



3rd QUARTER 2025

EARNINGS RESULTS

October 2025

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CORPORATE PARTICIPANTS

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PRESENTATION

Aaron Reddington, Belden Inc. – VP Investor Relations

Good morning everyone, and thank you for joining us for Belden's third quarter 2025 Earnings Conference Call. With me today are Belden's President and CEO Ashish Chand and Senior Vice President and CFO Jeremy Parks. Ashish will provide a strategic overview of our business, and then Jeremy will provide a detailed review of our financial and operating results, followed by Q&A.

We issued our earnings release earlier this morning, and have prepared a slide presentation that we will reference on this call. The press release, presentation, and transcript of these prepared remarks are currently available online at investor.belden.com.

Turning to slide 2, I'd like to remind everyone that today's call will include forward-looking statements, which are subject to risks and uncertainties as detailed in our press release and most recent Form 10-K. We will also reference certain non-GAAP financial measures; reconciliations to the most directly comparable GAAP measures can be found in the appendix to our presentation and on our website.

I will now turn the call over to our President and CEO Ashish Chand.

Ashish Chand, Belden Inc. – President & CEO

Thank you Aaron, and good morning everyone. We appreciate you joining us.

Let's begin with slide 4, which highlights our key accomplishments and messages for the third quarter. My comments today will reference adjusted results.

First, I want to recognize the dedicated efforts of our team. Their focus enabled us to deliver another solid quarter, building on our steady momentum. We executed well, delivering record results that surpassed our expectations.

For the third quarter, both revenue and earnings per share came in above the high end of our guidance, reaching new quarterly records for Belden. This achievement underscores the ongoing progress of our solutions transformation, which continues to expand across the organization. Revenue reached \$698 million, up 7% year-over-year, and adjusted earnings per share grew to \$1.97.

We delivered continued organic growth, with overall organic revenue up 4% for the quarter. Positive contributions came from key markets, including Germany and China, confirming the favorable turn we experienced earlier this year in these major automation markets.

This trend was further validated in our Automation Solutions segment, which demonstrated particular strength, achieving 10% organic revenue growth, driven by broad momentum, including double-digit gains in discrete manufacturing.

Order activity remained healthy for the quarter, with orders up 7 year-over-year. We ended the quarter with a book-to-bill ratio of 1.0, compared to 0.99 in the prior year period, positioning us well as we look ahead.

Despite headwinds from tariff and copper pass-throughs, our margins for the period performed well. We achieved healthy adjusted gross margins of 38.2%, up 40 basis points year-over-year, reflecting continued strength in our solutions offerings, even with the impact of these pass-throughs.

Our business continues to generate healthy cash flow, with trailing twelve-month free cash flow at \$214 million. We maintained our disciplined capital deployment, repurchasing approximately 400 thousand shares in the third quarter for \$50 million, bringing our year-to-date total to 1.4 million shares for \$150 million.

Overall, this was a quarter of solid execution, and I'm pleased with our record performance. The progress we're making with our solutions transformation is clear in our results, and we are well-positioned to build on this momentum going forward.

Now please turn to slide 5.

I'd like to highlight another key win this quarter that demonstrates the power of our solutions strategy and our ability to drive digital transformation in critical infrastructure.

We recently secured a \$14 million, multi-year solutions award with a leading utility provider to modernize their communications infrastructure, a key element of their operational technology platform. This project involves replacing aging legacy systems with a future-ready network to support mission-critical applications.

The challenge for this utility was to transition from outdated systems to a modern, packet-based network that could meet stringent demands for reliability, security, and low latency, essential for grid resiliency and efficiency.

Leveraging our deep vertical market knowledge and solutions approach, our team collaborated with the customer, culminating in a successful on-site Proof of Concept. This POC effectively showcased Belden's advanced technologies and service capabilities, validating our proposed solution.

Our XTran platform was selected as the core of this modernization effort. Purpose-built for utility networks, XTran delivers connectivity to large complex networks that include new and legacy systems and protocols. This hybrid capability is crucial for easing migration and future-proofing critical network infrastructure.

This win underscores Belden's deep expertise in utility networks and our proven capability to deliver secure, resilient OT communication systems. Our end-to-end delivery model, including products, services, and support —ensures seamless implementation and solution delivery.

This project is a clear testament to how our solutions-driven approach, combined with our specialized portfolio and deep market understanding, allows us to capture opportunities in vital sectors. We are establishing a repeatable model for similar large-scale modernization projects within the utility market, further solidifying our position as a trusted partner in critical infrastructure. We're confident in the momentum this creates and the long-term value we provide for our customers.

Now please turn to slide 6.

I'd like to shift our focus to an area where Belden is making strategic advancements, positioning us well for the next wave of industrial innovation: Physical AI.

Earlier this week, we announced a collaboration with Accenture and NVIDIA. This partnership combines our industrial networking expertise with their advanced AI capabilities to deliver integrated Physical AI solutions. We've already secured commercial traction with an initial pilot program, and are scheduled for commercial deployment later this year.

This pilot, a virtual safety fence solution designed to improve worker safety in manufacturing environments, was successfully tested and is now being commercially deployed at a major US manufacturer. This test and commercial deployment demonstrate the real-world impact and market readiness of our Physical AI solutions, as modern manufacturing increasingly integrates autonomous systems alongside human operators.

Let's take a moment and consider the broader opportunity in this emerging space.

First, Physical AI represents an evolution in automation, where AI directly interacts with the physical world. It enables intelligent automation and real-time decision-making, offering massive opportunities to improve safety, efficiency, and further digitize industrial environments.

Belden is uniquely positioned to play a foundational role in the emerging world of Physical AI. Advanced applications demand an industrial-grade network capable of real-time, synchronized precision. Our Time-Sensitive Networking capabilities are crucial, enabling microsecond-precision for data streams essential in environments where safety and quality are critical.

This strategic push underscores Belden's successful evolution into a solutions company within the industrial market. It serves as clear proof that we are moving beyond simply providing connectivity products to enabling advanced solutions that drive significant value for our customers.

Given our strengths in intelligent edge deployment in converging IT/OT environments, we believe that Belden is well-positioned to be a key enabler of Physical AI in manufacturing and material handling - driving safer, smarter, and more productive environments globally. Physical AI represents an emerging growth opportunity for our business as we continue to advance ideas and technologies.

I will now request Jeremy to provide additional insight into our third quarter financial performance.

Jeremy Parks, Belden Inc. – CFO

Thank you, Ashish.

My comments today will cover our third-quarter results, a review of our segments, the balance sheet and cash flow, and finally, our outlook. As a reminder, I will be referencing adjusted results today.

Now, please turn to Slide 7.

As Ashish noted, our solid execution this quarter drove consistent top-line growth, which translated directly to margin expansion and improved profitability.

Revenue for the quarter was \$698 million, up 7% year-over-year, and ahead of expectations set forth in prior guidance. Revenue was up 4% organically on a year-over-year basis. Our Automation Solutions segment saw organic revenue growth of 10%, while Smart Infrastructure Solutions organic revenue was down 1%.

Orders for the quarter were up 7% year-over-year.

As a result, gross profit margins were 38.2%, increasing 40 basis points compared to the prior year.

EBITDA was \$118 million with EBITDA margins at 17.0%, down 20 basis points year-over-year.

We successfully maintained our overall profitability for the quarter through proactive management of tariff and copper price changes, leveraging strategic sourcing and effective pricing actions.

Our margin percentages for the period reflect the necessary pass-through of these costs. Going forward you can expect us to deliver incremental margins in line with our long-term targets.

Net income was \$79 million, up from \$71 million in the prior year quarter.

EPS was \$1.97, up 16% and ahead of expectations set forth in prior guidance.

Now, please turn to Slide 8 for a review of our business segment results for the quarter.

Our Automation Solutions segment delivered another solid quarter, demonstrating continued recovery and steady execution. Revenue grew 14% year-over-year with EBITDA up 10%. Margins remained healthy at 20.8%, impacted by the pass-through of tariffs and copper.

Order trends also remained robust, with orders up 14% year-over-year. This strong order activity drove the segment's 10% organic growth, with positive contributions across all regions. As Ashish highlighted, we saw continued strength in Germany and China, with ample year-over-year growth, albeit from a lower base.

This broad-based momentum extended into our core verticals, which saw double-digit expansion in Discrete Manufacturing and Mass Transit.

Revenue in Smart Infrastructure Solutions was down 1% year-over-year with margins for the segment steady at 12.6%.

Within our markets, Smart Buildings was up 3% year-over-year driven by strength in our key growth verticals as we continue to advance our solutions offerings.

Broadband Solutions was down 4% year-over-year, but up 7% sequentially.

While technology upgrades in the broadband space have seen some temporary moderation in the back half of 2025, we are encouraged by the adoption of new fiber products - and also to see the early BEAD awards, as many of the top recipients are major customers for Belden.

Next please turn to Slide 9 for our balance sheet and cash flow highlights.

Our balance sheet remains a source of significant strength and flexibility, enabling our disciplined capital allocation strategy.

Our cash and cash equivalents balance at the end of the third quarter was \$314 million, compared to \$370 million in the fourth quarter of 2024. Our cash position reflects typical seasonality and the deployment of \$150 million towards share repurchases so far this year.

Our financial leverage was a reasonable 2.1 times net debt to EBITDA, consistent with our expectations. We intend to maintain net leverage of approximately 1.5 times over the long term; however, this may fluctuate as we pursue strategic opportunities consistent with our capital allocation priorities.

For the trailing-twelve-months, our free cash flow was \$214 million.

Year-to-date, we repurchased 1.4 million shares, further reducing our share count, which is now more than 12% lower than it was at the end of 2021. We currently have \$190 million remaining on our repurchase authorization.

Our capital allocation priorities remain unchanged: investing internally in opportunities to advance organic growth, pursuing disciplined M&A, and returning capital to shareholders through buybacks. While the current financial market environment is dynamic, we continue to evaluate M&A opportunities with rigor and remain committed to deploying capital in ways that create long-term value.

As a reminder, our next debt maturity is not until 2027, and all of our debt is fixed with rates averaging 3.5%.

Please turn to Slide 10 for our fourth quarter outlook.

Our team has executed well in the current environment, as shown in our record third quarter results. We are encouraged by the strong and consistent trends in our Automation Solutions segment, which provides a solid foundation for our outlook.

In the fourth quarter, we anticipate that sequential growth from Automation Solutions will be mostly offset by a more muted quarter in Smart Infrastructure Solutions - resulting in overall performance that is roughly flat sequentially.

Assuming the continuation of current market conditions, Revenues for the fourth quarter are expected to be between \$690 million and \$700 million, representing a 4% to 5% increase over the prior-year quarter.

Adjusted EPS is expected to be between \$1.90 and \$2.00, representing a 1% decrease to 4% increase over the prior-year quarter.

For the fourth quarter, we are projecting a tax rate of 14.0% as we continue to execute our planning strategies.

That concludes my prepared remarks. I would now like to turn the call back to Ashish.

Ashish Chand, Belden Inc. – President & CEO

Thank you, Jeremy.

Now, please turn to Slide 11.

To summarize, our third quarter performance reflects the strength and resilience of our business, and the continued progress of our solutions transformation. We delivered solid results in a dynamic environment, with consistent order activity, record earnings, and healthy cash generation.

It's important to reflect on the journey that has brought us to this point. Over the past few years, our industry has faced significant headwinds, including periods of destocking, ongoing tariff challenges, and a muted manufacturing environment. Despite these external pressures, our team's dedication and strategic focus have allowed Belden to not only navigate these periods but to emerge stronger.

This resiliency is clearly demonstrated in our current performance. Not only did we achieve record quarterly revenue and EPS, but our trailing twelve-month performance also reached new highs. We are proud to report trailing twelve-month revenue reaching nearly \$2.7 billion, and record trailing twelve-month adjusted EPS of \$7.38. This exceptional performance, especially in a year that presented its share of challenges, truly underscores our team's focused execution and the inherent resilience of our business model.

Looking at our long-term trajectory, these results are no accident. From 2019 through the trailing twelve months ending in the third quarter, we delivered a Revenue CAGR, of 5% and an Adjusted EPS CAGR of 12%.

This powerful and consistent value creation over multiple years clearly demonstrates the impact of our strategic initiatives and how our solutions transformation has repositioned Belden in the minds of our customers.

Further, our transformation is validated in the marketplace, as evidenced by the multi-year utility modernization project we discussed earlier, where we're replacing aging infrastructure with a future-ready network. It's also clearly evident in our strategic advancements in Physical AI, where we're enabling safer, smarter factories and other work environments with real-time precision. These are

tangible examples of us moving beyond just products to enabling advanced solutions that drive significant value for customers.

We remain mindful of the ongoing operating environment, however the fundamental trends driving our business—reindustrialization, automation, digitization, and the convergence of IT and OT—are intact and building momentum.

We believe Belden is well-positioned to benefit as these secular trends play out. Our solutions transformation is delivering tangible results, expanding our addressable market, and positioning us for consistent growth and margin expansion. We remain committed to disciplined execution and thoughtful capital allocation, ensuring we create lasting value for our shareholders.

That concludes our prepared remarks. Operator, please open the call for questions.