BELDEN

Q4 2021 EARNINGS RELEASE

Conference Call | February 9, 2022

Forward-Looking Statements and Non-GAAP Financial Measures

Forward-Looking Statements

Our commentary and responses to your questions may contain forward-looking statements, including our outlook for the first quarter and full-year 2022, the Tripwire divestiture, and the results of our restructuring program. Forward-looking statements include projections of sales, earnings, general economic conditions, market conditions, working capital, market shares, free cash flow, pricing levels, and effective tax rates. Belden disclaims any obligation to update any such statements to reflect later developments, except as required by law. Information on factors that could cause actual results to vary materially from those discussed today is available in the press release announcing 2021 third quarter results, our most recent Quarterly Report on Form 10-Q as filed with the Securities and Exchange Commission ("SEC") on August 9, 2021 (including those discussed in "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part I, Item 2 and under "Risk Factors" in Part I, Item 1A), and our subsequent filings with the SEC.

Non-GAAP Measures

On this call we will discuss some non-GAAP measures (denoted by footnote) in discussing Belden's performance, and the reconciliation of those measures to the most comparable GAAP measures is contained within this presentation or available at our investor relations website, investor.belden.com.

Executive Summary

1

Delivered another strong quarter of profitable growth

- Exceeded expectations for revenue, EPS and cash flow
- Continued solid demand and execution resulted in 21% organic growth and a book to bill of 1.20x
- Gained further momentum with solution selling strategy and new product innovation

2

Entered into two strategic transactions subsequent to year end

- Signed a definitive agreement to divest Tripwire
- Completed the acquisition of Macmon Secure GmbH in Industrial Solutions

3

Strengthened the balance sheet

- Reduced net leverage to 2.1x (1.2x pro forma for the Tripwire divestiture)
- Generated robust free cash flow of $211M in FY 2021

4

Announced full year 2022 guidance showing continued momentum

- Implies organic revenue growth of 6% and pro forma EPS growth of 13% at the high end

Net leverage is calculated as (A) total debt less cash and cash equivalents divided by (B) the sum of trailing twelve months Adjusted EBITDA plus trailing twelve months stock-based compensation expense.
Free cash flow is not a term defined by generally accepted accounting principles (GAAP) and our definition may or may not be used consistently with other companies that define this term. See Appendix for reconciliation to comparable GAAP results.

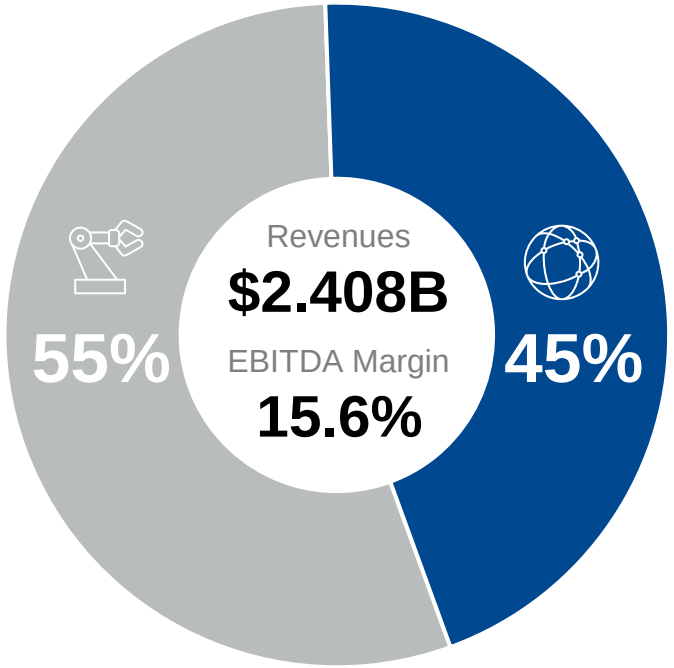
Tripwire Divestiture

Strategic Rationale	• Monetizing the business while turning our focus exclusively to industrial cybersecurity • Maintaining a commercial relationship with Tripwire to act as an exclusive reseller in industrial markets
Transaction Summary	• Buyer: HelpSystems, a cybersecurity and automation software company • Cash proceeds of $350M • Expected to close in Q1 2022
Financial Rationale	• Cash proceeds available for accretive deployment • Reduced pro forma year-end net leverage to 1.2x post transaction • Minimal impact on EPS or free cash flow

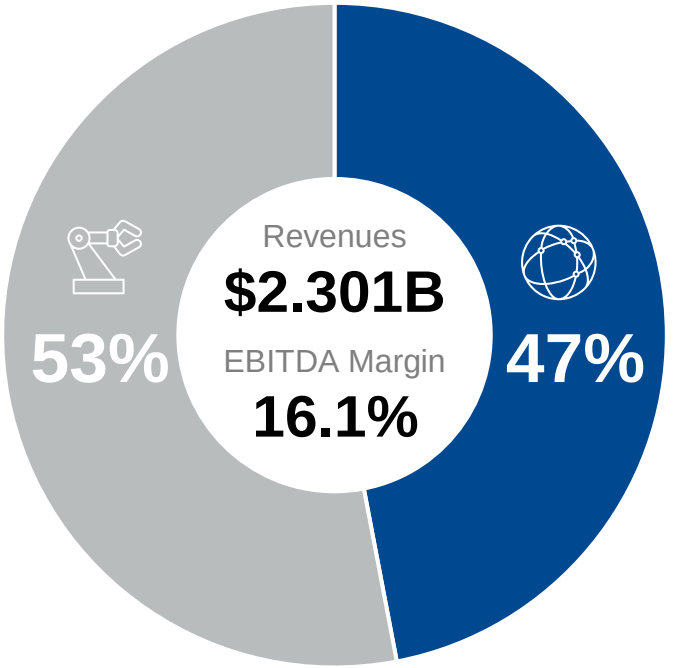
Net leverage is calculated as (A) total debt less cash and cash equivalents divided by (B) the sum of trailing twelve months Adjusted EBITDA plus trailing twelve months stock-based compensation expense.
Free cash flow is not a term defined by generally accepted accounting principles (GAAP) and our definition may or may not be used consistently with other companies that define this term. See Appendix for reconciliation to comparable GAAP results.

Pro Forma Portfolio Excluding Tripwire

FY 2021



Pro Forma 2021[1]



Industrial Solutions Enterprise Solutions

FOLLOWING THE TRIPWIRE DIVSTITURE:

- Minimal impact on EPS or free cash flow
- Pro forma EBITDA margin expansion of 50 basis points
- Pro forma year-end 2021 net leverage reduced to 1.2x, providing significant financial flexibility

1. Pro forma FY 2021 excluding the Tripwire contribution of $107M in revenue and $4M in EBITDA
Net leverage is calculated as (A) total debt less cash and cash equivalents divided by (B) the sum of trailing twelve months

Acquisition of Macmon Secure GmbH

Transaction closed on January 17, 2022

- Purchase price of $43M
- Expected 2022 revenue contribution of approximately $12M[1]
- Will be reported in the Industrial Solutions Segment

Macmon Secure GmbH is a leader in advanced network access control software

- Software products used to secure network infrastructure in mission-critical applications
- Complementary to Belden's leading industrial networking portfolio (Hirschmann)
- Expands our ability to offer complete end-to-end network solutions
- Vertical markets include automotive manufacturing, food & beverage, utilities and healthcare

Accelerates Belden's strategic plans

- Industrial Automation product roadmap
- Enhanced Solution Delivery
- Customer Innovation Center (CIC) development

Headquartered in Germany with 70 employees in Europe

1. Based on management's best estimates

Q4 2021 Highlights

Revenue increased 28% year over year to $638M

Organic growth of 21% year over year

Continued robust orders, book-to-bill of 1.20x

EBITDA increased 37% year over year to $101M

EBITDA margin increased 110 basis points to 15.9%

EPS increased 47% year over year to $1.32

Strong Q4 2021 results in a challenging operating environment

Adjusted results. See Appendix for reconciliation to comparable GAAP results.
All references to Earnings Per Share refer to adjusted net income from continuing operations per diluted share attributable to Belden stockholders

FY 2021 Highlights

Revenue increased 29% to $2.408B

Organic growth of 20%

Continued solid progress on organic growth strategies (solution selling and product innovation)

EBITDA increased 51% to $376M

EBITDA margin increased 220 basis points to 15.6%, despite significant inflationary pressures

EPS increased 74% to $4.78

Free cash flow increased 145% to $211M

Cash balance increased to $644M

Net leverage reduced from 4.0x to 2.1x (1.2x pro forma for the Tripwire divestiture)

Signed a definitive agreement to divest Tripwire for $350M subsequent to year end

Completed 2 strategic acquisitions in Industrial Solutions:

- OTN Systems in Q1'21
- Macmon Secure GmbH (subsequent to year end)

FY 2021 results demonstrate strong execution and momentum with organic growth strategies

Adjusted results. See Appendix for reconciliation to comparable GAAP results.
All references to Earnings Per Share refer to adjusted net income from continuing operations per diluted share attributable to Belden stockholders
Net leverage is calculated as (A) total debt less cash and cash equivalents divided by (B) the sum of trailing twelve months Adjusted EBITDA plus trailing twelve months stock-based compensation expense.

Q4 2021 Financial Summary

	Q4 2021	Q3 2021	Q4 2020
Revenue	$637.6M	$631.3M	$498.5M
Gross profit	$234.7M	$227.9M	$176.3M
Gross profit percentage	36.8%	36.1%	35.4%
EBITDA	$101.3M	$100.7M	$74.0M
EBITDA percentage	15.9%	16.0%	14.8%
Net Income(1)	$60.2M	$59.6M	$40.5M
Earnings Per Share(2)	$1.32	$1.31	$0.90

Adjusted results. See Appendix for reconciliation to comparable GAAP results.
(1) All references to Net Income refer to adjusted net income from continuing operations attributable to Belden stockholders.
(2) All references to Earnings Per Share refer to adjusted net income from continuing operations per diluted share attributable to Belden stockholders.

Q4 2021 Segment Results

	Industrial Solutions	Enterprise Solutions	Consolidated
Q4 2021			
Revenue	$343.2M	$294.3M	$637.6M
EBITDA(1)	$60.3M	$39.7M	$101.3M
EBITDA Margin	17.6%	13.5%	15.9%
Q3 2021			
Revenue	$345.1M	$286.2M	$631.3M
EBITDA(1)	$59.6M	$40.2M	$100.7M
EBITDA Margin	17.3%	14.0%	16.0%
Q4 2020			
Revenue	$270.8M	$227.7M	$498.5M
EBITDA(1)	$47.3M	$26.1M	$74.0M
EBITDA Margin	17.5%	11.5%	14.8%

Adjusted results. See Appendix for reconciliation to comparable GAAP results.
(1) Consolidated results include non-operating pension costs and eliminations

Q4 2021 Balance Sheet Highlights

	Q4 2021	Q3 2021	Q4 2020
Cash and Cash Equivalents	$644M	$458M	$502M
Working Capital Turns	11.2x	7.8x	10.3x
Days Sales Outstanding	53	56	50
Inventory Turns	4.7x	5.2x	5.2x
Total Debt Principal Amount	$1.48B	$1.51B	$1.59B
Net Leverage(1)	2.1x	2.8x	4.0x

(1) Net leverage is calculated as (A) total debt less cash and cash equivalents divided by (B) the sum of trailing twelve months Adjusted EBITDA plus trailing twelve months stock based compensation expense.

Q4 2021 Cash Flow Highlights

	Q4 2021	Q4 2020	FY 2021	FY 2020
Cash flows from operating activities[1][2]	$170.1M	$134.7M	$272.1M	$173.4M
Less: Net capital expenditures[2]	$35.4M	$33.4M	$87.8M	$87.1M
Plus: Proceeds from sale-leaseback	$27.0M	--	$27.0M	--
Free cash flow[3]	$161.7M	$101.3M	$211.3M	$86.3M

(1) Cash flows from operating activities in Q4 2021 benefited by $27 million from a gain on the sale of a note receivable.
(2) FY 2020 is inclusive of Grass Valley through the disposal date of July 2, 2020
(3) Free cash flow is not a term defined by generally accepted accounting principles (GAAP) and our definition may or may not be used consistently with other companies that define this term. See Appendix for reconciliation to comparable GAAP results.

Outlook

Q1 2022

- Revenue of $558 - $573 million
- Earnings Per Share(1) of $1.03 - $1.13

Full Year 2022

- Revenue of $2.390 - $2.440 billion
- Earnings Per Share(1) of $5.00 - $5.35

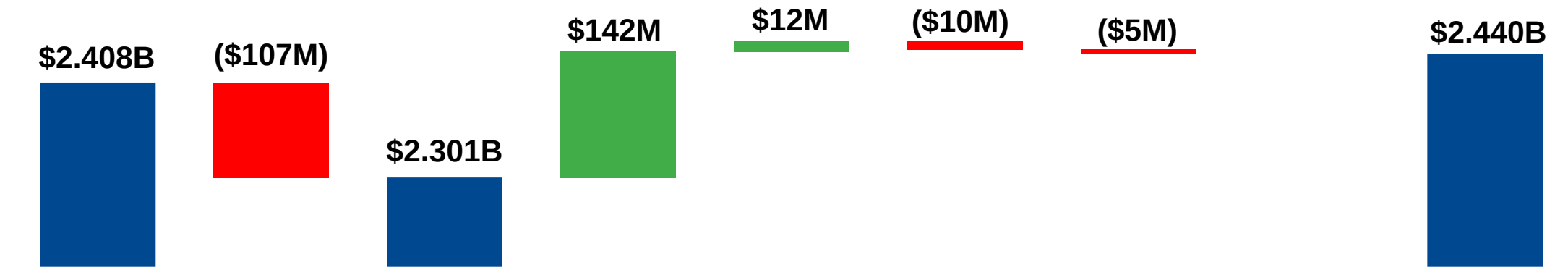
Full Year 2022 Assumptions

- Interest expense of $62 million
- Tax rate of 20%
- Share count approximately 46.3 million

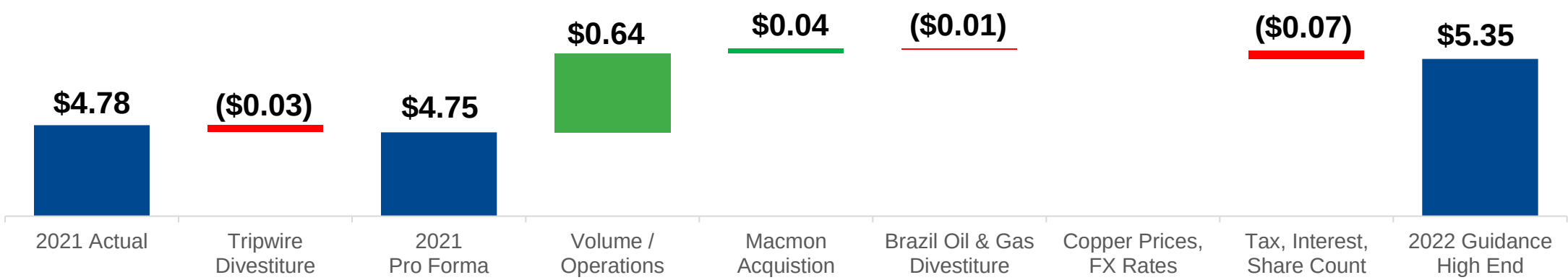
Adjusted Outlook. See Appendix for reconciliation to comparable GAAP outlook.
(1) All references to Earnings Per Share refer to adjusted net income from continuing operations per diluted share attributable to Belden stockholders.

2022 High End of Guidance

Revenue



EPS



(1) Adjusted Outlook. See Appendix for reconciliation to comparable GAAP outlook.
(2) All references to Earnings Per Share refer to adjusted net income from continuing operations per diluted share attributable to Belden common stockholders.
(3) Management's best estimates

Investment Thesis

Accelerating Organic Growth

Aligned with secular growth markets

Improved solution selling capabilities

Accelerated new product innovation

Enhanced commercial excellence

Expanding EBITDA Margin

Solid operating leverage

Improving productivity

Strengthening Balance Sheet

Robust free cash flow growth

Reduced net leverage of 2.1x EBITDA (1.2x pro forma)

Extended debt maturities at low fixed interest rates

Improving Our Position Through Value-Added Solutions

Net leverage is calculated as (A) total debt less cash and cash equivalents divided by (B) the sum of trailing twelve months.

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QUESTIONS?

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APPENDIX

Statement of Operations

	Three Months Ended		Twelve Months Ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
	(In thousands, except per share data)			
Revenues	$ 638,910	$ 498,540	$ 2,408,100	$ 1,862,716
Cost of sales	(410,703)	(323,284)	(1,553,738)	(1,199,427)
Gross profit	228,207	175,256	854,362	663,289
Selling, general and administrative expenses	(121,652)	(91,059)	(426,335)	(366,188)
Research and development expenses	(29,787)	(25,663)	(124,660)	(107,296)
Amortization of intangibles	(9,601)	(16,089)	(38,346)	(64,395)
Goodwill and other asset impairment	(131,178)	—	(140,461)	—
Operating income (loss)	(64,011)	42,445	124,560	125,410
Interest expense, net	(16,055)	(15,700)	(62,695)	(58,888)
Non-operating pension benefit (cost)	1,355	(2,474)	4,476	(395)
Gain on sale of note receivable	27,036	—	27,036	—
Loss on debt extinguishment	—	—	(5,715)	—
Income (loss) from continuing operations before taxes	(51,675)	24,271	87,662	66,127
Income tax benefit (expense)	102	(8,501)	(25,205)	(11,724)
Income (loss) from continuing operations	(51,573)	15,770	62,457	54,403
Gain (loss) from discontinued operations, net of tax	—	3,882	—	(99,513)
Gain (loss) on disposal of discontinued operations, net of tax	1,860	(12,691)	1,860	(9,948)
Net income (loss)	(49,713)	6,961	64,317	(55,058)
Less: Net income attributable to noncontrolling interest	56	25	392	104
Net income (loss) attributable to Belden stockholders	$ (49,769)	$ 6,936	$ 63,925	$ (55,162)
Weighted average number of common shares and equivalents:				
Basic	44,927	44,620	44,802	44,778
Diluted	45,729	44,848	45,361	44,937
Basic income (loss) per share attributable to Belden stockholders:				
Continuing operations	$ (1.15)	$ 0.35	$ 1.39	$ 1.21
Discontinued operations	—	0.09	—	(2.22)
Disposal of discontinued operations	0.04	(0.28)	0.04	(0.22)
Net income (loss)	$ (1.11)	$ 0.16	$ 1.43	$ (1.23)
Diluted income (loss) per share attributable to Belden stockholders:				
Continuing operations	$ (1.15)	$ 0.35	$ 1.37	$ 1.21
Discontinued operations	—	0.09	—	(2.22)
Disposal of discontinued operations	0.04	(0.28)	0.04	(0.22)
Net income (loss)	$ (1.11)	$ 0.15	$ 1.41	$ (1.23)
Common stock dividends declared per share	$ 0.05	$ 0.05	$ 0.20	$ 0.20

Operating Segment Information

	Enterprise Solutions	Industrial Solutions	Total Segments
	(In thousands, except percentages)		
For the three months ended December 31, 2021			
Segment Revenues	$ 294,312	$ 343,246	$ 637,558
Segment EBITDA	39,705	60,270	99,975
Segment EBITDA margin	*13.5 %*	*17.6 %*	*15.7 %*
Depreciation expense	5,609	6,134	11,743
Amortization of intangibles	4,393	5,208	9,601
Amortization of software development intangible assets	22	792	814
Severance, restructuring, and acquisition integration costs	6,044	5,309	11,353
Adjustments related to acquisitions and divestitures	—	(750)	(750)
Goodwill and other asset impairment	—	131,178	131,178
For the three months ended December 31, 2020			
Segment Revenues	$ 227,731	$ 270,809	$ 498,540
Segment EBITDA	26,140	47,259	73,399
Segment EBITDA margin	*11.5 %*	*17.5 %*	*14.7 %*
Depreciation expense	5,447	5,954	11,401
Amortization of intangibles	5,396	10,693	16,089
Amortization of software development intangible assets	61	515	576
Severance, restructuring, and acquisition integration costs	1,410	1,400	2,810
For the twelve months ended December 31, 2021			
Segment Revenues	$ 1,074,426	$ 1,333,674	$ 2,408,100
Segment EBITDA	143,236	227,946	371,182
Segment EBITDA margin	*13.3 %*	*17.1 %*	*15.4 %*
Depreciation expense	21,594	24,346	45,940
Amortization of intangibles	17,595	20,751	38,346
Amortization of software development intangible assets	94	2,806	2,900
Severance, restructuring, and acquisition integration costs	13,800	10,092	23,892
Adjustments related to acquisitions and divestitures	(6,828)	1,792	(5,036)
Goodwill and other asset impairment	—	140,461	140,461
For the twelve months ended December 31, 2020			
Segment Revenues	$ 872,415	$ 990,301	$ 1,862,716
Segment EBITDA	99,333	147,626	246,959
Segment EBITDA margin	*11.4 %*	*14.9 %*	*13.3 %*
Depreciation expense	20,655	21,815	42,470
Amortization of intangibles	21,662	42,733	64,395
Amortization of software development intangible assets	245	1,576	1,821
Severance, restructuring, and acquisition integrations costs	7,720	4,538	12,258
Adjustments related to acquisitions and divestitures	125	—	125

Operating Segment Reconciliation to Consolidated Results

	Three Months Ended		Twelve Months Ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
	(In thousands)			
Total Segment Revenues	$ 637,558	$ 498,540	$ 2,408,100	$ 1,862,716
Adjustments related to acquisitions	1,352	—	—	—
Consolidated Revenues	$ 638,910	$ 498,540	$ 2,408,100	$ 1,862,716
Total Segment EBITDA	$ 99,975	$ 73,399	$ 371,182	$ 246,959
Total non-operating pension benefit (cost)	1,355	(2,474)	4,476	(395)
Non-operating pension settlement loss	—	3,153	—	3,153
Eliminations	(47)	(78)	(119)	(480)
Consolidated Adjusted EBITDA (1)	101,283	74,000	375,539	249,237
Goodwill and other asset impairment	(131,178)	—	(140,461)	—
Interest expense, net	(16,055)	(15,700)	(62,695)	(58,888)
Depreciation expense	(11,743)	(11,401)	(45,940)	(42,470)
Severance, restructuring, and acquisition integration costs	(11,353)	(2,810)	(23,892)	(12,258)
Amortization of intangibles	(9,601)	(16,089)	(38,346)	(64,395)
Amortization of software development intangible assets	(814)	(576)	(2,900)	(1,821)
Loss on debt extinguishment	—	—	(5,715)	—
Non-operating pension settlement loss	—	(3,153)	—	(3,153)
Adjustments related to acquisitions and divestitures	750	—	5,036	(125)
Gain on sale of note receivable	27,036	—	27,036	—
Income from continuing operations before taxes	$ (51,675)	$ 24,271	$ 87,662	$ 66,127

(1) Consolidated Adjusted EBITDA is a non-GAAP measure. See Reconciliation of Non-GAAP Measures for additional information.

Balance Sheet

	December 31, 2021	December 31, 2020
	(Unaudited)	
	(In thousands)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 643,757	$ 501,994
Receivables, net	412,217	296,817
Inventories, net	345,354	247,298
Other current assets	65,700	52,289
Total current assets	1,467,028	1,098,398
Property, plant and equipment, less accumulated depreciation	349,814	368,620
Operating lease right-of-use assets	79,464	54,787
Goodwill	1,152,472	1,251,938
Intangible assets, less accumulated amortization	301,696	287,071
Deferred income taxes	32,321	29,536
Other long-lived assets	34,882	49,384
	$ 3,417,677	$ 3,139,734
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 384,223	$ 244,120
Accrued liabilities	334,316	276,641
Total current liabilities	718,539	520,761
Long-term debt	1,459,991	1,573,726
Postretirement benefits	120,997	160,400
Deferred income taxes	59,990	38,400
Long-term operating lease liabilities	67,225	46,398
Other long-term liabilities	34,853	42,998
Stockholders' equity:		
Common stock	503	503
Additional paid-in capital	833,627	823,605
Retained earnings	505,717	450,876
Accumulated other comprehensive loss	(70,566)	(191,851)
Treasury stock	(313,994)	(332,552)
Total Belden stockholders' equity	955,287	750,581
Noncontrolling interests	795	6,470
Total stockholders' equity	956,082	757,051
	$ 3,417,677	$ 3,139,734

Cash Flow Statement

	Twelve Months Ended December 31, 2021	December 31, 2020
	(In thousands)	
Cash flows from operating activities:		
Net income (loss)	$ 64,317	$ (55,058)
Adjustments to reconcile net income (loss) to net cash from operating activities:		
Depreciation and amortization	87,988	108,687
Goodwill and other asset impairment	140,461	113,007
Share-based compensation	24,871	20,030
Loss on debt extinguishment	5,715	—
Deferred income tax expense (benefit)	3,575	(19,410)
Changes in operating assets and liabilities, net of the effects of currency exchange rate changes, acquired businesses and disposals:		
Receivables	(119,012)	70,707
Inventories	(92,984)	(8,507)
Accounts payable	135,666	(43,567)
Accrued liabilities	61,241	7,374
Income taxes	(6,448)	(22,823)
Other assets	(12,693)	2,018
Other liabilities	(20,642)	906
Net cash provided by operating activities	272,055	173,364
Cash flows from investing activities:		
Capital expenditures	(90,982)	(90,215)
Cash from (used for) business acquisitions, net of cash acquired	(73,340)	590
Purchase of intangible assets	(3,650)	—
Proceeds from disposal of tangible assets	30,234	3,161
Proceeds from disposal of businesses, net of cash sold	45,735	54,821
Net cash used for investing activities	(92,003)	(31,643)
Cash flows from financing activities:		
Payments under borrowing arrangements	(360,304)	(190,000)
Cash dividends paid	(9,056)	(9,029)
Debt issuance costs paid	(8,173)	—
Withholding tax payments for share-based payment awards	(5,570)	(1,388)
Payments under financing lease obligations	(3,151)	(194)
Payments to noncontrolling interest holders	(2,682)	—
Payments under share repurchase program	—	(35,000)
Payment of earnout consideration	—	(29,300)
Borrowings under credit arrangements	356,010	190,000
Net cash used for financing activities	(32,926)	(74,911)
Effect of foreign currency exchange rate changes on cash and cash equivalents	(5,363)	9,299
Increase in cash and cash equivalents	141,763	76,109
Cash and cash equivalents, beginning of period	501,994	425,885
Cash and cash equivalents, end of period	$ 643,757	$ 501,994

For the year ended December 31, 2020, the Condensed Consolidated Cash Flow Statement includes the results of discontinued operations up to the disposal date, July 2, 2020.

Reconciliation of Non-GAAP Measures

In addition to reporting financial results in accordance with accounting principles generally accepted in the United States, we provide non-GAAP operating results adjusted for certain items, including: asset impairments; accelerated depreciation expense due to plant consolidation activities; purchase accounting effects related to acquisitions, such as the adjustment of acquired inventory and deferred revenue to fair value and transaction costs; severance, restructuring, and acquisition integration costs; gains (losses) recognized on the disposal of businesses and tangible assets; amortization of intangible assets; gains (losses) on debt extinguishment; certain revenues and gains (losses) from patent settlements; discontinued operations; and other costs. We adjust for the items listed above in all periods presented, unless the impact is clearly immaterial to our financial statements. When we calculate the tax effect of the adjustments, we include all current and deferred income tax expense commensurate with the adjusted measure of pre-tax profitability.

We utilize the adjusted results to review our ongoing operations without the effect of these adjustments and for comparison to budgeted operating results. We believe the adjusted results are useful to investors because they help them compare our results to previous periods and provide important insights into underlying trends in the business and how management oversees our business operations on a day-to-day basis. As an example, we adjust for the purchase accounting effect of recording deferred revenue at fair value in order to reflect the revenues that would have otherwise been recorded by acquired businesses had they remained as independent entities. We believe this presentation is useful in evaluating the underlying performance of acquired companies. Similarly, we adjust for other acquisition-related expenses, such as amortization of intangibles and other impacts of fair value adjustments because they generally are not related to the acquired business' core business performance. As an additional example, we exclude the costs of restructuring programs, which can occur from time to time for our current businesses and/or recently acquired businesses. We exclude the costs in calculating adjusted results to allow us and investors to evaluate the performance of the business based upon its expected ongoing operating structure. We believe the adjusted measures, accompanied by the disclosure of the costs of these programs, provides valuable insight.

Adjusted results should be considered only in conjunction with results reported according to accounting principles generally accepted in the United States.

	Three Months Ended		Twelve Months Ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
	(In thousands, except percentages and per share amounts)			
GAAP revenues	$ 638,910	$ 498,540	$2,408,100	$1,862,716
Adjustments related to acquisitions	(1,352)	—	—	—
Adjusted revenues	$ 637,558	$ 498,540	$2,408,100	$1,862,716
GAAP gross profit	$ 228,207	$ 175,256	$ 854,362	$ 663,289
Severance, restructuring, and acquisition integration costs	7,002	482	11,308	704
Amortization of software development intangible assets	814	576	2,900	1,821
Adjustments related to acquisitions and divestitures	(1,352)	—	2,349	125
Adjusted gross profit	$ 234,671	$ 176,314	$ 870,919	$ 665,939
GAAP gross profit margin	*35.7 %*	*35.2 %*	*35.5 %*	*35.6 %*
Adjusted gross profit margin	*36.8 %*	*35.4 %*	*36.2 %*	*35.8 %*
GAAP selling, general and administrative expenses	$(121,652)	$ (91,059)	$(426,335)	$(366,188)
Severance, restructuring, and acquisition integration costs	4,351	2,328	12,584	11,554
Adjustments related to acquisitions and divestitures	602	—	(7,385)	—
Adjusted selling, general and administrative expenses	$(116,699)	$ (88,731)	$(421,136)	$(354,634)
GAAP and adjusted research and development expenses	$ (29,787)	$ (25,663)	$(124,660)	$(107,296)
GAAP income (loss) from continuing operations	$ (51,573)	$ 15,770	$ 62,457	$ 54,403
Interest expense, net	16,055	15,700	62,695	58,888
Income tax expense (benefit)	(102)	8,501	25,205	11,724
Gain on sale of note receivable	(27,036)	—	(27,036)	—
Loss on debt extinguishment	—	—	5,715	—
Non-operating pension settlement loss	—	3,153	—	3,153
Total non-operating adjustments	(11,083)	27,354	66,579	73,765
Goodwill and other asset impairment	131,178	—	140,461	—
Severance, restructuring, and acquisition integration costs	11,353	2,810	23,892	12,258
Amortization of intangible assets	9,601	16,089	38,346	64,395
Amortization of software development intangible assets	814	576	2,900	1,821
Adjustments related to acquisitions and divestitures	(750)	—	(5,036)	125
Total operating income adjustments	152,196	19,475	200,563	78,599
Depreciation expense	11,743	11,401	45,940	42,470
Adjusted EBITDA	$ 101,283	$ 74,000	$ 375,539	$ 249,237
GAAP income (loss) from continuing operations margin	*(8.1)%*	*3.2 %*	*2.6 %*	*2.9 %*
Adjusted EBITDA margin	*15.9 %*	*14.8 %*	*15.6 %*	*13.4 %*

Reconciliation of Non-GAAP Measures (continued)

In addition to reporting financial results in accordance with accounting principles generally accepted in the United States, we provide non-GAAP operating results adjusted for certain items, including: asset impairments; accelerated depreciation expense due to plant consolidation activities; purchase accounting effects related to acquisitions, such as the adjustment of acquired inventory and deferred revenue to fair value and transaction costs; severance, restructuring, and acquisition integration costs; gains (losses) recognized on the disposal of businesses and tangible assets; amortization of intangible assets; gains (losses) on debt extinguishment; certain revenues and gains (losses) from patent settlements; discontinued operations; and other costs. We adjust for the items listed above in all periods presented, unless the impact is clearly immaterial to our financial statements. When we calculate the tax effect of the adjustments, we include all current and deferred income tax expense commensurate with the adjusted measure of pre-tax profitability.

We utilize the adjusted results to review our ongoing operations without the effect of these adjustments and for comparison to budgeted operating results. We believe the adjusted results are useful to investors because they help them compare our results to previous periods and provide important insights into underlying trends in the business and how management oversees our business operations on a day-to-day basis. As an example, we adjust for the purchase accounting effect of recording deferred revenue at fair value in order to reflect the revenues that would have otherwise been recorded by acquired businesses had they remained as independent entities. We believe this presentation is useful in evaluating the underlying performance of acquired companies. Similarly, we adjust for other acquisition-related expenses, such as amortization of intangibles and other impacts of fair value adjustments because they generally are not related to the acquired business' core business performance. As an additional example, we exclude the costs of restructuring programs, which can occur from time to time for our current businesses and/or recently acquired businesses. We exclude the costs in calculating adjusted results to allow us and investors to evaluate the performance of the business based upon its expected ongoing operating structure. We believe the adjusted measures, accompanied by the disclosure of the costs of these programs, provides valuable insight.

Adjusted results should be considered only in conjunction with results reported according to accounting principles generally accepted in the United States.

	Three Months Ended		Twelve Months Ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
	(In thousands, except percentages and per share amounts)			
GAAP income (loss) from continuing operations	$ (51,573)	$ 15,770	$ 62,457	$ 54,403
Less: Net income attributable to noncontrolling interest	56	25	392	104
GAAP net income (loss) from continuing operations attributable to Belden	$ (51,629)	$ 15,745	$ 62,065	$ 54,299
GAAP income (loss) from continuing operations	$ (51,573)	$ 15,770	$ 62,457	$ 54,403
Plus: Operating income adjustments from above	152,196	19,475	200,563	78,599
Plus: Loss on debt extinguishment	—	—	5,715	—
Plus: Non-operating pension settlement loss	—	3,153	—	3,153
Less: Gain on sale of note receivable	27,036	—	27,036	—
Less: Net income attributable to noncontrolling interest	56	25	392	104
Less: Tax effect of adjustments above	13,363	(2,172)	24,365	12,515
Adjusted net income from continuing operations attributable to Belden stockholders	$ 60,168	$ 40,545	$ 216,942	$ 123,536
GAAP income (loss) from continuing operations per diluted share attributable to Belden stockholders	$ (1.15)	$ 0.35	$ 1.37	$ 1.21
Adjusted income from continuing operations per diluted share attributable to Belden stockholders	$ 1.32	$ 0.90	$ 4.78	$ 2.75
GAAP diluted weighted average shares	44,927	44,848	45,361	44,937
Adjustment for anti-dilutive shares that are dilutive under adjusted measures	802	—	—	—
Adjusted diluted weighted average shares	45,729	44,848	45,361	44,937

Reconciliation of Non-GAAP Measures (continued)

	Three Months Ended				Twelve Months Ended	
	April 4, 2021	July 4, 2021	October 3, 2021	December 31, 2021	December 31, 2021	December 31, 2020
	(In thousands, except percentages and per share amounts)					
GAAP revenues	$536,381	$601,974	$630,835	$638,910	$2,408,100	$1,862,716
Adjustments related to acquisitions	—	849	503	(1,352)	—	—
Less: Tripwire revenues	27,698	$ 26,117	$ 26,074	$ 26,951	$106,840	$110,524
Adjusted revenues excluding Tripwire	$508,683	$576,706	$605,264	$610,607	$2,301,260	$1,752,192
GAAP gross profit	$191,344	$211,535	$223,276	$228,207	$854,362	$663,289
Severance, restructuring, and acquisition integration	260	1,103	2,943	7,002	11,308	704
Amortization of software development intangible	689	607	790	814	2,900	1,821
Adjustments related to acquisitions and divestitures	816	1,995	890	(1,352)	2,349	125
Less: Tripwire gross profit	22,441	20,466	20,255	20,678	83,840	88,630
Adjusted gross profit excluding Tripwire	$170,668	$194,774	$207,644	$213,993	$787,079	$577,309
GAAP gross profit margin	*35.7 %*	*35.1 %*	*35.4 %*	*35.7 %*	*35.5 %*	*35.6 %*
Adjusted gross profit margin excluding Tripwire	*33.6 %*	*33.8 %*	*34.3 %*	*35.0 %*	*34.2 %*	*32.9 %*
GAAP selling, general and administrative expenses	$ (91,453)	$(105,554)	$(107,676)	$(121,652)	$(426,335)	$(366,188)
Severance, restructuring, and acquisition integration	4,911	1,937	1,385	4,351	12,584	11,554
Adjustments related to acquisitions and divestitures	(7,191)	(83)	(713)	602	(7,385)	—
Less: Tripwire selling, general and administrative expenses	(10,819)	(11,984)	(12,339)	(13,142)	(48,284)	(42,629)
Adjusted selling, general and administrative expenses excluding Tripwire	$ (82,914)	$ (91,716)	$ (94,665)	$(103,557)	$(372,852)	$(312,005)
GAAP research and development expenses	$ (31,500)	$ (30,922)	$ (32,451)	$ (29,787)	$(124,660)	$(107,296)
Less: Tripwire research and development expenses	(8,888)	(8,659)	(9,216)	(7,670)	(34,433)	(34,276)
Adjusted research and development expenses excluding Tripwire	$ (22,612)	$ (22,263)	$ (23,235)	$ (22,117)	$ (90,227)	$ (73,020)
GAAP income (loss) from continuing operations	$ 28,741	$ 43,972	$ 41,317	$ (51,573)	$ 62,457	$ 54,403
Interest expense, net	15,511	14,878	16,251	16,055	62,695	58,888
Income tax expense (benefit)	7,880	8,552	8,875	(102)	25,205	11,724
Gain on sale of note receivable	—	—	—	(27,036)	(27,036)	—
Loss on debt extinguishment	—	—	5,715	—	5,715	—
Non-operating pension settlement loss	—	—	—	—	—	3,153
Total non-operating adjustments	23,391	23,430	30,841	(11,083)	66,579	73,765
Goodwill and other asset impairment	6,996	—	2,287	131,178	140,461	—
Severance, restructuring, and acquisition integration	5,171	3,040	4,328	11,353	23,892	12,258
Amortization of intangible assets	9,947	9,102	9,696	9,601	38,346	64,395
Amortization of software development intangible	689	607	790	814	2,900	1,821
Adjustments related to acquisitions and divestitures	(6,375)	1,912	177	(750)	(5,036)	125
Total operating income adjustments	16,428	14,661	17,278	152,196	200,563	78,599
Depreciation expense	11,560	11,367	11,270	11,743	45,940	42,470
Adjusted EBITDA	80,120	93,430	100,706	101,283	375,539	249,237
Less: Tripwire adjusted EBITDA	3,567	532	(616)	507	3,990	14,875
Adjusted EBITDA excluding Tripwire	$ 76,553	$ 92,898	$101,322	$100,776	$371,549	$234,362
GAAP income (loss) from continuing operations margin	*5.4 %*	*7.3 %*	*6.5 %*	*(8.1)%*	*2.6 %*	*2.9 %*
Adjusted EBITDA margin excluding Tripwire	*15.0 %*	*16.1 %*	*16.7 %*	*16.5 %*	*16.1 %*	*13.4 %*

Reconciliation of Non-GAAP Measures (continued)

	Three Months Ended				Twelve Months Ended	
	April 4, 2021	July 4, 2021	October 3, 2021	December 31, 2021	December 31, 2021	December 31, 2020
	(In thousands, except percentages and per share amounts)					
GAAP income (loss) from continuing operations	$ 28,741	$ 43,972	$ 41,317	$ (51,573)	$ 62,457	$ 54,403
Less: Net income attributable to noncontrolling interest	75	208	53	56	392	104
GAAP net income (loss) from continuing operations attributable to Belden stockholders	$ 28,666	$ 43,764	$ 41,264	$ (51,629)	$ 62,065	$ 54,299
GAAP income (loss) from continuing operations	$ 28,741	$ 43,972	$ 41,317	$ (51,573)	$ 62,457	$ 54,403
Plus: Operating income adjustments from above	16,428	14,661	17,278	152,196	200,563	78,599
Plus: Loss on debt extinguishment	—	—	5,715	—	5,715	—
Plus: Non-operating pension settlement loss	—	—	—	—	—	3,153
Less: Gain on sale of note receivable	—	—	—	27,036	27,036	—
Less: Net income attributable to noncontrolling interest	75	208	53	56	392	104
Less: Tax effect of adjustments above	2,688	3,676	4,638	13,363	24,365	12,515
Less: Tripwire adjusted net income (loss)	2,042	(337)	(972)	715	1,448	10,374
Adjusted net income from continuing operations attributable to Belden stockholders excluding Tripwire	$ 40,364	$ 55,086	$ 60,591	$ 59,453	$ 215,494	$ 113,162
GAAP income (loss) from continuing operations per diluted share attributable to Belden stockholders	$ 0.64	$ 0.97	$ 0.91	$ (1.15)	$ 1.37	$ 1.21
Adjusted income from continuing operations excluding Tripwire per diluted share attributable to Belden stockholders	$ 0.90	$ 1.22	$ 1.33	$ 1.30	$ 4.75	$ 2.52
GAAP diluted weighted average shares	45,045	45,262	45,425	44,927	45,361	44,937
Adjustment for anti-dilutive shares that are dilutive under adjusted measures	—	—	—	802	—	—
Adjusted diluted weighted average shares	45,045	45,262	45,425	45,729	45,361	44,937

Free Cash Flow GAAP to Non-GAAP Reconciliation

	Three Months Ended		Twelve Months Ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
	(In thousands)			
GAAP net cash provided by operating activities	$ 170,136	$ 134,675	$ 272,055	$ 173,364
Capital expenditures, net of proceeds from the disposal of tangible assets	(8,428)	(33,335)	(60,748)	(87,054)
Non-GAAP free cash flow	$ 161,708	$ 101,340	$ 211,307	$ 86,310

We define free cash flow, which is a non-GAAP financial measure, as net cash from operating activities adjusted for capital expenditures net of the proceeds from the disposal of tangible assets. We believe free cash flow provides useful information to investors regarding our ability to generate cash from business operations that is available for acquisitions and other investments, service of debt principal, dividends and share repurchases. We use free cash flow, as defined, as one financial measure to monitor and evaluate performance and liquidity. Non-GAAP financial measures should be considered only in conjunction with financial measures reported according to accounting principles generally accepted in the United States. Our definition of free cash flow may differ from definitions used by other companies.

Reconciliation of Non-GAAP Measures

2022 Guidance

	Year Ended December 31, 2022	Three Months Ended April 3, 2022
	(In thousands)	
GAAP income from continuing operations per diluted share attributable to Belden common stockholders	$4.10 - $4.45	$0.76 - $0.86
Amortization of intangible assets	0.59	0.16
Severance, restructuring, and acquisition integration costs	0.31	0.11
Adjusted income from continuing operations per diluted share attributable to Belden common stockholders	$5.00 - $5.35	$1.03 - $1.13

Our guidance is based upon information currently available regarding events and conditions that will impact our future operating results. In particular, our results are subject to the factors listed under "Forward-Looking Statements" in this release. In addition, our actual results are likely to be impacted by other additional events for which information is not available, such as asset impairments, adjustments related to acquisitions and divestitures, severance, restructuring, and acquisition integration costs, gains (losses) recognized on the disposal of tangible assets, gains (losses) on debt extinguishment, discontinued operations, and other gains (losses) related to events or conditions that are not yet known.