



Third Quarter 2020 Earnings Call

October 27, 2020



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, near-term volume, continued opportunity for operational improvement, our ability to drive consistent and differentiated performance, the impact of our high quality portfolio of electrical solutions and utility solutions with strong brand value and best in class reliability, anticipated effects of the COVID-19 pandemic and the responses thereto, including the pandemic's impact on general economic and market conditions, as well as on our business, customers, end markets, results of operations and financial condition and anticipated actions to be taken by management to sustain the Company during the economic uncertainty caused by the pandemic and related governmental and business actions, our projected financial results and all statements set forth under the "2020 Outlook Framework" section of this presentation, 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, including those regarding the adverse impact of the COVID-19 pandemic on the Company's end markets. 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 COVID-19 pandemic; 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 tariffs and other trade actions taken by the U.S. and other countries; changes in product sales prices and material costs; expected benefits of productivity improvements and cost reduction actions; effects of unfavorable foreign currency exchange rates; the impact of U.S. tax reform legislation; general economic and business conditions; the impact of and the ability to complete and integrate strategic acquisitions; the impact of certain divestitures, including the sale of the Haefely business; 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", and "Quantitative and Qualitative Disclosures about Market Risk" Sections in the Annual Report on Form 10-K for the year ended December 31, 2019 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 growth", "Restructuring-related costs", "EBITDA", and certain "adjusted" measures, are defined under the section entitled "Non-GAAP Definitions." See Appendix for more information.



1 Grid modernization driving ongoing strength in Utility; Electrical markets soft

2 Operational execution leading to continued margin expansion

3 Strong Free Cash Flow performance

4 Raising 2020 guidance

\$1.11B

Sales
(Organic -8%)

- Utility T&D demand strong, driven by secular grid modernization trends
- Electrical end markets remain soft as expected

16.4%

Adj. OP Margin
(+60bps y/y)

- Operating execution driven by footprint optimization savings and positive price/cost
- Lower volumes partially offset by continued cost management

\$2.30

Adj. Diluted EPS

- Strong execution

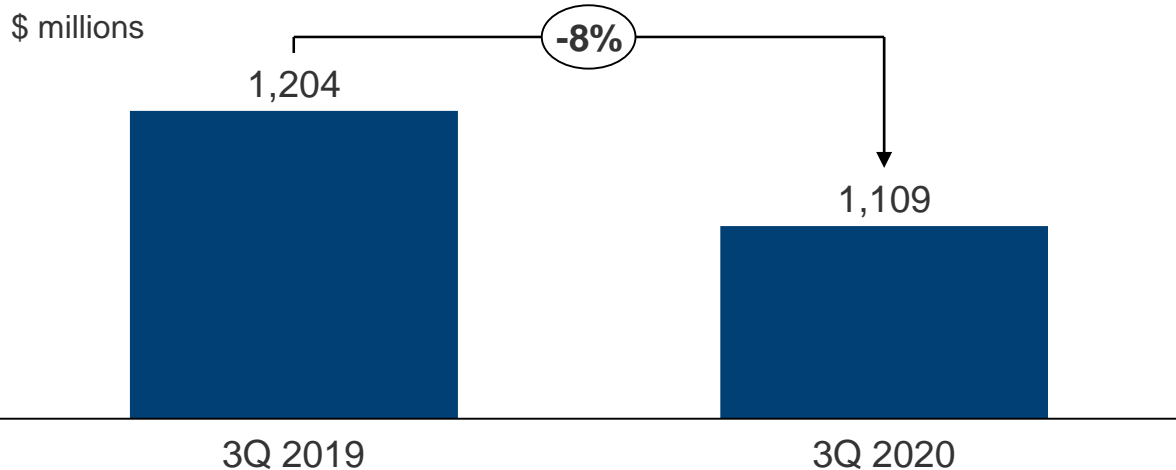
\$135M

Free Cash Flow

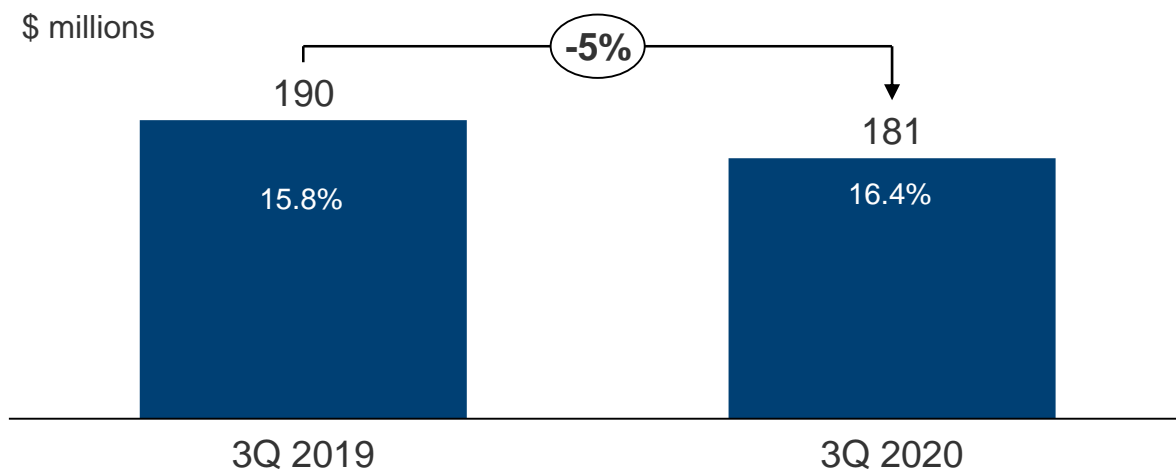
- Continued robust free cash flow generation supports capital deployment

Effective Execution in a Challenging Environment

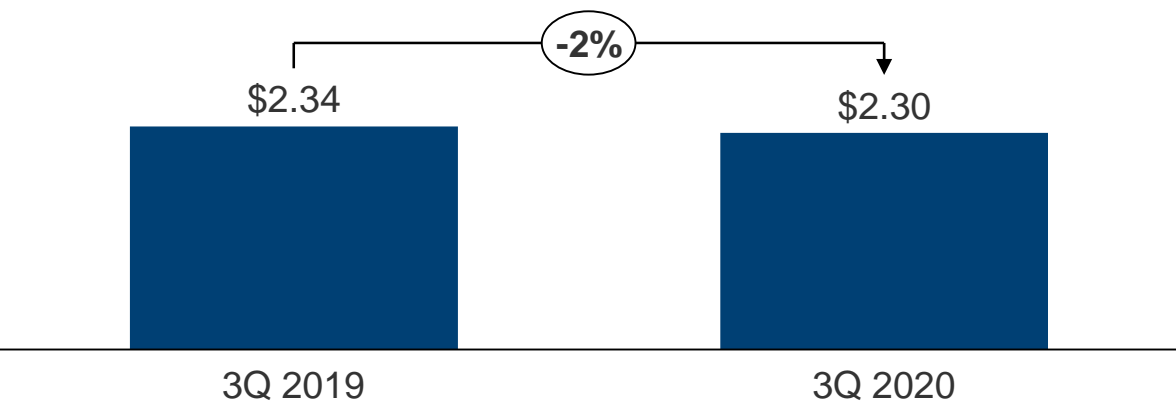
NET SALES



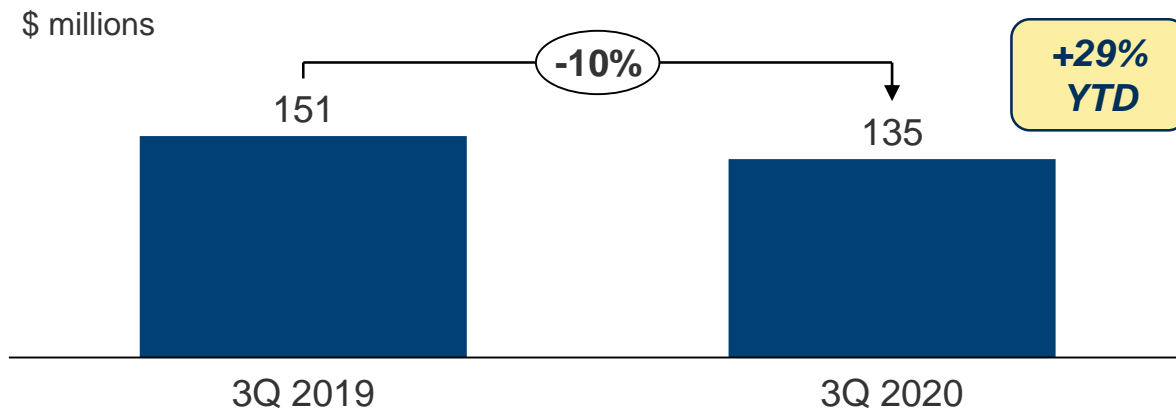
ADJUSTED OPERATING PROFIT



ADJUSTED DILUTED EPS



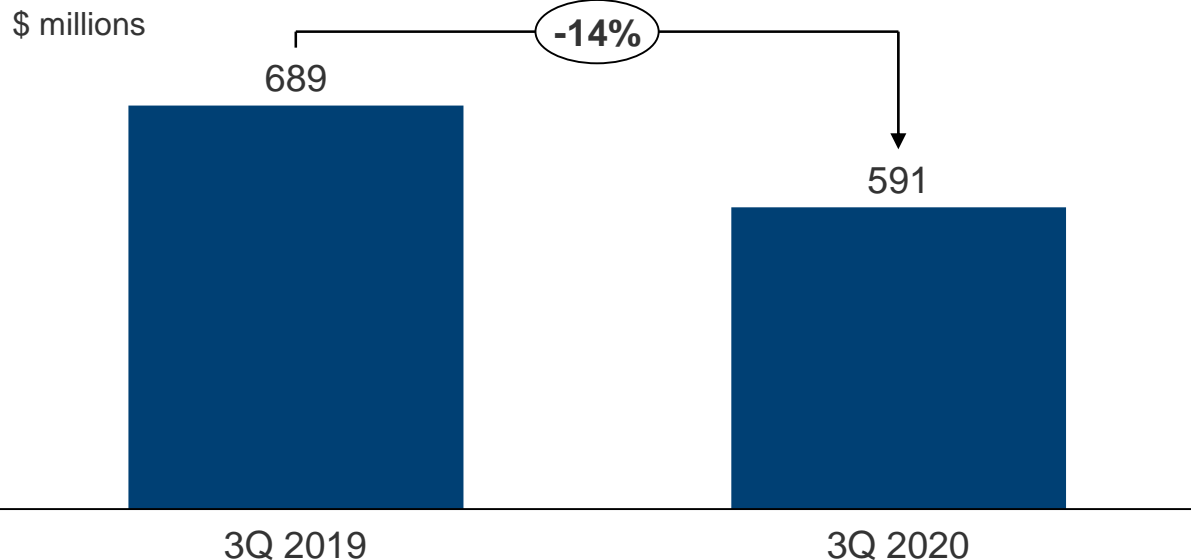
FREE CASH FLOW



Continued Margin Expansion and Strong Free Cash Flow Generation Despite Sales Declines

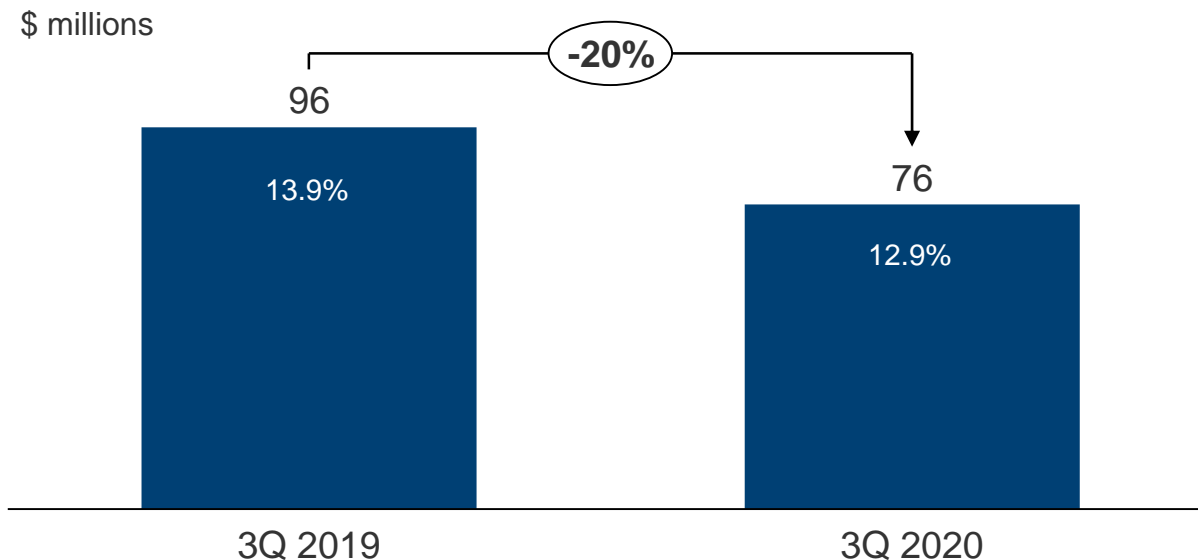
3Q 2020 Electrical Segment Results

ELECTRICAL NET SALES



- Organic -14%; Net M&A neutral
- Broad-based softness across most end markets
- Strong growth in residential e-commerce and retail channels

ELECTRICAL ADJUSTED OPERATING PROFIT

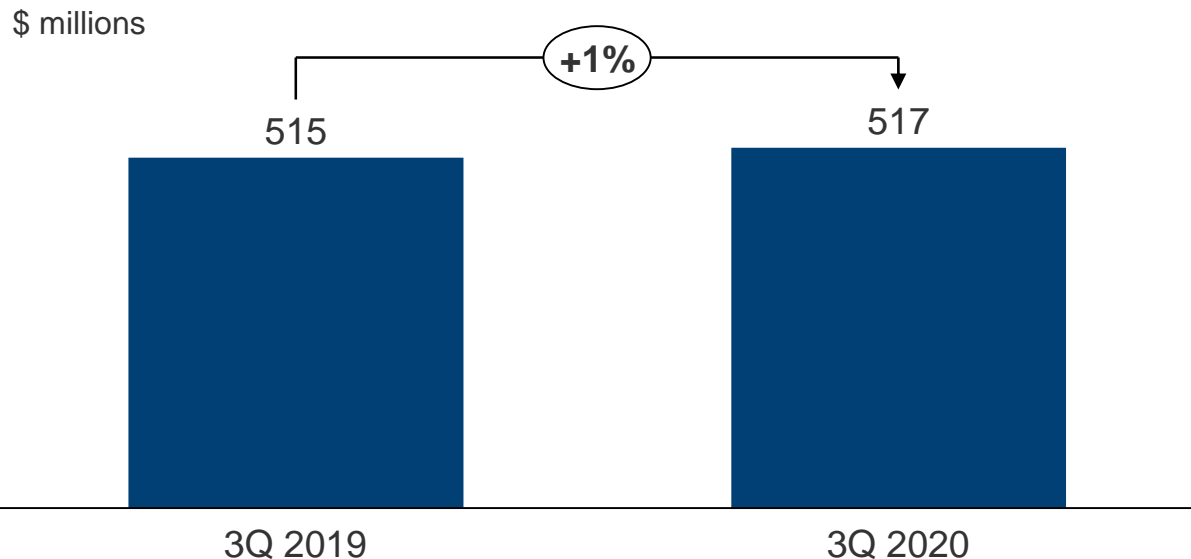


- Lower volumes
- Restructuring and footprint optimization savings
- Continued cost management
- Price | Cost positive

Strong Operating Execution

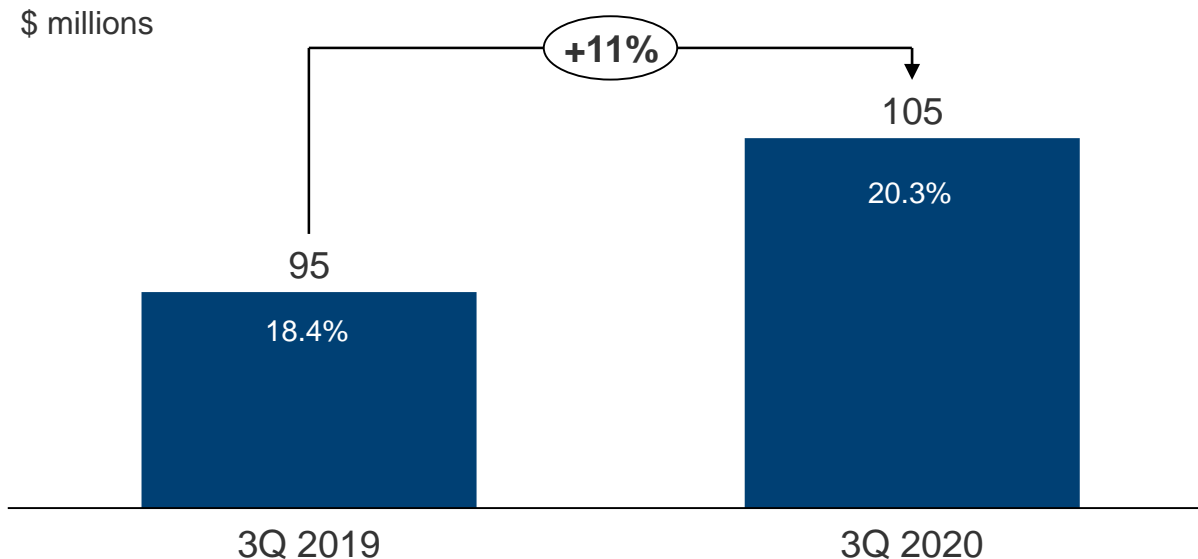
3Q 2020 Utility Solutions Segment Results

UTILITY SOLUTIONS NET SALES



- Organic flat; Acquisition +1%
- Power Systems up 9% and Aclara down 16%
 - Strength in Distribution driven by grid hardening and storms
 - Strength in Transmission driven by renewable projects
 - Aclara COVID-19 related project delays continue; pipeline remains solid

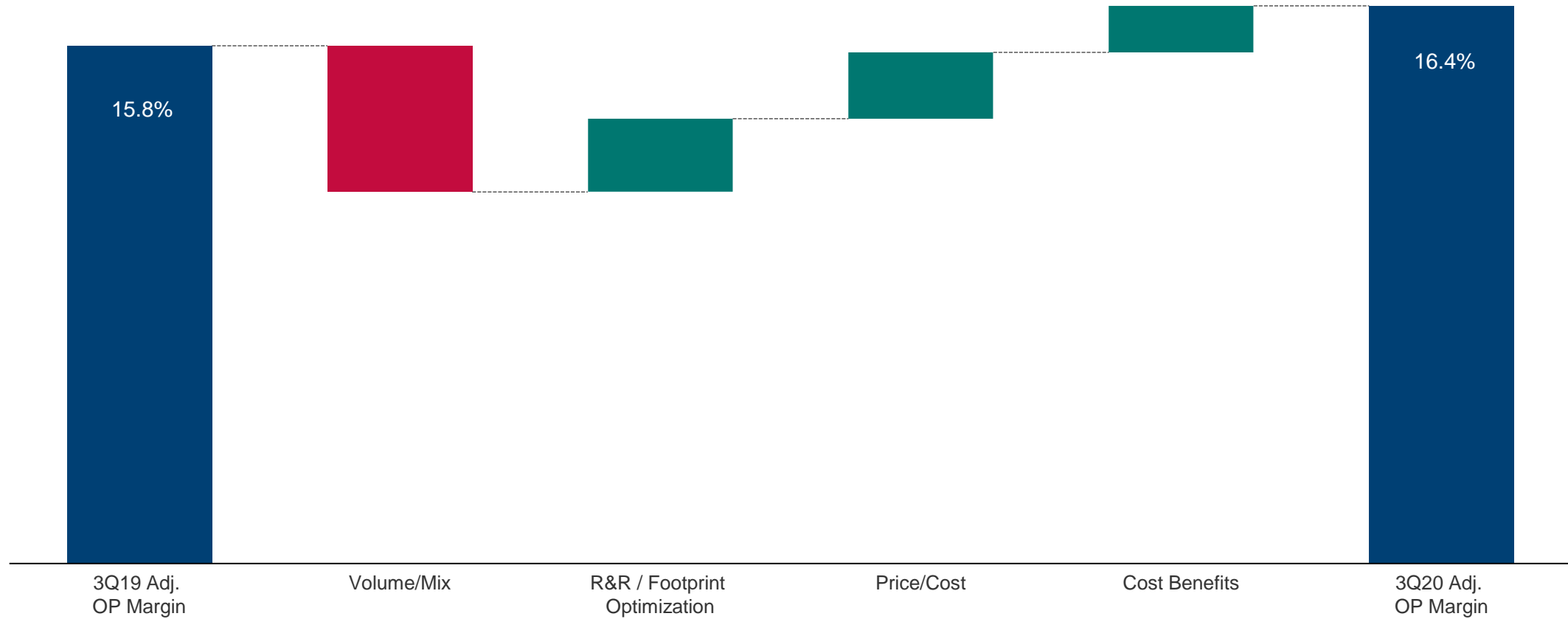
UTILITY SOLUTIONS ADJUSTED OPERATING PROFIT



- Price | Cost positive
- Strong productivity and cost management
- Positive mix

Differentiated Utility Platform Delivering Strong Results

3Q 2020 Margin Bridge

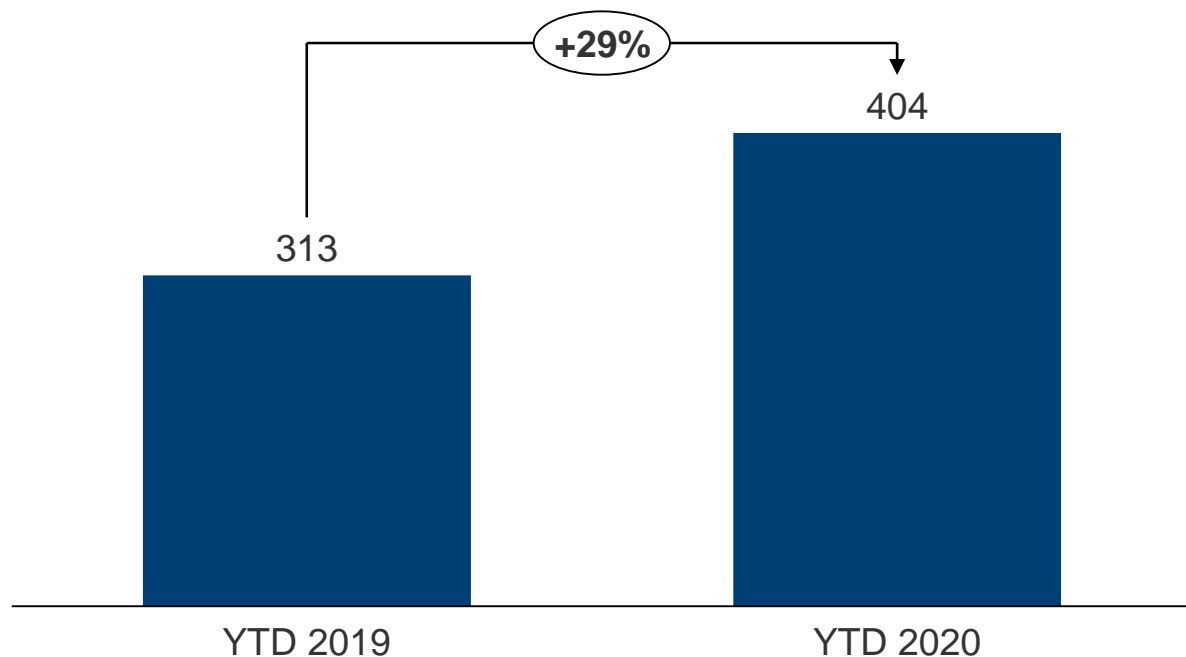


Combination of Structural and Temporary Cost Management to Achieve Margin Expansion

Free Cash Flow and Capital Deployment

YTD FREE CASH FLOW PERFORMANCE

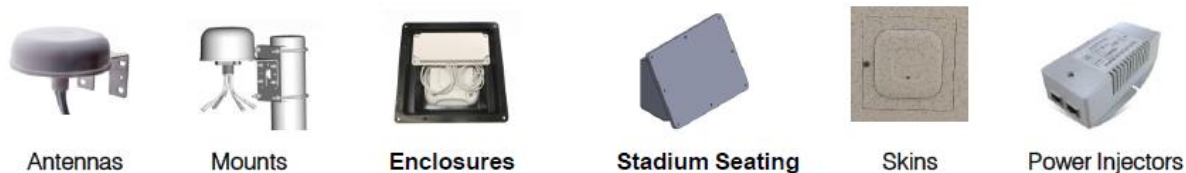
\$ millions



CAPITAL DEPLOYMENT

Acquired AccelTex in October

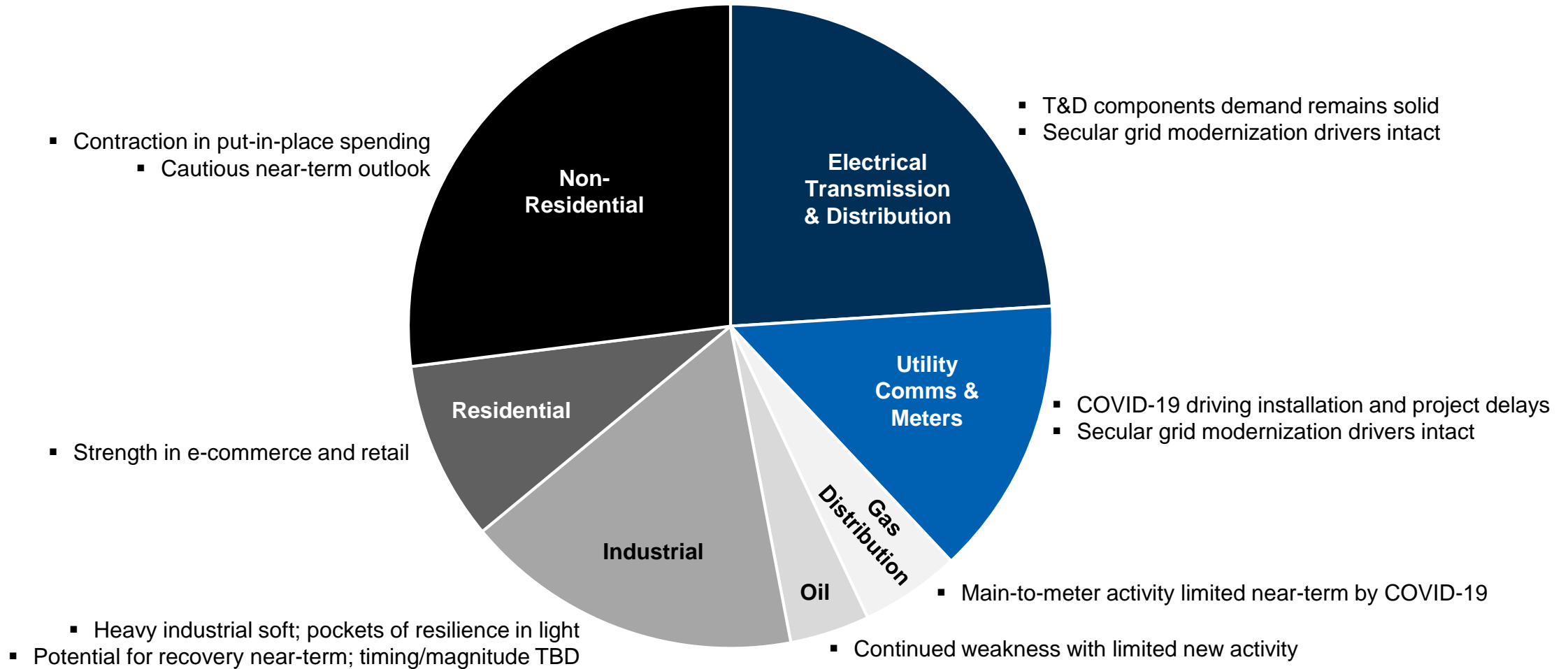
- Industry leader in wireless solutions
- Extends reach into 5G and datacom
- Hubbell scale provides expanded market access
- \$10-15M annual sales with high margins



Balanced Capital Allocation

- Increased annual dividend by 8%
- Reauthorized share repurchase program of \$300M

Robust FCF Generation Supports Balanced Capital Allocation



Mixed End Markets

2020 Outlook Framework

Volumes

Electrical

- Orders steadily improving
- Outlook remains mixed

Utility Solutions

- Power Systems
 - T&D demand driven by secular trends
 - Orders/backlog support continued growth
- Aclara
 - Project delays moderating

4Q Base Case Down Low to MSD

Margins

- Sustainable R&R savings
 - ~\$25M FY20 benefit
- Price/cost benefits moderating in 4Q
- Continued operating cost management
 - Costs returning as volumes improve
 - Non-repeat of 4Q19 discrete tariff benefit

Continued Operating Execution

Cash

- Investing in capex for future productivity
- Continued inventory management
- Continued daily collections monitoring

Expect 2020 FCF ~\$550M

Raising 2020 Adjusted EPS Guidance to \$7.45 – \$7.60



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 6—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, 2019. 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.
- A gain recognized in the third quarter of 2019 from the disposition of a business,
- An investment loss recognized in the third quarter of 2019 and reporting within Other income (expense), net in the Condensed Consolidated Statement of Income,
- Pension charges including a settlement charge in the third quarter of 2020 and a multi-employer pension charge in the second quarter of 2019 to recognize certain additional liabilities associated with the Company's participation and withdrawal from a multi-employer pension plan.
- 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.

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

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.

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.

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 September 30,			Nine Months Ended September 30,		
	2020	2019	Change	2020	2019	Change
Net income attributable to Hubbell (GAAP measure)	\$ 107.1	\$ 130.7	(18) %	\$ 270.3	\$ 299.0	(10) %
Amortization of acquisition-related intangible assets	18.5	17.5		56.6	53.8	
Gain on disposition of business	—	(21.7)		—	(21.7)	
Pension charge	6.6	—		6.6	22.9	
Loss on investment	—	5.0		—	5.0	
Total pre-tax adjustments to net income	\$ 25.1	\$ 0.8		\$ 63.2	\$ 60.0	
Income tax effects	6.3	3.2		15.9	18.2	
Adjusted Net Income	\$ 125.9	\$ 128.3	(2) %	\$ 317.6	\$ 340.8	(7) %

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

Hubbell Incorporated	Three Months Ended September 30,			Nine Months Ended September 30,		
	2020	2019	Change	2020	2019	Change
Numerator:						
Net income attributable to Hubbell	\$ 107.1	\$ 130.7		\$ 270.3	\$ 299.0	
Less: Earnings allocated to participating securities	(0.4)	(0.5)		(1.0)	(1.2)	
Net income available to common shareholders (GAAP measure) [a]	\$ 106.7	\$ 130.2	(18) %	\$ 269.3	\$ 297.8	(10) %
Adjusted Net Income	\$ 125.9	\$ 128.3		\$ 317.6	\$ 340.8	
Less: Earnings allocated to participating securities	(0.5)	(0.5)		(1.1)	(1.3)	
Adjusted net income available to common shareholders [b]	\$ 125.4	\$ 127.8	(2) %	\$ 316.5	\$ 339.5	(7) %
Denominator:						
Average number of common shares outstanding [c]	54.2	54.3		54.1	54.4	
Potential dilutive shares	0.3	0.3		0.3	0.3	
Average number of diluted shares outstanding [d]	54.5	54.6		54.4	54.7	
Earnings per share (GAAP measure):						
Basic [a] / [c]	\$ 1.97	\$ 2.40		\$ 4.97	\$ 5.48	
Diluted [a] / [d]	\$ 1.96	\$ 2.38	(18) %	\$ 4.95	\$ 5.45	(9) %
Adjusted Earnings Per Diluted Share [b] / [d]	\$ 2.30	\$ 2.34	(2) %	\$ 5.81	\$ 6.21	(6) %

Reconciliation of Adjusted Operating Margin to the most directly comparable GAAP measure (millions):

Hubbell Incorporated	Three Months Ended September 30,			Nine Months Ended September 30,		
	2020	2019	Change	2020	2019	Change
Net Sales [a]	\$ 1,108.6	\$ 1,204.0	(8) %	\$ 3,148.1	\$ 3,487.7	(10) %
Operating Income \$						
GAAP measure [b]	\$ 162.9	\$ 172.9	(6) %	\$ 413.2	\$ 460.7	(10) %
Amortization of acquisition-related intangible assets	18.5	17.5		56.6	53.8	
Adjusted Operating Income \$ [c]	\$ 181.4	\$ 190.4	(5) %	\$ 469.8	\$ 514.5	(9) %
Operating Margin %						
GAAP measure [b] / [a]	14.7 %	14.4 %	+30 bps	13.1 %	13.2 %	-10 bps
Adjusted Operating Margin % [c] / [a]	16.4 %	15.8 %	+60 bps	14.9 %	14.8 %	+10 bps
Electrical segment						
Net Sales [a]	\$ 591.2	\$ 689.3	(14) %	\$ 1,704.4	\$ 2,007.7	(15) %
Operating Income \$						
GAAP measure [b]	\$ 70.6	\$ 90.2	(22) %	\$ 185.7	\$ 246.8	(25) %
Amortization of acquisition-related intangible assets	5.8	5.6		18.0	17.0	
Adjusted Operating Income \$ [c]	\$ 76.4	\$ 95.8	(20) %	\$ 203.7	\$ 263.8	(23) %
Operating Margin %						
GAAP measure [b] / [a]	11.9 %	13.1 %	-120 bps	10.9 %	12.3 %	-140 bps
Adjusted Operating Margin % [c] / [a]	12.9 %	13.9 %	-100 bps	12.0 %	13.1 %	-110 bps
Utility Solutions segment						
Net Sales [a]	\$ 517.4	\$ 514.7	1 %	\$ 1,443.7	\$ 1,480.0	(2) %
Operating Income \$						
GAAP measure [b]	\$ 92.3	\$ 82.7	12 %	\$ 227.5	\$ 213.9	6 %
Amortization of acquisition-related intangible assets	12.7	11.9		38.6	36.8	
Adjusted Operating Income \$ [c]	\$ 105.0	\$ 94.6	11 %	\$ 266.1	\$ 250.7	6 %
Operating Margin %						
GAAP measure [b] / [a]	17.8 %	16.1 %	+170 bps	15.8 %	14.5 %	+130 bps
Adjusted Operating Margin % [c] / [a]	20.3 %	18.4 %	+190 bps	18.4 %	16.9 %	+150 bps

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

Hubbell Incorporated	Three Months Ended September 30,				Nine Months Ended September 30,			
	2020	Inc/(Dec)%	2019	Inc/(Dec)%	2020	Inc/(Dec)%	2019	Inc/(Dec)%
Net sales growth (GAAP measure)	\$ (95.4)	(7.9)	\$ 24.3	2.1	\$ (339.6)	(9.7)	\$ 150.1	4.5
Impact of acquisitions	11.3	0.9	—	—	33.2	1.0	51.4	1.5
Impact of divestitures	(4.5)	(0.4)	(5.6)	(0.5)	(20.3)	(0.6)	(5.6)	(0.1)
Foreign currency exchange	(3.4)	(0.2)	(3.3)	(0.2)	(11.3)	(0.3)	(15.5)	(0.5)
Organic net sales growth	\$ (98.8)	(8.2)	\$ 33.2	2.8	\$ (341.2)	(9.8)	\$ 119.8	3.6

Electrical segment	Three Months Ended September 30,				Nine Months Ended September 30,			
	2020	Inc/(Dec)%	2019	Inc/(Dec)%	2020	Inc/(Dec)%	2019	Inc/(Dec)%
Net sales growth (GAAP measure)	\$ (98.1)	(14.2)	\$ 1.9	0.3	\$ (303.3)	(15.1)	\$ 13.6	0.7
Impact of acquisitions	4.4	0.6	—	—	12.4	0.6	—	—
Impact of divestitures	(4.5)	(0.6)	(5.6)	(0.8)	(20.3)	(1.0)	(5.6)	(0.2)
Foreign currency exchange	(0.8)	(0.1)	(1.7)	(0.2)	(4.2)	(0.2)	(9.0)	(0.5)
Organic net sales growth	\$ (97.2)	(14.1)	\$ 9.2	1.3	\$ (291.2)	(14.5)	\$ 28.2	1.4

Utility Solutions segment	Three Months Ended September 30,				Nine Months Ended September 30,			
	2020	Inc/(Dec)%	2019	Inc/(Dec)%	2020	Inc/(Dec)%	2019	Inc/(Dec)%
Net sales growth (GAAP measure)	\$ 2.7	0.5	\$ 22.4	4.6	\$ (36.3)	(2.5)	\$ 136.5	10.2
Impact of acquisitions	6.9	1.3	—	—	20.8	1.4	51.4	3.8
Impact of divestitures	—	—	—	—	—	—	—	—
Foreign currency exchange	(2.6)	(0.5)	(1.6)	(0.3)	(7.1)	(0.5)	(6.5)	(0.4)
Organic net sales growth	\$ (1.6)	(0.3)	\$ 24.0	4.9	\$ (50.0)	(3.4)	\$ 91.6	6.8

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

Hubbell Incorporated	Three Months Ended September 30,		Nine Months Ended September 30,		Twelve Months Ended December 31,		
	2020	2019	2020	2019	2019	2018	2017
Net Cash Provided By Operating Activities (GAAP measure)	\$ 151.9	\$ 175.5	\$ 455.6	\$ 385.1	\$ 591.6	\$ 517.1	\$ 379.0
Capital Expenditures	(16.7)	(24.9)	(51.7)	(72.6)	(93.9)	(96.2)	(79.7)
Free Cash Flow	\$ 135.2	\$ 150.6	\$ 403.9	\$ 312.5	\$ 497.7	\$ 420.9	\$ 299.3

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

Hubbell Incorporated	September 30, 2020	December 31, 2019
Total Debt	\$ 1,458.2	\$ 1,571.4
Total Hubbell Shareholders' Equity	2,016.8	1,947.1
Total Capital	\$ 3,475.0	\$ 3,518.5
Total Debt to Total Capital	42 %	45 %
Less: Cash and Investments	\$ 338.6	\$ 251.9
Net Debt	\$ 1,119.6	\$ 1,319.5
Net Debt to Total Capital	32 %	38 %