

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d) of The
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): October 31, 2023

HUBBELL INCORPORATED
(Exact name of registrant as specified in its charter)

Connecticut
(State or other jurisdiction
of incorporation)

40 Waterview Drive
Shelton, Connecticut
(Address of principal executive offices)

1-2958
(Commission
File Number)

06-0397030
(IRS Employer
Identification No.)

06484
(Zip Code)

Registrant's telephone number, including area code: (475) 882-4000

N/A
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock - par value \$0.01 per share	HUBB	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth
company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

ITEM 2.02 Results of Operations and Financial Condition.

On October 31, 2023, Hubbell Incorporated (the “Company”) issued a press release announcing results for the third quarter and nine months ended September 30, 2023.

The full text of the press release issued in connection with the announcement is furnished as Exhibit 99.1 to this Current Report on Form 8-K and hereby incorporated in this Item 2.02 by reference. The information in this Item 2.02, including Exhibit 99.1 attached hereto, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

INFORMATION CONCERNING FORWARD-LOOKING STATEMENTS — Certain of the statements contained in this report and the exhibit attached hereto, including, without limitation, statements as to management’s good faith expectations and belief are forward-looking statements. Forward-looking statements are made based upon management’s expectations and belief concerning future developments and their potential effect upon the Company. There can be no assurance that future developments will be in accordance with management’s expectations or that the effect of future developments on the Company will be those anticipated by management. Investors should consider this cautionary statement as well as the “Risk Factors” and other factors described in our periodic reports filed with the Securities and Exchange Commission when evaluating our forward-looking statements.

ITEM 9.01 Financial Statements and Exhibits.

<u>EXHIBIT NO.</u>	<u>DOCUMENT DESCRIPTION</u>
99.1 *	Press Release dated October 31, 2023 pertaining to the financial results of the Company for the third quarter and nine months ended September 30, 2023.
104*	Cover Page Interactive Data File (formatted as Inline XBRL)

*Filed herewithin.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

HUBBELL INCORPORATED

By: /s/ Jonathan M. Del Nero

Name: Jonathan M. Del Nero

Title: Vice President, Controller

Date: October 31, 2023



Date: October 31, 2023

NEWS RELEASE

Hubbell Incorporated
40 Waterview Drive
Shelton, CT 06484
475-882-4000

HUBBELL REPORTS THIRD QUARTER 2023 RESULTS

- Q3 diluted EPS from continuing operations of \$3.70; adjusted diluted EPS from continuing operations of \$3.95
- Q3 net sales +5% (organic +4%, acquisitions +1%)
- Operating margin expansion of 460 bps; adjusted operating margin expansion of 440 bps
- Raise FY23 diluted EPS from continuing operations to \$14.00-\$14.25; adjusted diluted EPS of \$15.00-\$15.25

SHELTON, CT. (October 31, 2023) – Hubbell Incorporated (NYSE: HUBB) today reported operating results for the third quarter ended September 30, 2023.

“Hubbell delivered strong earnings growth for shareholders in the third quarter,” said Gerben Bakker, Chairman, President and CEO. “We continued to drive significant margin expansion in the quarter through effective execution on price, cost and productivity, while also accelerating investment levels in capacity, productivity and innovation.”

Mr. Bakker continued, “Our leading quality and service levels supported strong price realization in the third quarter. In Utility Solutions, improved lead times drove further channel inventory normalization in utility distribution markets as anticipated, though end customer demand was solid. Transmission markets remained robust, and improved supply chain dynamics enabled accelerated sequential growth in utility communications and controls. Telcom markets were softer in the quarter. In Electrical Solutions, industrial end markets were solid, with strength in renewables and datacenter verticals. Channel inventory management continued to impact commercial facing markets as anticipated, and residential markets remained soft.”

Mr. Bakker concluded, “Our third quarter performance reflects continued execution off of a strong first half in 2023. As grid modernization and electrification drive investment in critical infrastructure, Hubbell is uniquely positioned to serve the evolving needs of our utility and electrical customers. We expect to deliver attractive profitable growth for shareholders in 2024 and beyond.”

Certain terms used in this release, including "net debt", "free cash flow", "organic net sales", "organic net sales growth", "restructuring-related costs", "Adjusted EBITDA", and certain other "adjusted" measures, are defined under the section entitled "Non-GAAP Definitions." See page 8 for more information.

THIRD QUARTER FINANCIAL HIGHLIGHTS

The comments and year-over-year comparisons in this segment review are based on third quarter results in 2023 and 2022.

Utility Solutions segment net sales in the third quarter of 2023 increased 8% to \$838 million compared to \$775 million reported in the third quarter of 2022. Organic net sales increased 7% in the quarter while acquisitions added 1%. Total Utility T&D Components net sales increased approximately 3% and Utility Communications and Controls net sales increased approximately 28%. Operating income was \$187 million, or 22.3% of net sales, in the third quarter of 2023 as compared to \$130 million, or 16.8% of net sales in the same period of 2022. Adjusted operating income was \$201 million, or 24.0% of net sales, in the third quarter of 2023 as compared to \$144 million, or 18.6% of net sales in the same period of the prior year. Increases in operating income and operating margin were primarily due to price realization, lower raw material costs, and improved productivity, partially offset by non-material cost inflation and increased investment.

Electrical Solutions segment net sales in the third quarter of 2023 decreased 1% to \$538 million compared to \$542 million reported in the third quarter of 2022. Organic net sales decreased 1% in the quarter. Operating income was \$90 million, or 16.6% of net sales, compared to \$74 million, or 13.6% of net sales in the same period of 2022. Adjusted operating income was \$94 million, or 17.5% of net sales, in the third quarter of 2023 as compared to \$80 million, or 14.8% of net sales in the same period of the prior year. Increases in operating income and operating margin were driven primarily by price realization, lower raw material costs and improved productivity, partially offset by lower volume, non-material cost inflation and SKU optimization efforts.

Adjusted diluted EPS from continuing operations in the third quarter 2023 excludes \$0.25 of amortization of acquisition-related intangible assets. Adjusted diluted EPS from continuing operations in the third quarter 2022 results exclude \$0.28 of amortization of acquisition-related intangible assets and \$0.02 due to a pension settlement charge.

Net cash provided by operating activities from continuing operations was \$194 million in the third quarter of 2023 versus net cash provided by operating activities of \$220 million in the comparable period of 2022. Free cash flow was \$159 million in the third quarter of 2023 versus \$194 million in the comparable period of 2022.

SUMMARY & OUTLOOK

For the full year 2023, Hubbell anticipates diluted earnings per share from continuing operations in the range of \$14.00-\$14.25 and anticipates adjusted diluted earnings per share from continuing operations ("Adjusted EPS") in the range of \$15.00-\$15.25. Adjusted EPS excludes amortization of acquisition-related intangible assets, which the Company expects to be approximately \$1.00 for the full year. The Company believes Adjusted EPS is a useful measure of underlying performance in light of our acquisition strategy.

Hubbell anticipates full year 2023 total sales growth of approximately 8% and organic net sales growth of approximately 7%, as compared to full year 2022. The Company anticipates net M&A contributing +1% to full year sales growth.

The diluted EPS and Adjusted EPS ranges are based on an adjusted tax rate of 22.5% to 23% and include approximately \$0.20 of anticipated restructuring and related investment. The Company continues to expect full year 2023 free cash flow to be greater than \$700 million.

CONFERENCE CALL

Hubbell will conduct an earnings conference call to discuss its third quarter 2023 financial results today, October 31, 2023 at 10:00 a.m. ET. A live audio of the conference call will be available and can be accessed by visiting Hubbell's "Investor Relations - Events/Presentations" section of www.hubbell.com. Audio replays will also be available at the conclusion of the call by visiting www.hubbell.com and selecting "Investors" from the options at the bottom of the page and then "Events/Presentations" from the drop-down menu.

FORWARD-LOOKING STATEMENTS

Certain statements contained herein may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These include statements about expectations regarding our financial results, condition and outlook, anticipated end markets, near-term volume, continued Company investment to support growth and productivity initiatives, grid modernization and electrification trends continuing to drive investment in critical infrastructure, meeting the needs of our customers, channel inventory normalization, favorable price, cost and productivity trends, operating profit growth and margin expansion, having an anticipated seasonally strong fourth quarter and our positioning to continue delivering attractive profitable growth for shareholders in 2024 and beyond, statements regarding the consummation of the proposed acquisition of the Systems Control business and the anticipated benefits to the Company thereof, including the timing for the proposed transaction to become accretive, the projected 2024 EDITDA multiple and Systems Control estimated 2024 sales, and all statements, including our projected financial results, set forth in the “Summary & Outlook” section above, as well as other statements that are not strictly historic in nature. In addition, all statements regarding anticipated growth, changes in operating results, market conditions and economic conditions are forward-looking. These statements may be identified by the use of forward-looking words or phrases such as “believe”, “expect”, “anticipate”, “intend”, “depend”, “plan”, “estimated”, “predict”, “target”, “should”, “could”, “may”, “subject to”, “continues”, “growing”, “prospective”, “forecast”, “projected”, “purport”, “might”, “if”, “contemplate”, “potential”, “pending”, “target”, “goals”, “scheduled”, “will”, “will likely be”, and similar words and phrases. Such forward-looking statements are based on our current expectations and involve numerous assumptions, known and unknown risks, uncertainties and other factors which may cause actual and future performance or the Company’s achievements to be materially different from any future results, performance, or achievements expressed or implied by such forward-looking statements. Such factors include, but are not limited to: business conditions, geopolitical conditions (including the wars in Ukraine and Israel, as well as trade tensions with China) and changes in general economic conditions in particular industries, markets or geographic regions, and ongoing softness in the residential markets, as well the potential for a significant economic slowdown, continued inflation, stagflation or recession, higher interest rates, and higher energy costs; our ability to offset increases in material and non-material costs through price recovery and volume growth; effects of unfavorable foreign currency exchange rates and the potential use of hedging instruments to hedge the exposure to fluctuating rates of foreign currency exchange on inventory purchases; the outcome of contingencies or costs compared to amounts provided for such contingencies, including those with respect to pension withdrawal liabilities; achieving sales levels to meet revenue expectations; unexpected costs or charges, certain of which may be outside the Company’s control; the effects of trade tariffs, import quotas and other trade restrictions or actions taken by the United States, United Kingdom, and other countries, including changes in U.S. trade policies;

failure to achieve projected levels of efficiencies, cost savings and cost reduction measures, including those expected as a result of our lean initiatives and strategic sourcing plans, regulatory issues, changes in tax laws including multijurisdictional implementation of the Organisation for Economic Co-operation and Development’s comprehensive base erosion and profit shifting plan, or changes in geographic profit mix affecting tax rates and availability of tax incentives; the impact of and ability to fully integrate strategic acquisitions, including the acquisitions of PCX Holding LLC, Ripley Tools, LLC, Nooks Hill Road, LLC, REF Automation Limited, REF Alabama Inc., EI Electronics LLC, and Indústria Eletromecânica Balestro Ltda.; the impact of certain divestitures, including the benefits and costs of the sale of the Commercial and Industrial Lighting business to GE Current; the ability to effectively develop and introduce new products, expand into new markets and deploy capital; the ability to complete the proposed acquisition of the Systems Control business on the proposed terms or on the anticipated timeline, or at all; failure to achieve the anticipated benefits from the proposed transaction; other risks related to the completion of the proposed transaction and actions related thereto, including transaction costs and/or unknown or inestimable liabilities; risks related to the integration of the Systems Control business and the future opportunities and plans for the combined company; and other factors described in our Securities and Exchange Commission filings, including the “Business”, “Risk Factors”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Forward-Looking Statements” and “Quantitative and Qualitative Disclosures about Market Risk” sections in the Annual Report on Form 10-K for the year ended December 31, 2022 and Quarterly Reports on Form 10-Q.

About the Company

Hubbell Incorporated is a leading manufacturer of utility and electrical solutions enabling customers to operate critical infrastructure safely, reliably and efficiently. With 2022 revenues of \$4.9 billion, Hubbell solutions electrify economies and energize communities. The corporate headquarters is located in Shelton, CT.

Contact:

Dan Innamorato
Hubbell Incorporated
40 Waterview Drive
P.O. Box 1000
Shelton, CT 06484
(475) 882-4000

#####

NON-GAAP DEFINITIONS

References to "adjusted" operating measures exclude the impact of certain costs, gains or losses. Management believes these adjusted operating measures provide useful information regarding our underlying performance from period to period and an understanding of our results of operations without regard to items we do not consider a component of our core operating performance. Adjusted operating measures are non-GAAP measures, and include adjusted operating income, adjusted operating margin, adjusted net income from continuing operations attributed to Hubbell Incorporated, adjusted net income from continuing operations available to common shareholders, adjusted earnings per diluted share from continuing operations, and Adjusted EBITDA. These non-GAAP measures exclude, where applicable:

- Amortization of all intangible assets associated with our business acquisitions, including inventory step-up amortization associated with those acquisitions. The intangible assets associated with our business acquisitions arise from the allocation of the purchase price using the acquisition method of accounting in accordance with Accounting Standards Codification 805, "Business Combinations." These assets consist primarily of customer relationships, developed technology, trademarks and tradenames, and patents, as reported in Note 7—Goodwill and Other Intangible Assets, under the heading "Total Definite-Lived Intangibles," within the Company's audited consolidated financial statements set forth in its Annual Report on Form 10-K for Fiscal Year Ended December 31, 2022. The Company excludes these non-cash expenses because we believe it (i) enhances management's and investors' ability to analyze underlying business performance, (ii) facilitates comparisons of our financial results over multiple periods, and (iii) provides more relevant comparisons of our results with the results of other companies as the amortization expense associated with these assets may fluctuate significantly from period to period based on the timing, size, nature, and number of acquisitions. Although we exclude amortization of these acquired intangible assets and inventory step-up from our non-GAAP results, we believe that it is important for investors to understand that revenue generated, in part, from such intangibles is included within revenue in determining adjusted net income attributable to Hubbell Incorporated.
- Pension charges including settlement charges in the nine months ended September 30, 2022.
- Income tax effects of the above adjustments which are calculated using the statutory tax rate, taking into consideration the nature of the item and the relevant taxing jurisdiction, unless otherwise noted.

Adjusted EBITDA is a non-GAAP measure that excludes the items noted above and also excludes the Other income (expense), net, Interest expense, net, and Provision for income taxes captions of the Condensed Consolidated Statement of Income, as well as depreciation and amortization expense.

Net debt (defined as total debt less cash and investments) to total capital is a non-GAAP measure that we believe is a useful measure for evaluating the Company's financial leverage and the ability to meet its funding needs.

Free cash flow is a non-GAAP measure that we believe provides useful information regarding the Company's ability to generate cash without reliance on external financing. In addition, management uses free cash flow to evaluate the resources available for investments in the business, strategic acquisitions and further strengthening the balance sheet.

In connection with our restructuring and related actions, we have incurred restructuring costs as defined by U.S. GAAP, which are primarily severance and employee benefits, asset impairments, accelerated depreciation, as well as facility closure, contract termination and certain pension costs that are directly related to restructuring actions. We also incur restructuring-related costs, which are costs associated with our business transformation initiatives, including the consolidation of back-office functions and streamlining our processes, and certain other costs and gains associated with restructuring actions. We refer to these costs on a combined basis as "restructuring and related costs", which is a non-GAAP measure.

Organic net sales, a non-GAAP measure, represents net sales according to U.S. GAAP, less net sales from acquisitions and divestitures during the first twelve months of ownership or divestiture, respectively, less the effect of fluctuations in net sales from foreign currency exchange. The period-over-period effect of fluctuations in net sales from foreign currency exchange is calculated as the difference between local currency net sales of the prior period translated at the current period exchange rate as compared to the same local currency net sales translated at the prior period exchange rate. We believe this measure provides management and investors with a more complete understanding of underlying operating results and trends of established, ongoing operations by excluding the effect of acquisitions, dispositions and foreign currency, as these activities can obscure underlying trends. When comparing net sales growth between periods excluding the effects of acquisitions, business dispositions and currency exchange rates, those effects are different when comparing results for different periods. For example, because net sales from acquisitions are considered inorganic from the date we complete an acquisition through the end of the first year following the acquisition, net sales from such acquisition are reflected as organic net sales thereafter.

There are limitations to the use of non-GAAP measures. Non-GAAP measures do not present complete financial results. We compensate for this limitation by providing a reconciliation between our non-GAAP financial measures and the respective most directly comparable financial measure calculated and presented in accordance with GAAP. Because non-GAAP financial measures are not standardized, it may not be possible to compare these financial measures with other companies' non-GAAP financial measures having the same or similar names. These financial measures should not be considered in isolation from, as substitutes for, or alternative measures of, reported GAAP financial results, and should be viewed in conjunction with the most comparable GAAP financial measures and the provided reconciliations thereto. We believe, however, that these non-GAAP financial measures, when viewed together with our GAAP results and related reconciliations, provide a more complete understanding of our business. We strongly encourage investors to review our consolidated financial statements and publicly filed reports in their entirety and not rely on any single financial measure.

Reconciliations of each of these non-GAAP measures to the most directly comparable GAAP measure can be found in the tables below. When we provide our expectations for organic net sales, adjusted effective tax rate, adjusted diluted EPS and free cash flow on a forward-looking basis, a reconciliation of the differences between the non-GAAP expectations and the corresponding GAAP measures (expected net sales, effective tax rate, diluted EPS and net cash flows provided by operating activities) generally is not available without unreasonable effort due to potentially high variability, complexity and low visibility as to the items that would be excluded from the GAAP measure in the relevant future period, such as unusual gains and losses, fluctuations in foreign currency exchange rates, the impact and timing of potential acquisitions and divestitures, certain financing costs, and other structural changes or their probable significance. The variability of the excluded items may have a significant, and potentially unpredictable, impact on our future GAAP results.

HUBBELL INCORPORATED
Condensed Consolidated Statement of Income
(unaudited)
(in millions, except per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Net sales	\$ 1,375.8	\$ 1,316.2	\$ 4,027.1	\$ 3,728.3
Cost of goods sold	888.4	917.7	2,595.2	2,623.5
Gross profit	487.4	398.5	1,431.9	1,104.8
Selling & administrative expenses	211.1	194.9	619.0	567.7
Operating income	276.3	203.6	812.9	537.1
Operating income as a % of Net sales	20.1 %	15.5 %	20.2 %	14.4 %
Pension charge	—	(1.5)	—	(5.9)
Interest expense, net	(7.8)	(12.1)	(26.7)	(37.9)
Other (expense) income, net	(3.5)	0.8	(12.4)	6.9
Total other expense, net	(11.3)	(12.8)	(39.1)	(36.9)
Income from continuing operations before income taxes	265.0	190.8	773.8	500.2
Provision for income taxes	63.0	38.8	180.2	107.3
Net income from continuing operations	202.0	152.0	593.6	392.9
Less: Net income from continuing operations attributable to noncontrolling interest	(1.9)	(1.7)	(4.8)	(4.5)
Net income from continuing operations attributable to Hubbell Incorporated	<u>\$ 200.1</u>	<u>\$ 150.3</u>	<u>\$ 588.8</u>	<u>\$ 388.4</u>
Earnings Per Share:				
Basic earnings per share from continuing operations	\$ 3.72	\$ 2.79	\$ 10.96	\$ 7.20
Diluted earnings per share from continuing operations	\$ 3.70	\$ 2.78	\$ 10.89	\$ 7.16
Cash dividends per common share	\$ 1.12	\$ 1.05	\$ 3.36	\$ 3.15

HUBBELL INCORPORATED
Condensed Consolidated Balance Sheet
(unaudited)
(in millions)

	September 30, 2023	December 31, 2022
ASSETS		
Cash and cash equivalents	\$ 572.8	\$ 440.5
Short-term investments	17.9	14.3
Accounts receivable (net of allowances of \$13.2 and \$14.3)	852.9	741.6
Inventories, net	788.4	740.7
Other current assets	86.4	84.3
TOTAL CURRENT ASSETS	2,318.4	2,021.4
Property, plant and equipment, net	572.2	528.0
Investments	61.6	65.9
Goodwill	1,994.7	1,970.5
Other intangible assets, net	644.7	669.9
Other long-term assets	176.7	146.9
TOTAL ASSETS	\$ 5,768.3	\$ 5,402.6
LIABILITIES AND EQUITY		
Short-term debt	\$ 3.3	\$ 4.7
Accounts payable	554.7	529.9
Accrued salaries, wages and employee benefits	129.0	144.2
Accrued insurance	80.8	75.6
Other accrued liabilities	303.6	334.1
TOTAL CURRENT LIABILITIES	1,071.4	1,088.5
Long-term debt	1,439.7	1,437.9
Other non-current liabilities	506.7	505.6
TOTAL LIABILITIES	3,017.8	3,032.0
Hubbell Incorporated Shareholders' Equity	2,739.1	2,360.9
Noncontrolling interest	11.4	9.7
TOTAL EQUITY	2,750.5	2,370.6
TOTAL LIABILITIES AND EQUITY	\$ 5,768.3	\$ 5,402.6

HUBBELL INCORPORATED
Condensed Consolidated Statement of Cash Flows
(unaudited)
(in millions)

	Nine Months Ended September 30,	
	2023	2022
Cash Flows From Operating Activities Of Continuing Operations		
Net income from continuing operations attributable to Hubbell	\$ 588.8	\$ 388.4
Depreciation and amortization	110.1	107.6
Deferred income taxes	(17.1)	(41.7)
Stock-based compensation expense	21.6	21.7
Provision for bad debt expense	—	5.7
Pension charge	—	5.9
Loss on sale of assets	1.5	2.3
Changes in assets and liabilities, net of acquisitions		
Accounts receivable, net	(101.0)	(134.4)
Inventories, net	(39.4)	(67.8)
Accounts payable	25.1	28.4
Current liabilities	(45.2)	65.4
Other assets and liabilities, net	2.5	17.2
Contributions to defined benefit pension plans	(10.0)	(12.5)
Other, net	(1.6)	7.6
Net cash provided by operating activities from continuing operations	535.3	393.8
Cash Flows From Investing Activities Of Continuing Operations		
Capital expenditures	(103.8)	(67.2)
Acquisition of businesses, net of cash acquired	(60.0)	(163.6)
Proceeds from disposal of business, net of cash	—	332.8
Purchases of available-for-sale investments	(13.7)	(26.5)
Proceeds from sales of available-for-sale investments	15.8	15.7
Other, net	0.3	1.4
Net cash (used in) provided by investing activities from continuing operations	(161.4)	92.6
Cash Flows From Financing Activities Of Continuing Operations		
Borrowing (payments) of short-term debt, net	(1.4)	(5.4)
Payment of dividends	(180.1)	(169.6)
Repurchase of common shares	(30.0)	(150.0)
Other, net	(30.2)	(15.3)
Net cash used by financing activities from continuing operations	(241.7)	(340.3)
Cash Flows From Discontinued Operations:		
Cash used in operating activities	—	(50.1)
Cash used in investing activities	—	(1.7)
Net cash used in discontinued operations	—	(51.8)
Effect of foreign exchange rate changes on cash and cash equivalents	0.3	(14.2)
Increase in cash, cash equivalents and restricted cash	132.5	80.1
Cash and cash equivalents, beginning of year	440.5	286.2
Cash and cash equivalents within assets held for sale, beginning of year	—	0.7
Restricted cash, included in other assets, beginning of year	2.8	2.7
Less: Restricted cash, included in other assets	3.0	2.8
Cash and cash equivalents, end of quarter	\$ 572.8	\$ 366.9

HUBBELL INCORPORATED
Earnings Per Share
(unaudited)
(in millions, except per share amounts)

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2023	2022	Change	2023	2022	Change
Net income from continuing operations attributable to Hubbell (GAAP measure)	\$ 200.1	\$ 150.3	33 %	\$ 588.8	\$ 388.4	52 %
Amortization of acquisition-related intangible assets	18.4	20.8		54.3	55.7	
Pension charge	—	1.5		—	5.9	
Subtotal	\$ 218.5	\$ 172.6		\$ 643.1	\$ 450.0	
Income tax effects	4.6	5.5		13.4	15.3	
Adjusted net income from continuing operations	\$ 213.9	\$ 167.1	28 %	\$ 629.7	\$ 434.7	45 %
Numerator:						
Net income from continuing operations attributable to Hubbell (GAAP measure)	\$ 200.1	\$ 150.3		\$ 588.8	\$ 388.4	
Less: Earnings allocated to participating securities	(0.5)	(0.4)		(1.4)	(1.0)	
Net income from continuing operations available to common shareholders (GAAP measure) [a]	\$ 199.6	\$ 149.9	33 %	\$ 587.4	\$ 387.4	52 %
Adjusted net income from continuing operations	\$ 213.9	\$ 167.1		\$ 629.7	\$ 434.7	
Less: Earnings allocated to participating securities	(0.5)	(0.4)		(1.5)	(1.1)	
Adjusted net income from continuing operations available to common shareholders [b]	\$ 213.4	\$ 166.7	28 %	\$ 628.2	\$ 433.6	45 %
Denominator:						
Average number of common shares outstanding [c]	53.6	53.7		53.6	53.8	
Potential dilutive shares	0.4	0.3		0.4	0.3	
Average number of diluted shares outstanding [d]	54.0	54.0		54.0	54.1	
Earnings per share from continuing operations (GAAP measure):						
Basic [a] / [c]	\$ 3.72	\$ 2.79		\$ 10.96	\$ 7.20	
Diluted [a] / [d]	\$ 3.70	\$ 2.78	33 %	\$ 10.89	\$ 7.16	52 %
Adjusted earnings per diluted share from continuing operations [b] / [d]	\$ 3.95	\$ 3.08	28 %	\$ 11.64	\$ 8.01	45 %

HUBBELL INCORPORATED
Segment Information
(unaudited)
(in millions)

Hubbell Incorporated	Three Months Ended September 30,			Nine Months Ended September 30,		
	2023	2022	Change	2023	2022	Change
Net Sales [a]	\$ 1,375.8	\$ 1,316.2	5 %	\$ 4,027.1	\$ 3,728.3	8 %
Operating Income						
GAAP measure [b]	\$ 276.3	\$ 203.6	36 %	\$ 812.9	\$ 537.1	51 %
Amortization of acquisition-related intangible assets	18.4	20.8		54.3	55.7	
Adjusted operating income [c]	\$ 294.7	\$ 224.4	31 %	\$ 867.2	\$ 592.8	46 %
Operating margin						
GAAP measure [b] / [a]	20.1 %	15.5 %	+460 bps	20.2 %	14.4 %	+580 bps
Adjusted operating margin [c] / [a]	21.4 %	17.0 %	+440 bps	21.5 %	15.9 %	+560 bps
Utility Solutions						
	Three Months Ended September 30,			Nine Months Ended September 30,		
	2023	2022	Change	2023	2022	Change
Net Sales [a]	\$ 837.9	\$ 774.5	8 %	\$ 2,450.3	\$ 2,154.8	14 %
Operating Income						
GAAP measure [b]	\$ 186.8	\$ 129.8	44 %	\$ 563.8	\$ 329.3	71 %
Amortization of acquisition-related intangible assets	13.9	14.3		40.8	42.2	
Adjusted operating income [c]	\$ 200.7	\$ 144.1	39 %	\$ 604.6	\$ 371.5	63 %
Operating margin						
GAAP measure [b] / [a]	22.3 %	16.8 %	+550 bps	23.0 %	15.3 %	+770 bps
Adjusted operating margin [c] / [a]	24.0 %	18.6 %	+540 bps	24.7 %	17.2 %	+750 bps
Electrical Solutions						
	Three Months Ended September 30,			Nine Months Ended September 30,		
	2023	2022	Change	2023	2022	Change
Net Sales [a]	\$ 537.9	\$ 541.7	(1) %	\$ 1,576.8	\$ 1,573.5	— %
Operating Income						
GAAP measure [b]	\$ 89.5	\$ 73.8	21 %	\$ 249.1	\$ 207.8	20 %
Amortization of acquisition-related intangible assets	4.5	6.5		13.5	13.5	
Adjusted operating income [c]	\$ 94.0	\$ 80.3	17 %	\$ 262.6	\$ 221.3	19 %
Operating margin						
GAAP measure [b] / [a]	16.6 %	13.6 %	+300 bps	15.8 %	13.2 %	+260 bps
Adjusted operating margin [c] / [a]	17.5 %	14.8 %	+270 bps	16.7 %	14.1 %	+260 bps

HUBBELL INCORPORATED
Organic Net Sales Growth
(unaudited)
(in millions and percentage change)

Hubbell Incorporated	Three Months Ended September 30,				Nine Months Ended September 30,			
	2023	Inc/(Dec)%	2022	Inc/(Dec)%	2023	Inc/(Dec)%	2022	Inc/(Dec)%
Net sales growth (GAAP measure)	\$ 59.6	4.5	\$ 232.8	21.5	\$ 298.8	8.0	\$ 634.3	20.5
Impact of acquisitions	8.3	0.6	20.5	1.9	67.1	1.8	20.5	0.7
Impact of divestitures	—	—	—	—	—	—	(4.0)	(0.1)
Foreign currency exchange	4.7	0.4	(6.5)	(0.6)	(1.1)	—	(10.0)	(0.4)
Organic net sales growth (non-GAAP measure)	\$ 46.6	3.5	\$ 218.8	20.2	\$ 232.8	6.2	\$ 627.8	20.3

Utility Solutions	Three Months Ended September 30,				Nine Months Ended September 30,			
	2023	Inc/(Dec)%	2022	Inc/(Dec)%	2023	Inc/(Dec)%	2022	Inc/(Dec)%
Net sales growth (GAAP measure)	\$ 63.4	8.2	\$ 172.7	28.7	\$ 295.5	13.7	\$ 432.0	25.1
Impact of acquisitions	8.0	1.0	4.9	0.9	23.3	1.1	4.9	0.3
Impact of divestitures	—	—	—	—	—	—	(4.0)	(0.2)
Foreign currency exchange	2.2	0.3	(2.8)	(0.5)	(0.2)	—	(1.8)	(0.1)
Organic net sales growth (non-GAAP measure)	\$ 53.2	6.9	\$ 170.6	28.3	\$ 272.4	12.6	\$ 432.9	25.1

Electrical Solutions	Three Months Ended September 30,				Nine Months Ended September 30,			
	2023	Inc/(Dec)%	2022	Inc/(Dec)%	2023	Inc/(Dec)%	2022	Inc/(Dec)%
Net sales growth (GAAP measure)	\$ (3.8)	(0.7)	\$ 60.1	12.5	\$ 3.3	0.2	\$ 202.3	14.8
Impact of acquisitions	0.3	—	15.6	3.2	43.8	2.8	15.6	1.1
Impact of divestitures	—	—	—	—	—	—	—	—
Foreign currency exchange	2.5	0.5	(3.7)	(0.7)	(0.9)	(0.1)	(8.2)	(0.5)
Organic net sales growth (decline) (non-GAAP measure)	\$ (6.6)	(1.2)	\$ 48.2	10.0	\$ (39.6)	(2.5)	\$ 194.9	14.2

HUBBELL INCORPORATED
Adjusted EBITDA from Continuing Operations
(unaudited)
(in millions)

	Three Months Ended September 30,		
	2023	2022	Change
Net income from continuing operations	\$ 202.0	\$ 152.0	33 %
Provision for income taxes	63.0	38.8	
Interest expense, net	7.8	12.1	
Other expense (income), net	3.5	(0.8)	
Depreciation and amortization	37.6	38.2	
Pension charge	—	1.5	
Subtotal	111.9	89.8	
Adjusted EBITDA	\$ 313.9	\$ 241.8	30 %

	Nine Months Ended September 30,		
	2023	2022	Change
Net income from continuing operations	\$ 593.6	\$ 392.9	51 %
Provision for income taxes	180.2	107.3	
Interest expense, net	26.7	37.9	
Other expense (income), net	12.4	(6.9)	
Depreciation and amortization	110.1	107.6	
Pension charge	—	5.9	
Subtotal	329.4	251.8	
Adjusted EBITDA	\$ 923.0	\$ 644.7	43 %

HUBBELL INCORPORATED
Restructuring and Related Costs from Continuing Operations Included in Consolidated Results
(unaudited)
(in millions, except per share amounts)

	Three Months Ended September 30,					
	2023	2022	2023	2022	2023	2022
	Costs of goods sold		S&A expense		Total	
Restructuring costs (GAAP Measure)	\$ 1.0	\$ 5.4	\$ 0.1	\$ 1.1	\$ 1.1	\$ 6.5
Restructuring related costs	1.4	0.9	—	0.1	1.4	1.0
Restructuring and related costs (non-GAAP measure)	<u>\$ 2.4</u>	<u>\$ 6.3</u>	<u>\$ 0.1</u>	<u>\$ 1.2</u>	<u>\$ 2.5</u>	<u>\$ 7.5</u>

	Nine Months Ended September 30,					
	2023	2022	2023	2022	2023	2022
	Costs of goods sold		S&A expense		Total	
Restructuring costs (GAAP Measure)	\$ 3.2	\$ 7.7	\$ 0.2	\$ 2.0	\$ 3.4	\$ 9.7
Restructuring related costs	5.0	3.4	0.2	1.7	5.2	5.1
Restructuring and related costs (non-GAAP measure)	<u>\$ 8.2</u>	<u>\$ 11.1</u>	<u>\$ 0.4</u>	<u>\$ 3.7</u>	<u>\$ 8.6</u>	<u>\$ 14.8</u>

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Restructuring and related (benefit) costs included in Cost of goods sold (non-GAAP measure)				
Utility Solutions	\$ (0.2)	\$ 1.8	\$ 2.7	\$ 5.2
Electrical Solutions	2.6	4.5	5.5	5.9
Total	<u>\$ 2.4</u>	<u>\$ 6.3</u>	<u>\$ 8.2</u>	<u>\$ 11.1</u>
Restructuring and related costs included in Selling & administrative expenses (non-GAAP measure)				
Utility Solutions	\$ 0.1	\$ —	\$ 0.3	\$ 0.6
Electrical Solutions	—	1.2	0.1	3.1
Total	<u>\$ 0.1</u>	<u>\$ 1.2</u>	<u>\$ 0.4</u>	<u>\$ 3.7</u>
Impact on Income before income taxes from continuing operations (non-GAAP measure)	\$ 2.5	\$ 7.5	\$ 8.6	\$ 14.8
Impact on Net income available to Hubbell common shareholders - continuing operations (non-GAAP measure)	1.9	5.7	6.5	11.4
Impact on Diluted earnings per share from continuing operations (non-GAAP measure)	\$ 0.04	\$ 0.11	\$ 0.12	\$ 0.21

HUBBELL INCORPORATED
Additional Non-GAAP Financial Measures
(unaudited)
(in millions)

Ratios of Total Debt to Total Capital and Net Debt to Total Capital

	September 30, 2023	December 31, 2022
Total Debt (GAAP measure)	\$ 1,443.0	\$ 1,442.6
Total Hubbell Shareholders' Equity	2,739.1	2,360.9
Total Capital	\$ 4,182.1	\$ 3,803.5
Total Debt to Total Capital (GAAP measure)	35 %	38 %
Less: Cash and Investments	\$ 652.3	\$ 520.7
Net Debt (non-GAAP measure)	\$ 790.7	\$ 921.9
Net Debt to Total Capital (non-GAAP measure)	19 %	24 %

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Net cash provided by operating activities from continuing operations (GAAP measure)	\$ 193.9	\$ 219.6	\$ 535.3	\$ 393.8
Less: Capital expenditures	(34.9)	(25.3)	(103.8)	(67.2)
Free cash flow (non-GAAP measure)	\$ 159.0	\$ 194.3	\$ 431.5	\$ 326.6