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PRESENTATION

Aaron Reddington, Belden Inc. – VP Investor Relations

Good morning everyone, and thank you for joining us for Belden's second quarter 2026 Earnings Conference Call. With me today are Belden's President and CEO Ashish Chand and Executive Vice President and CFO Jeremy Parks. Ashish will provide a strategic overview of the quarter, and then Jeremy will cover our financial results and third-quarter outlook, 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.

Please turn to slide 4.

The second quarter was our strongest quarter in company history — and we are well positioned for what's ahead.

Our team achieved record revenue of $750 million dollars, up 12% year over year – and Adjusted EPS of $2.34, up 24% year over year. Both above the high end of our guidance. Please note that our results include a net tariff benefit of approximately $0.25 per share related to the expected recovery of IEEPA tariffs. Jeremy will cover the details.

End market demand is strong, with record orders of $836 million dollars, up 19% year over year and up 23% sequentially. Our book-to-bill ratio came in at 1.11. Order strength is broad-based across our end markets, and we expect that to continue into the third quarter.

Organic revenue growth was 8% for the quarter - with Discrete, Process, and Enterprise Growth Verticals all up double digits, reflecting a broad improvement in our industrial markets and our AI infrastructure strategy gaining traction with customers.

The second quarter also delivered two milestones that I want to highlight, as they are proof of our solutions strategy executing at scale. First, a contract worth approximately $20 million dollars with a Tier-1 hyperscaler for fiber connectivity inside an AI data center. That order is closed and in production today.

Second, a significant specification win with a leading global retailer, where Belden has been selected to network autonomous elements across their U.S. distribution centers — with first orders already received. This is Physical AI in practice — AI driven, intelligent, autonomous machines operating in real-world industrial environments, requiring the kind of ruggedized, mission-critical connectivity that Belden is uniquely built to deliver.

Together, these confirm the direction of our business and the execution of our strategy. I will walk through them both shortly.

Finally, on July 1st, at the start of our third quarter, RUCKUS Networks officially joined Belden. The integration is underway, and we are already in market. RUCKUS is immediately accretive to revenue growth, EPS, and EBITDA. Our solutions mix crosses 20% at close — our 2028 goal, achieved three years ahead of schedule.

Please turn to slide 5.

The numbers on this slide tell you exactly what kind of company Belden is today — and they reflect something more than just a bigger business.

With RUCKUS we are now a full-stack networking and automation platform, spanning passive infrastructure, active switching, wireless, and AI-driven cloud software. Our offerings are broad, our solutions capabilities are deep, and our competitive position is stronger than ever.

Note, these figures are management estimates based on hypothetical full-year results for the combined business and are not guidance.

The financial profile reflects a fundamentally stronger company. Belden is now a $3.6 billion dollar revenue company. Gross margins improve to approximately 43%, and adjusted EBITDA margins expand to 18%.

Our active product mix reaches 35% of revenue, and our solutions mix stands at 20%.

From the connector to the switch to the cloud — Belden now delivers every layer of the network from a single source.

Please turn to slide 6.

Let me reiterate what RUCKUS specifically brings to this combination — because these metrics reflect real product and market advantages.

First, a gross margin profile north of 60 percent — and it is worth explaining why. RUCKUS is not a hardware business. It is a platform business — Wi-Fi access points, enterprise switching, and cloud network management software sold together as an integrated solution. That differentiated product mix, including software and services, is what drives the margin profile. It is structural, not cyclical - and accretive to Belden from day one.

Second, RUCKUS brings high-single-digit growth — and with it, access to one of the fastest-growing segments of the networking market. Wi-Fi 7 is the first wireless standard reliable enough for industrial use, and the enterprise upgrade cycle is just beginning. RUCKUS sits at the front of that wave.

What makes this particularly compelling for Belden is the opportunity to bring RUCKUS into our existing industrial customer base — customers across discrete manufacturing, energy, and process industries who are already investing in automation, reshoring, and network modernization. We are the only company that can deliver industry leading wireless alongside the full wired OT stack from a single source. That cross-sell opportunity is meaningful, and a very powerful addition to the combined business.

And third, our solutions mix steps up past 20% immediately. That matters because solutions engagements are larger in scope, earn higher margins, are stickier with customers, and structurally more defensible than product-only relationships. Every point of solutions mix we add expands the profitability and durability of this business — and RUCKUS accelerates our solutions trajectory.

Please turn to slide 7.

I want to show you what this actually looks like in practice — because the product stack behind those financial metrics is what makes this combination genuinely differentiated.

Belden now runs every layer of the network — both industrial and enterprise — from a single source. Cable and connectors, patch panels, edge devices, routers, OT switches, IT switches, and Wi-Fi 7 wireless access points – the complete infrastructure stack for AI-driven industrial and enterprise environments.

With RUCKUS One managing the IT network layer and Belden Horizon managing the OT network layer. Two purpose-built software platforms, under one converged solution with one trusted partner.

For customers who want one partner accountable for the complete network, Belden is now that partner.

Every additional layer we own lifts the value we deliver to customers through our solutions, and deepens our relationships.

This is the competitive moat we have been building over the past five years, and RUCKUS accelerates it.

With that context, let me turn to our data center strategy and the specific wins we delivered in the second quarter.

Please turn to slide 8.

Over the past several quarters, we have been building our data center presence with purpose — and the second quarter validated that investment. The wins we are reporting are not isolated events. Let me give you the framework for how we think about this opportunity.

Enterprise data centers, hyperscale datacenters, and Physical AI collectively are one of our highest-priority growth vectors. And this is not one opportunity — it is three distinct ones, each at a different stage of maturity.

The first is our traditional Enterprise Data Center business — structured cabling, cabinets, and fiber connectivity for on-prem enterprise and co-location environments. This is our established foundation in the marketplace, with an annual run rate of approximately $75 million dollars today — repeatable, growing, and the base from which our hyperscaler relationships developed.

The second is AI and Hyperscale Data Centers — the fastest-growing part of our data center portfolio where momentum is building. We established our hyperscaler presence in the gray space — facility controls, cooling, power, and building systems — and in the second quarter, we expanded into the white space, the data hall itself.

To put the second quarter activity in context: we booked approximately $40 million dollars in hyperscaler orders in the quarter alone. That includes the $20 million dollar white space win you will see on the next slide, as well as continued gray space wins that demonstrate the breadth of where Belden plays across the data center campus. Combined, this is now a $100 million dollar plus annualized business, growing rapidly.

What makes these wins meaningful goes beyond the contract value. When hyperscalers select Belden, it is because we bring something differentiated: solutions engineered for AI infrastructure, operational scale to deliver under urgent timelines, and an engagement model built around solving real problems. We are winning on the value we bring — and those relationships are expanding.

The third is Physical AI — and this is the opportunity I am most excited about for the long term. As robots and autonomous systems scale across factories and distribution centers, they require a network that is real-time, deterministic, mobile, and mission-critical — wired and wireless, fixed and mobile, managed by software intelligent enough to handle the complexity at scale.

That is precisely what Belden and RUCKUS deliver together: industrial-grade wired infrastructure, Wi-Fi 7 for mission-critical wireless, and the management layer that ties it all together. No other company delivers that full stack from a single source.

Taken together and excluding RUCKUS, our data center and AI infrastructure business is at an annual run rate of approximately $175 million dollars or more in revenue today — and we are still at the beginning. Enterprise data centers are growing. Our hyperscaler relationships are expanding. And Physical AI is just beginning to scale. We are not chasing this market. We are already inside it — with the portfolio, the customer relationships, and now, with RUCKUS, the complete solution to win.

Please turn to slide 9.

In the second quarter, we closed a contract worth approximately $20 million dollars with a Tier-1 hyperscaler for fiber connectivity in the AI data center white space. Orders are closed and in production today, with deliveries expected over multiple quarters.

You know the AI buildout story. What is harder to see from the outside is what we have been doing internally to be ready for it. Over the past several quarters, we have been making sustained investments in the commercial and operational infrastructure required to compete in this marketplace.

That means standardized product architecture designed for speed and repeatability, a supply chain built to absorb volume spikes, and a go-to-market approach built around delivery confidence rather than price alone. This win is the result of that work.

The solution at the core of this contract is high-density fiber connectivity engineered for AI workloads and deployed across the racks inside the data hall. What allowed us to win here was not price — it was execution. Hyperscalers need suppliers who can deliver qualified product at scale, on schedule, every time — including when order volumes spike unexpectedly. That level of operational reliability is genuinely scarce in this market. We built it organically, quarter by quarter and this is the model we intend to scale going forward.

Now please turn to slide 10 for our second key milestone this quarter — where Physical AI meets the real world.

A leading global retailer has selected Belden for a specification position in their autonomous network, encompassing docking door automation, across U.S. distribution centers. These are vision-intensive, AI-driven systems designed for industrial environments — machines that perceive, decide, and act in real time alongside human workers and other autonomous elements. This is Physical AI moving from concept toward production.

What this customer required was ruggedized, high-performance on-machine networking purpose-built for autonomous systems — not standard enterprise networking, which cannot meet the reliability and latency demands of this environment. Our industrial networking heritage — refined over decades across multiple industrial verticals — is precisely what qualified us. First orders have already been received for initial deployments.

The full fleet opportunity for this specification win is approximately $20 million dollars over four years across more than 4,500 autonomous installations.

As this customer's automation footprint grows, we are positioned as their end-to-end network partner. With RUCKUS, we can extend that relationship into the full facility network — wired, wireless, and cloud-managed — a natural expansion of what we have already earned.

We win on the robot today, and then we earn the right to the wired and wireless network backbone tomorrow. That is the compounding effect of a full-stack AI and automation portfolio — and it is a playbook we intend to replicate across warehouse automation, logistics, and our manufacturing customers.

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

Jeremy Parks, Belden Inc. – CFO

Thank you, Ashish.

My comments today will cover our second-quarter results, a summary of performance across our markets, our balance sheet and de-levering path, and finally our third quarter guidance. As a reminder, I will be referencing adjusted results throughout. Our second quarter figures reflect Belden on a standalone basis. RUCKUS closed July 1st and will be included in our results beginning in the third quarter.

Please turn to slide 12.

Revenue for the quarter was $750 million dollars, up 12% year over year and above the high end of our guidance range of $735 million to $750 million dollars. Organic growth was 8% for the period.

Orders reached $836 million dollars, our strongest bookings on record, an increase of 19% year over year. Book-to-bill was 1.11, reflecting robust end demand.

Adjusted gross profit was $297 million dollars, up 14%, with margins of 39.6%.

Adjusted EBITDA was $146 million dollars, up 28% year over year, with EBITDA margins of 19.5%.

Adjusted EPS of $2.34 grew 24% compared to $1.89 in the prior year period, above the high end of our guidance.

As Ashish mentioned earlier, during the quarter, the Company recognized a net EPS benefit of approximately $0.25 related to the expected recovery of IEEPA tariffs, partially offset by the introduction of new tariffs. The net impact was recorded to gross profit.

The core business performed well - with our incremental EBITDA margins above 30% excluding the impact of tariff refunds and copper pass throughs – reflecting continued operational margin improvement.

End demand remains healthy and broad-based, and we are well-positioned heading into the third quarter.

Please turn to slide 13 for a look at performance across our market categories.

Automation had a strong quarter with organic growth up double-digits year over year. Order momentum in this category was particularly strong with orders up 27% sequentially, and a book-to-bill of 1.14. Within this category, Discrete and Process Manufacturing led the way, up double-digits year over year reflecting continued acceleration in industrial automation.

Smart Buildings orders were up 11% sequentially with a book-to-bill of 1.08, pointing to healthy demand heading into the third quarter. Our key growth verticals were up double-digits organically, led by strength in data centers and healthcare. Headline organic growth was flat versus the prior year against a strong comparable in non-core verticals. During the first half of the year in Smart Buildings, organic growth was over 6%, which is a better representation of underlying business conditions.

Broadband was in line with expectations, with orders up 22% sequentially and a book-to-bill of 1.07. While organic growth in the quarter was flat versus the prior year, we expect improvement in the second half as customers ramp up spending driven by DOCSIS upgrades and share capture related to the launch of new fiber products. Longer-term, the broadband landscape is changing in a meaningful way as user behavior is shifting from primarily consuming content to more of a two-way flow of data, driven by AI applications and always-on devices. Our customers and products are positioned to capture this opportunity as the impact of AI continues to expand beyond data centers.

Please turn to slide 14.

Turning to the balance sheet

On a standalone basis, we ended the second quarter with $349 million dollars in cash, net leverage of 1.7 times, and trailing-twelve-month Free Cash Flow of $212 million dollars — a strong foundation.

Reflecting the close of RUCKUS on July 1st, we expect leverage will increase to approximately 3.9 times net debt to adjusted EBITDA at the end of the 3rd quarter.

This is exactly where we expected to be, and we have a clear path back to our long-term leverage target.

The engine that funds that path is free cash flow. Over the next 18 months, we expect the combined business to generate more than $500 million dollars in free cash flow which will be deployed to reduce leverage.

RUCKUS is a capital-light business with strong cash conversion, which means its contribution to the combined free cash flow profile is significant.

Our model is built on modest synergy assumptions, which means there is real opportunity to outperform as we execute on cost and cross-sell opportunities.

We expect leverage to follow a straightforward path — at or below 3.6 times by the end of 2026, approximately 2.9 times by the end of 2027, our first full year of combined ownership, and at our long-term target of 1.5 times by the end of 2029.

Please turn to slide 15 for our third quarter 2026 outlook.

Demand signals entering the third quarter are strong, and our order book supports that view. Our third quarter guidance includes the contribution from RUCKUS Networks for the full quarter.

Assuming the continuation of current market conditions, revenue for the third quarter of 2026 is expected to be between $950 million dollars and $970 million dollars.

GAAP EPS is expected to be between $0.69 and $0.84.

Adjusted EPS is expected to be between $2.15 and $2.30, representing a 9% to 17% increase over the prior year quarter.

For the third quarter you can assume: interest expense of approximately $40.5 million dollars, depreciation of $18.8 million dollars, a tax rate of 20.0%, and a diluted share count of 39.4 million shares.

I will now turn the call back to Ashish for closing remarks.

Ashish Chand, Belden Inc. – President & CEO

Thank you, Jeremy.

Before we open the call to questions, I want to close with slide 16.

Belden is a networking technology company — built on a deep industrial and automation heritage and extended, with RUCKUS, into every layer of the converged IT/OT network. From passive infrastructure to active switching, enterprise wireless, and AI-driven cloud software, we deliver the complete network from a single source. Our industrial roots give us credibility where it matters most — on the factory floor, on the robot, and inside the AI data center. The secular trends that have always powered this business — industrial automation, reshoring of manufacturing, and IT/OT convergence — are strengthening. RUCKUS expands our capability to serve customers across all of them.

Customer response has been immediate — across both installed bases, customers are asking for this combination. Our integration team was in place at close, our go-to-market is already aligned, and the deal thesis is intact — high-single-digit growth, strong margins, and a clear path to 1.5 times leverage by 2029.

One month into this combination, the early signals are exactly what we expected — and in some cases better. Customers are engaged. Teams are aligned. The financial model is performing.

We have a clear integration roadmap, conservative financial assumptions, and a free cash flow profile that funds the path forward. We are executing this with the same discipline that has driven our solutions transformation, and the results will speak for themselves.

To my approximately 1,700 new colleagues from RUCKUS who are now part of the Belden family — welcome. You bring our combined workforce to nearly 10,000 strong, and the expertise and customer relationships you carry are central to what makes this combination powerful. Together, we are a stronger company with an exciting future ahead.

To close, Belden is a networking technology company built for automation in the AI era. We have the platform, the portfolio, and the team to lead it.

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