

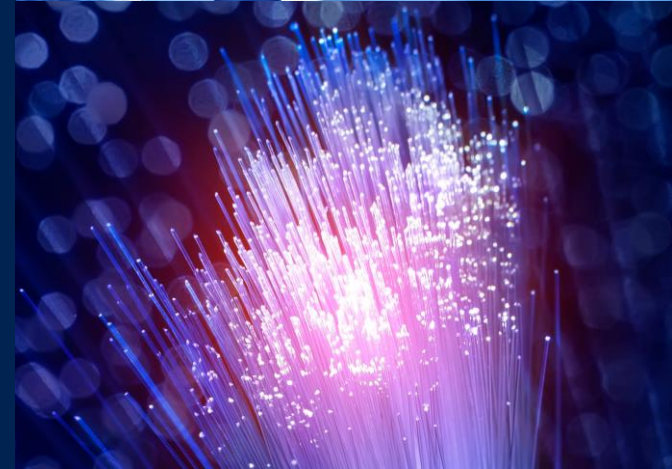


1<sup>ST</sup> QUARTER 2023

# EARNINGS RESULTS

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May 2023



# 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 second quarter, full year 2023, and adjusted EPS for 2025. 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 our most recent Annual Report on Form 10-K for the period ended December 31, 2022, filed with the Securities and Exchange Commission (“SEC”) on February 24, 2023 (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](https://investor.belden.com).

1<sup>st</sup> QUARTER 2023

# EARNINGS RESULTS

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# Healthy Growth with Key Strategic Investments

## Q1 2023 Key Messages

### Delivered another strong quarter with revenue growth and margin expansion<sup>(1)</sup>

- Continued sound execution resulted in 7% organic growth<sup>(2)</sup> YoY with positive organic growth in both segments
- Expanded Q1 EBITDA margins by 110 basis points YoY to 17.4%
- Increased EPS to \$1.68 for Q1 2023, up 28% YoY

### Announcing the acquisition of Berthold Sichert GmbH closed in April

- Completed bolt-on acquisition enhancing our fiber portfolio on April 17<sup>th</sup>, 2023, deploying \$98M
- Highly differentiated product portfolio enhances our fiber capabilities across Europe

### Announcing incremental \$300M share repurchase authorization

- Board approved an incremental \$300M share repurchase authorization on top of the remaining \$15M
- Repurchased 0.6M shares for \$50M during Q1 2023

### Maintained low net leverage with improvements in cash flow YoY

- Net leverage<sup>(3)</sup> decreased to 1.3x, down from 1.6x the prior year
- Generated \$243M free cash flow<sup>(4)</sup> for trailing twelve months



**+7%**

Organic Revenue Growth



**17.4%** (+110 bps)

EBITDA %



**\$1.68** (+28%)

EPS



**1.3x** (1.5x target)

Net Leverage

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

(2) Organic growth is calculated as the change in revenues excluding the impacts of changes in currency exchange rates and copper prices, as well as acquisitions and divestitures.

(3) 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.

(4) 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.

# Belden Acquired Berthold Sichert GmbH

Closed April 17, 2023



## Acquisition Highlights

- Sichert designs, manufactures, and sells a range of polycarbonate street cabinets in outside plant Passive Optical Networks (PON) and 5G networks
- Expanded Broadband Solutions portfolio will help us provide end-to-end solutions to customers in key growth markets

## Sichert Offerings

- OSP Fiber Management
- Underground Polycarbonate Vaults for Fiber Distribution
- Asset Security & Management



## Berthold Sichert GmbH At-a-Glance



**Berlin, Germany**

Headquarters



**€90M (~\$98M)**

Purchase Price



**175+**

Total Employees





**Belden's solution strategy simplifies the digital transformation for our customers by focusing on results**



**We help  
Optimize  
Operations**



**We provide  
Productivity  
Enhancements**



**We enable  
Safety  
Improvements**

**Driven by unmatched product breadth and application expertise,  
Belden improves key KPIs for our customers with network and data solutions**

## **Customer Innovation Centers**

allow global customer collaboration with local subject matter experts, validating solutions in live, real-world scenarios to ensure seamless implementation

### **Key Verticals**

- Consumer Packaged Goods
- Materials Handling
- Automotive Manufacturing
- Petrochemicals
- Power Transmission & Distribution
- Mass Transit
- Intelligent Traffic Systems
- Healthcare
- Hospitality
- Higher Education



### **CIC Locations**

Santa Clara US • Chicago US • Stuttgart DE • Bengaluru IN • Shanghai CN

# Meaningful Improvement in Customer KPI

## Enhanced Delivery Solutions Example

### Challenge

E-REDES, a subsidiary of EDP, spent too long finding faults in the network during a power outage

When faults occurred, crews spent on average 2.5 hours locating the fault through manual processes

The utility wanted to decrease the amount of time its maintenance staff spent on these tasks and the costs of downtime (lost revenue, employee costs, regulatory charges)

### Solution



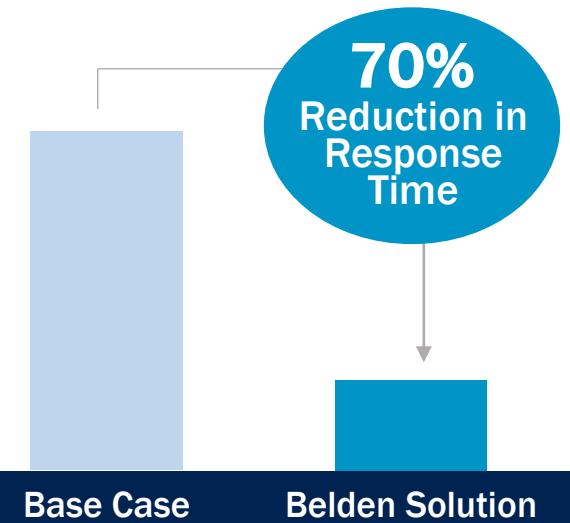
#### Belden Designed Fault Locator System

Belden developed a network infrastructure solution that enhanced interoperability, supported remote operations and real-time monitoring, improved power availability, and boosted efficiency through data-driven decision-making

The team tested various solutions and helped E-REDES configure architectures until the solution was perfected

### Impact

With its new advanced fault locator system designed by Belden, E-REDES has drastically reduced the amount of time that maintenance crews spend on fault location



# Strong Execution in Complex & Volatile Market Conditions

## Q1 2023 - Financial Results Overview

\$ Millions	Q1 2023 <sup>(1)</sup>	Q1 2022 <sup>(1)</sup>	YoY
Revenue	\$641.8	\$610.4	+5%
Gross Profit	\$247.8	\$211.2	+17%
Gross Profit %	38.6%	34.6%	+400 bps
EBITDA	\$111.5	\$99.5	+12%
EBITDA %	17.4%	16.3%	+110 bps
Net Income <sup>(2)</sup>	\$73.4	\$59.5	+23%
Earnings Per Share <sup>(3)</sup>	\$1.68	\$1.31	+28%

(1) Adjusted results. See Appendix for reconciliation to comparable GAAP results.

(2) All references to Net Income refer to adjusted net income from continuing operations attributable to Belden stockholders.

(3) All references to Earnings Per Share refer to adjusted net income from continuing operations per diluted share attributable to Belden stockholders.

(4) Organic growth is calculated as the change in revenues excluding the impacts of changes in currency exchange rates and copper prices, as well as acquisitions and divestitures.

Revenue up **5% YoY** with strength in solution sales within Industrial Automation Solutions

Organic Revenue Growth **7%<sup>(4)</sup>**

- Industrial Automation Solutions Organic Revenue Growth 9% YoY
- Enterprise Solutions Organic Revenue Growth 3% YoY

EBITDA margin **17.4%**, **+110 bps** YoY led by improvements in Enterprise Solutions and favorable mix

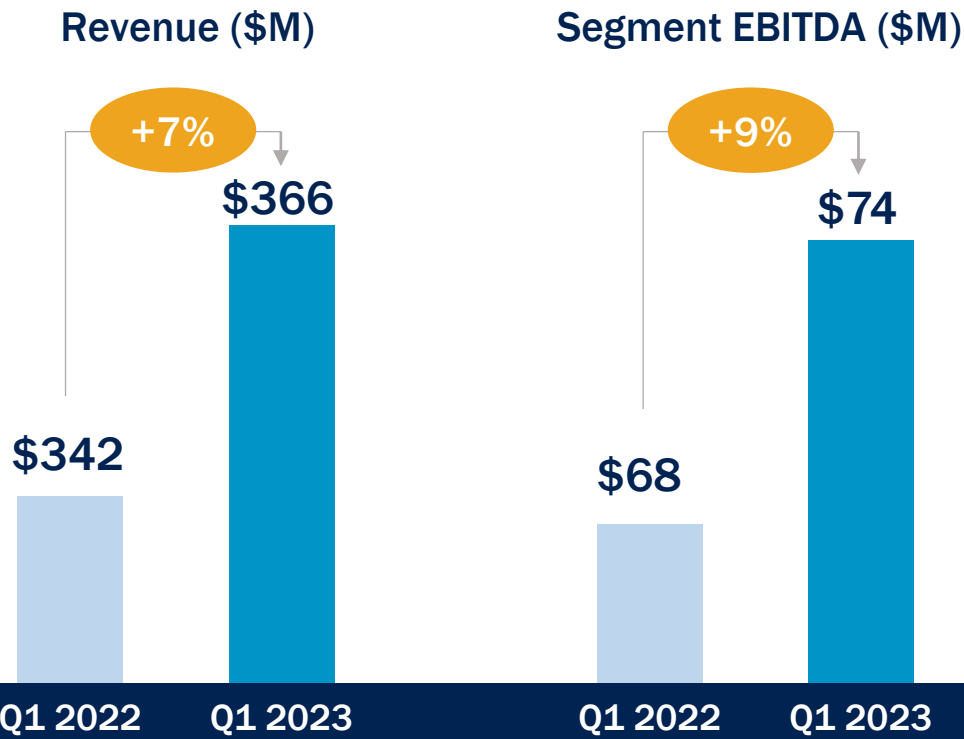


# Both Segments Delivered Strong Revenue & EBITDA Growth

## Q1 2023 Segment Results

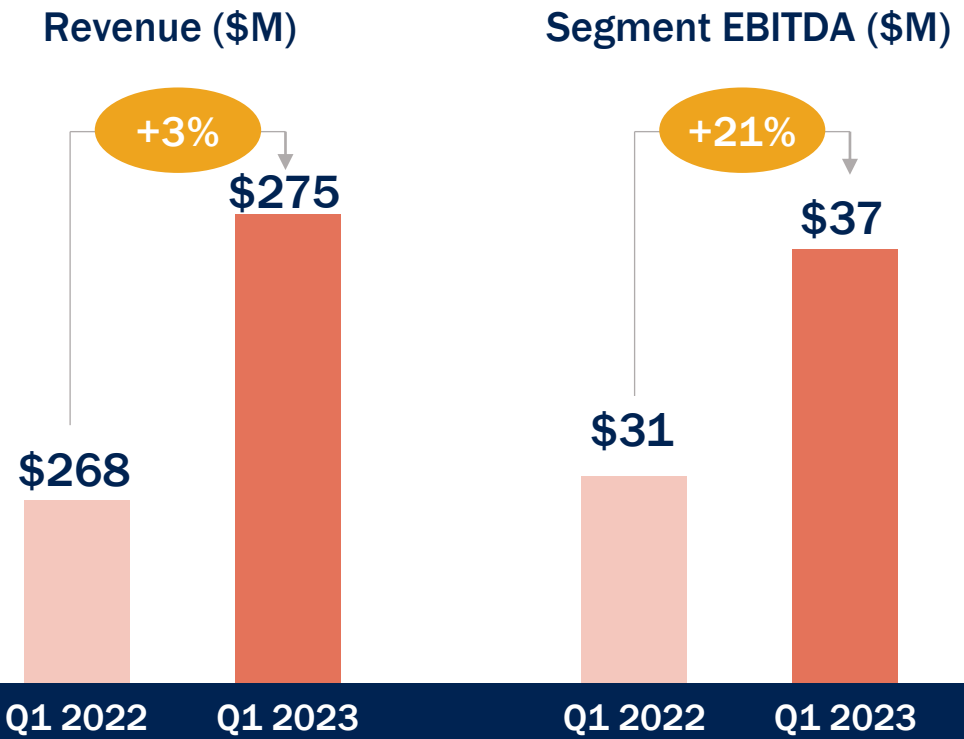
### Industrial Automation Solutions Segment

Robust secular growth opportunities driven by customers shifting to business outcomes supported by full solutions providers



### Enterprise Solutions Segment

Multi-year investment cycle in Broadband, combined with growing bandwidth demand, supports a solid long-term growth trajectory

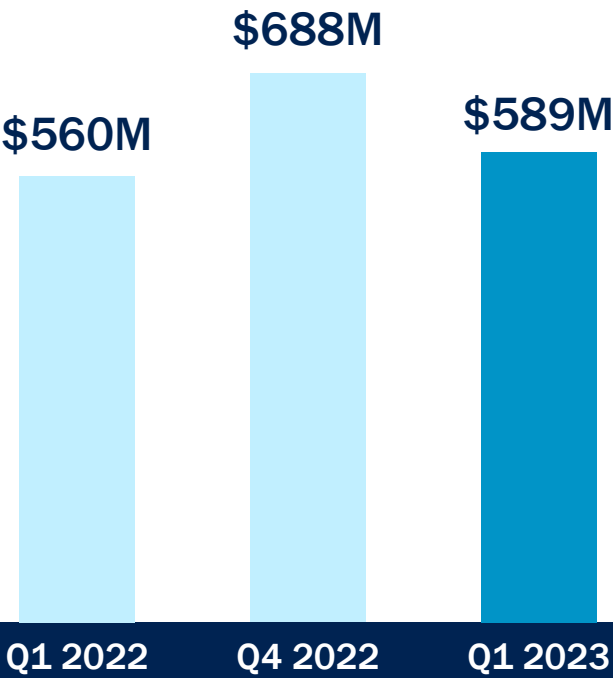


# Improved Cash Flow Generation with a Strong Balance Sheet

## Q1 2023 Balance Sheet and Cash Flow Highlights

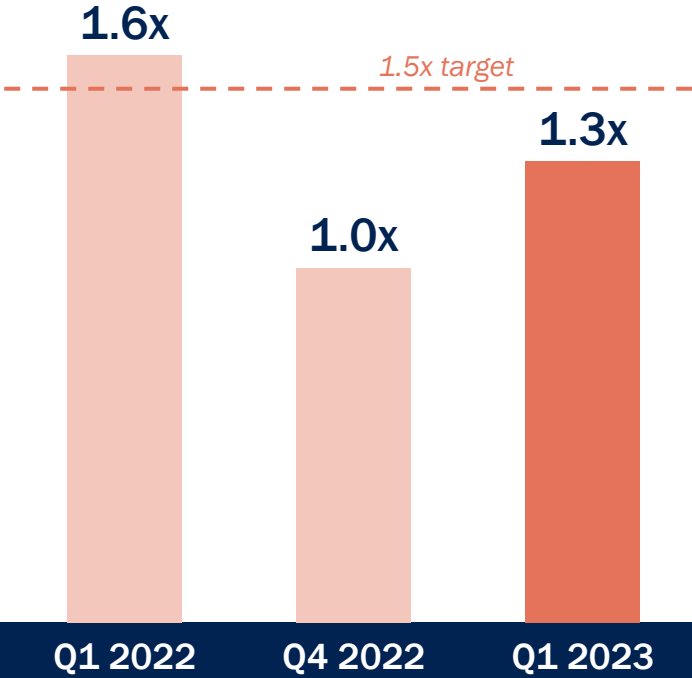
### Cash and Cash Equivalent

Capital deployed in share repurchases combined with seasonal trends



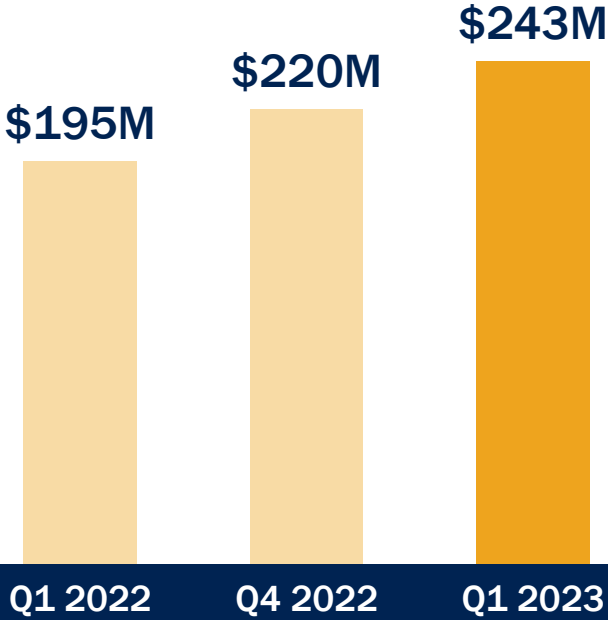
### Net Leverage<sup>(1)</sup>

Significantly reduced leverage YoY as the business generates FCF



### TTM Free Cash Flow<sup>(2)</sup>

TTM FCF increased sequentially due to improved 1Q23 performance



# Increasing Full-Year 2023 Guidance with Recent Capital Deployment

Q2 and Full-year 2023 Outlook, as of May 3, 2023

	Full Year 2023 Outlook			2Q 2023 Outlook
	Previous	Updated		Projections
Total Revenue	\$2.670B - \$2.720B	\$2.710B - \$2.760B	▲	\$675M - \$690M
Organic Revenue Growth	3% - 5%	3% - 5%	■	3% - 5%
GAAP EPS	\$5.73 - \$6.13	\$5.71 - \$6.01	▼	\$1.36 - \$1.46
Adjusted EPS	\$6.60 - \$7.00	\$6.95 - \$7.25	▲	\$1.70 - \$1.80

## 2023 Organic Growth Assumptions

Industrial Automation	Broadband	Smart Buildings
~Mid to High SD	~MSD	~Flat

## Full Year 2023 Assumptions

Interest Expense	Tax Rate	Share Count
\$41M	20%	43.5M

# Belden - Value Creation Framework





# CORPORATE OVERVIEW

# BELDEN INC.

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NYSE : BDC

# Belden At-a-Glance



Belden delivers the infrastructure that makes the digital journey simpler, smarter and secure.



**120+ Years**  
in business

**2022**  
Results <sup>(1)</sup>

Revenue  
**\$2,606M**

Adjusted  
EBITDA  
**\$444M**

Adjusted  
EPS  
**\$6.41**

Free  
Cash Flow  
**\$220M**

Associates  
**8,000**

## 2022 Segment Results

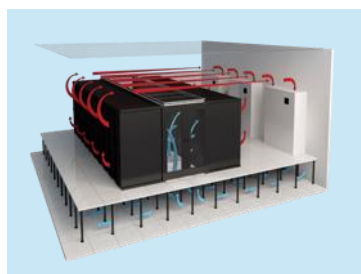
### Industrial Automation Solutions



Revenue  
**\$1,408M**

EBITDA  
**\$277M**

### Enterprise Solutions



Revenue  
**\$1,198M**

EBITDA  
**\$162M**

## 2022 Sales by Region



# Key Growth Drivers



## Industrial Automation

Investments in automation, industry 4.0, digital transformation

High cost of labor, skill gaps

Repositioning / reshoring of manufacturing footprint



## Smart Buildings

Increasing digitization driving a technology refresh cycle

5G & IoT increasing connectivity demands in buildings

Mobility & collaboration driving exponential growth in data consumption



## Broadband

Ever-increasing bandwidth usage

Network upgrades and rural broadband buildout

Wireless (5G) market growth

# APPENDIX

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# Statement of Operations

Unaudited

	Three Months Ended	
	April 2, 2023	April 3, 2022
	(In thousands, except per share data)	
Revenues	\$ 641,789	\$ 610,371
Cost of sales	(395,684)	(401,511)
Gross profit	246,105	208,860
Selling, general and administrative expenses	(121,574)	(103,066)
Research and development expenses	(29,384)	(23,456)
Amortization of intangibles	(9,610)	(8,817)
Operating income	85,537	73,521
Interest expense, net	(8,201)	(14,411)
Non-operating pension benefit	488	1,200
Loss on debt extinguishment	—	(6,392)
Income from continuing operations before taxes	77,824	53,918
Income tax expense	(14,879)	(9,822)
Income from continuing operations	62,945	44,096
Loss from discontinued operations, net of tax	—	(3,685)
Loss on disposal of discontinued operations, net of tax	—	(4,567)
Net income	62,945	35,844
Less: Net income (loss) attributable to noncontrolling interest	(247)	3
Net income attributable to Belden stockholders	\$ 63,192	\$ 35,841
Weighted average number of common shares and equivalents:		
Basic	42,827	44,811
Diluted	43,669	45,567
Basic income (loss) per share attributable to Belden stockholders:		
Continuing operations	\$ 1.48	\$ 0.98
Discontinued operations	—	(0.08)
Disposal of discontinued operations	—	(0.10)
Net income	\$ 1.48	\$ 0.80
Diluted income (loss) per share attributable to Belden stockholders:		
Continuing operations	\$ 1.45	\$ 0.97
Discontinued operations	—	(0.08)
Disposal of discontinued operations	—	(0.10)
Net income	\$ 1.45	\$ 0.79
Common stock dividends declared per share	\$ 0.05	\$ 0.05





# Operating Segment Information

Unaudited

	Enterprise Solutions	Industrial Automation Solutions	Total Segments
(In thousands, except percentages)			
<b><u>For the three months ended April 2, 2023</u></b>			
Segment Revenues	\$ 275,343	\$ 366,446	\$ 641,789
Segment EBITDA	37,205	73,787	110,992
Segment EBITDA margin	13.5 %	20.1 %	17.3 %
Depreciation expense	5,954	6,400	12,354
Amortization of intangibles	4,495	5,115	9,610
Amortization of software development intangible assets	—	1,452	1,452
Severance, restructuring, and acquisition integration costs	25	1,687	1,712
Adjustments related to acquisitions and divestitures	—	298	298
<b><u>For the three months ended April 3, 2022</u></b>			
Segment Revenues	\$ 268,430	\$ 341,941	\$ 610,371
Segment EBITDA	30,821	67,528	98,349
Segment EBITDA margin	11.5 %	19.7 %	16.1 %
Depreciation expense	5,426	5,800	11,226
Amortization of intangibles	4,097	4,720	8,817
Amortization of software development intangible assets	22	985	1,007
Severance, restructuring, and acquisition integration costs	328	3,395	3,723





# Operating Segment Reconciliation to Consolidated Results

## Unaudited

	Three Months Ended	
	April 2, 2023	April 3, 2022
	(In thousands)	
Total Segment and Consolidated Revenues	\$ 641,789	\$ 610,371
Total Segment EBITDA	\$ 110,992	\$ 98,349
Total non-operating pension benefit	488	1,200
Eliminations	(29)	(55)
Consolidated Adjusted EBITDA (1)	111,451	99,494
Depreciation expense	(12,354)	(11,226)
Amortization of intangibles	(9,610)	(8,817)
Interest expense, net	(8,201)	(14,411)
Amortization of software development intangible assets	(1,452)	(1,007)
Severance, restructuring, and acquisition integration costs	(1,712)	(3,723)
Adjustments related to acquisitions and divestitures	(298)	—
Loss on debt extinguishment	—	(6,392)
Income from continuing operations before taxes	\$ 77,824	\$ 53,918

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





# Balance Sheet

## Unaudited

	April 2, 2023	December 31, 2022
	(In thousands)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 589,045	\$ 687,676
Receivables, net	417,868	440,102
Inventories, net	370,729	341,563
Other current assets	63,431	66,866
Total current assets	1,441,073	1,536,207
Property, plant and equipment, less accumulated depreciation	381,901	381,864
Operating lease right-of-use assets	74,451	73,376
Goodwill	864,244	862,253
Intangible assets, less accumulated amortization	243,002	246,830
Deferred income taxes	14,798	14,642
Other long-lived assets	47,312	46,503
	<u>\$ 3,066,781</u>	<u>\$ 3,161,675</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 295,049	\$ 350,058
Accrued liabilities	239,436	289,861
Total current liabilities	534,485	639,919
Long-term debt	1,179,007	1,161,176
Postretirement benefits	67,403	67,828
Deferred income taxes	58,494	58,582
Long-term operating lease liabilities	61,400	59,250
Other long-term liabilities	31,775	30,970
Stockholders' equity:		
Common stock	503	503
Additional paid-in capital	809,596	825,669
Retained earnings	812,564	751,522
Accumulated other comprehensive loss	(23,171)	(5,871)
Treasury stock	(465,969)	(428,812)
Total Belden stockholders' equity	1,133,523	1,143,011
Noncontrolling interests	694	939
Total stockholders' equity	1,134,217	1,143,950
	<u>\$ 3,066,781</u>	<u>\$ 3,161,675</u>





# Cash Flow Statement

## Unaudited

	Three Months Ended	
	April 2, 2023	April 3, 2022
	(In thousands)	
Cash flows from operating activities:		
Net income	\$ 62,945	\$ 35,844
Adjustments to reconcile net income to cash flows from operating activities:		
Depreciation and amortization	23,416	21,083
Share-based compensation	6,253	5,224
Loss on debt extinguishment	—	6,392
Changes in operating assets and liabilities, net of the effects of currency exchange rate changes, acquired businesses and disposals:		
Receivables	13,928	37,617
Inventories	(28,152)	(46,959)
Accounts payable	(56,056)	(21,373)
Accrued liabilities	(54,551)	(83,527)
Income taxes	2,701	2,209
Other assets	(4,111)	(2,915)
Other liabilities	1,755	(11,550)
Net cash used for operating activities	(31,872)	(57,955)
Cash flows from investing activities:		
Capital expenditures	(13,844)	(10,963)
Cash used for business acquisitions, net of cash acquired	—	(65,990)
Proceeds from disposal of tangible assets	1	56
Proceeds from disposal of businesses, net of cash sold	10,000	338,686
Net cash provided by (used for) investing activities	(3,843)	261,789
Cash flows from financing activities:		
Payments under share repurchase program	(50,000)	(50,000)
Withholding tax payments for share-based payment awards	(13,292)	(3,700)
Cash dividends paid	(2,146)	(2,276)
Payments under financing lease obligations	(38)	(45)
Payments under borrowing arrangements	—	(230,639)
Proceeds from issuance of common stock	1,679	—
Net cash used for financing activities	(63,797)	(286,660)
Effect of foreign currency exchange rate changes on cash and cash equivalents	881	(1,349)
Decrease in cash and cash equivalents	(98,631)	(84,175)
Cash and cash equivalents, beginning of period	687,676	643,757
Cash and cash equivalents, end of period	\$ 589,045	\$ 559,582

The Condensed Consolidated Cash Flow Statement for the three months ended April 3, 2022 includes the results of discontinued operations up to the February 22, 2022 disposal date.



# Reconciliation of Non-GAAP Measures

## Unaudited

	Three Months Ended	
	April 2, 2023	April 3, 2022
	(In thousands, except percentages and per share amounts)	
GAAP and Adjusted Revenues	\$ 641,789	\$ 610,371
GAAP gross profit	\$ 246,105	\$ 208,860
Severance, restructuring, and acquisition integration costs	229	1,364
Amortization of software development intangible assets	1,452	1,007
Adjusted gross profit	\$ 247,786	\$ 211,231
GAAP gross profit margin	38.3 %	34.2 %
Adjusted gross profit margin	38.6 %	34.6 %
GAAP selling, general and administrative expenses	\$ (121,574)	\$ (103,066)
Severance, restructuring, and acquisition integration costs	1,483	2,359
Adjustments related to acquisitions and divestitures	298	—
Adjusted selling, general and administrative expenses	\$ (119,793)	\$ (100,707)
GAAP and adjusted research and development expenses	\$ (29,384)	\$ (23,456)
GAAP income from continuing operations	\$ 62,945	\$ 44,096
Income tax expense	14,879	9,822
Interest expense, net	8,201	14,411
Loss on debt extinguishment	—	6,392
Total non-operating adjustments	23,080	30,625
Amortization of intangible assets	9,610	8,817
Amortization of software development intangible assets	1,452	1,007
Severance, restructuring, and acquisition integration costs	1,712	3,723
Adjustments related to acquisitions and divestitures	298	—
Total operating income adjustments	13,072	13,547
Depreciation expense	12,354	11,226
Adjusted EBITDA	\$ 111,451	\$ 99,494
GAAP income from continuing operations margin	9.8 %	7.2 %
Adjusted EBITDA margin	17.4 %	16.3 %

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 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.

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 acquisition-related expenses, such as amortization of intangibles and 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.

# Reconciliation of Non-GAAP Measures

## (continued)

### Unaudited

	Three Months Ended	
	April 2, 2023	April 3, 2022
	(In thousands, except percentages and per share amounts)	
GAAP income from continuing operations	\$ 62,945	\$ 44,096
Less: Net income (loss) attributable to noncontrolling interest	(247)	3
GAAP net income from continuing operations attributable to Belden stockholders	<u>\$ 63,192</u>	<u>\$ 44,093</u>
GAAP income from continuing operations	\$ 62,945	\$ 44,096
Plus: Operating income adjustments from above	13,072	13,547
Plus: Loss on debt extinguishment	—	6,392
Less: Net income (loss) attributable to noncontrolling interest	(247)	3
Less: Tax effect of adjustments above	2,882	4,547
Adjusted net income from continuing operations attributable to Belden stockholders	<u>\$ 73,382</u>	<u>\$ 59,485</u>
GAAP income from continuing operations per diluted share attributable to Belden stockholders	\$ 1.45	\$ 0.97
Adjusted income from continuing operations per diluted share attributable to Belden stockholders	\$ 1.68	\$ 1.31
GAAP and adjusted diluted weighted average shares	43,669	45,567

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 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.

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



# Reconciliation of Non-GAAP Measures

## (continued)

### Unaudited

	Twelve Months Ended December 31, 2022
	(In thousands, except percentages and per share amounts)
GAAP and Adjusted Revenues	\$ 2,606,485
GAAP gross profit	\$ 916,289
Severance, restructuring, and acquisition integration costs	10,088
Amortization of software development intangible assets	3,875
Adjustments related to acquisitions and divestitures	1,648
Adjusted gross profit	\$ 931,900
GAAP gross profit margin	35.2 %
Adjusted gross profit margin	35.8 %
GAAP selling, general and administrative expenses	\$ (448,637)
Severance, restructuring, and acquisition integration costs	6,597
Adjustments related to acquisitions and divestitures	7,833
Adjusted selling, general and administrative expenses	\$ (434,207)
GAAP and adjusted research and development expenses	\$ (104,350)
GAAP income from continuing operations	\$ 267,748
Interest expense, net	43,554
Income tax expense	49,645
Loss on debt extinguishment	6,392
Non-operating pension settlement loss	1,189
Total non-operating adjustments	100,780
Severance, restructuring, and acquisition integration costs	16,685
Amortization of intangible assets	37,860
Amortization of software development intangible assets	3,875
Adjustments related to acquisitions and divestitures	7,833
Gain on sale of asset	(37,891)
Total operating income adjustments	28,362
Depreciation expense	46,669
Adjusted EBITDA	\$ 443,559
GAAP income from continuing operations margin	10.3 %
Adjusted EBITDA margin	17.0 %

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 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.

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 acquisition-related expenses, such as amortization of intangibles and 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.



# Reconciliation of Non-GAAP Measures

## (continued)

### Unaudited

	Twelve Months Ended December 31, 2022	
	(In thousands, except percentages and per share amounts)	
GAAP income from continuing operations	\$	267,748
Less: Net income attributable to noncontrolling interest		159
GAAP net income from continuing operations attributable to Belden stockholders	\$	267,589
GAAP income from continuing operations	\$	267,748
Plus: Operating income adjustments from above		28,362
Plus: Loss on debt extinguishment		6,392
Plus: Non-operating pension settlement loss		1,189
Less: Net income attributable to noncontrolling interest		159
Less: Tax effect of adjustments above		18,169
Adjusted net income from continuing operations attributable to Belden stockholders	\$	285,363
GAAP income from continuing operations per diluted share attributable to Belden stockholders (EPS)	\$	6.01
Adjusted income from continuing operations per diluted share attributable to Belden stockholders(Adjusted EPS)	\$	6.41
GAAP and adjusted diluted weighted average shares		44,537

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 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.

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

# Free Cash Flow GAAP to Non-GAAP Reconciliation

## Unaudited

	Three Months Ended	
	April 2, 2023	April 3, 2022
	(In thousands)	
GAAP net cash used for operating activities	\$ (31,872)	\$ (57,955)
Capital expenditures, net of proceeds from disposal of tangible assets	(13,843)	(10,907)
Non-GAAP free cash flow	<u>\$ (45,715)</u>	<u>\$ (68,862)</u>

	Trailing 12 Months Ended		
	April 2, 2023	December 31, 2022	April 3, 2022
	(In thousands)		
GAAP net cash provided by operating activities	\$ 307,379	\$ 281,296	\$ 255,595
Capital expenditures, net of proceeds from disposal of tangible assets	(64,496)	(61,560)	(60,444)
Non-GAAP free cash flow	<u>\$ 242,883</u>	<u>\$ 219,736</u>	<u>\$ 195,151</u>

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

	Year Ended December 31, 2023	Three Months Ended July 2, 2023
(In thousands)		
GAAP income from continuing operations per diluted share attributable to Belden common stockholders	\$5.71 - \$6.01	\$1.36 - \$1.46
Amortization of intangible assets	0.84	0.21
Severance, restructuring, and acquisition integration costs	0.32	0.11
Adjustments related to acquisitions and divestitures	0.08	0.02
Adjusted income from continuing operations per diluted share attributable to Belden common stockholders	\$6.95 - \$7.25	\$1.70 - \$1.80

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 assets, gains (losses) on debt extinguishment, discontinued operations, and other gains (losses) related to events or conditions that are not yet known. Such information is not available for our 2025 fiscal year, and therefore we are unable to estimate 2025 GAAP income from continuing operations per diluted share attributable to Belden common stockholders.

# Thank You

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Aaron Reddington CFA

Vice President Investor Relations

[investor.relations@belden.com](mailto:investor.relations@belden.com)

