



First Quarter 2022 Earnings Call

April 26, 2022



Forward Looking Statements and Non-GAAP Measures

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, persisting supply chain headwinds resulting in manufacturing and transportation inefficiencies, confidence in our near-term outlook and our ability to deliver attractive long-term results for our shareholders, anticipated 2022 organic net sales growth, expectations that the impact on sales of M&A and foreign exchange will be approximately neutral, and all statements, including our projected financial results, set forth in “Summary & Outlook” 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”, “plan”, “estimated”, “target”, “should”, “could”, “may”, “subject to”, “continues”, “growing”, “projected”, “if”, “potential”, “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: our ability to effectively execute our business plan in light of the ongoing and dynamic COVID-19 pandemic, particularly if and as new variants such as Delta and Omicron emerge; the effectiveness of the actions that we take to address the effects of the COVID-19 pandemic; 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 U.S., U.K., and other countries, including changes in U.S. trade policies; changes in product sales prices and material costs; 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; 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; regulatory issues, changes in tax laws, or changes in geographic profit mix affecting tax rates and availability of tax incentives; general economic and business conditions as well as inflationary trends; the impact of and the ability to complete and integrate strategic acquisitions; the impact of certain divestitures, including the consummation and timing of, and the benefits and costs of, the sale of the Commercial and Industrial Lighting business to GE Current, a Daintree Company; the ability to effectively develop and introduce new products, expand into new markets and deploy capital; and other factors described in our Securities and Exchange Commission filings, including the “Business”, “Risk Factors”, “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, 2021 and Quarterly Reports on Form 10-Q.

Non-GAAP Measures

Certain terms used in this presentation, including “Net debt”, “Free Cash Flow”, “Organic net sales”, “Organic net sales growth”, “Restructuring-related costs”, “EBITDA”, and certain “adjusted” measures, are defined under the section entitled “Non-GAAP Definitions.” See Appendix, our press releases and SEC filings for more information.



1

Strong first quarter performance

2

Broad-based demand strength

3

Price/material positive; navigating supply chain challenges

4

Raising 2022 outlook

\$1.16B

Sales

(Organic +21%)

- Organic growth driven by strong price realization and volumes
- Continued demand strength and backlog build

13.9%

Adj. OP Margin

(+20bps y/y)

- Returned to y/y margin expansion
- Volume growth and positive price/material more than offsetting supply chain headwinds

\$2.12

Adj. Diluted EPS

(+30% y/y)

- Strong sales and operating profit growth
- Other income tailwind

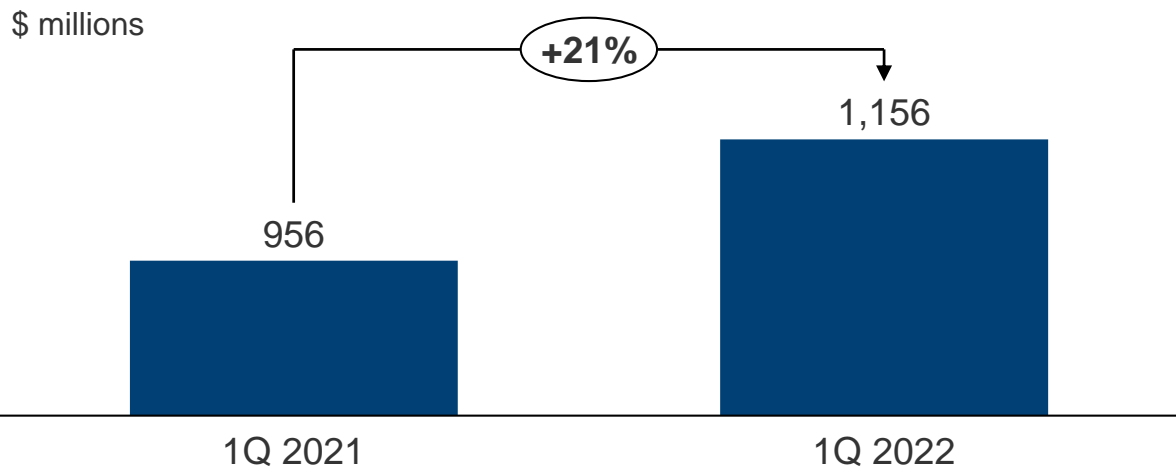
(\$36M)

Free Cash Flow

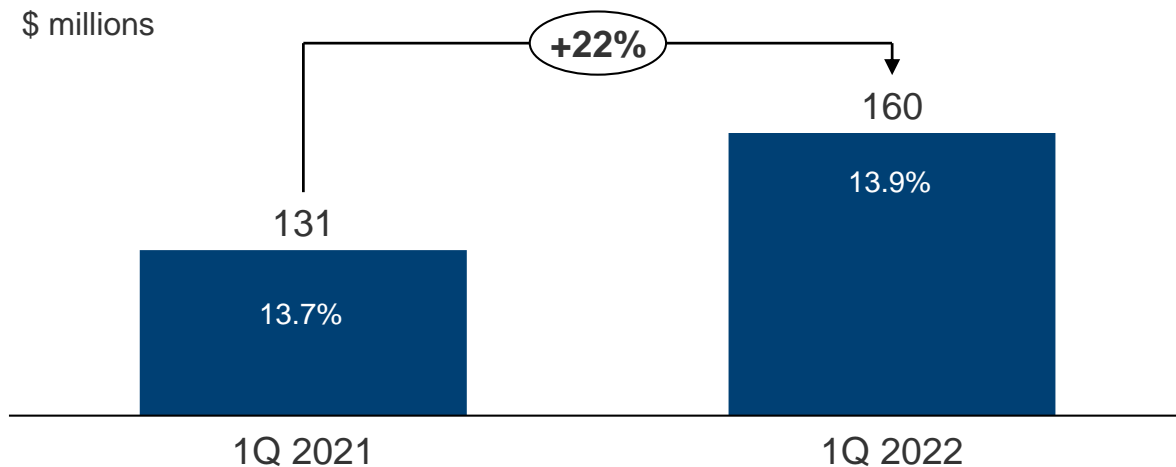
- Working capital investment to serve strong customer demand
- Full year outlook intact

1Q 2022 Results

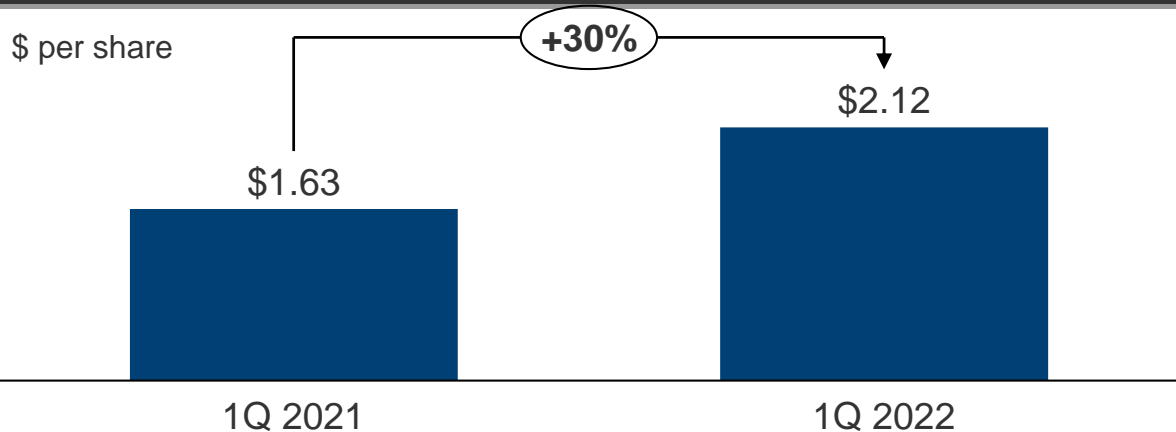
NET SALES



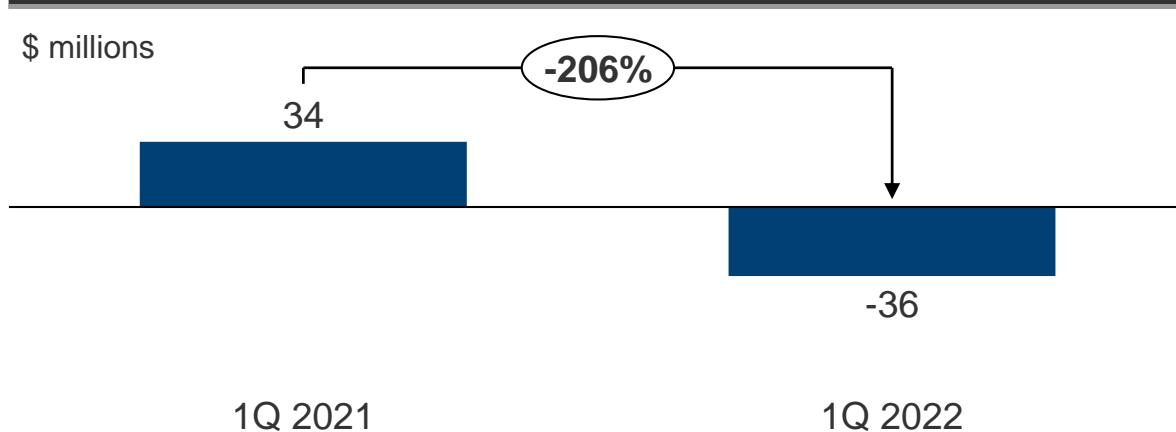
ADJUSTED OPERATING PROFIT



ADJUSTED DILUTED EPS



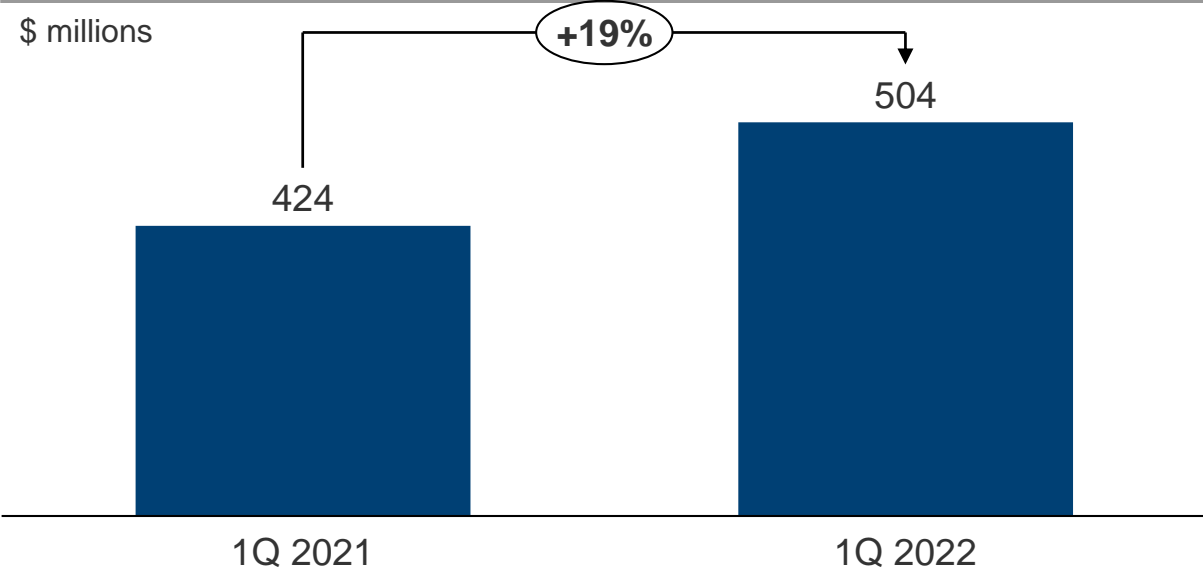
FREE CASH FLOW



Strong Performance

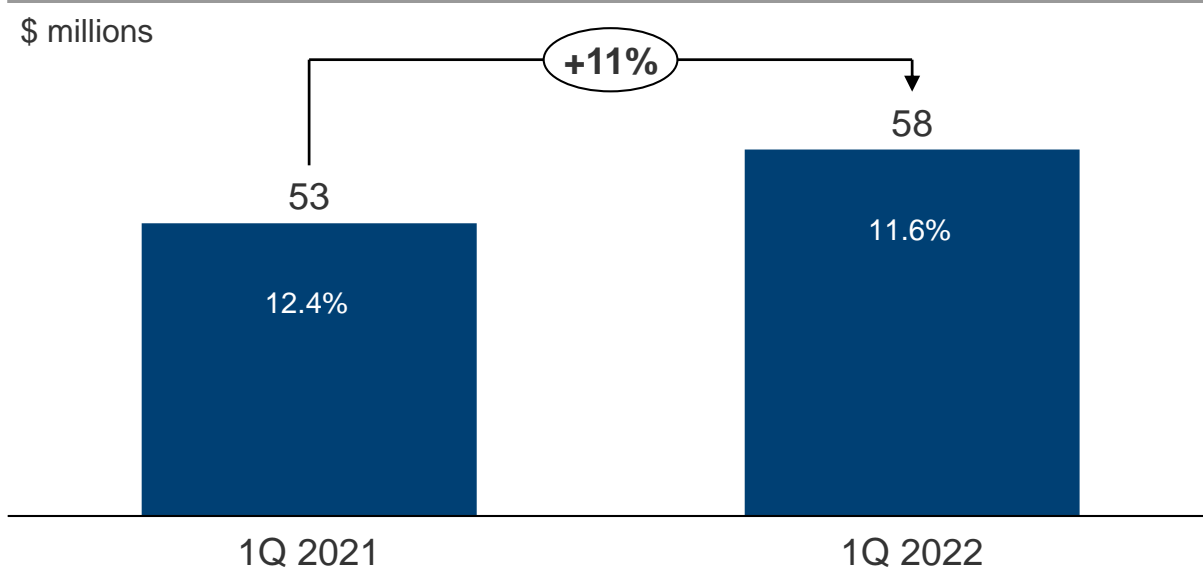
1Q 2022 Hubbell Electrical Solutions (HES) Segment Results

ELECTRICAL SOLUTIONS NET SALES



- Organic +19%
 - **Electrical Products:** strong industrial and non-residential demand
 - **Connection and Bonding:** broad-based strength
 - **Industrial Controls:** continued pickup in heavy industrial markets
 - **Residential:** soft performance driven by supply chain

ELECTRICAL SOLUTIONS ADJ. OPERATING PROFIT

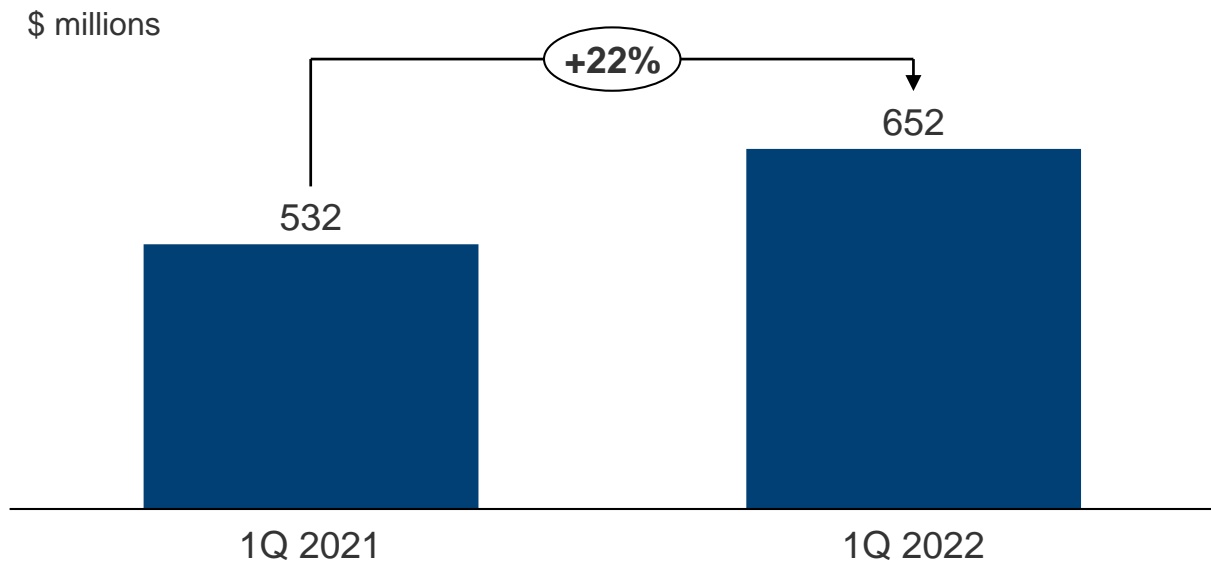


- Higher volumes
- Price | Material positive
- Supply chain headwinds
- Higher restructuring investment

Double Digit Sales and Adjusted Operating Profit Growth

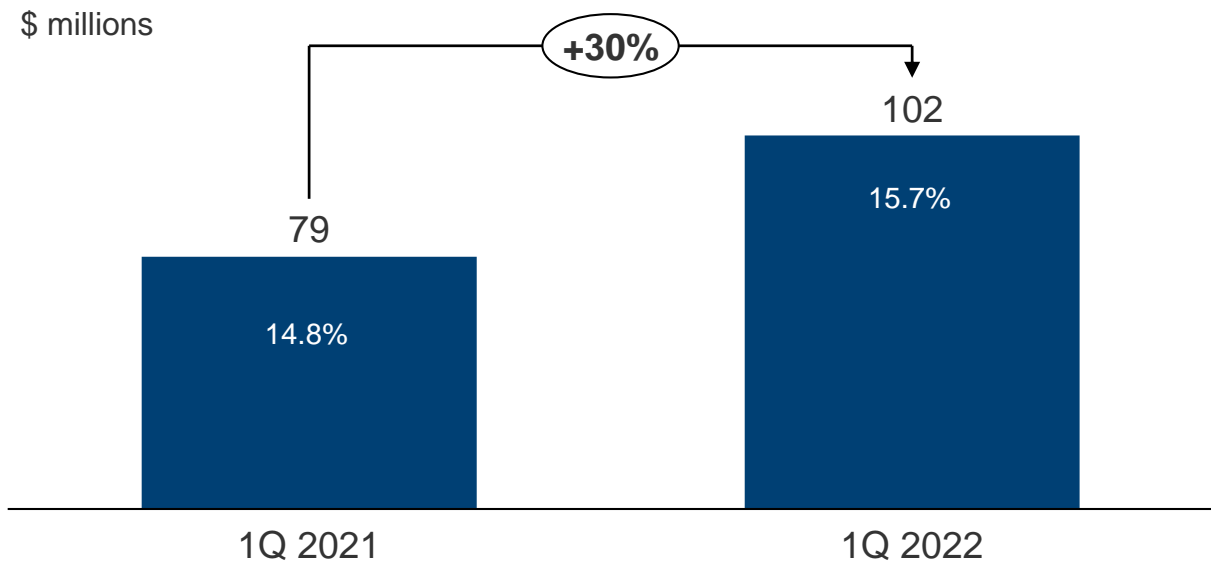
1Q 2022 Hubbell Utility Solutions (HUS) Segment Results

UTILITY SOLUTIONS NET SALES



- Organic +23%; Divestiture -1%
- T&D Components up 31%
 - **Power T&D:** continued grid hardening / modernization investment and price traction
 - **Gas Distribution:** converting on backlog of critical infrastructure upgrades
- Communications & Controls up 2%
 - **AMI/Meters:** demand solid; chip shortages impacting shipments
 - **Distribution Automation:** strong demand for smart grid solutions; investing to grow

UTILITY SOLUTIONS ADJ. OPERATING PROFIT



- Volume growth
- Price | Material positive
- Supply chain headwinds

Strong Performance Driven by Robust Markets and Price Execution

Raising 2022 Outlook

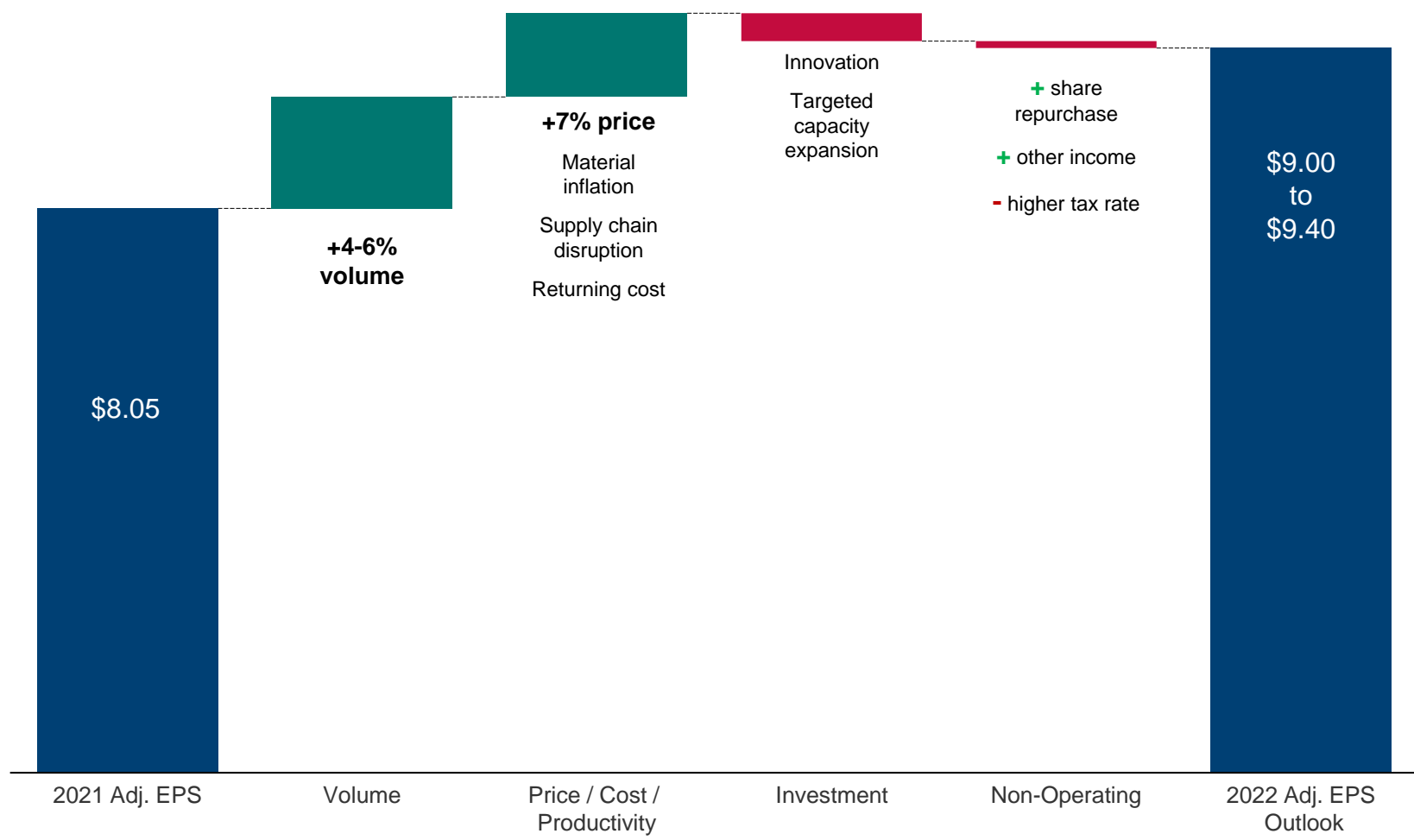
2022 HUBBELL OUTLOOK

+11-13%
Organic Sales Growth y/y
(+4-6 volume; +7% price)

\$9.00 to \$9.40
Adjusted EPS

90-100%
Free Cash Flow conversion on adj. EPS

2022 EPS BRIDGE



Strong Performance Driving Mid Teens Adjusted Earnings Growth



Appendix



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, adjusted net income available to common shareholders, adjusted net income attributable to Hubbell, adjusted earnings per diluted share, 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, 2021. 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.
- 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, is a non-GAAP measure. Management believes that net debt to capital is a useful measure regarding Hubbell's financial leverage for evaluating the Company's ability to meet its funding needs.

Free cash flow is a non-GAAP measure and is defined as cash flow from operations less capital expenditures. Management believes that free cash flow provides useful information regarding Hubbell'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.

Organic net sales, a non-GAAP measure, represent 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.

Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

Reconciliation of Adjusted Net Income to the most directly comparable GAAP measure (millions):

Hubbell Incorporated	Three Months Ended March 31,		
	2022	2021	Change
Net income from continuing operations attributable to Hubbell (GAAP measure)	\$ 102.5	\$ 73.3	40 %
Amortization of acquisition-related intangible assets	17.5	21.4	
Subtotal	\$ 120.0	\$ 94.7	
Income tax effects	4.3	5.3	
Adjusted net income from continuing operations	\$ 115.7	\$ 89.4	29 %

Reconciliation of Adjusted Earnings Per Diluted Share to the most directly comparable GAAP measure (millions, except per share amounts):

Hubbell Incorporated	Three Months Ended March 31,		
	2022	2021	Change
Numerator:			
Net income from continuing operations attributable to Hubbell (GAAP measure)	\$ 102.5	\$ 73.3	
Less: Earnings allocated to participating securities	(0.3)	(0.2)	
Net income from continuing operations available to common shareholders (GAAP measure) [a]	\$ 102.2	\$ 73.1	40 %
Adjusted net income from continuing operations	\$ 115.7	\$ 89.4	
Less: Earnings allocated to participating securities	(0.3)	(0.3)	
Adjusted net income from continuing operations available to common shareholders [b]	\$ 115.4	\$ 89.1	30 %
Denominator:			
Average number of common shares outstanding [c]	54.1	54.2	
Potential dilutive shares	0.3	0.5	
Average number of diluted shares outstanding [d]	54.4	54.7	
Earnings per share from continuing operations (GAAP measure):			
Basic [a] / [c]	\$ 1.89	\$ 1.34	
Diluted [a] / [d]	\$ 1.88	\$ 1.33	41 %
Adjusted earnings per diluted share from continuing operations [b] / [d]	\$ 2.12	\$ 1.63	30 %

Reconciliation of Organic Net Sales Growth to Net Sales Growth (millions):

Hubbell Incorporated

	Three Months Ended March 31,			
	2022	Inc/(Dec)%	2021	Inc/(Dec)%
Net sales growth (GAAP measure)	\$ 199.8	20.9	\$ (1.3)	(0.1)
Impact of acquisitions	—	—	32.9	3.5
Impact of divestitures	(2.8)	(0.3)	—	—
Foreign currency exchange	(0.3)	—	1.0	0.1
Organic net sales growth (decline)	\$ 202.9	21.2	\$ (35.2)	(3.7)

Electrical Solutions

	Three Months Ended March 31,			
	2022	Inc/(Dec)%	2021	Inc/(Dec)%
Net sales growth (GAAP measure)	\$ 80.2	18.9	\$ (6.8)	(1.6)
Impact of acquisitions	—	—	5.7	1.3
Impact of divestitures	—	—	—	—
Foreign currency exchange	(0.8)	(0.2)	2.0	0.5
Organic net sales growth (decline)	\$ 81.0	19.1	\$ (14.5)	(3.4)

Utility Solutions

	Three Months Ended March 31,			
	2022	Inc/(Dec)%	2021	Inc/(Dec)%
Net sales growth (GAAP measure)	\$ 119.6	22.5	\$ 5.5	1.0
Impact of acquisitions	—	—	27.2	5.1
Impact of divestitures	(2.8)	(0.5)	—	—
Foreign currency exchange	0.5	0.1	(1.0)	(0.2)
Organic net sales growth (decline)	\$ 121.9	22.9	\$ (20.7)	(3.9)

Reconciliation of Free Cash Flow to the most directly comparable GAAP measure (millions):

Hubbell Incorporated	Three Months Ended March 31,	
	2022	2021
Net cash (used in) provided by operating activities from continuing operations	\$ (14.4)	\$ 53.1
Less: Capital expenditures	(21.4)	(19.3)
Free cash flow	\$ (35.8)	\$ 33.8

Reconciliation of Net Debt to the most directly comparable GAAP measure (millions):

Hubbell Incorporated	March 31, 2022	December 31, 2021
Total Debt	\$ 1,443.9	\$ 1,445.2
Total Hubbell Shareholders' Equity	2,213.3	2,229.8
Total Capital	\$ 3,657.2	\$ 3,675.0
Total Debt to Total Capital	39 %	39 %
Less: Cash and Investments	\$ 444.3	\$ 364.7
Net Debt	\$ 999.6	\$ 1,080.5
Net Debt to Total Capital	27 %	29 %