



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



Belden Solutions: Differentiated Approach Driving Growth and Margin Expansion

Brian Lieser, EVP of Automation Solutions

Jay Wirts, EVP of Smart Infrastructure Solutions

Belden Solutions: Differentiated Approach Driving Growth and Margin Expansion

Belden Solutions today

Significant progress building Solutions capabilities

A powerful differentiated approach

How we scale across our business


Solutions going forward



Belden Solutions: We Engage With Customers To Solve Complex Problems

Differentiated Process and Expertise

How We Engage with Customers During the Solutions Process



Exploration Solutioning Validation

Solutions Experts Identify and Solve Key Challenges



Solution Account Manager Solution Consultant Solution Architect

Differentiated Products & Technologies

Trusted Belden Data & Networking Products



Solutions Process Helps Belden Stand Out in the Marketplace



Enhanced Trust Deeper Relationship Repeat Business

Belden Solutions: Differentiated Approach Driving Growth and Margin Expansion

Belden Solutions today

Significant progress building Solutions capabilities

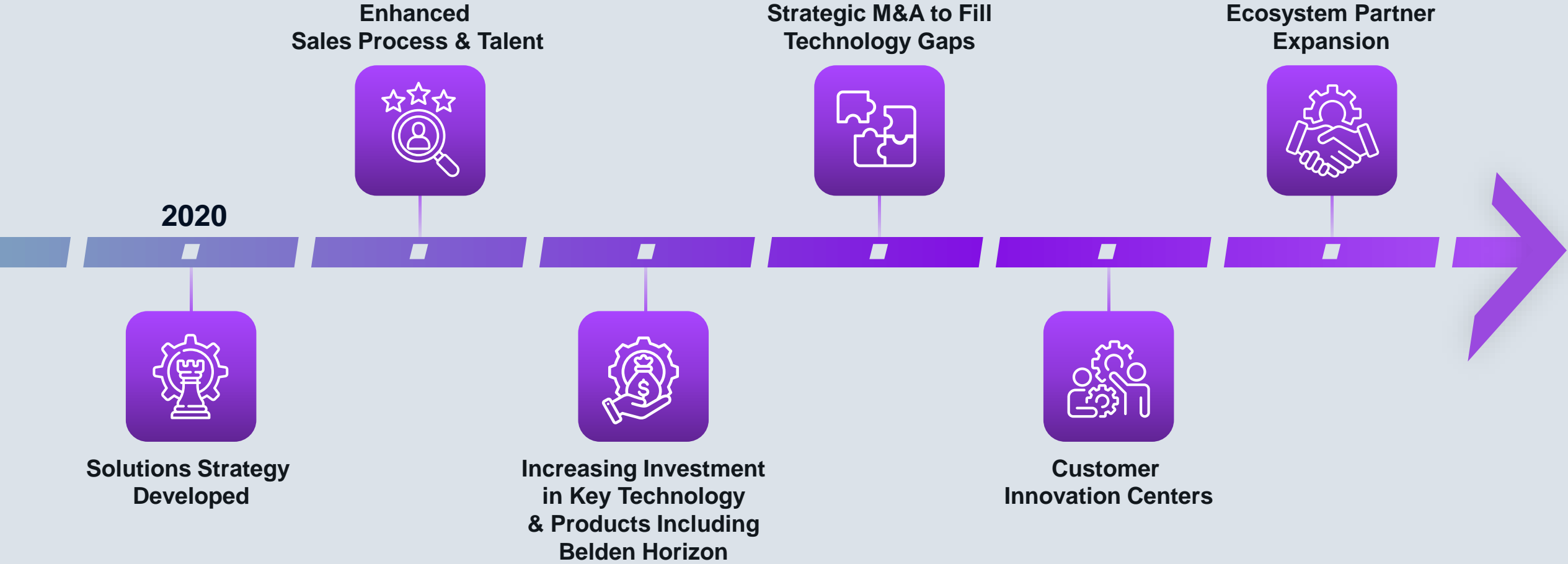
A powerful differentiated approach

How we scale across our business

Solutions going forward



Significant Progress Made in the Automation Solutions Segment



Key Metrics Highlight Progress in Our Transformation Journey

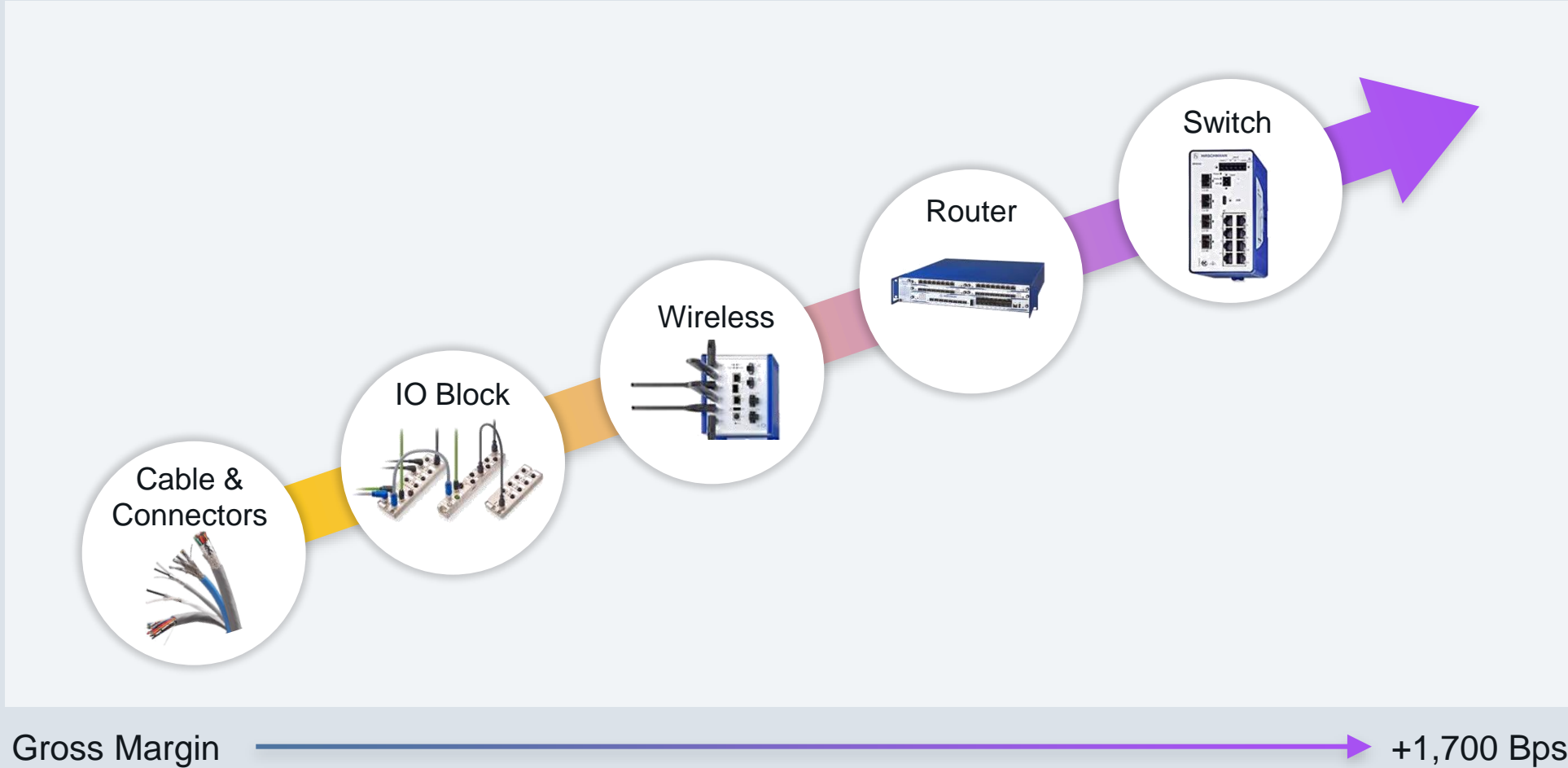


Higher Value Active Products Have Higher Margins...

Active Products

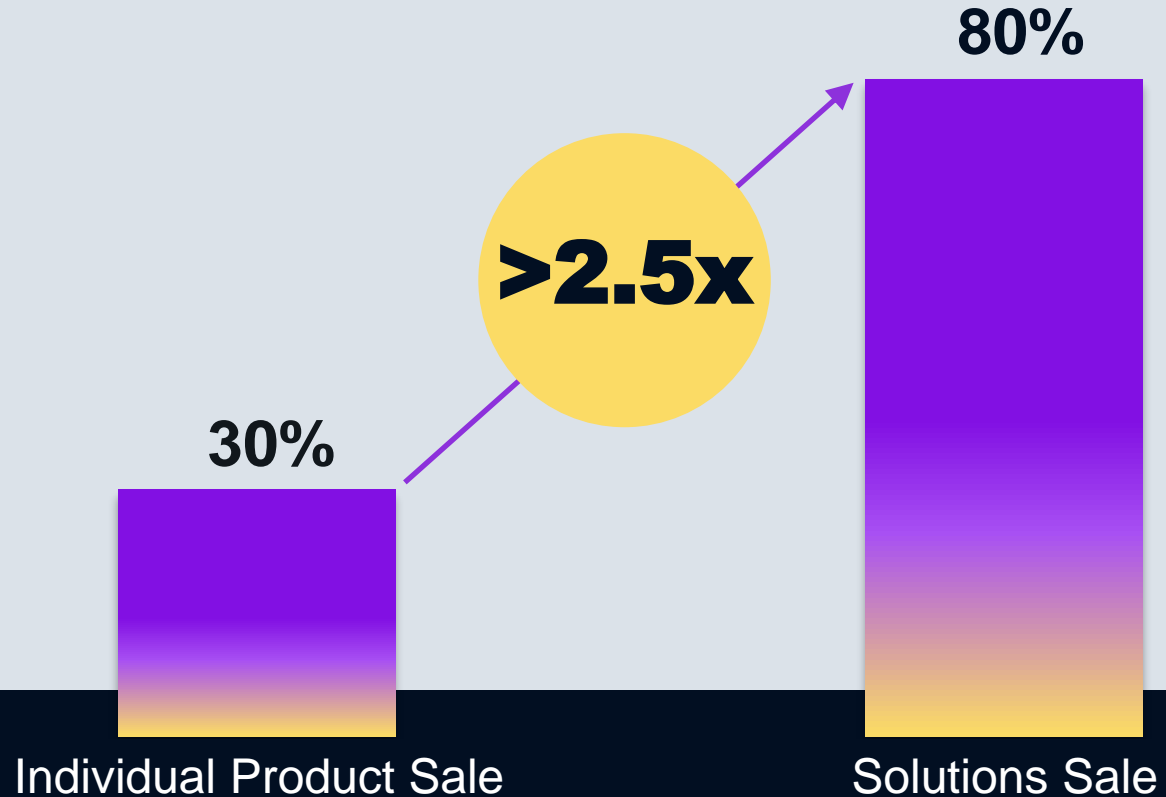


Passive Products



... and Comprise 80% of a Solutions Sale...

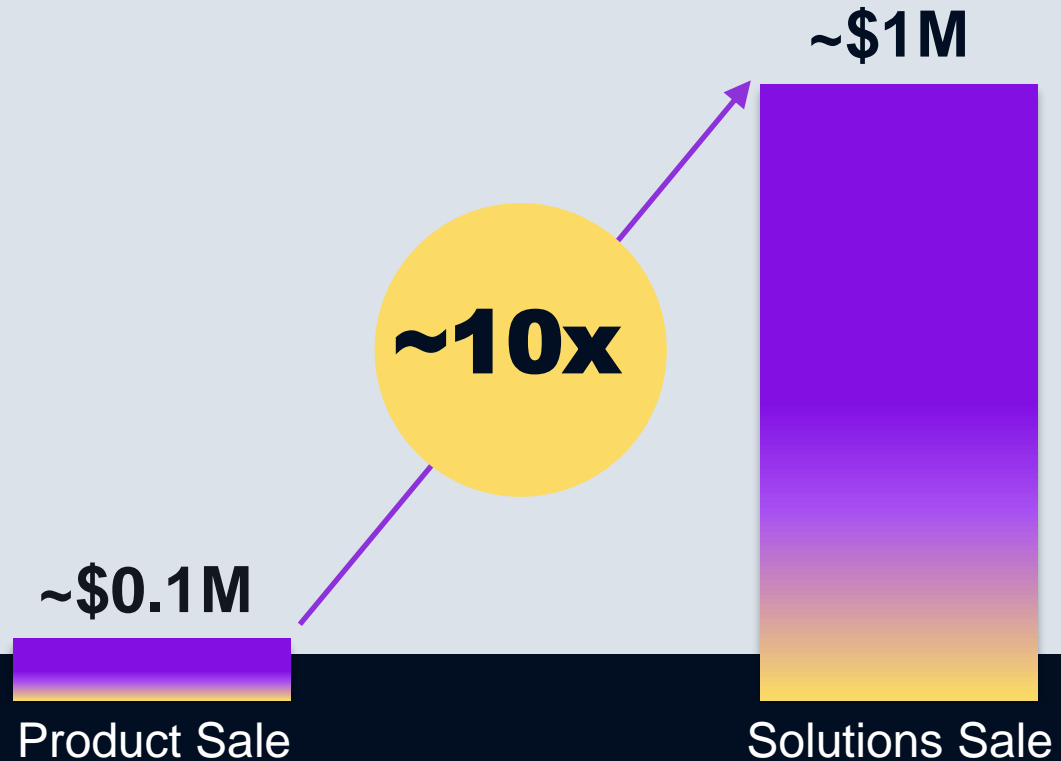
Active Products as a % of Sale



Solutions Sales are heavily focused on active products driving **higher gross margins through improved mix**

... Driving a 10x Increase in Order Size...

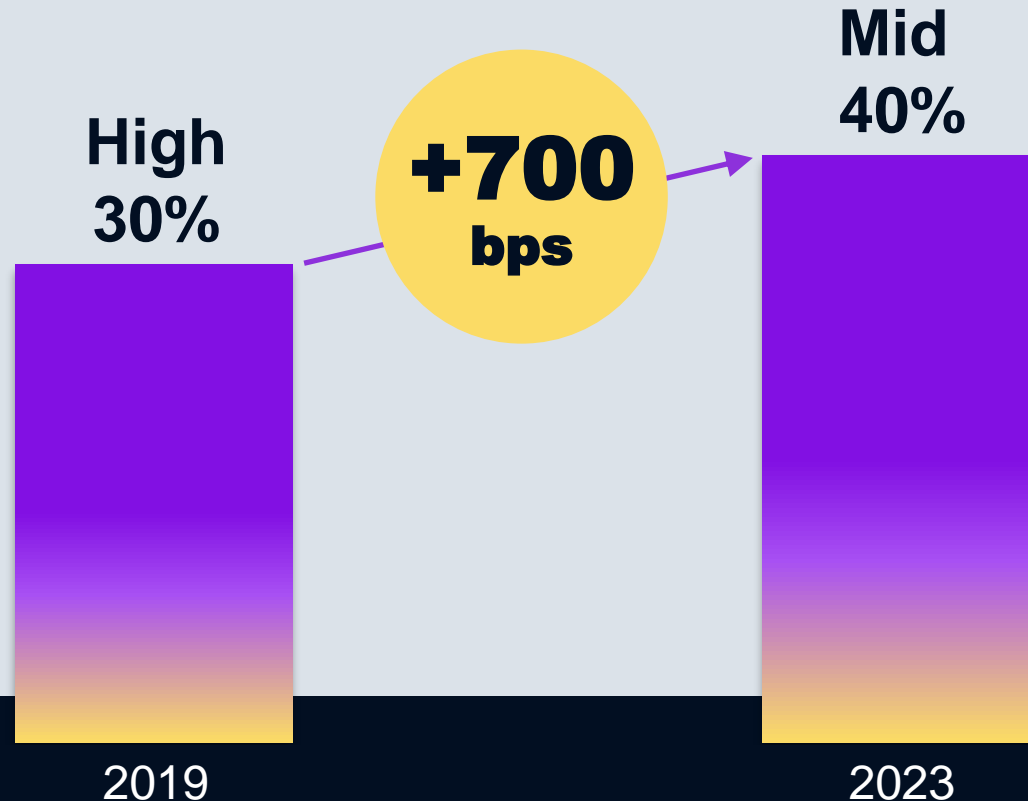
Average Order Size



The average order size for a solution sale is **~10x larger** than a traditional product sale

... Which has Resulted in Structurally Higher Segment Margins

Automation Solutions Segment Gross Margins



As Solutions have grown to nearly 20% of Automation Solutions segment revenue, the transformation has led to **structurally higher gross margins**

Belden Solutions: Differentiated Approach Driving Growth and Margin Expansion

Belden Solutions today

Significant progress building Solutions capabilities

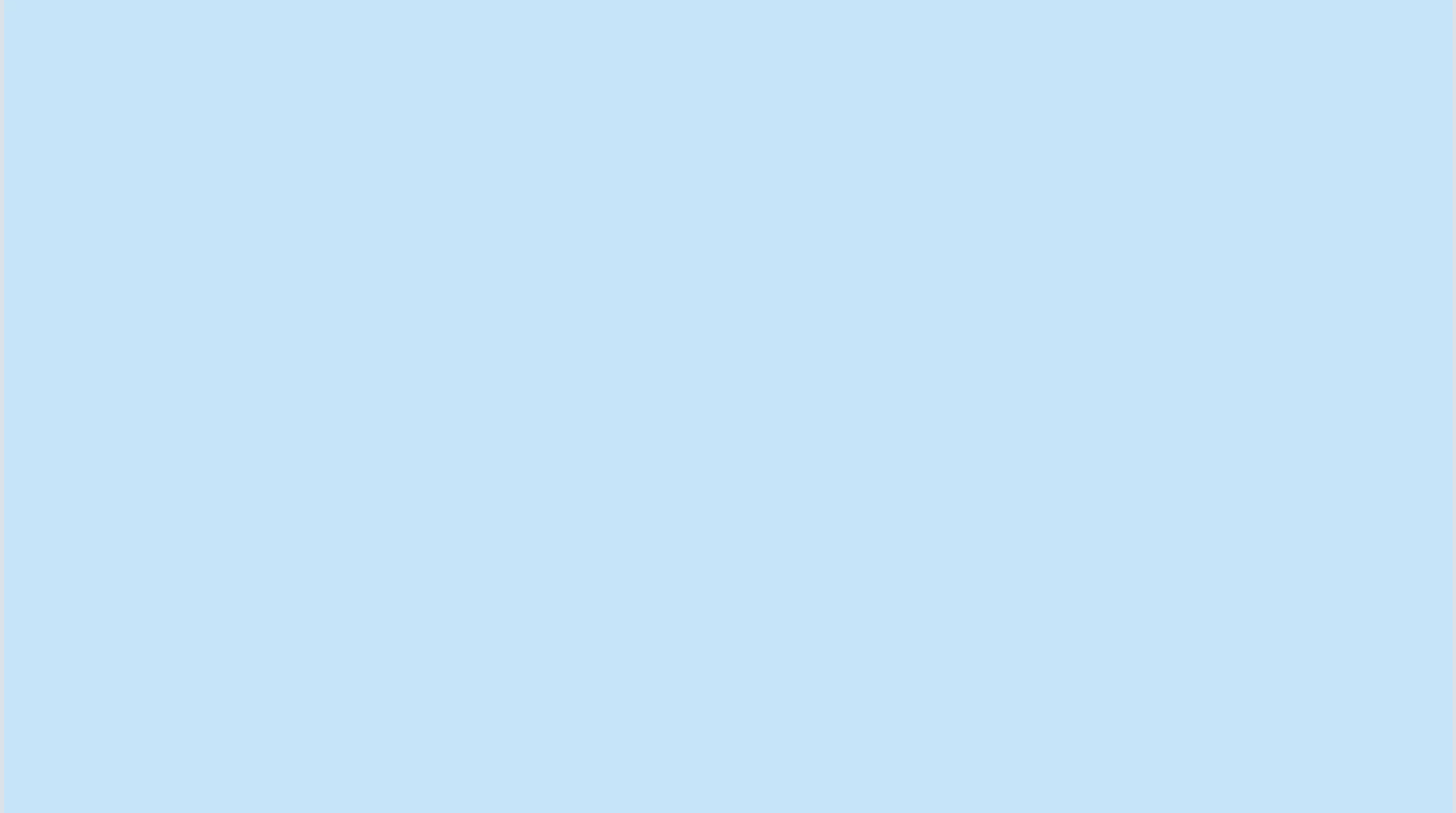
A powerful differentiated approach

How we scale across our business

Solutions going forward



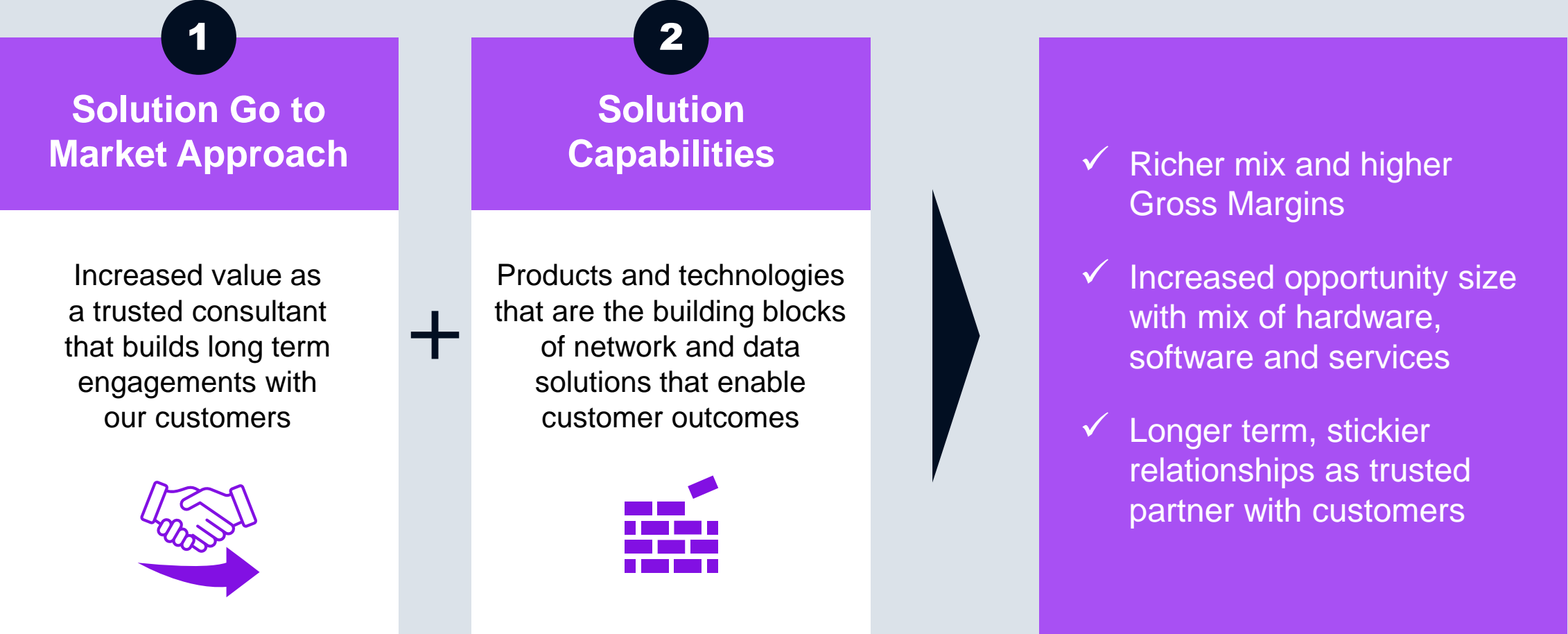
The Challenge – Building the Next Generation Warehouse



Solutions Transformation Driving Improved Performance


Key Differentiators

Advantages






Our Differentiated Solution Go to Market Three Step Process

Exploration



Vendor agnostic consultative approach uncovers business challenges, KPIs, work and data flows

Business KPIs 	Engineering Objectives 	IT Network 
---	--	--


Solutioning




Developing, proposing and framing solution with key stakeholders



Validation



Solution validation with key stakeholders, documentation and closing



**Customer™
Innovation
Center**

Vertically-focused go to market and solution development teams

Our Unmatched Network & Data Solution Capabilities – Also a Key Differentiator

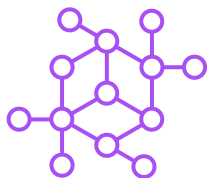
Belden Network and Data Capabilities

Examples of Improved Outcomes

1

Build

Build a network infrastructure that connects islands of automation



2

Collect Data

Securely collect, unify and garner real-time insights from the data



3

Advanced Analytics

Standardized access to unified data for advanced analytics



Prevent downtime and improve operating efficiency

Reduce workplace accidents and improve productivity

Mitigate cyber-attacks and protect critical operational assets

Save energy costs and provide accurate reporting

Belden Solutions Create Win/Win with Meaningful Operational Improvements

Situation

Customer

- Symbotic, a leader in the automated warehouse system market with a cutting-edge A.I.-powered robotic technology platform

Challenges

- Integrating real-time data and processing in a warehouse environment with legacy systems
- Network challenges were leading to forced downtime resulting in inefficient operations

Solution

- Designed and implemented a fully integrated solution connecting disparate systems and networks to enable their cutting-edge robotic technology platform



Results

- ✓ Meaningful savings and improved operating environment
- ✓ Expansion of relationship through additional scope and use cases



**Increased
Robot Uptime
And Improved
Task
Accuracy**



Automation Solutions – Significant Progress, Long Runway Ahead



Progress in Automation Solutions making meaningful impact on results



Opportunities exist to further scale and expand approach across 12 targeted verticals



The Automation Solutions segment has built differentiated capabilities that can now be leveraged across the Smart Infrastructure Segment



Agenda

Belden Solutions: Differentiated Approach Driving Growth and Margin Expansion

Belden Solutions today

Significant progress building Solutions capabilities

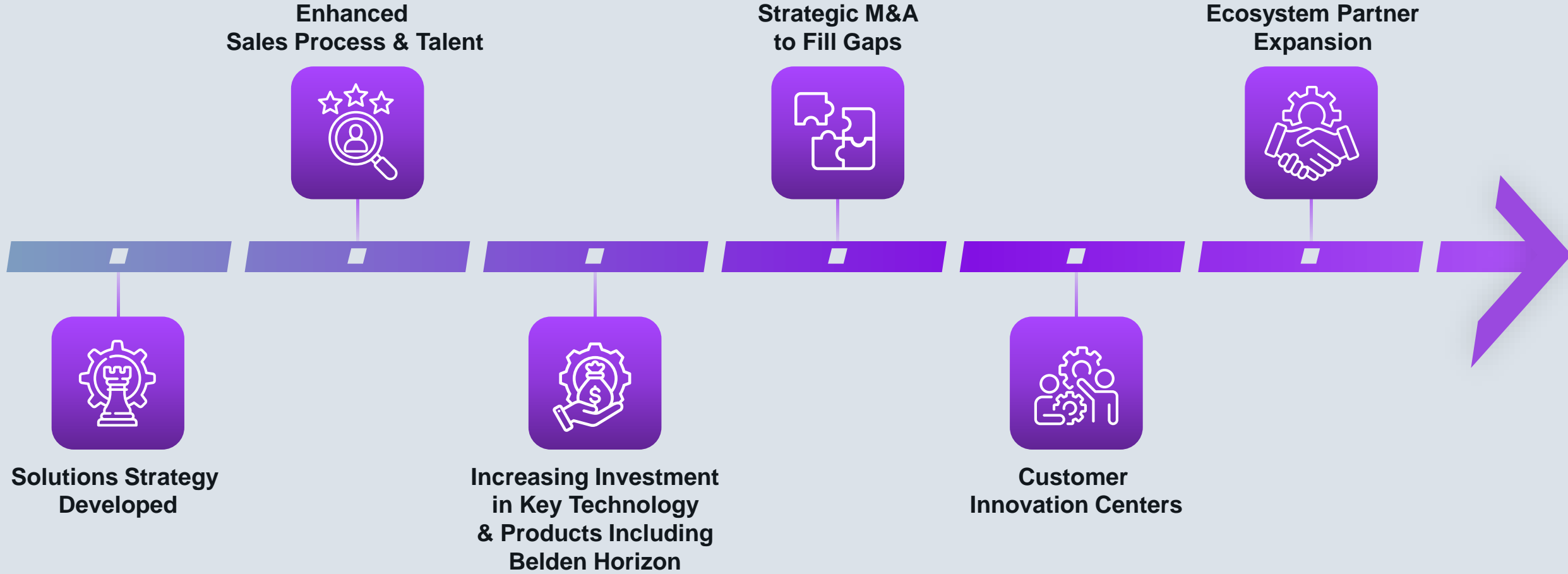
A powerful differentiated approach

How we scale across our business

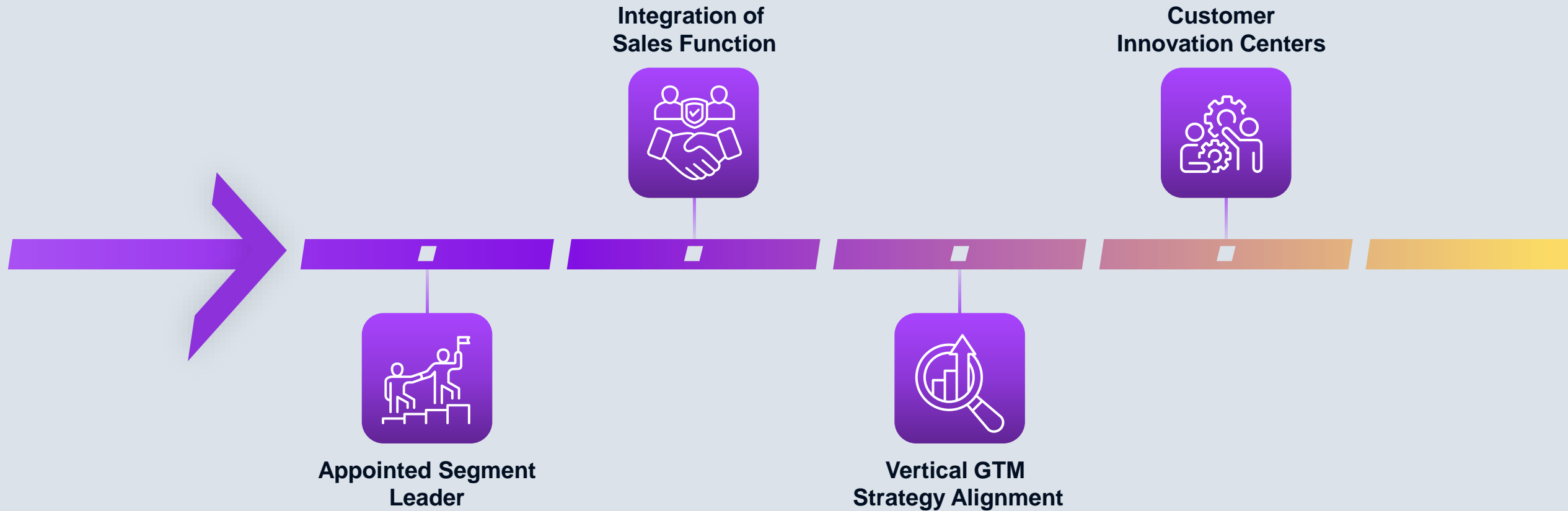
Solutions going forward



Automation Solutions Laid the Groundwork for Smart Infrastructure...



...Smart Infrastructure Can Leverage These Learnings to Accelerate Its Transformation



Smart Infrastructure Customers Face Similar Data and Network Challenges

Common Customer Challenges

Network Complexity

Data Fragmentation

Labor Shortages

Hospital Systems

- Nurse Call
- Real Time Location
- Patient Engagement
- Headwall System
- Smart Lighting
- Patient Records
- Wi-Fi

Belden can help fetch and process data where competitors cannot



Automation and Smart Infrastructure Products Can be Combined to Create Enhanced Customer Experiences

Leveraging Product Portfolio



Ruggedized Automation Products



Traditional Smart Infrastructure Products

Belden Holistic Solution



Advantages

- ✓ Solutions partner to help navigate data and network design complexities
- ✓ Complete network solution to address key challenges
- ✓ Robust platform to allow for future use cases



Developing a Library of Solutions By Verticals Enables Accelerated Expansion

Initial Sale

Resort Concept



Future Opportunities

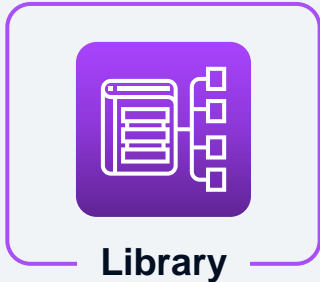
Future Opportunity 1



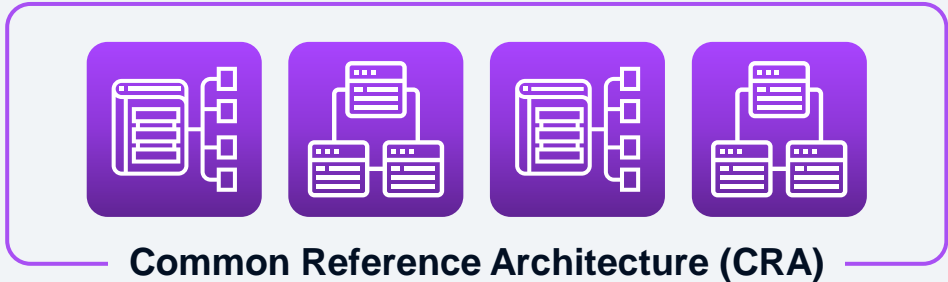
Future Opportunity 2



Invest time and expertise into a library of vertical-specific solutions



Leverage learnings to accelerate future opportunities and realize scale



By Leveraging Key Learnings, We Can Accelerate Solutions Expansion in Smart Infrastructure

Our Solutions Expansion Utilizes Key Competitive Advantages:

People and processes



Key customer relationships



Belden active network products



Leveraging learnings from Automation Solutions provides Smart Infrastructure with significant advantages to accelerate and scale

Belden Solutions: Differentiated Approach Driving Growth and Margin Expansion

Belden Solutions today

Significant progress building Solutions capabilities

A powerful differentiated approach

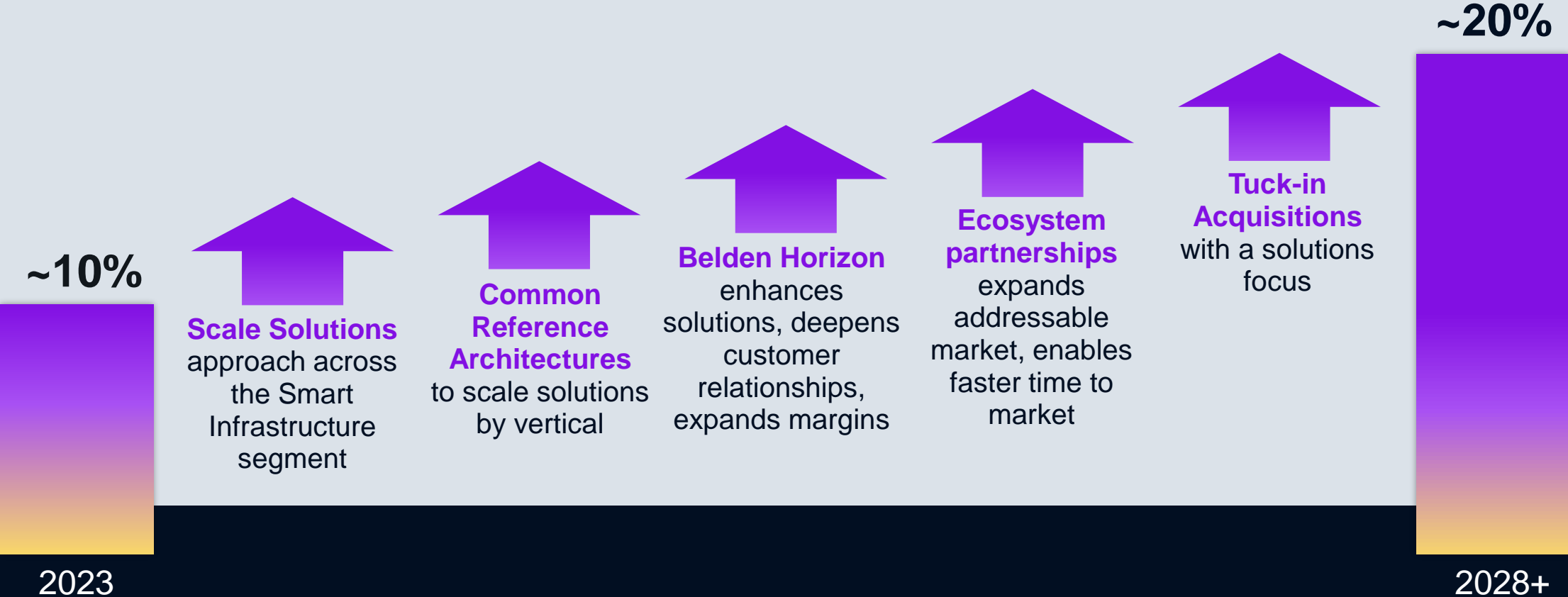
How we scale across our business

Solutions going forward



Belden's Solution Transformation has a Long Runway

Solutions as % of Total Sales



Belden Solutions Fireside Chat

Moderator: Brian Lieser, EVP Automation Solutions

Solutions Customer

Jatin Bhagat

Senior Director, Information Technology

Symbotic (Nasdaq: SYM) is an automation technology company reimagining the supply chain with its end-to-end, artificial intelligence (AI) powered robotic and software platform. It develops, commercializes, and deploys end-to-end technology solutions that improve supply chain operations.





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.