



Belden 2024 Investor Day

Advancing Our
Transformation Journey

September 12, 2024



Forward-Looking Statements

Forward-Looking Statements

This presentation, our commentary, and responses to your questions may contain forward-looking statements regarding our outlook for the remainder of 2024 and beyond, including future operating results and Belden's forward-looking goals. These projections and statements are only predictions and, in some cases, aspirations. Actual events or results may differ materially from those in the projections or other forward-looking statements. In addition, Belden's forward-looking targets do not represent projections or guidance for a particular period, but rather long-term financial targets management utilizes in managing the business and actual results for a particular period may differ materially. Belden disclaims any obligation to update any such statements to reflect later developments, except as required by law. Please see Belden's filings with the SEC, including its most recent reports on Form 10-K and Form 10-Q, for a discussion of important risk factors that could cause actual events or results to differ materially from those in the projections or other forward-looking statements.

Non-GAAP Financial Measures

Non-GAAP Measures

This presentation, our commentary, and responses to your questions will include non-GAAP measures (denoted by footnote) in discussing Belden's performance, and, in compliance with Regulation G, the reconciliation of those measures to the most comparable GAAP measures is contained within this presentation. We are unable to provide quantitative reconciliations of forward-looking non-GAAP financial measures, such as our financial targets, to the most directly comparable GAAP financial measures, because it is difficult to reliably predict or estimate the relevant components without unreasonable effort due to future uncertainties that may potentially have a significant impact on such calculations, and providing them may imply a degree of precision that would be confusing or potentially misleading.

Our Adjusted results, which are non-GAAP measures, are 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 to fair value, and transaction costs; severance, restructuring, and acquisition integration costs; gains (losses) recognized on the disposal of businesses and assets; amortization of intangible assets; gains (losses) on debt extinguishment; certain 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.

All references to Adjusted EPS refer to adjusted net income per diluted share attributable to Belden stockholders. We define free cash flow as net cash from operating activities adjusted for capital expenditures net of the proceeds from the disposal of assets. Free cash flow margin is calculated as free cash flow divided by revenues during the comparable period. 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.

Investor Day Agenda

Time (CST)	Topic	Speaker
8:00 – 9:00	<i>Breakfast</i>	
	▶ Introduction	▶ Aaron Reddington, VP Investor Relations
	▶ Advancing Our Transformation Journey	▶ Ashish Chand, President and CEO
	▶ Belden Solutions: Differentiated Approach Driving Growth and Margin Expansion	▶ Brian Lieser, EVP Industrial Automation Solutions ▶ Jay Wirts, EVP Enterprise Solutions
	▶ Customer Fireside Chat	▶ Symbotic
10:20 – 10:35	<i>Break</i>	
	▶ Powerful Solution Accelerators	▶ Hiran Bhadra, SVP Strategy and Technology
	▶ Ecosystem Partner Fireside Chat	▶ Accenture
	▶ Transformation Delivering Improved Performance	▶ Jeremy Parks, SVP and CFO
11:50 – 12:30	<i>Q&A</i>	
	▶ Closing Remarks	▶ Ashish Chand, President and CEO



Followed by lunch and Customer Innovation Center walk through

Connect to what's possible.





Advancing Our Transformation Journey

Ashish Chand, Chief Executive Officer

Belden: Advancing Our Transformation Journey

1

We are successfully executing on our transformation

2

Positioned in markets with strong secular tailwinds

3

Our strategy is driving accelerated growth in Solutions, with complementary M&A



Unlocking the full Belden potential

Targeting Double-Digit EPS growth 2024-28 including \$8 EPS in 2025

Agenda

Advancing Our Transformation Journey

Significant progress on our transformation journey

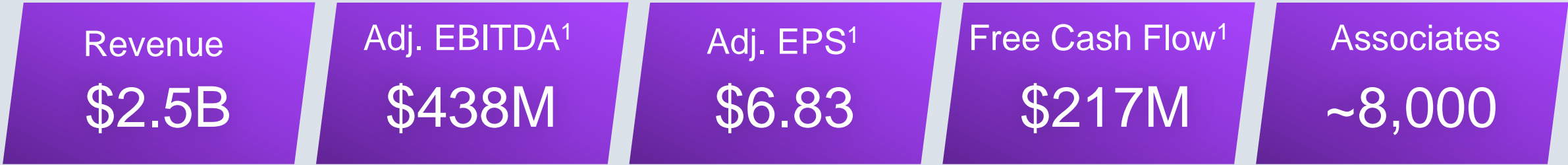
Belden uniquely positioned in attractive markets with strong secular trends

Executing consistent strategy

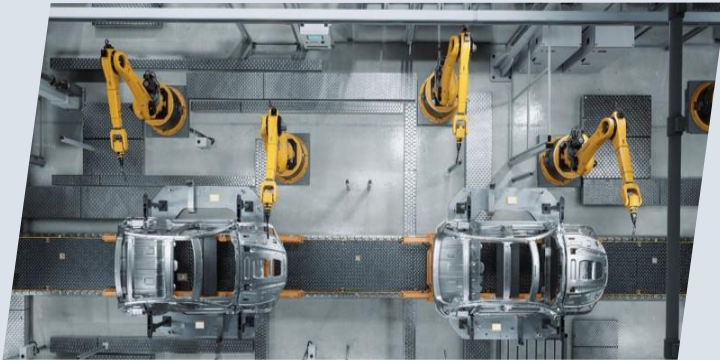


Belden Delivers a Simpler, Smarter and Secure Digital Infrastructure

NYSE: BDC



2023 Segment Results



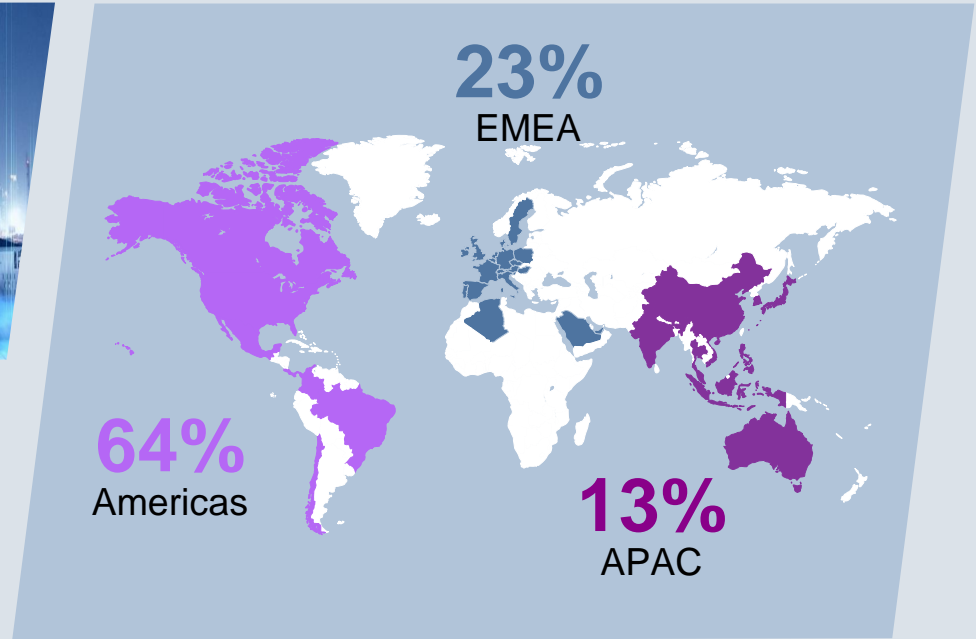
Industrial Automation Solutions



Enterprise Solutions



Sales By Region



Two Complementary Business Segments Focused on Data Infrastructure

Industrial Automation Solutions is now called...

Enterprise Solutions is now called...

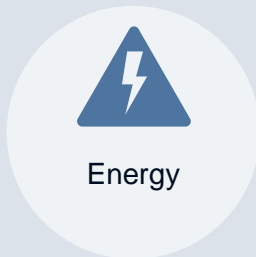
Automation Solutions



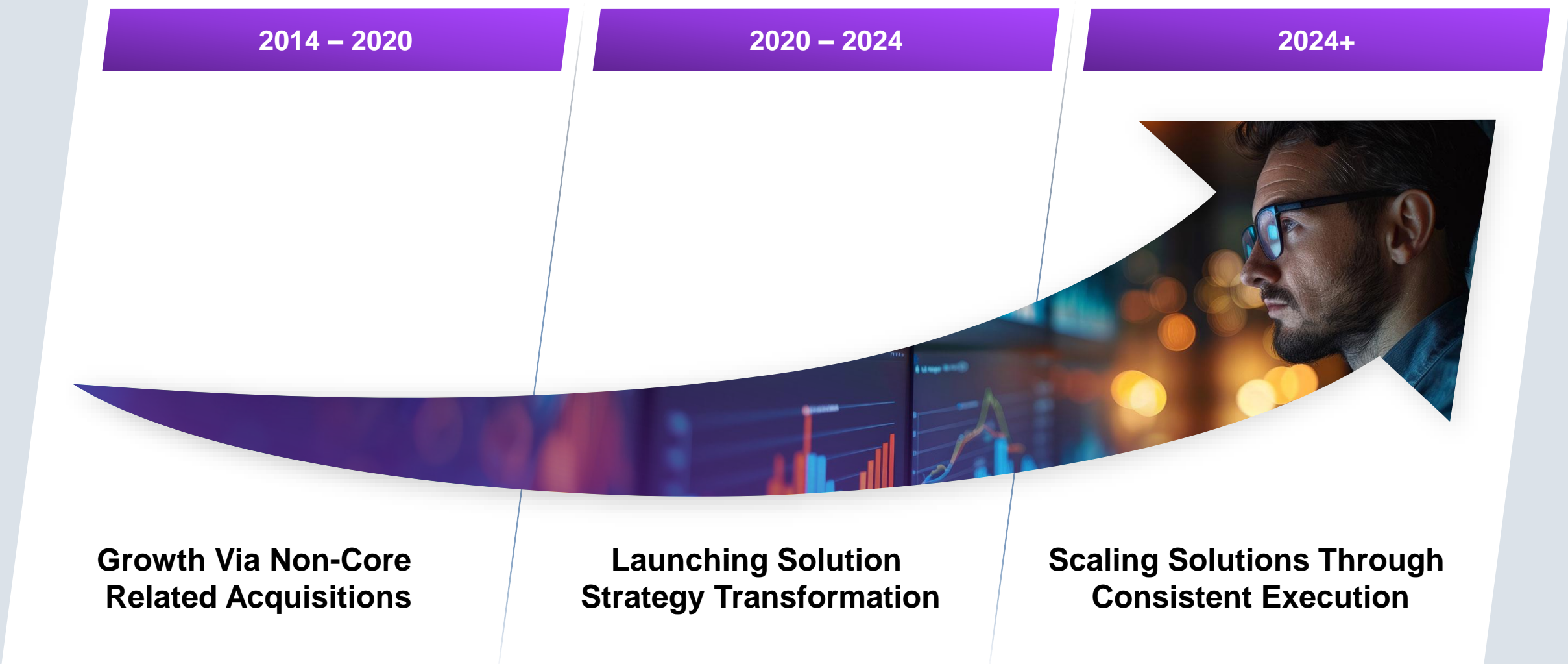
Smart Infrastructure Solutions



Primary Markets



Strategic Reposition to Deliver Enhanced Growth



Strategic Changes Have Set Us On a New Path Forward

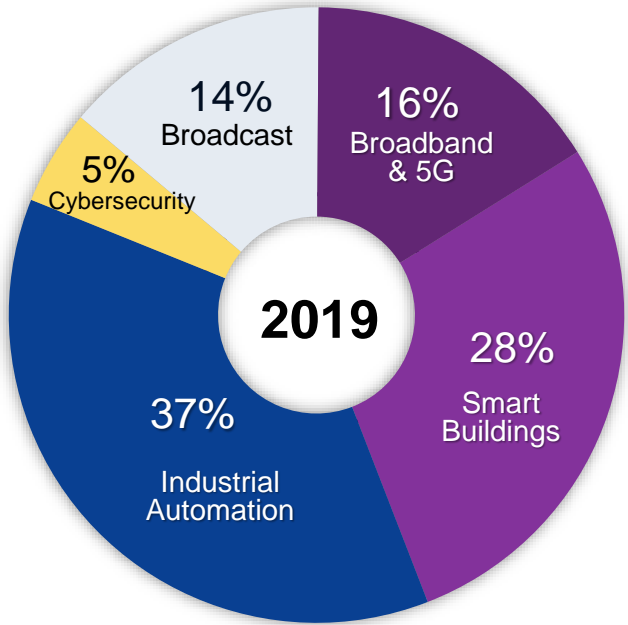
PAST

TODAY

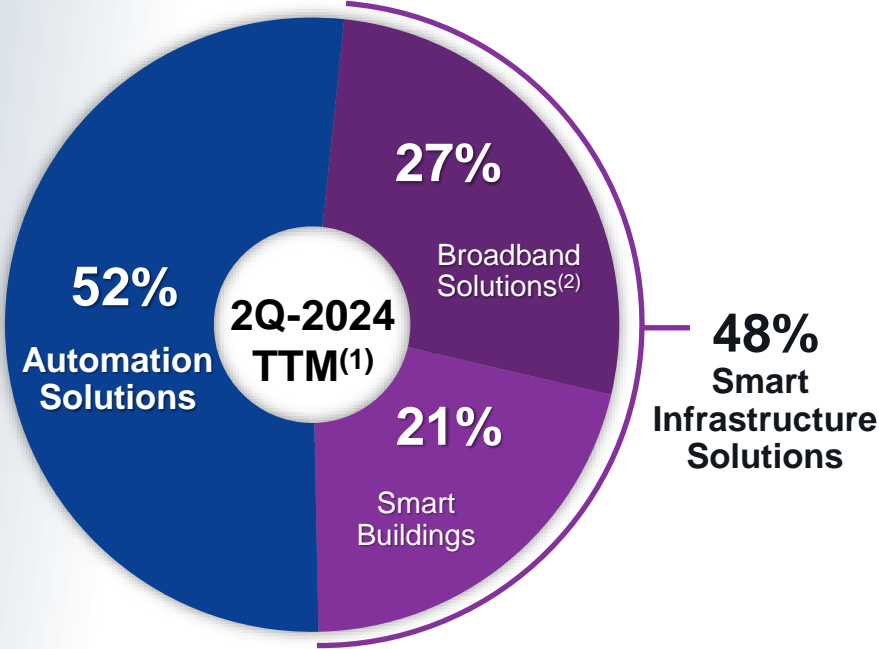
Focus	Exclusively products	>	Added Solution approach
Organization	Diversified	>	Simple, focused
Growth	Highly variable, cyclical	>	Through-cycle outperformance
Acquisitions	Financially opportunistic	>	Disciplined, fit with strategy
Innovation	Low, minimal investment	>	High, top investment priority
Culture	Decentralized structure	>	Performance driven, focused



Focus has Shifted to More Attractive, Less Cyclical Markets



Product Sales Strategy



Solutions Strategy

(1) 2Q-2024 TTM chart is presented using Trailing-Twelve-Month Revenue by market
 (2) Proforma TTM results reflecting the acquisition of Precision Optical Technologies, Inc.

Significant Progress Implementing Our New Strategy Since 2020

Margin Improvement

Gross Margin Improvement
in Automation Solutions
Segment

+700 bps

Growth in Solutions Sales

As % of Total Company
vs. 2020

From **0%** → To **~10%**

Strategic M&A Broadening Solutions Portfolio

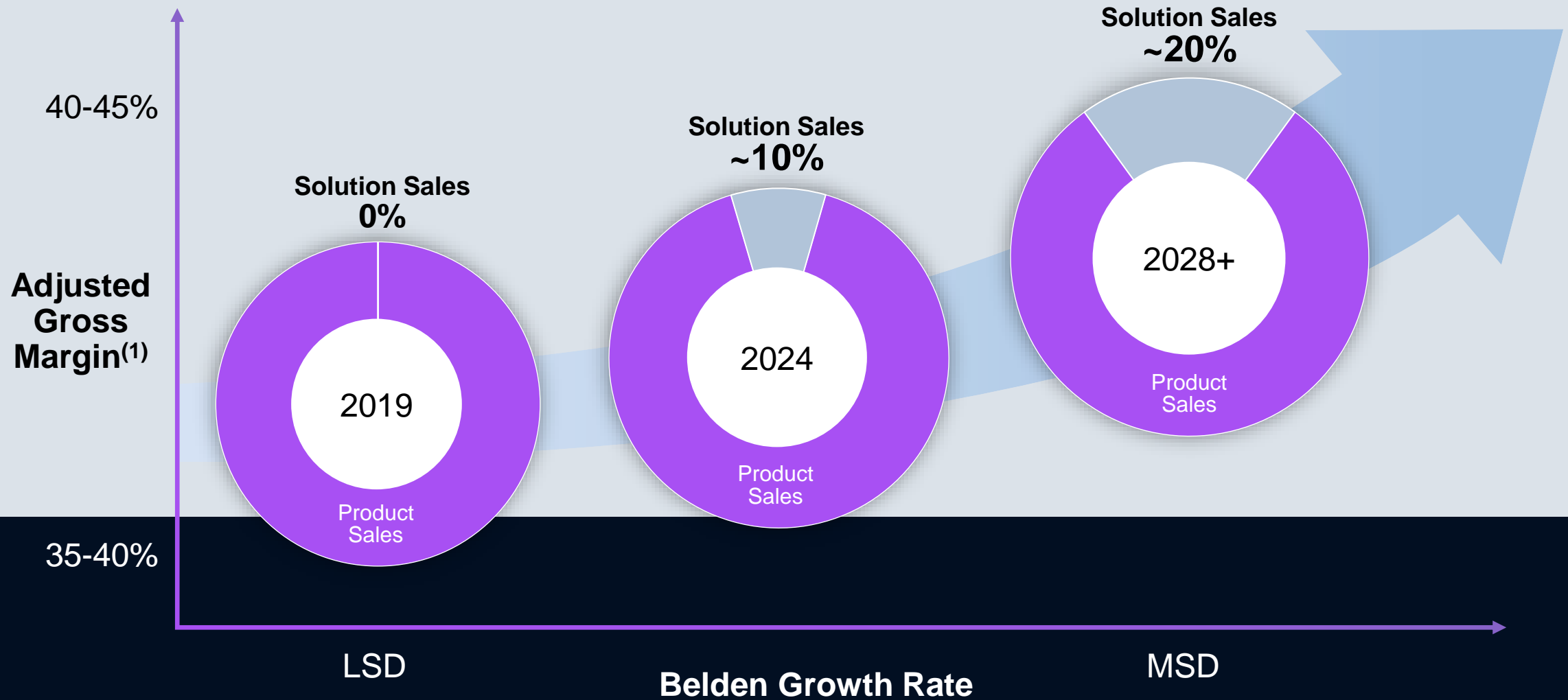
Since 2020

Deployed towards M&A
~ \$630M

Solutions Strategy is Driving Incremental Demand...



...and Increasing Adjusted Gross Margin and Accelerating Our Growth



Agenda

Advancing Our Transformation Journey

Significant progress on our transformation journey

Belden uniquely positioned in attractive markets with strong secular trends

Executing consistent strategy



Strong Secular Growth Trends Creating New Opportunities and Driving Growth

Automation



- ▶ Reshoring
- ▶ Industry 4.0
- ▶ Labor Challenges
- ▶ Digital Transformation
- ▶ AI Expansion
- ▶ Edge Computing

Hybrid Networks



- ▶ Increasing Digitization
- ▶ Remote Monitoring and Management
- ▶ Growing Data Demands

Critical Infrastructure



- ▶ Increasing Bandwidth Usage
- ▶ Government-Supported Network Expansions
- ▶ Growing Fiber Network Share

In This Changing Environment Our Customers Have Increasingly Complex Challenges...

Legacy Systems

No Common Language

Data Security

Network Experts



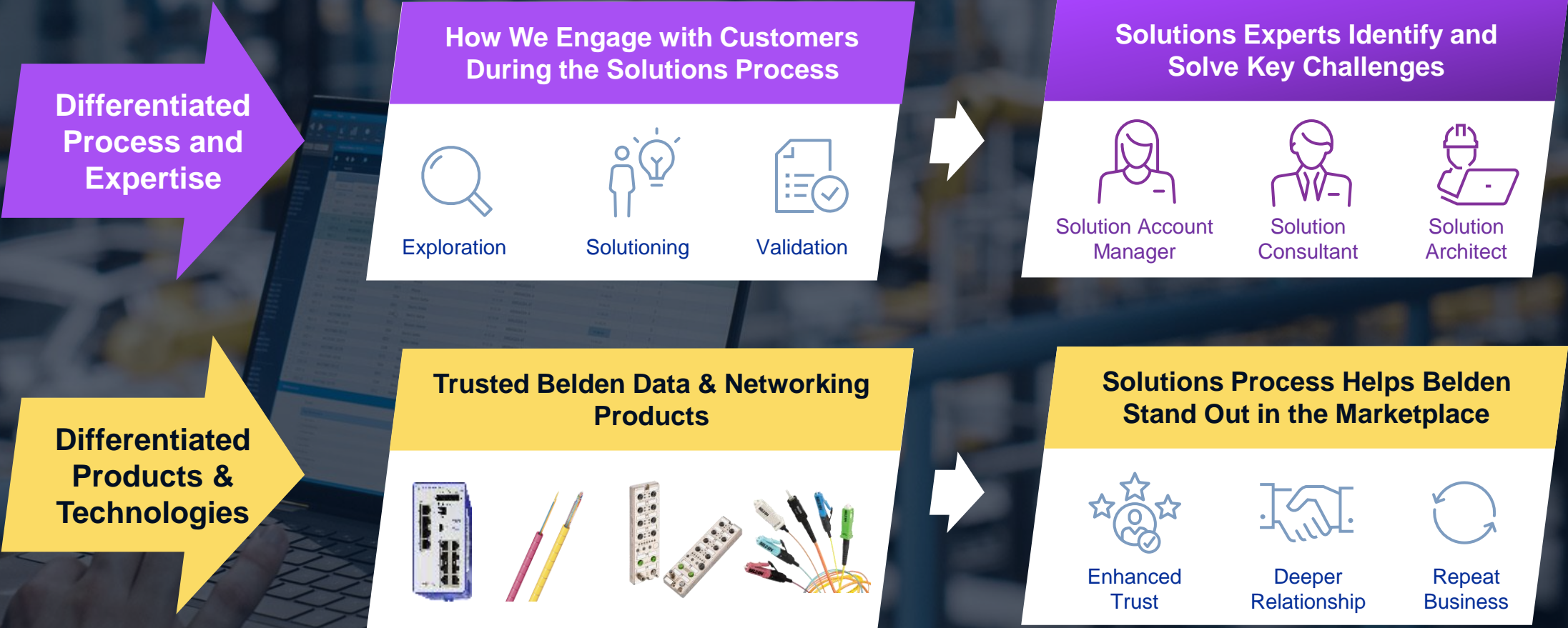
Increasing Capacity Needs

Capital Constraints

Labor Challenges

Reshoring

Belden Solutions: We Engage With Customers To Solve Complex Problems



Targeting 12 Priority Verticals for Solutions Where Data Generation and Usage are Increasing Significantly



Auto



CPG



Material Handling



Chemical



Power T&D



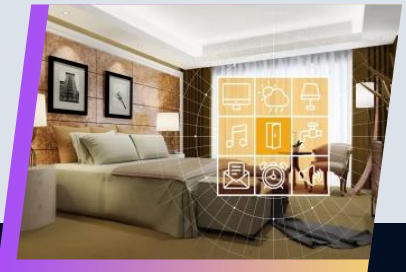
Mass Transit



Data Centers



Healthcare



Hospitality



Higher Education



Semiconductor



Broadband / Telco

Our Large and Growing Opportunity in Key Verticals

Massive TAM

Targeting Key
Growth Verticals

\$190B

2026 estimate

Secular Trends

Providing Outsized
Growth Opportunities

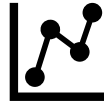
GDP+



Automation



Reshoring

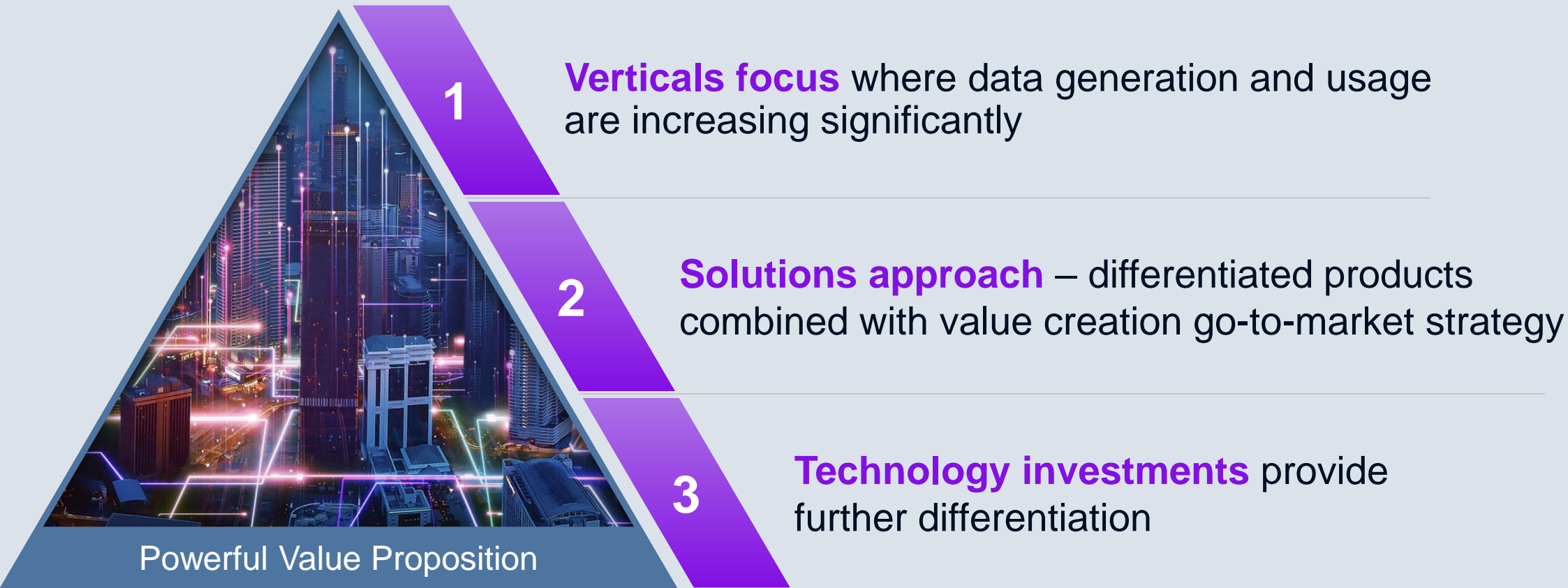


Data Growth



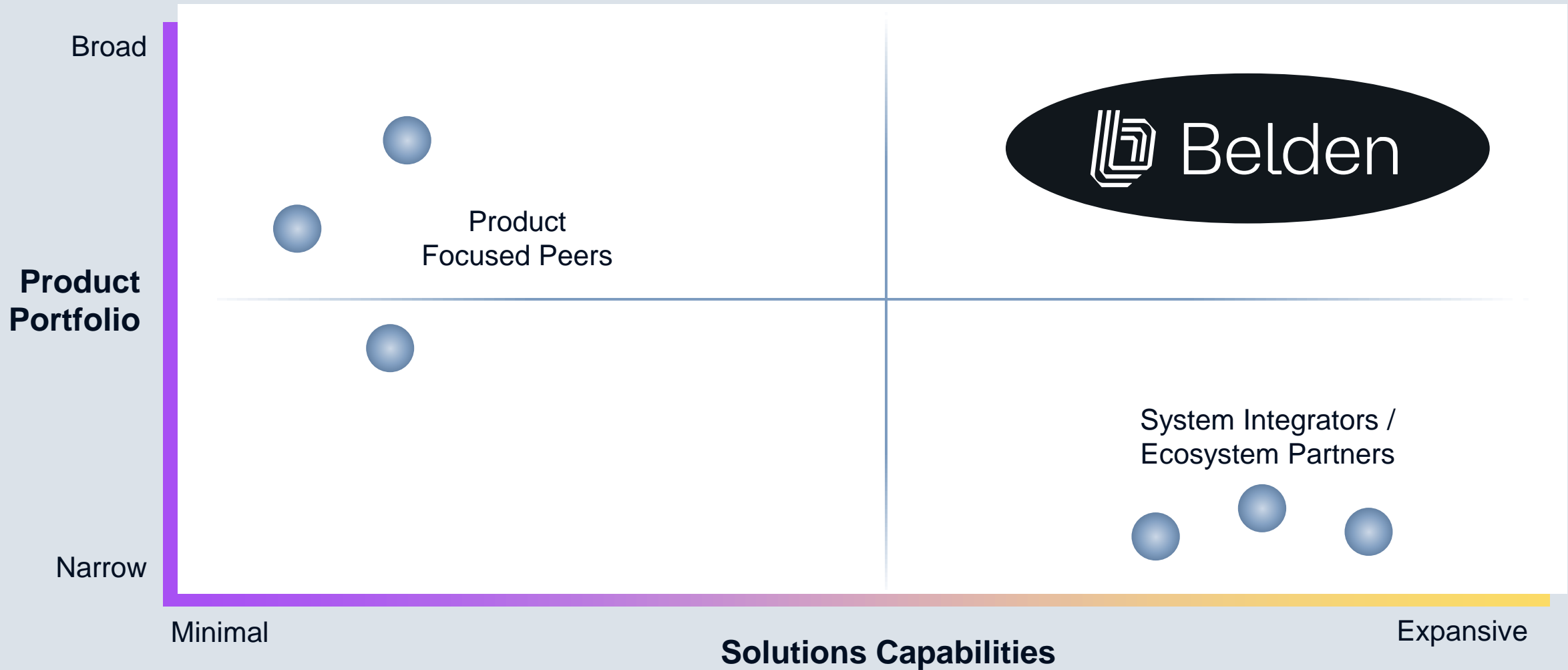
Fiber

Our Differentiated Position Provides Lasting Competitive Advantages...



... and Uniquely Positions Us in the Marketplace

Market Landscape



Agenda

Advancing Our Transformation Journey

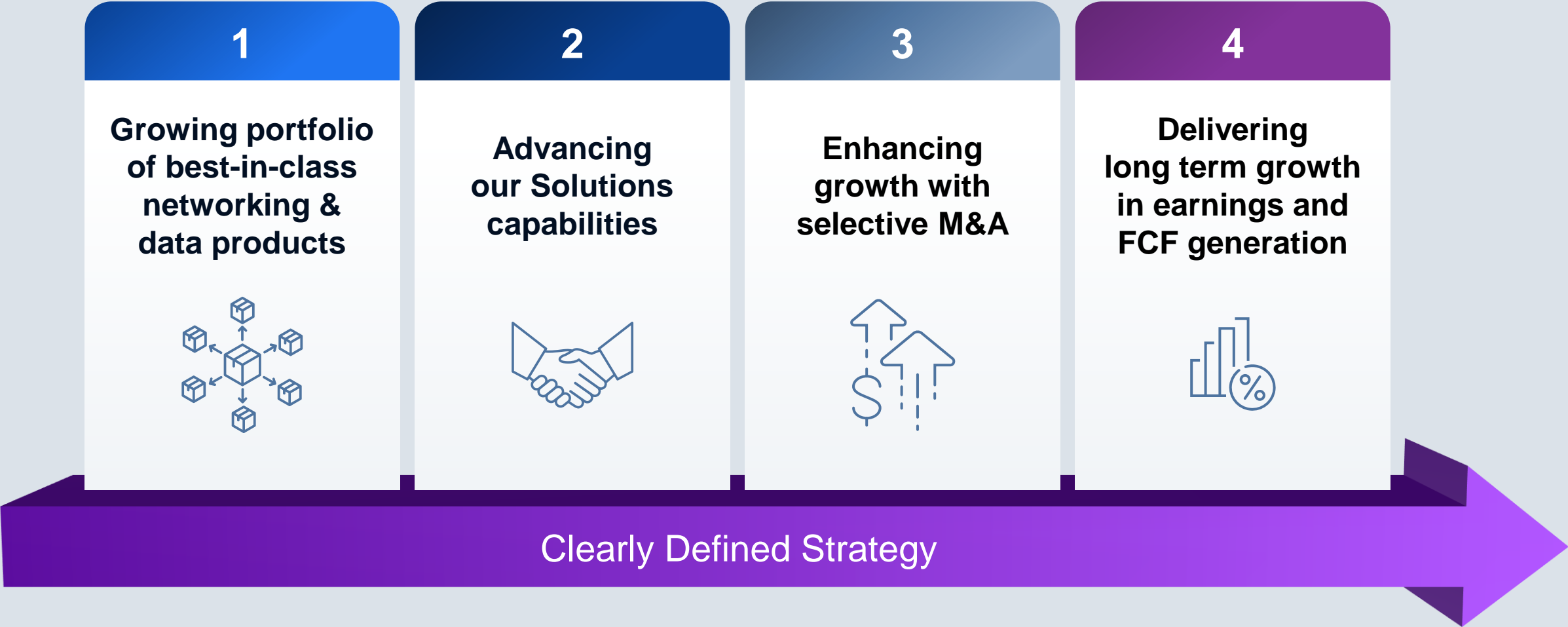
Significant progress on our transformation journey

Belden uniquely positioned in attractive markets with strong secular trends

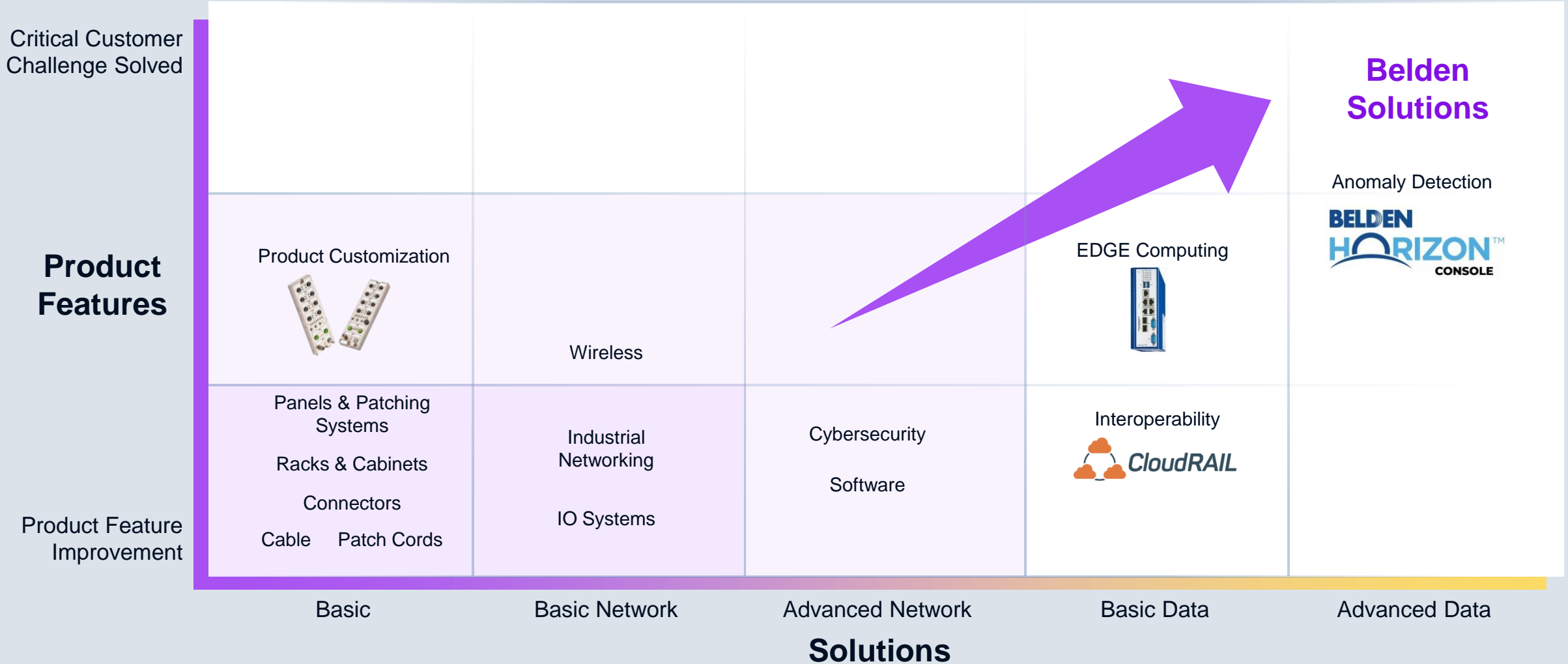
Executing consistent strategy



Executing Clearly Defined Strategy



1. Growing Portfolio of Best-in-Class Networking & Data Products



2. Advancing Our Solutions Capabilities

Solutions as % of Total Sales

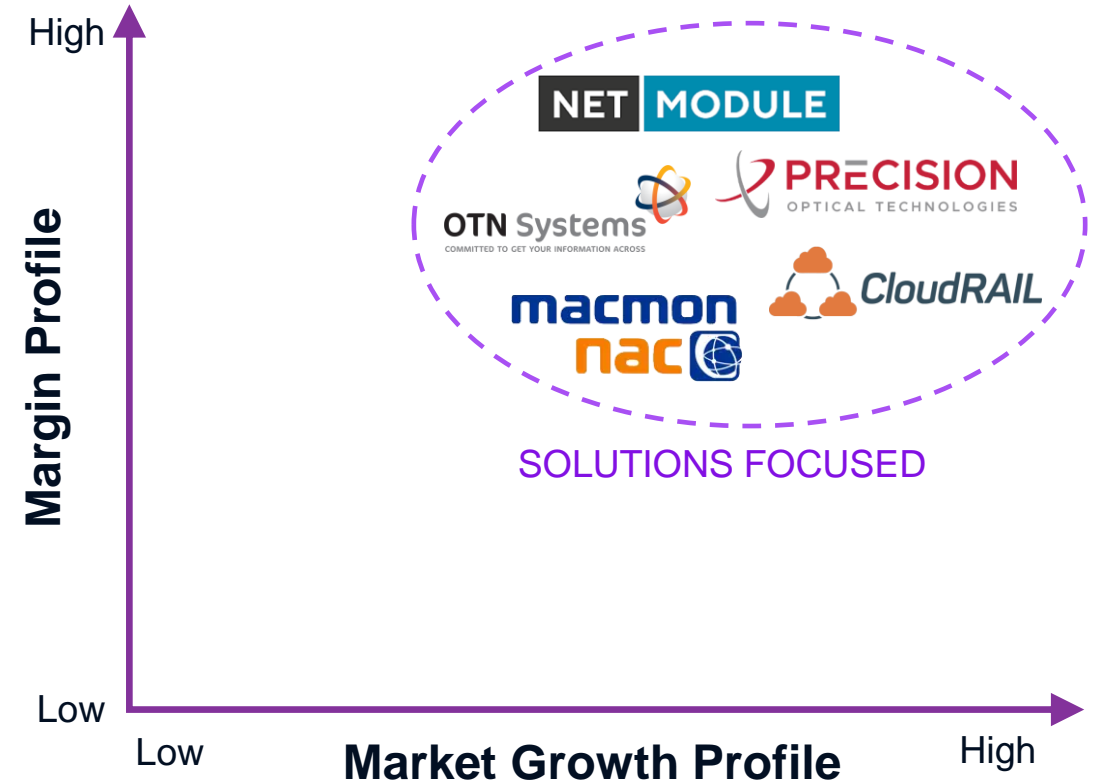


3. Enhancing Growth with Selective M&A

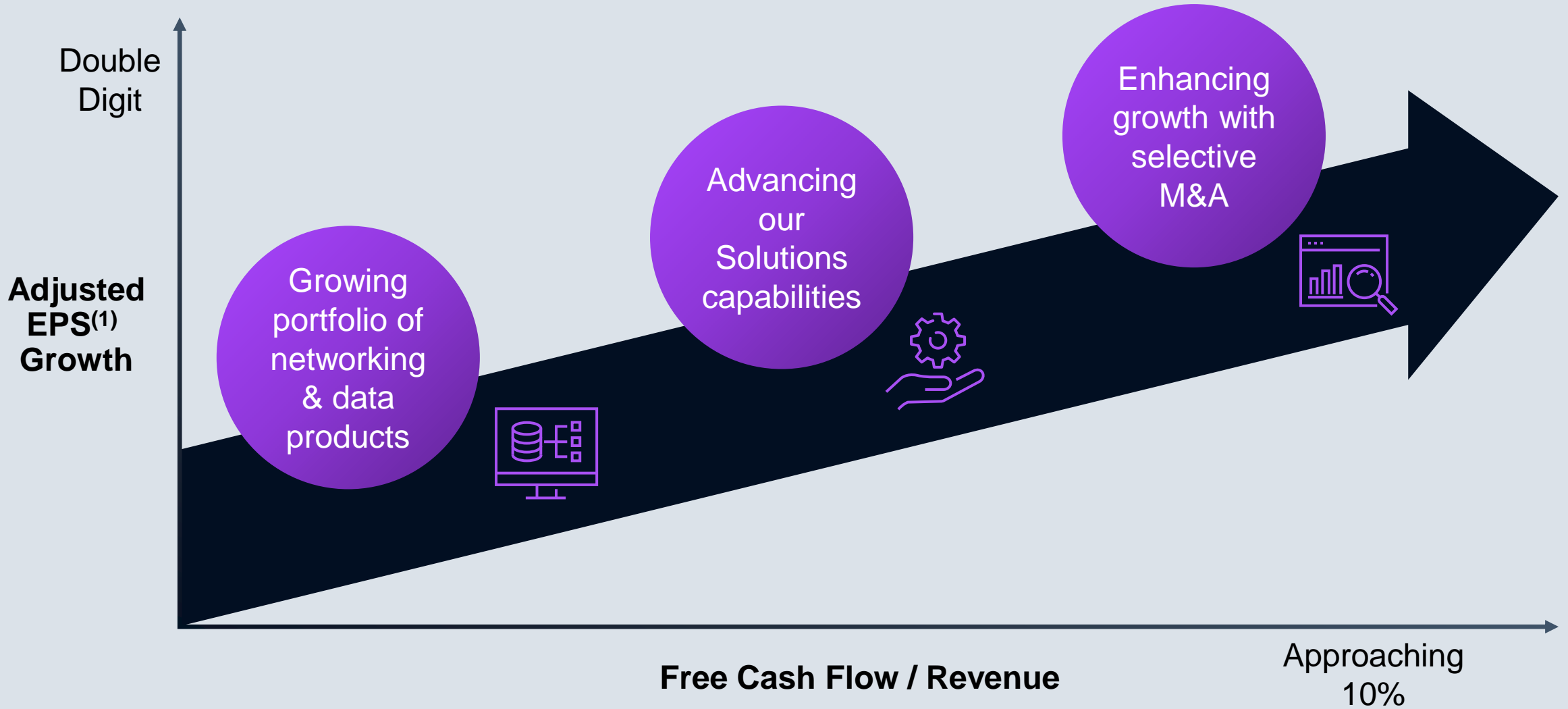
M&A Strategic Framework

- ✓ Solutions-focused tuck-in acquisitions
- ✓ Enhanced margin and growth profile
- ✓ More active elements vs passive
- ✓ Accretive financial profile with attractive return characteristics

Recent Acquisitions



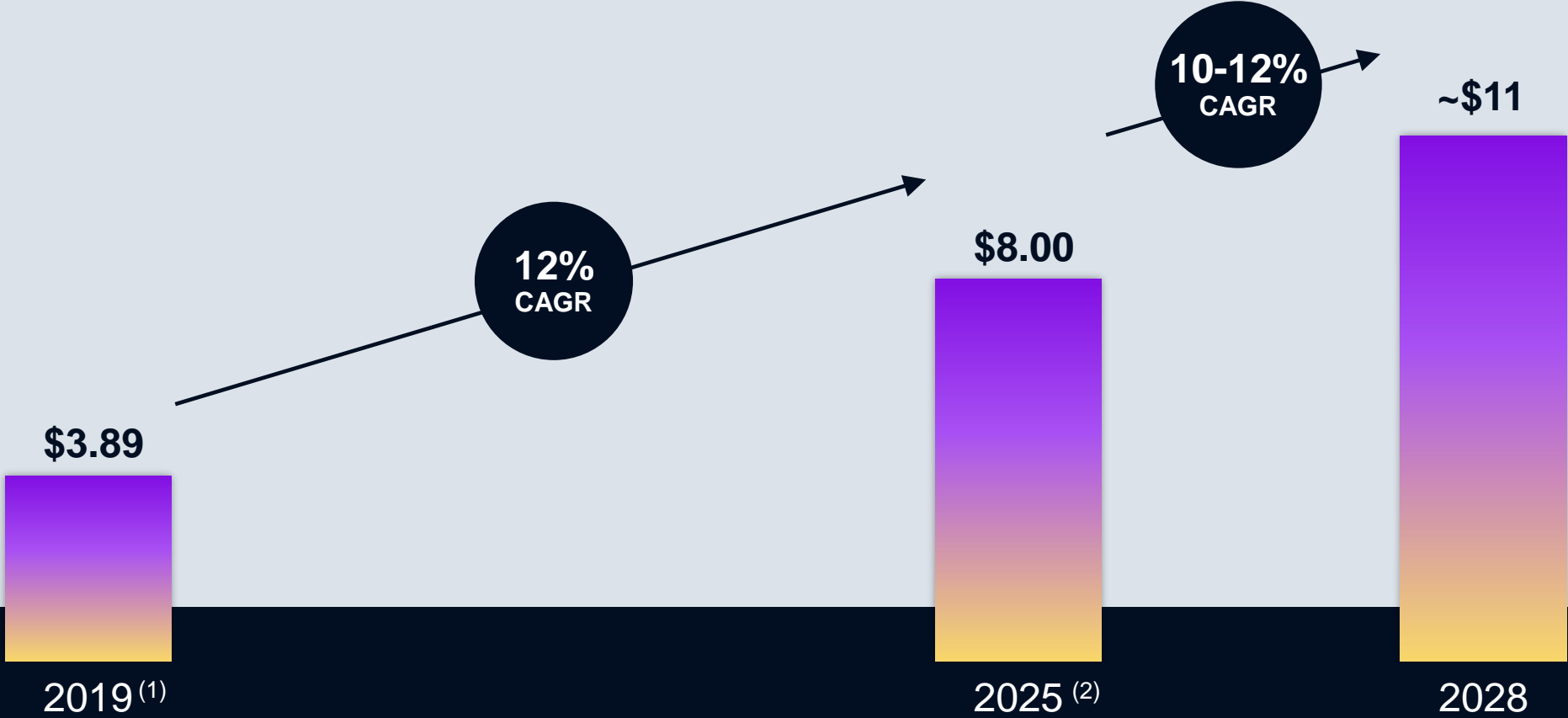
4. Delivering Long Term Growth in Earnings and FCF Generation



(1) Adjusted EPS is a non-GAAP measure.

Continued Adjusted EPS Growth Through Cycle

Long-Term Adjusted EPS Growth Target



1) All references to Adjusted Earnings Per Share, a non-GAAP measure, refer to adjusted net income from continuing operations per diluted share attributable to Belden stockholders. 2019 financial results exclude discontinued operations such as Grass Valley and Tripwire which were sold in 2020 and 2022, respectively. See Appendix for reconciliation to comparable GAAP results.
2) 2025 target from the previous 2022 Belden Investor Day.



Appendix

Belden Inc. – Reconciliations of Non-GAAP Measures

(unaudited)

	Twelve Months Ended	
	December 31, 2023	December 31, 2019
	(In thousands, except percentages and per share amounts)	
GAAP and adjusted revenues	\$ 2,512,084	\$ 1,998,238
GAAP gross profit	\$ 954,966	\$ 684,191
Amortization of software development intangible assets	7,692	330
Severance, restructuring, and acquisition integration costs	3,488	3,425
Adjustments related to acquisitions and divestitures	252	592
Adjusted gross profit	\$ 966,398	\$ 688,538
GAAP gross profit margin	38.0%	34.2%
Adjusted gross profit margin	38.5%	34.5%
GAAP selling, general and administrative expenses	\$ (492,702)	\$ (369,069)
Severance, restructuring, and acquisition integration costs	20,039	23,119
Adjustments related to acquisitions and divestitures	5,925	-
Adjusted selling, general and administrative expenses	\$ (466,738)	\$ (345,950)
GAAP research and development expenses	\$ (116,427)	\$ (61,689)
Severance, restructuring, and acquisition integration costs	1,625	-
Adjusted research and development expenses	\$ (114,802)	\$ (61,689)
GAAP income from continuing operations	\$ 242,556	\$ 121,366
Interest expense, net	33,625	55,786
Income tax expense	43,200	47,055
Total non-operating adjustments	76,825	102,841
Amortization of intangible assets	40,375	30,243
Severance, restructuring, and acquisition integration costs	25,152	26,544
Adjustments related to acquisitions and divestitures	6,177	592
Amortization of software development intangible assets	7,692	330
Gain on sale of asset	(12,056)	-
Total operating income adjustments	67,340	57,709
Depreciation expense	51,379	37,081
Adjusted EBITDA	\$ 438,100	\$ 318,997

Belden Inc. – Reconciliations of Non-GAAP Measures (continued)

(unaudited)

	Twelve Months Ended	
	December 31, 2023	December 31, 2019
	(In thousands, except percentages and per share amounts)	
Adjusted EBITDA	\$ 438,100	\$ 318,997
GAAP income from continuing operations margin	9.7%	6.1%
Adjusted EBITDA margin	17.4%	16.0%
GAAP income from continuing operations	\$ 242,556	\$ 121,366
Less: Preferred stock dividends	-	18,437
Less: Net income (loss) attributable to noncontrolling interests	(203)	239
GAAP net income from continuing operations attributable to Belden stockholders	\$ 242,759	\$ 102,690
GAAP income from continuing operations	\$ 242,556	\$ 121,366
Plus: Operating income adjustments from above	67,340	57,709
Less: Net income (loss) attributable to noncontrolling interests	(203)	239
Less: Tax effect of adjustments above	17,310	(4,653)
Less: Preferred stock dividends	-	18,437
Adjusted net income from continuing operations attributable to Belden stockholders	\$ 292,789	\$ 165,052
GAAP income from continuing operations per diluted share attributable to Belden stockholders	\$ 5.66	\$ 2.42
Adjusted income from continuing operations per diluted share attributable to Belden stockholders	\$ 6.83	\$ 3.89
GAAP and adjusted diluted weighted average shares	42,859	42,416

Belden Inc. – Reconciliations of Non-GAAP Measures (continued)

(unaudited)

	Twelve Months Ended	
	December 31, 2023	December 31, 2019
	(In thousands)	
GAAP net cash provided by operating activities	\$ 319,638	\$ 276,893
Capital expenditures	(116,731)	(110,002)
Proceeds from disposal of assets	13,785	25
Non-GAAP free cash flow	\$ 216,692	\$ 166,916

Belden Inc. – Operating Segment Information

(unaudited)

	Smart Infrastructure Solutions	Automation Solutions	Total Segments
	(In thousands, except percentages)		
For the twelve months ended December 31, 2023			
Segment Revenues	\$ 1,122,831	\$ 1,389,253	\$ 2,512,084
Segment EBITDA	149,107	287,328	436,435
Segment EBITDA margin	13.3%	20.7%	17.4%
Depreciation expense	24,943	26,436	51,379
Amortization of intangibles	20,085	20,290	40,375
Amortization of software development intangible assets	—	7,692	7,692
Severance, restructuring, and acquisition integration costs	11,221	13,931	25,152
Adjustments related to acquisitions and divestitures	5,359	818	6,177

Belden Inc. – Operating Segment Reconciliation to Consolidated Results

(unaudited)

	Twelve Months Ended December 31, 2023 (In thousands)	
Total Segment and Consolidated Revenues	\$	2,512,08
Total Segment EBITDA	\$	436,43
Total non-operating pension benefit		1,863
Eliminations		(198)
Consolidated Adjusted EBITDA ⁽¹⁾	\$	438,100
Severance, restructuring, and acquisition integration costs		(25,152)
Depreciation expense		(51,379)
Amortization of intangibles		(40,375)
Interest expense, net		(33,625)
Adjustments related to acquisitions and divestitures		(6,177)
Amortization of software development intangible assets		(7,692)
Gain on sale of assets		12,056
Income from continuing operations before taxes	\$	285,75

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