229.2</b>

(a) Adjusted to reflect the realignment in the third quarter of 2019, of our reporting structure for certain business units, primarily related to certain refinements of our management reporting structure.

<b>Originally reported</b>	<b>First Quarter</b>	<b>Second Quarter</b>	<b>Six Months</b>
	<b>2019</b>	<b>2019</b>	<b>2019</b>
Net sales:			
Instrumentation	\$ 256.5	\$ 264.1	\$ 520.6
Digital Imaging	235.3	251.3	486.6
Aerospace and Defense Electronics	180.4	191.0	371.4
Engineered Systems	73.0	75.6	148.6
<b>Total net sales</b>	<b>\$ 745.2</b>	<b>\$ 782.0</b>	<b>\$ 1,527.2</b>

<b>Originally reported</b>	<b>First Quarter</b>	<b>Second Quarter</b>	<b>Six Months</b>
	<b>2019</b>	<b>2019</b>	<b>2019</b>
Operating income:			
Instrumentation	\$ 39.9	\$ 49.0	\$ 88.9
Digital Imaging	37.0	52.5	89.5
Aerospace and Defense Electronics	33.8	39.4	73.2
Engineered Systems	4.7	7.3	12.0
Corporate expense	(18.1)	(16.3)	(34.4)
<b>Operating income</b>	<b>\$ 97.3</b>	<b>\$ 131.9</b>	<b>\$ 229.2</b>

**TELEDYNE TECHNOLOGIES INCORPORATED**  
**SUMMARY OF QUARTERLY SEGMENT NET SALES AND OPERATING INCOME**  
(Unaudited - in millions)

Adjusted to current reporting structure	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total Year
	2018	2018	2018	2018	2018
Net sales:					
Instrumentation	\$ 239.0	\$ 262.6	\$ 256.2	\$ 263.4	\$ 1,021.2
Digital Imaging (a)	208.3	223.0	220.7	223.3	875.3
Aerospace and Defense Electronics (a)	156.4	157.5	160.3	166.0	640.2
Engineered Systems (a)	91.9	89.4	88.1	95.7	365.1
<b>Total net sales</b>	<b>\$ 695.6</b>	<b>\$ 732.5</b>	<b>\$ 725.3</b>	<b>\$ 748.4</b>	<b>\$ 2,901.8</b>

(a) Adjusted to reflect the realignment in the third quarter of 2019, of our reporting structure for certain business units, primarily related to certain refinements of our management reporting structure.

Adjusted to current reporting structure	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total Year
	2018	2018	2018	2018	2018
Operating income:					
Instrumentation	\$ 27.8	\$ 40.9	\$ 35.7	\$ 43.0	\$ 147.4
Digital Imaging (a)	33.8	43.1	42.3	36.3	155.5
Aerospace and Defense Electronics (a)	30.8	32.6	33.0	35.4	131.8
Engineered Systems (a)	8.9	8.7	9.6	10.7	37.9
Corporate expense	(12.9)	(13.8)	(15.1)	(14.2)	(56.0)
<b>Operating income</b>	<b>\$ 88.4</b>	<b>\$ 111.5</b>	<b>\$ 105.5</b>	<b>\$ 111.2</b>	<b>\$ 416.6</b>

(a) Adjusted to reflect the realignment in the third quarter of 2019, of our reporting structure for certain business units, primarily related to certain refinements of our management reporting structure.

Originally reported	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total Year
	2018	2018	2018	2018	2018
Net sales:					
Instrumentation	\$ 239.0	\$ 262.6	\$ 256.2	\$ 263.4	\$ 1,021.2
Digital Imaging	211.0	225.3	223.0	225.9	885.2
Aerospace and Defense Electronics	173.6	173.5	171.1	178.3	696.5
Engineered Systems	72.0	71.1	75.0	80.8	298.9
<b>Total net sales</b>	<b>\$ 695.6</b>	<b>\$ 732.5</b>	<b>\$ 725.3</b>	<b>\$ 748.4</b>	<b>\$ 2,901.8</b>

Originally reported	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total Year
	2018	2018	2018	2018	2018
Operating income:					
Instrumentation	\$ 27.8	\$ 40.9	\$ 35.7	\$ 43.0	\$ 147.4
Digital Imaging	34.6	43.3	42.3	37.1	157.3
Aerospace and Defense Electronics	31.7	33.7	33.3	36.5	135.2
Engineered Systems	7.2	7.4	9.3	8.8	32.7
Corporate expense	(12.9)	(13.8)	(15.1)	(14.2)	(56.0)
<b>Operating income</b>	<b>\$ 88.4</b>	<b>\$ 111.5</b>	<b>\$ 105.5</b>	<b>\$ 111.2</b>	<b>\$ 416.6</b>