



Hubbell Incorporated 2020 Investor Day

March 3, 2020



Forward Looking Statements

Certain statements contained in this presentation may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements may be identified by the use of forward-looking words or phrases such as "outlook", "expected", "projected", "scheduled", "could", "believe", "anticipated", "on track", "target", "strategy", "should" and others, and include statements regarding our expectations and method for generating value and attractive returns for shareholders; projections regarding generation and use of cash for 2020 to 2023; our capital allocation strategy; our expected market penetration strategy; expectations regarding the ability of our robust new product development pipeline to accelerate organic growth; our projected 2023 financial targets; projected operating results; restructuring and related activities, including projected restructuring and related targets and expectations regarding R&R investment generating significant long-term savings; and expected footprint consolidation initiatives and projected footprint reduction targets. Such forward-looking statements involve numerous assumptions, known and unknown risks, uncertainties and other factors which may cause actual and future performance or achievements of the Company to be materially different from any future results, performance, or achievements expressed or implied by such forward-looking statements. Such factors include, among others: the effects of tariffs and other trade actions taken by the U.S. and other countries; the impact of U.S. tax reform legislation; the impact of and the ability to complete strategic acquisitions and integrate acquired companies; the impact of certain divestitures; achieving sales levels to fulfill revenue expectations; unexpected costs or charges, certain of which may be outside the control of the Company; changes in material costs; the level of price increases or discounts; restructuring and cost reduction actions; pension expense; general economic and business conditions; foreign exchange rates; international trade policy; and competition. For additional information identifying factors that may cause actual results to vary materially from those stated in the forward-looking statements, refer to our most recent 10-K for the year ended December 31, 2019 and subsequent SEC filings that are filed with the SEC and are also available at www.hubbell.com.

8:30

Introduction

Dan Innamorato, Senior Director of Investor Relations

Hubbell Overview and Strategic Vision

Dave Nord, Chairman & CEO | Gerben Bakker, President & COO

Capital Allocation

Bill Sperry, EVP & CFO

Operational Excellence and Footprint Optimization

Susan Huppertz, VP of Operations

9:45

Q&A

10:00

Break

10:15

Hubbell Utility Solutions

Allan Connolly, Group President

Hubbell Electrical

Rodd Ruland, Jim Farrell, Darrin Wegman, Group Presidents

Long-Term Financial Targets

Bill Sperry, EVP & CFO

Closing Remarks

Dave Nord, Chairman & CEO

11:45

Q&A

12:15

Lunch



Hubbell Overview and Strategic Vision

Dave Nord | Chairman & CEO

Gerben Bakker | President & COO





1

Leading positions in attractive industries with long-term customer relationships based on strong brands, product quality and reliability

2

Passionate leadership team dedicated to a common long-term strategic vision

3

Portfolio strategically aligned to energy efficiency megatrends and uniquely positioned to solve critical infrastructure problems

Hubbell At A Glance (NYSE: HUBB)

Leading Manufacturer of Quality Electrical and Utility Solutions

Company Statistics

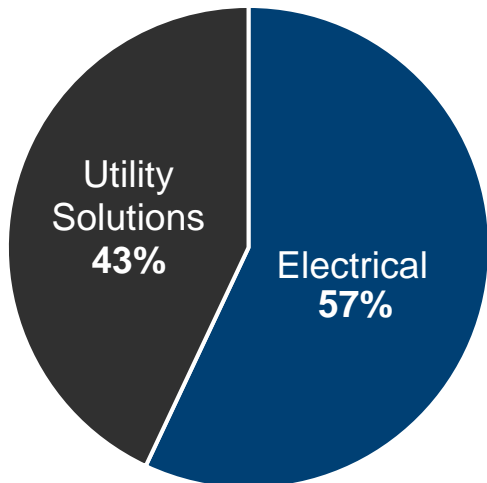
1888 Founded	\$8.0B Market-cap ⁽¹⁾	Shelton, CT Headquarters	~18,800 Total Employees	2,400 Patents
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2019 Financial Highlights

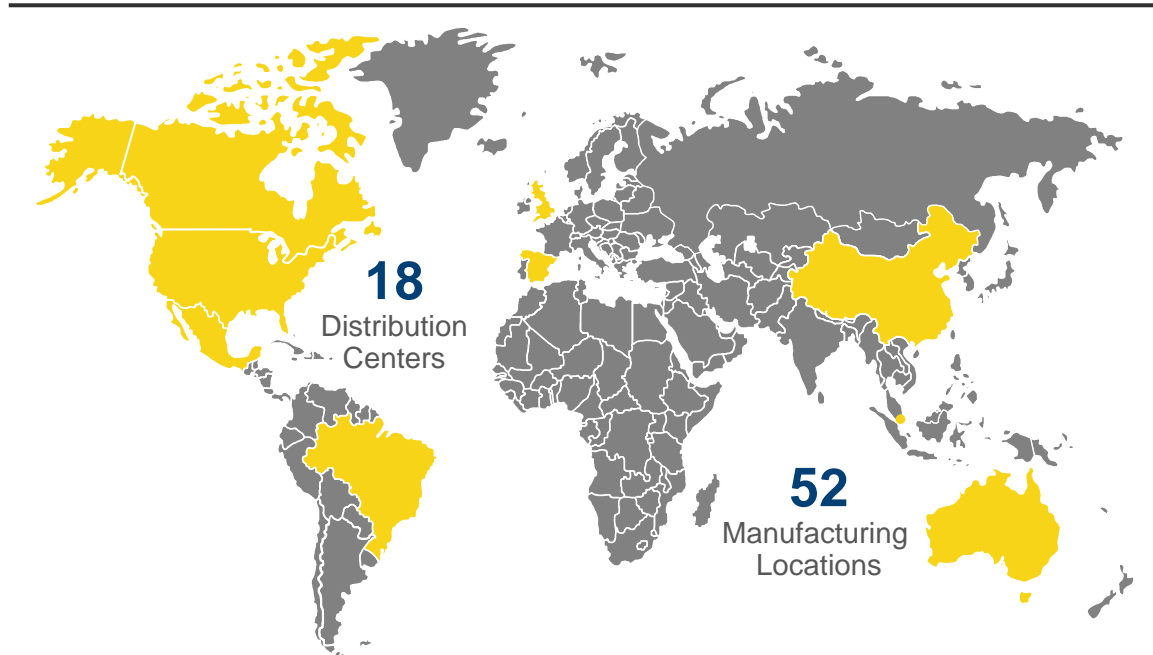
Sales	\$4.6B
Adj. Operating Margin ⁽²⁾	14.6%
FCF ⁽²⁾	\$498M
Adj. FCF Conversion ⁽²⁾	112%
Adj. Diluted EPS ⁽²⁾	\$8.12

Sales by Segment

2019 Sales: \$4.6B



Nine Countries of Operation



130+ Year Tradition of Growth and Innovation with a Focus on Delivering High-Quality, Reliable Products and Solutions

¹ As of 02'21'2020. ² Refer to the appendix for reconciliations of non-GAAP measures.

Differentiated Value Proposition

WHO WE ARE

- ▶ Mission-critical, highly-engineered electrical and utility solutions with **best-in-class quality, reliability and safety**
- ▶ 130+ year history with the best people in the industry and a **deep commitment to serving our customers**

KEY COMPETITIVE DIFFERENTIATORS

Depth and breadth of product makes us a preferred partner for distributors

Brand value and recognition critical in fragmented markets

Specified positions create barriers to entry

Products represent **small % customer TCO with high cost of failure**

Customer buying decisions driven by **quality, safety, reliability and service**

Repeating demand as customers typically replace like-for-like

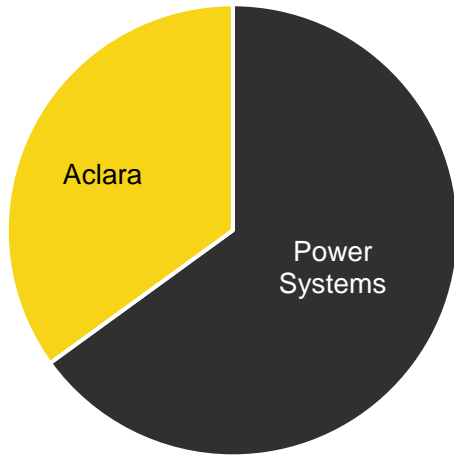
Enabling Customers to Operate Critical Infrastructure Safely, Reliably and Efficiently

Deep and Capable Leadership Team

	Dave Nord Chairman & CEO		Gerben Bakker President & COO		Bill Sperry EVP & CFO		Susan Huppertz VP, Global Operations
	Alexis Bernard Chief Technology Officer		Katrina Redmond Chief Information Officer		Stephen Mais SVP, Human Resources		Katherine Lane VP, General Counsel & Secretary
	Jim Farrell Group President, Lighting		Rodd Ruland Group President, Construction & Energy		Darrin Wegman Group President, Commercial & Industrial		Allan Connolly Group President, Utility Solutions

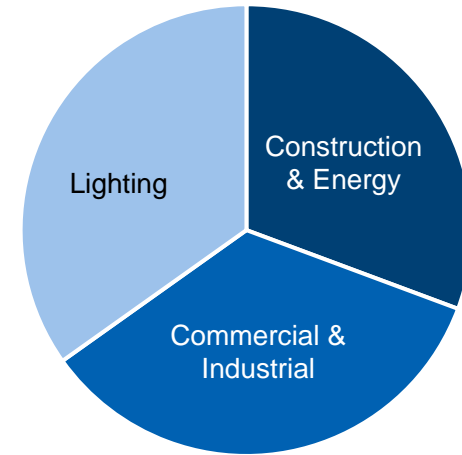
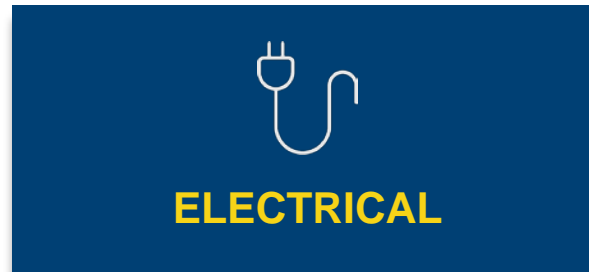
 **New to Role within Last 2 Years**

Two Complementary Business Segments



2019 Net Sales	\$2.0B
2019 Adj. Operating Income ⁽¹⁾	\$326M
2019 Adj. Operating Margin ⁽¹⁾	16.6%

Applications serving electrical utilities, water and gas utilities, telecom and civil construction markets



2019 Net Sales	\$2.6B
2019 Adj. Operating Profit ⁽¹⁾	\$343M
2019 Adj. Operating Margin ⁽¹⁾	13.1%

Applications serving non-residential, industrial, gas distribution, oil and residential markets

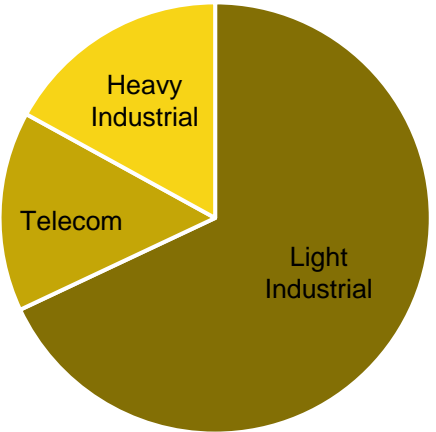


Broad Range of Critical Components

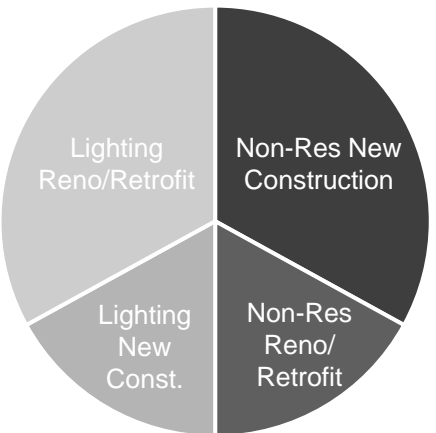
¹ Refer to the appendix for reconciliations of non-GAAP measures.

Serving a Focused Set of End Markets

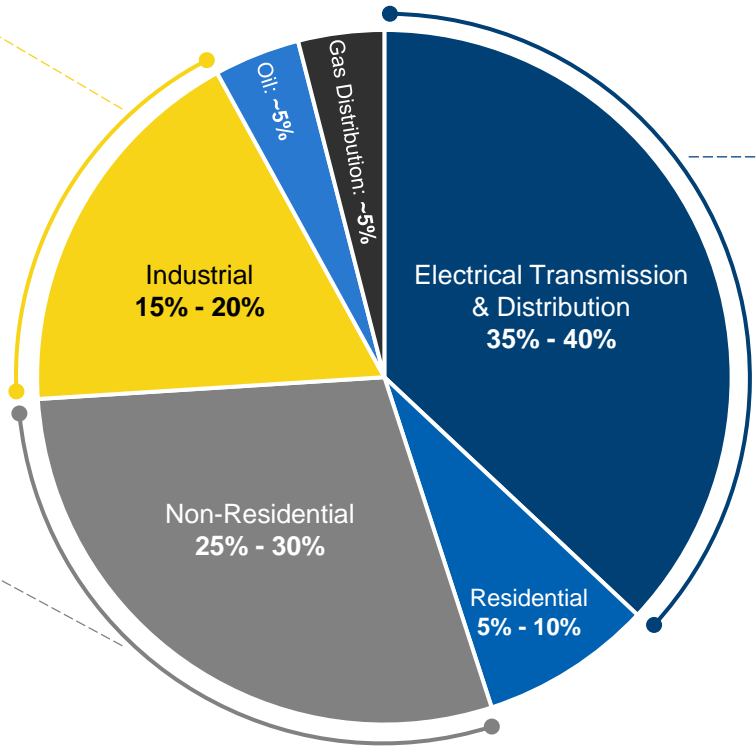
Industrial Market Breakdown



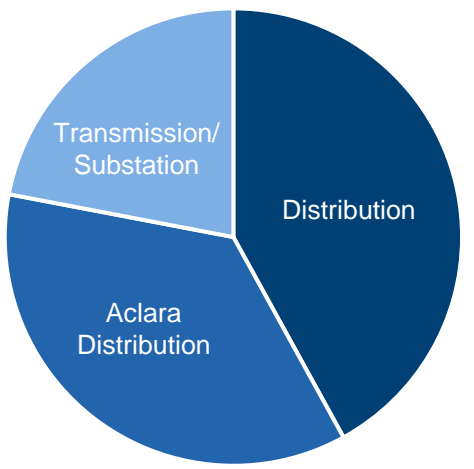
Non-Res Market Breakdown



END MARKETS Estimated % of HUBB Sales

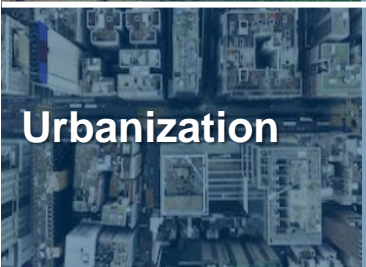


Electrical T&D Market Breakdown



Balanced Exposure Reduces Cyclicity

Strategically Aligned to Megatrends



- Energy Efficiency**
 - Renewables growth **increasing complexity and stress on an aging grid**
 - Decreasing cost of generation driving **secular investment shift to T&D**
 - Ongoing **focus on energy efficiency** leading to building renovation/retrofit
- Climate Change**
 - Extreme weather events driving **replacement of grid infrastructure**
 - Heightened emphasis on **programmatic grid hardening** to mitigate potential environmental impacts
- Urbanization**
 - Accelerating population density driving **need for load sharing and peak shaving** grid technology
 - Migration to cities leading to **commercial building and housing development**
- Digital Technology**
 - Emerging smart grid technology generating valuable insights and **improving reliability of the electrical grid**
 - Evolving building technology enables **layering of smart capabilities over installed base** of electrical products

Why We Are Well Positioned

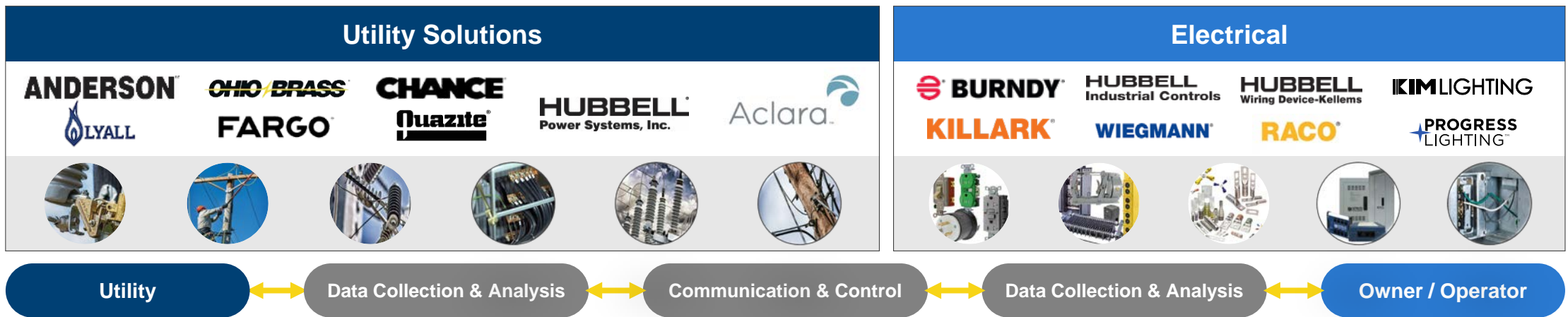
- Leading market position in electrical T&D components with best-in-class reliability, quality and service
- Unique Hubbell + Aclara combination positions us to solve critical problems for our utility customers
- Large installed base of electrical products with strong brand value and domain expertise

Increased Need for High Quality Components and Solutions Driving Sustainable Long-Term Growth

Uniquely Positioned to Solve Critical Infrastructure Problems

In Front of the Meter			The Edge	Behind the Meter		
Utility	Transmission	Distribution		Diversified Applications		Owner / Operator
Electric						Non-Residential
Gas						Residential
Water						Industrial
Telecom						Oil

Leading Positions Across the Energy Infrastructure: *From the Backbone to The Edge*
 Energy Transmission/Distribution, Consumption, and Data Collection/Analysis/Control



Leadership Position in Infrastructure Components Enables Integrated Customer Solutions

Our Strategic Pillars



Serve Our Customers

Supplier of choice across channels and verticals

- ✓ On-time delivery
- ✓ Consistent commitment to quality
- ✓ Expand e-Commerce capabilities



Grow the Enterprise

Long-term MSD revenue growth

- ✓ Active NPD
- ✓ R&D optimization
- ✓ Acquisition investment and integration
- ✓ Coordinated enterprise selling



Operate with Discipline

Long-term mid to high teens Adj. OP margins ⁽¹⁾

- ✓ Footprint optimization
- ✓ SKU rationalization
- ✓ Pricing and productivity offsets cost inflation
- ✓ Inventory and working capital management



Develop Our People

World-class workforce with capabilities to achieve our strategy

- ✓ Hubbell University
- ✓ Performance culture with incentives aligned to results
- ✓ Inclusion and diversity

Focused Strategy Guides Everything We Do

¹ Refer to the appendix for reconciliations of non-GAAP measures.



Capital Allocation

Bill Sperry | EVP & CFO





1

Leading positions in fragmented markets provide unique consolidation opportunities

2

Proven bolt-on acquisition track record with a strong balance sheet

3

Identifying high growth/margin markets for targeted investment

Large and Fragmented Addressable Market

US ELECTRICAL PRODUCTS MARKET
~\$112B

Apparatus
~\$20B

Electrical Components and Connectors
~\$58B

Commodity Products
~\$34B

Large, Global Competitors

Hubbell's Focus

High Volume, Low Margin

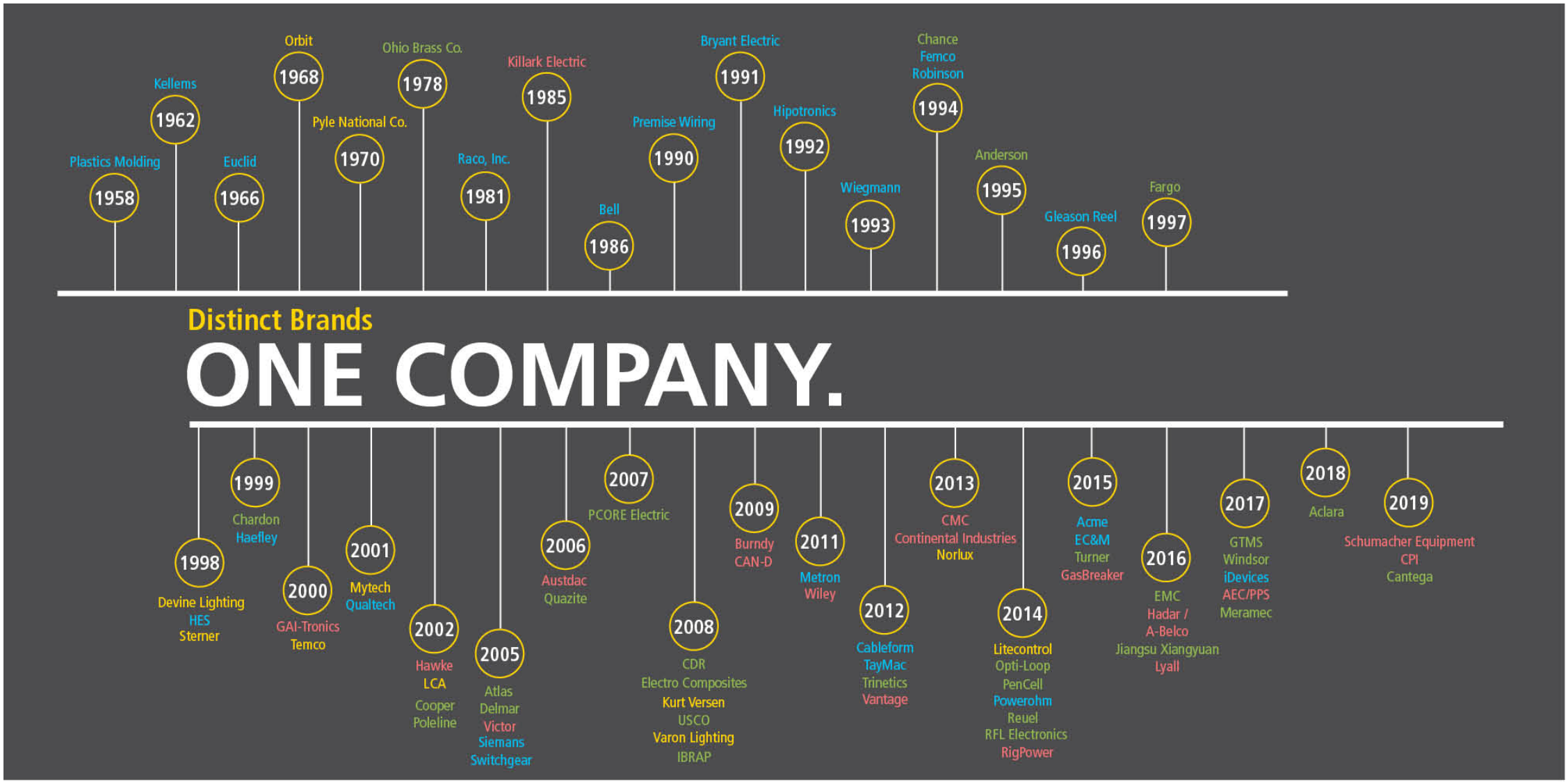
- Distribution Equipment
- Switchgear
- Circuit Protection
- Motors

- Utility Products
- Wiring Devices and Systems
- Connectors and Fasteners
- Industrial Controls
- Tools and Test Equipment
- Enclosures
- Lighting Fixtures and Controls

- Wire and Cable
- Lamps and Ballasts
- Conduit

Focused on Competing Where We Can Win and Earn Attractive Returns

Proven Track Record of Successful Acquisitions



Commercial & Industrial

Construction & Energy

Lighting

Power Systems

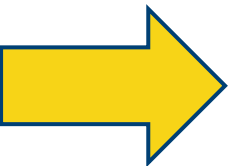
Hubbell Bolt-On Acquisition Playbook

TARGET PROFILE

- Typically privately-held
- Cultivate **long-term relationships** with owners and often avoid auctions
- **Differentiated positions in attractive industries**
- Fills existing product/technology gap
- **Strong brand** and product quality
- **Talented management** team

HOW WE CREATE VALUE

- Enhanced market access through our distribution network **accelerates sales and reduces cost**
- R&D and engineering collaboration across product families feeds **NPD**
- Long-term footprint consolidation opportunity drives **scale efficiencies**
- Back office consolidation drives cost **synergies**



VALUE GENERATED FOR SHAREHOLDERS

- **Double-digit ROIC**
- Driving sales growth at **2x markets** over the long-term
- Mitigating risk by investing in products and technologies with **proven market acceptance**
- Providing investors **unique access** to attractive private market deals

Bolt-On Acquisition Scorecard

	PAST 5 YEARS ⁽¹⁾	PAST 10 YEARS ⁽¹⁾	PAST 20 YEARS ⁽¹⁾
Amount Invested	~\$600M	~\$1.3B	~\$2.2B
# of Acquisitions	15	33	55
Average Purchase Price	~\$40M	~\$40M	~\$40M
Average Sales	~\$25M	~\$30M	~\$25M
Average EBITDA Multiple	~9.5x	~8.5x	~8.5x
Average ROIC	Low teens	Low teens	Low teens

Deploying Capital Prudently, Programmatically and Effectively

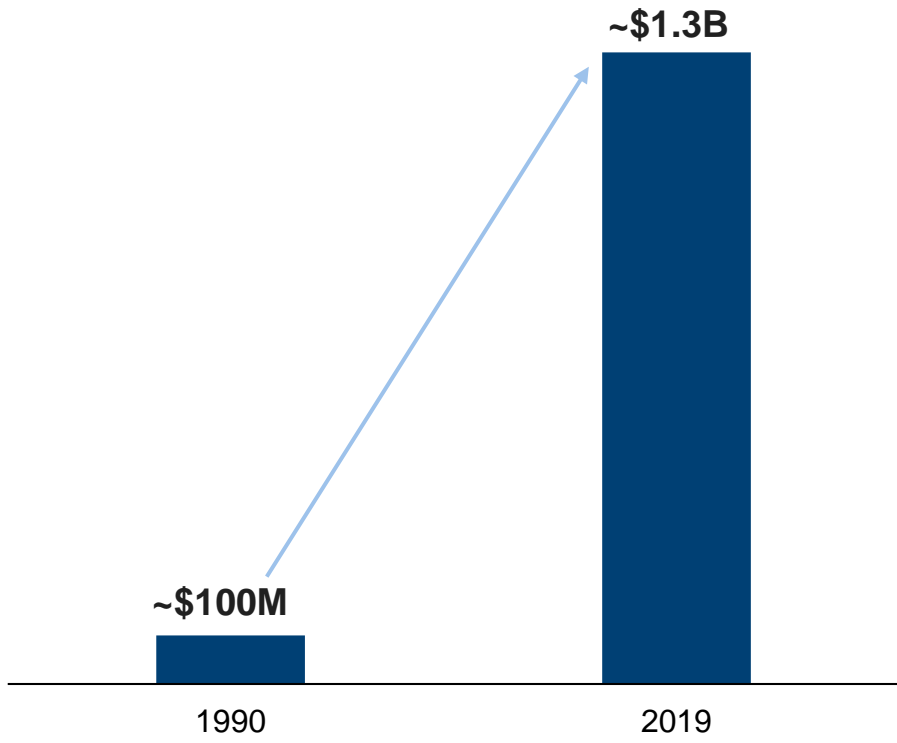
¹ Scorecard excludes \$1.1B acquisition of Aclara, as well as functional technology investments.

Case Study: Power Systems

INVESTING STRATEGICALLY

- Built the leading market share position in attractive industry
- Critical T&D components represent small % of utility TCO with high cost of failure
- Secular grid modernization growth tailwinds
- Depth and breadth of product increases value to customer

Power Systems Revenues



\$ Invested	~\$800M
# Acquisitions	26
Acquisition Timespan	~30 years
Avg. Acquisition Multiple	~9x EBITDA
Last 3 Years Organic CAGR	+MSD
Adjusted OP Margin Profile	High teens
ROIC	Low teens

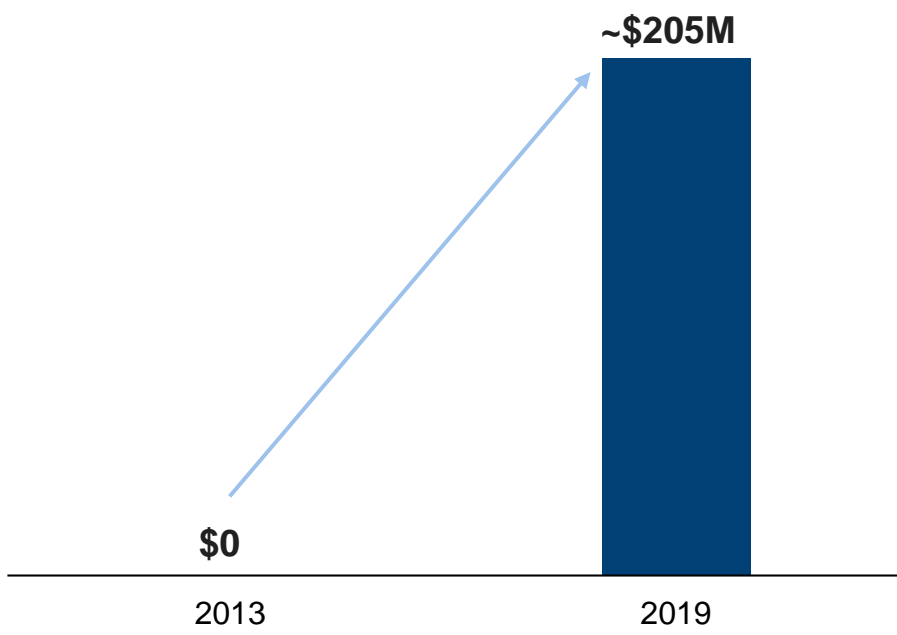
Strategically Investing to Build Industry Leading Positions in Attractive Markets

Case Study: Gas Distribution

INVESTING STRATEGICALLY

- Building a leading position in an attractive industry
- Critical components represent small % of utility TCO with high cost of failure
- Secular tailwinds from aging infrastructure and regulatory requirements
- Strategic fit with product and customer overlap across Electrical and Utility Solutions

Gas Connectors & Accessories Revenues



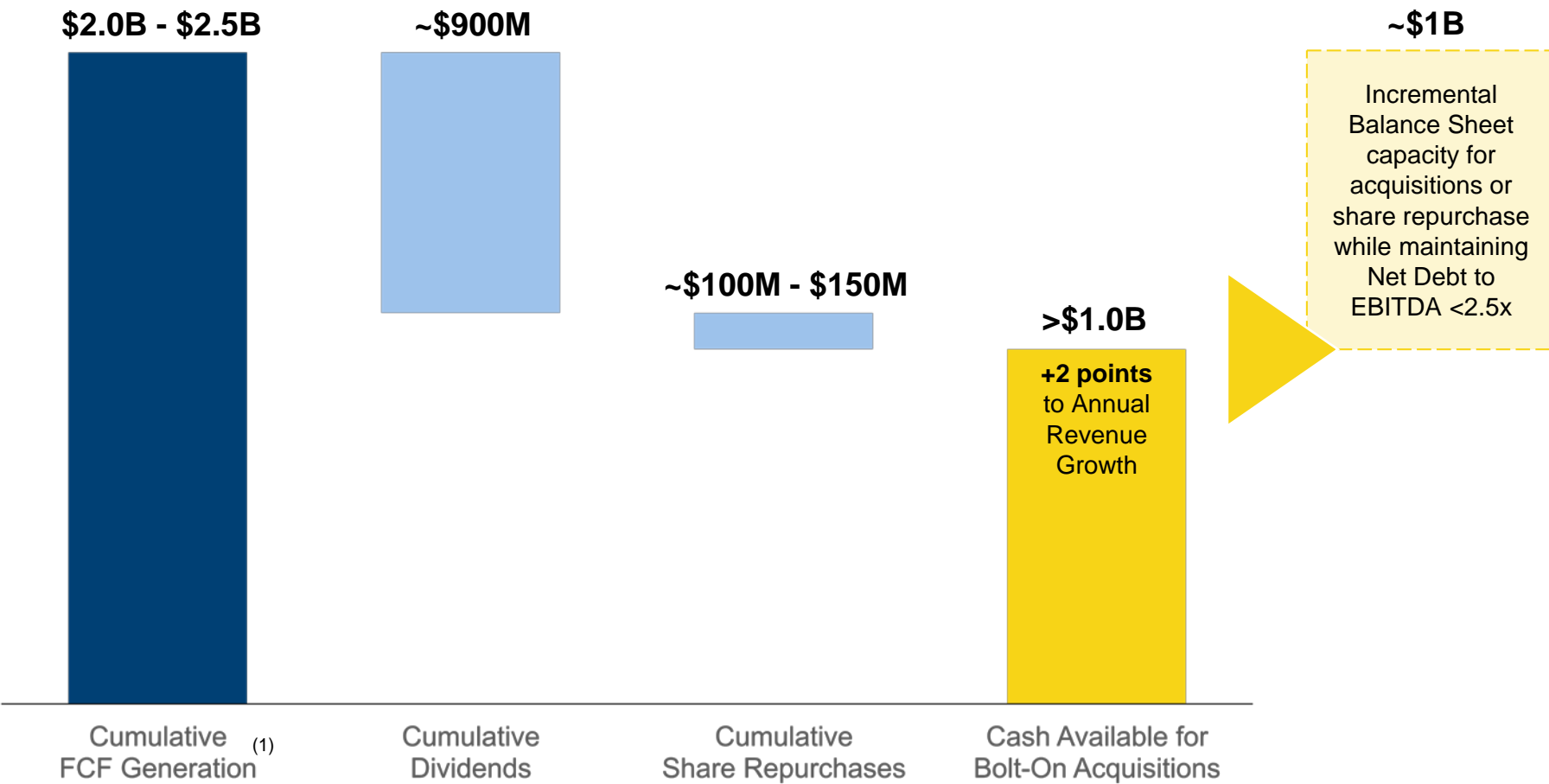
\$ Invested	\$215M
# Acquisitions	4
Acquisition Timespan	4 years
Avg. Acquisition Multiple	~9x EBITDA
Last 3 Years Organic CAGR	+HSD
Adjusted OP Margin Profile	Mid teens
ROIC	Low teens

Balanced Capital Allocation with a Focus on Bolt-on Acquisitions

CAPITAL ALLOCATION STRATEGY

- Grow CapEx in line with sales while increasing investment in automation
- Grow dividends in line with earnings
- Repurchase shares to at least offset dilution
- Deploy excess cash to acquire differentiated brands and products in attractive industries

2020 – 2023 Expected Generation and Use of Cash



Strong Balance Sheet and Cash Flow Generation Support Active Capital Deployment

¹ Refer to the appendix for reconciliations of non-GAAP measures

Summary: Capital Allocation



Serve Our Customers

- ✓ Depth and breadth of portfolio increases value to customers
- ✓ Differentiated product offerings which solve critical infrastructure problems



Grow the Enterprise

- ✓ Complementary product offerings provide enhanced R&D, NPD and cross-selling capabilities
- ✓ Acquisitions drive long-term sales growth at 2x markets



Operate with Discipline

- ✓ Ongoing cost savings and consolidation opportunities
- ✓ Strong track record of acquisition integration



Develop Our People

- ✓ Developmental opportunities across businesses produce well-rounded leaders
- ✓ Acquiring organizational talent with diversity of knowledge and experience

Proven Track Record with Strong Pipeline of Strategic Opportunities



Operational Excellence and Footprint Optimization

Susan Huppertz | VP of Operations





1

Operational transformation underway and driving margin expansion

2

Building a strong culture of operational excellence to ensure consistent execution

3

Footprint consolidation generating significant savings and a more efficient cost structure

Operational Transformation Underway

Outside Four Walls



Inside Four Walls



Footprint

- Leveraging economies of scale (people, machines, processes)

Supply Chain

- Regional Supply for Regional Manufacture for Regional Consumption
- Connecting front-end with back-end

Sales and Operations Planning

- Alignment between sales/marketing and operations/planning to optimize inventory

Materials and Warehouse Management

- Business process blueprints
- Governance
- Standard suite solutions
- Enterprise inventory strategy

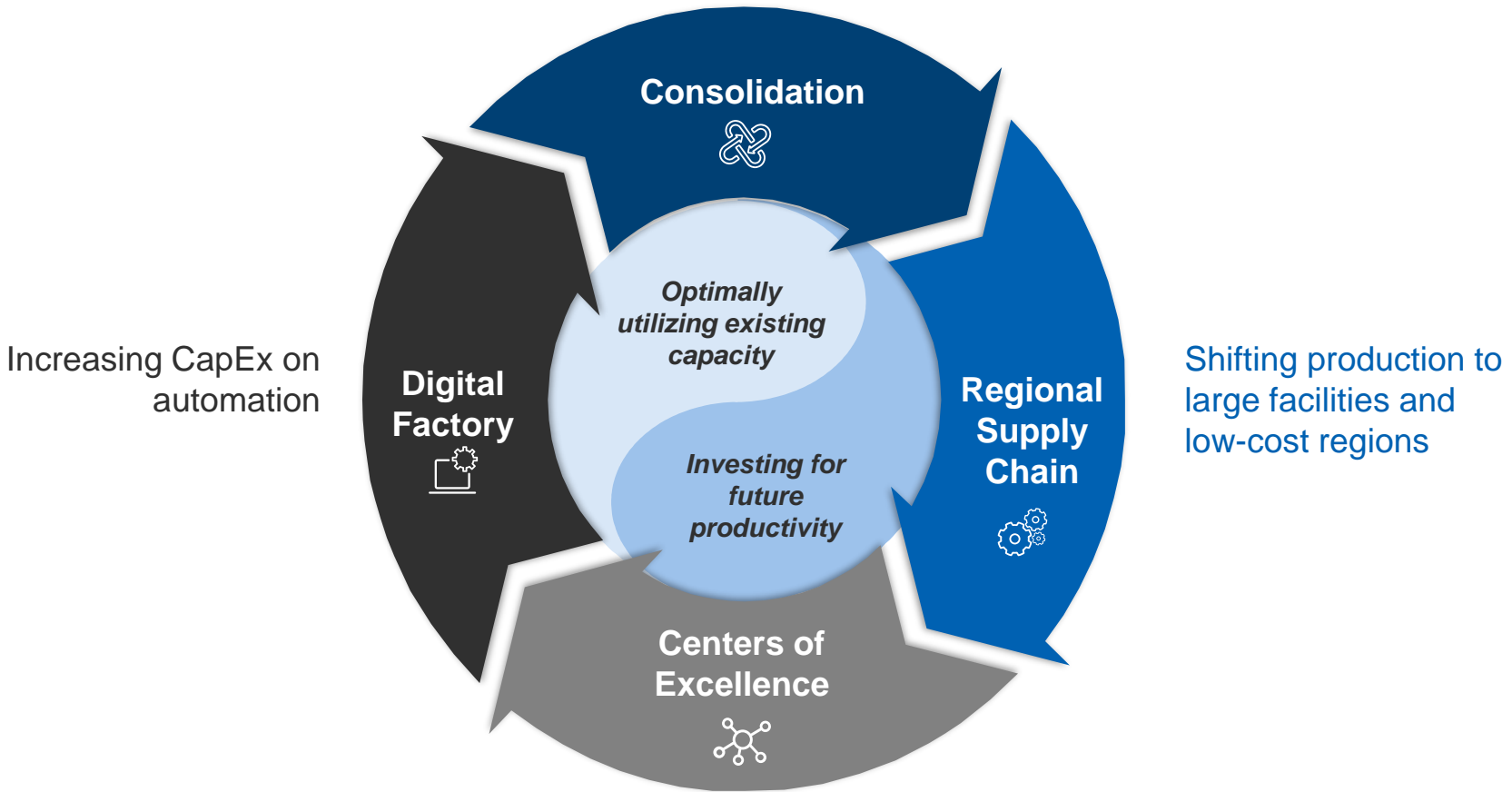
Factory Management

- Plant monthly performance reviews
- EH&S
- Lean
- Automation and digital factory

Building an Integrated Operations Function with World-Class Capabilities

Footprint Optimization Overview

Reducing number of sites by ~25% from 2018 to 2023 ⁽¹⁾

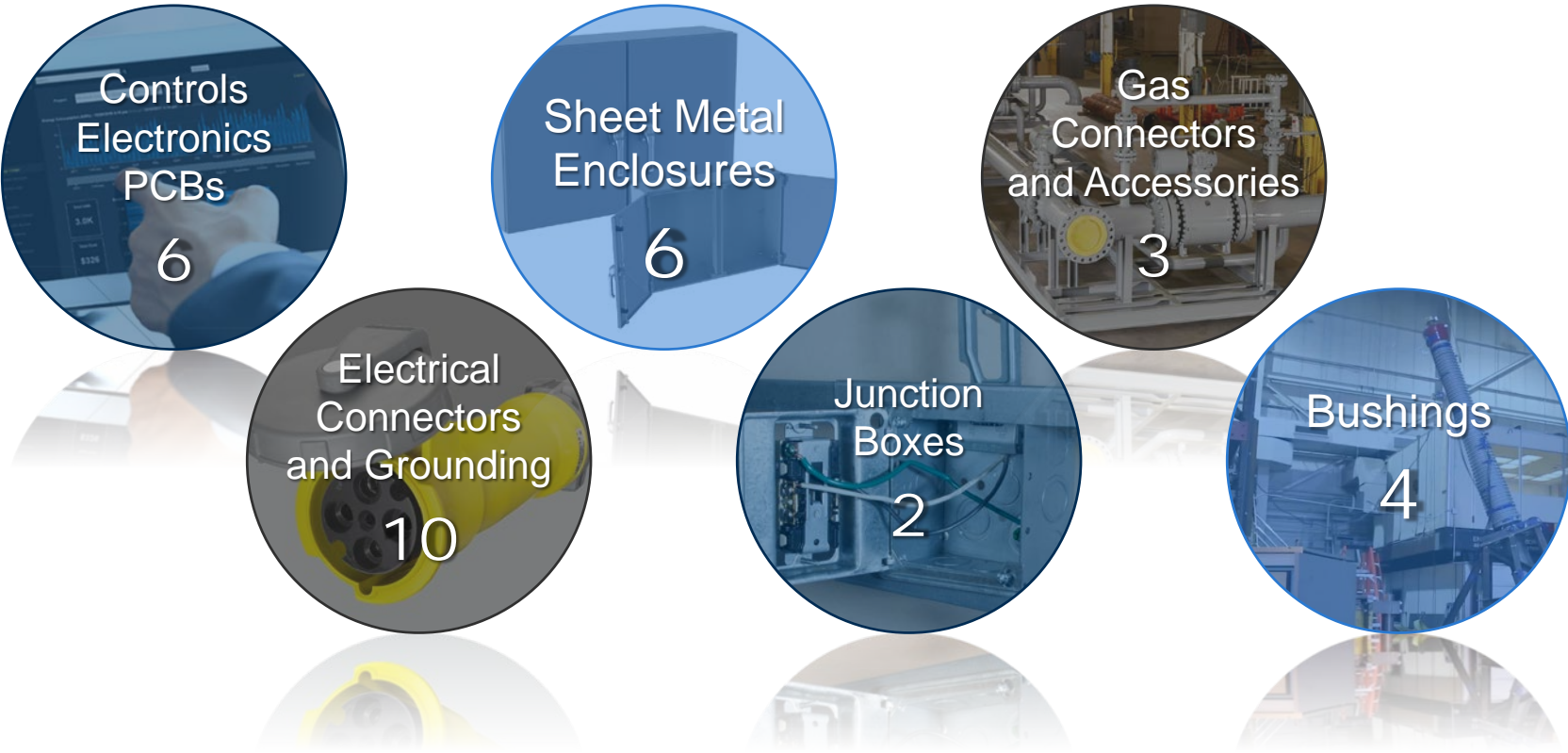


Maintaining Quality, Reliability and Service During Transition Process

¹ Assumes no acquisitions

Establishing Centers of Excellence for Core Competencies

Product Families and Current Number of Sites

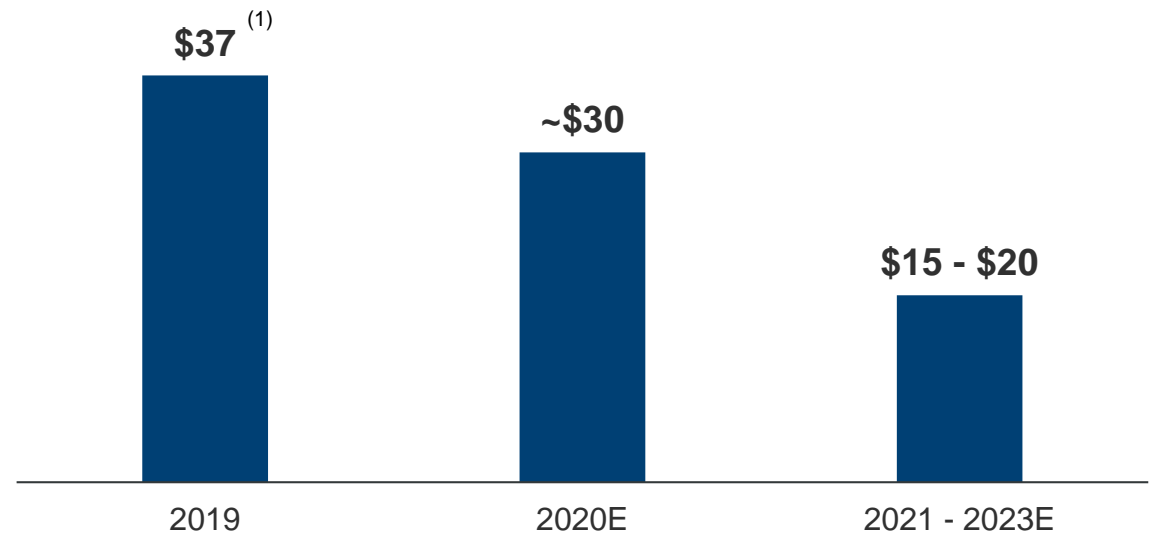


- Streamlining Core Processes within Centers of Excellence
- Foundry
- Metal Stamping
- Molding
- Machining
- Casting

Integrating Production Across Common Product Lines to Improve Scale and Efficiency

Restructuring Investment

R&R Expense (\$M)

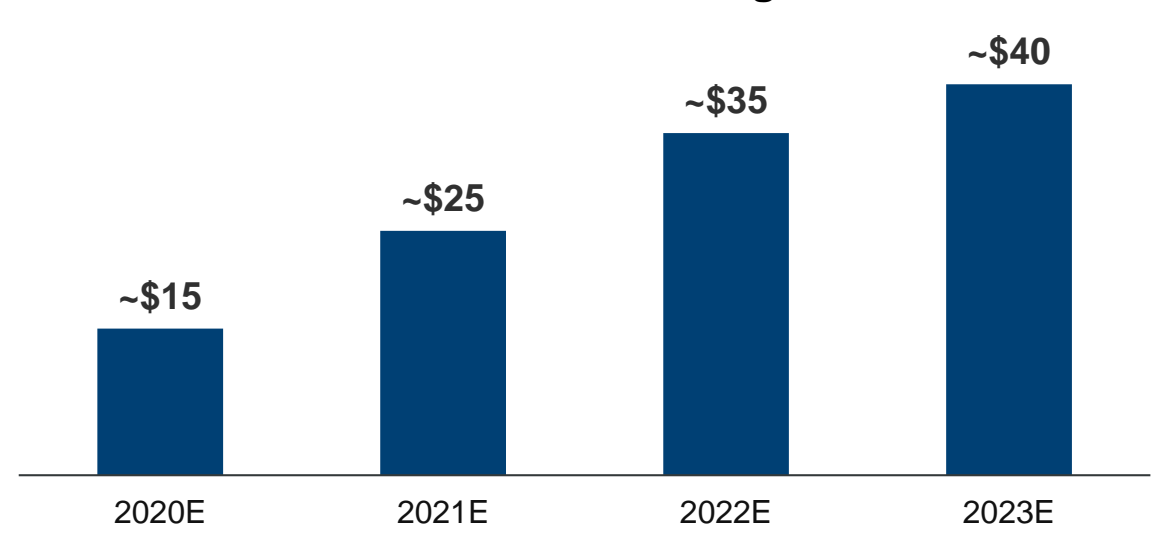


INVESTMENT

2019 – 2020
Accelerated footprint optimization investment

2021 – 2023
Ongoing footprint optimization investment

R&R Cumulative Savings (\$M)



BENEFITS

~3 year
Average Payback Period

20bps – 30bps
Contribution to Annual OP Margin Expansion

Investment Generating Significant Long-Term Savings

¹ Refer to the appendix for reconciliations of non-GAAP measures.

Sales per Square Foot

Square Feet ⁽¹⁾ (M)



>1M Sq. Ft.
Reduction
by 2020

~2M Sq. Ft.
Reduction
by 2023

Sales per Square Foot ⁽²⁾



~20%
Improvement
by 2020

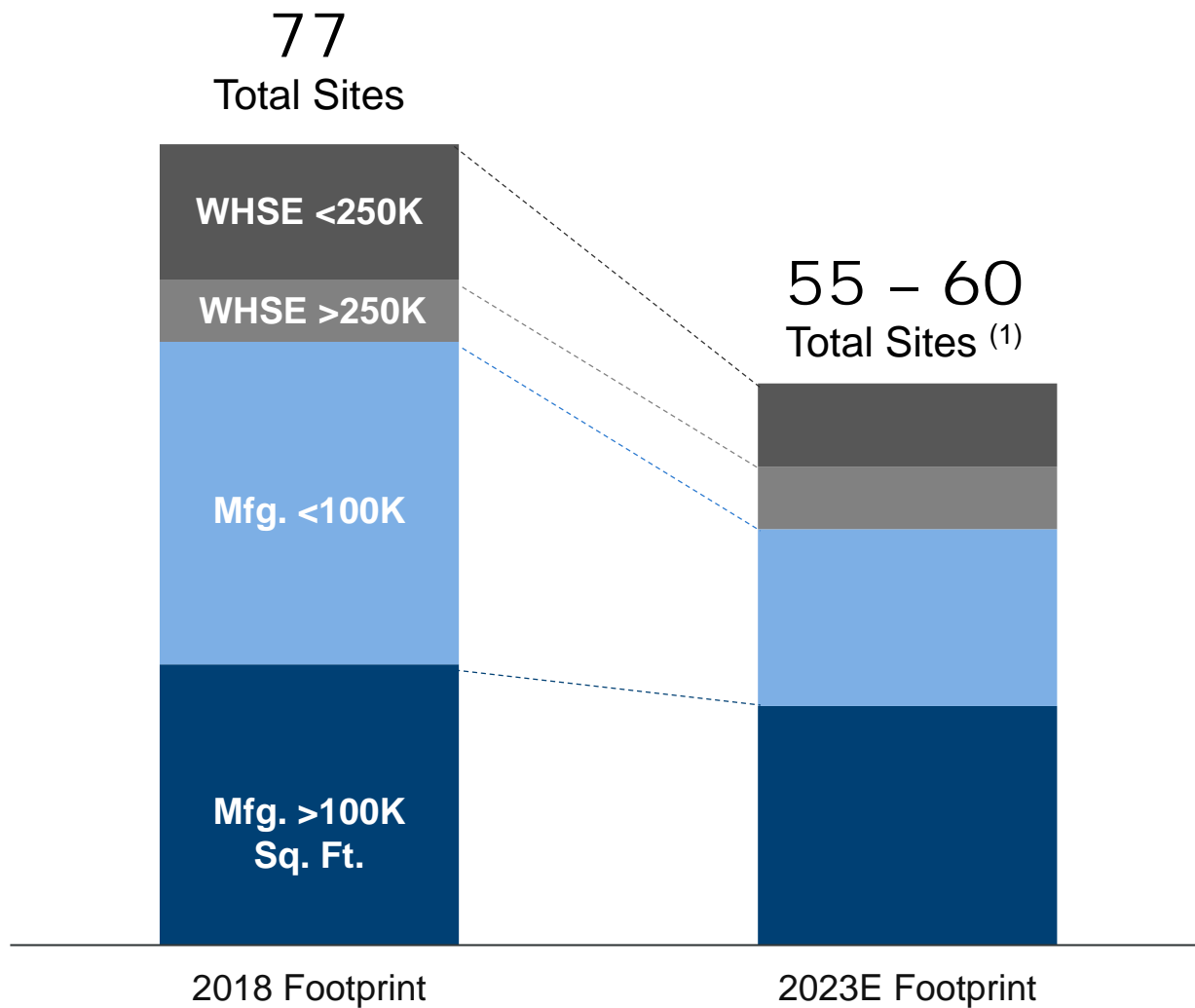
>30%
Improvement
by 2023

Significant Footprint Reduction Driving Improved Operational Efficiency

¹ Square foot targets assume no acquisitions.

² Sales per square foot is calculated by dividing Hubbell net sales by square feet listed on Form 10-K.

Targeting Significant Reduction in Footprint



~25% reduction in total number of sites

~35% reduction in subscale sites

Consolidating High Cost and Subscale Facilities

¹ Site reduction targets assume no acquisitions.

Summary: Operational Excellence and Footprint Optimization



Serve Our Customers

- ✓ Strengthening delivery service performance
- ✓ Ensuring consistent quality
- ✓ Inventory optimization matching customer needs with right product in right place



Grow the Enterprise

- ✓ Optimizing capacity utilization
- ✓ Improved scale through footprint consolidation
- ✓ Enterprise Operations Group to share best practices across businesses



Operate with Discipline

- ✓ Standardized scorecards for all plants and warehouses globally
- ✓ Monthly operations reviews
- ✓ Gemba walks, root cause analysis and cycle count certifications
- ✓ Unwavering commitment to safety culture



Develop Our People

- ✓ Lean, EHS and quality internal certifications
- ✓ Required annual training
- ✓ Culture of empowerment and accountability
- ✓ Investing in operations talent within the businesses as well as at the functional level



Hubbell Utility Solutions

Allan Connolly | Group President





1

Secular T&D growth as utilities invest to upgrade/modernize an aging grid

2

Power Systems benefitting from leading position in an attractive industry

3

Aclara extends our technological capabilities and broadens exposure to water and gas

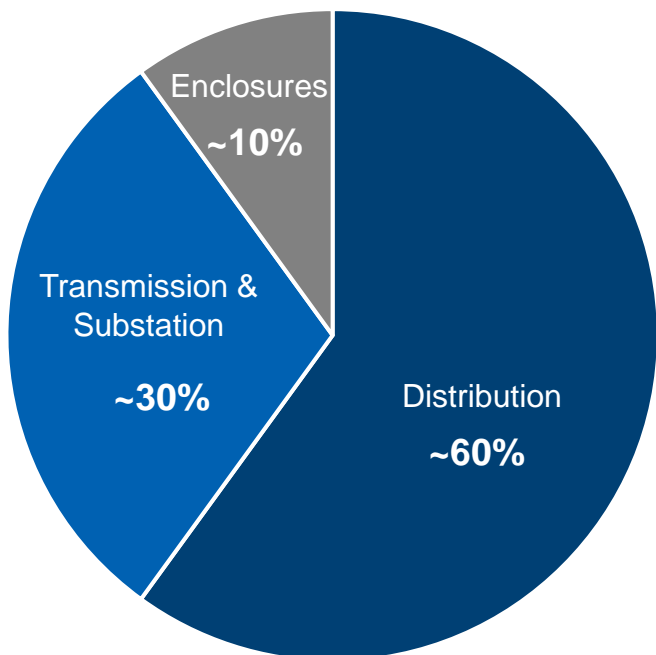
4

Best-in-class Utility Solutions platform

Power Systems – Business Group Overview

SALES BY BUSINESS

~\$1.3B 2019 Sales



	Distribution	Transmission & Substation	Enclosures	
Products	Arresters • Insulators • Connectors • Switches • Fuses • Bushings • Anchors • Pole-line hardware		Above ground and underground enclosures	
Brands	ANDERSON FARGO 	CHANCE 	OHIO BRASS HUBBELL Power Systems, Inc.	
End Markets	Electrical Distribution	Electrical Transmission Electrical Substation	Electrical Distribution Telecom Water/Gas/Civil Industrial	
Growth Drivers	Utility investment in grid upgrades and maintenance	Electrical transmission projects Utility investment in grid upgrades and maintenance	Telecom investment Fiberoptic buildouts Non-residential construction	

Leading Brands and Differentiated Products

Power Systems – Leading Position in Utility Components

INSULATORS

LINEMAN GRADE TOOLS™

VIBRATION DAMPERS

QUADRI-SIL™ INSULATORS

SUSPENSION ASSEMBLIES

DEADEND & JUMPER ASSEMBLIES

ANCHORS & FOUNDATIONS

ANCHORS

TOWERPAK™

CUSTOM ASSEMBLIES

CENTER BREAK VEE SWITCHES

Leads the industry in product breadth and Transmission solutions

POLYMER CUTOUT

RECLOSERS

SURGE ARRESTERS

LINEMAN GRADE TOOLS™

INSULATORS

HOT LINE CLAMPS

UNDERGROUND ENCLOSURES

FIBERGLASS BRACKETS

SECTIONALIZING CABINETS

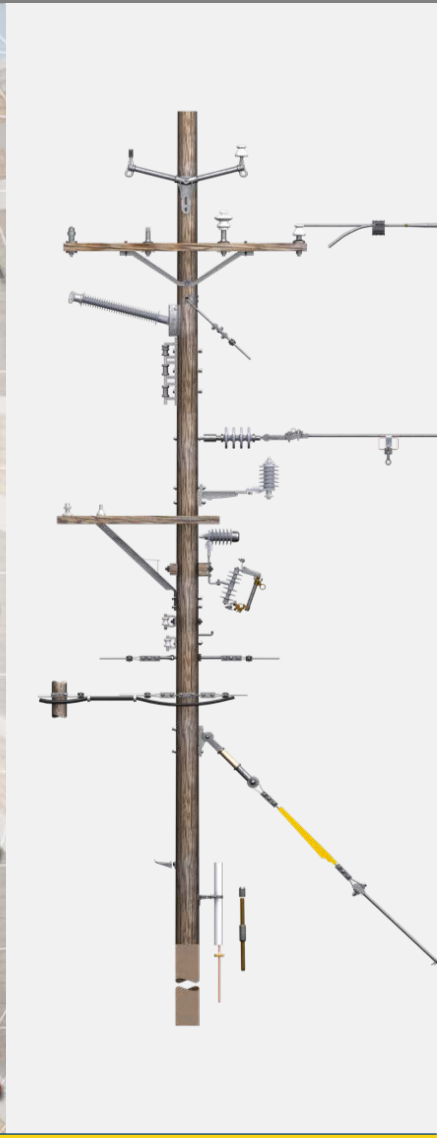
MACHINE BOLT

DEADEND CLEVIS

AUTOMATIC SPLICES

AIS SWITCH AND MOTOR OPERATORS

Servicing 85% of products needed on a Distribution pole



Largest Array of Mission-Critical Utility Components

Power Systems – New Product Development

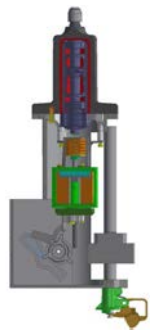
Safety and Environmental



**Fire Rated
Distribution Arrester**

New and retrofit designs

International Growth



**MV
Circuit Breaker**

Industrial applications

Grid Hardening



**Composite
Cross Arms**

Stronger and longer lasting

Reliability



**Low Voltage
Transformers and CTs**

Precision measurement for
system monitoring

Targeted Investment to Fill Product Gaps and Meet Customer Needs

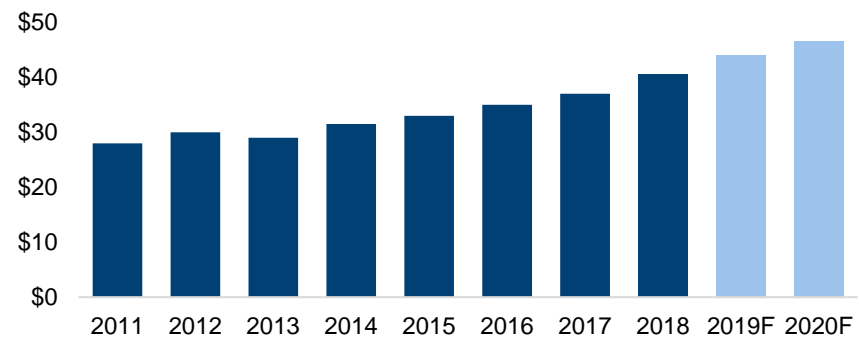
Power Systems – Electrical Distribution Markets

- **Critical investments to improve reliability**
 - Grid hardening and storm mitigation
 - Replacing of aging infrastructure

- **CapEx versus O&M focused initiatives**

- **Grid modernization investments ramping**
 - Customer studies and business cases leading to deployments
 - 7% CAGR in distribution automation investment from 2018-2023¹

North America Distribution CapEx Spend ⁽²⁾ (\$B)



US Grid Modernization Actions by Quarter ⁽³⁾ (# of Actions)



“Most T&D lines were constructed in the 1950s and 1960s and are at full capacity.”

American Society of Civil Engineers Infrastructure Report Card

“Aging infrastructure cited as #1 most challenging issue facing electric utilities.”

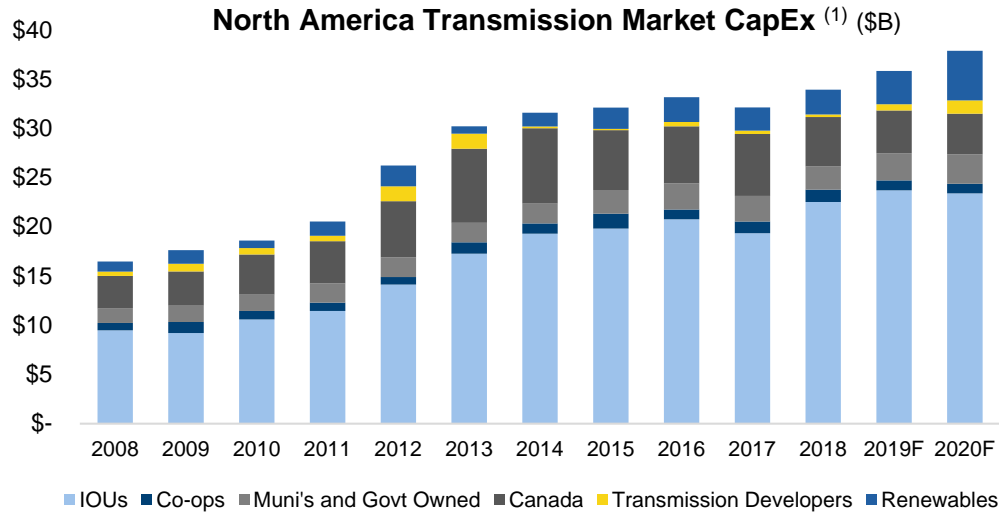
Black & Veatch Survey

Strong Growth Driven by Aging Infrastructure and Grid Modernization

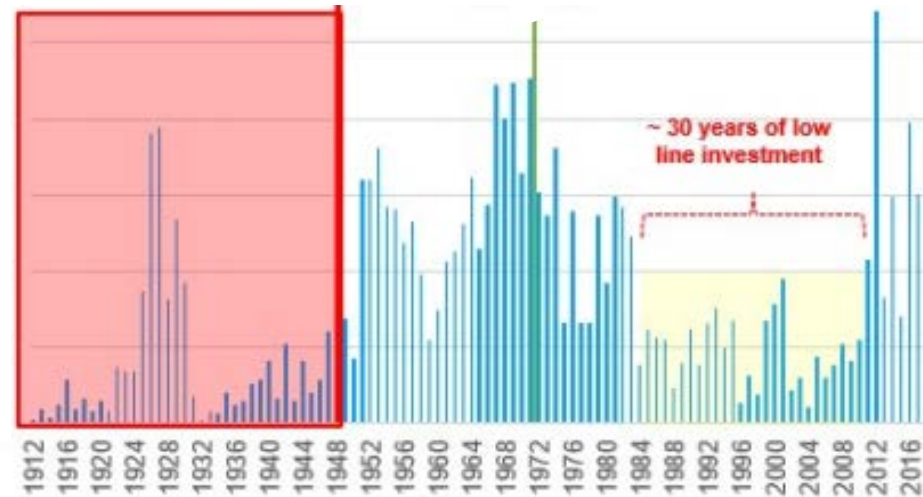
¹ Source Markets and Markets. ² C Three Group, September 2019. ³ NC Clean Energy Technology Center, October 2019.

Power Systems – Electrical Transmission Markets

- **Critical investments to improve reliability**
 - Replacing of aging infrastructure
- **Integration of renewables requires new transmission miles**
- **Large potential projects on the horizon**
 - Permitting and policy dependent
- **Utilities outsourcing more to EPCs**
- **Physical / cybersecurity concerns**



Large IOU's Transmission Line Analysis (2)



“70% of transmission lines are 25 years or older.”
US DOE Grid Modernization Multi-Year Program Plan

“Renewables cited as the #1 driver of new transmission investment, followed by resilience and reliability.”
Black & Veatch Survey

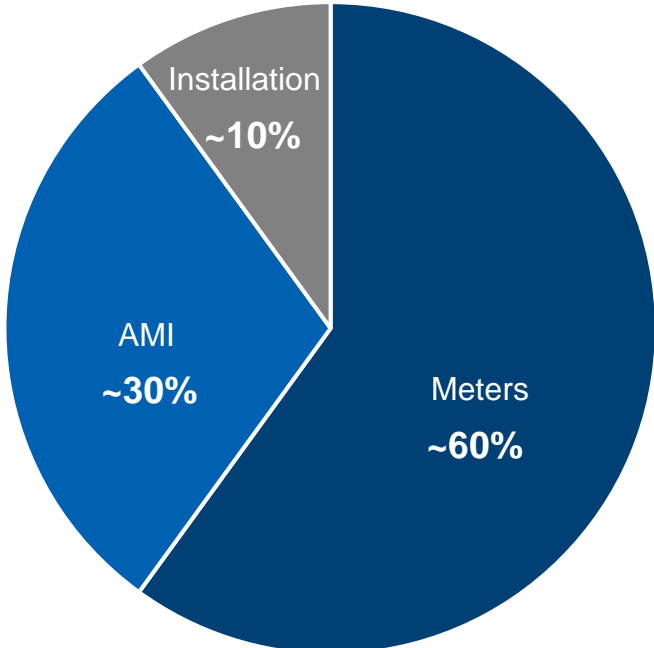
Strong Growth Driven by Aging Infrastructure and Integration of Renewables

¹ C Three Group, September 2019. ² Source: Large IOU's Investor Meeting December 2019.

Aclara – Business Group Overview

SALES BY BUSINESS

~ \$680M 2019 Sales



	Meters	AMI Communications	Installation
Products	Smart Meters	Advanced Metering Infrastructure Communications	Installation Services
Brands			
End Markets	Electrical distribution	Electrical distribution Gas distribution Water distribution	Electrical distribution
Growth Drivers	Utility investment in smart meter deployments Grid automation and digitalization	Utility investment in communications system deployments Grid automation and digitalization	Smart meter deployments

Comprehensive Offering of Smart Infrastructure Solutions; Mix Shifting to AMI Communications Over Time

Aclara – Strategic Focus

Electric Meters

- Strong recent growth in smart meters
 - Continue to increase market share
 - Differentiate smart meter technology to position for upcoming AMI refresh cycle
- Selectively pursue international markets

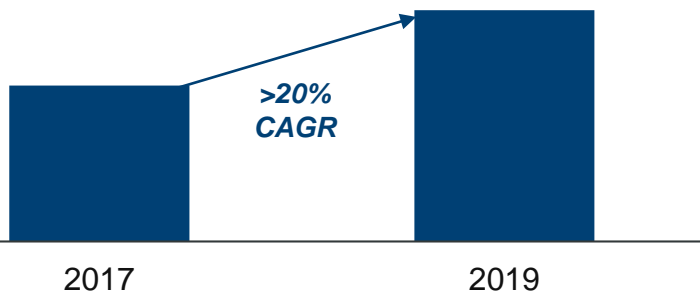
Electric/Water/Gas AMI Communications

- Strong position in water/gas/electric
 - Expand partnerships to address small to medium sized utilities
- Protect high margin core Electric PLC business with enhanced features
- Expanding Electric RF customer base
 - Proving scalability through large co-op deployments and IOU pilot programs
 - Well positioned to win fair share of AMI deployments at large IOUs (3 – 5 years)

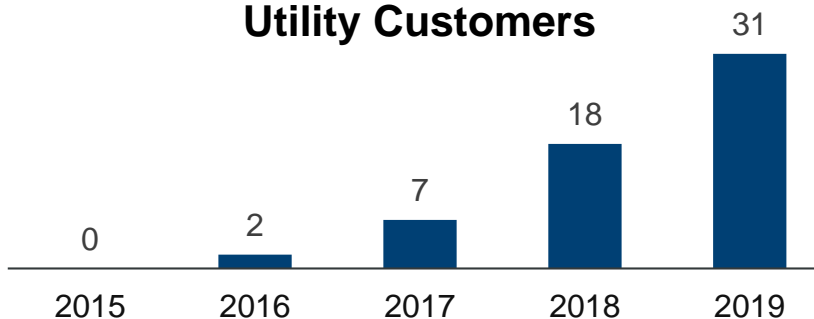
Installation Services

- Software based installation service business
- Recent top line expansion with major utilities
- Margin challenges driven by a major deployment
 - Project completes in 2021
 - Driving productivity enhancements through workflow, project focus and field management

Meters Revenue



Cumulative Electric RF Utility Customers

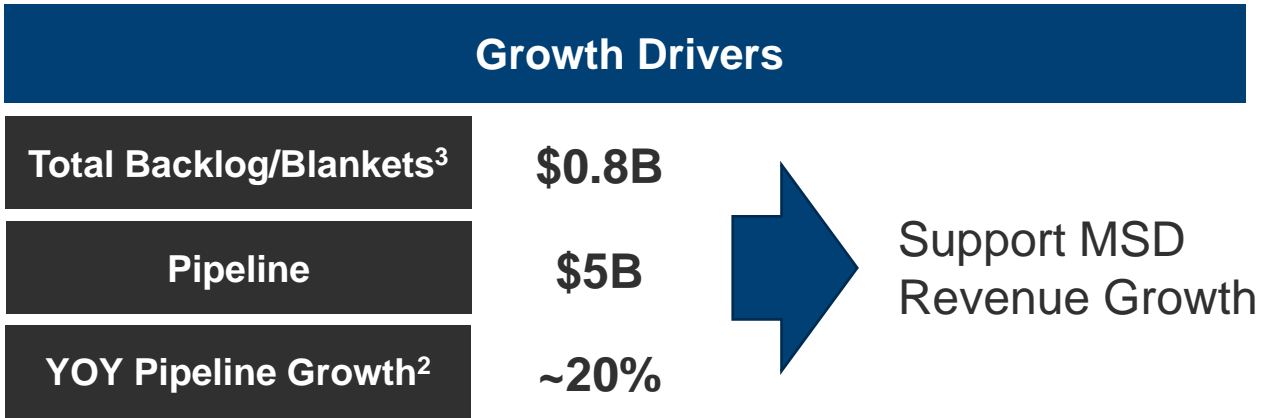


Maintain Growth in Meters, Expand AMI Penetration and Improve Margins in Installation Services

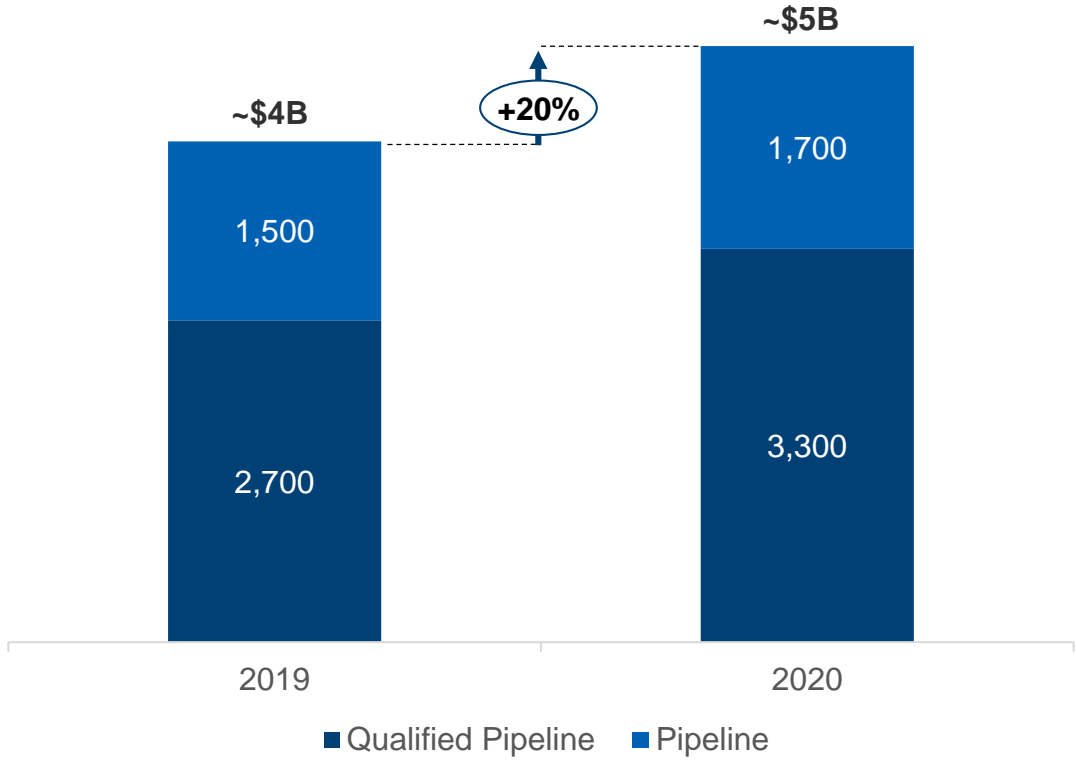
Aclara – Backlog and Pipeline Support Continued Growth

Project Funnel Remains Strong

- Qualified Pipeline ⁽¹⁾ up >20% y/y
- Continued smart meter commitments from IOUs bridging timing to next AMI refresh cycle



Pipeline Growth²



Continued Customer Demand for Smart Grid Technologies

¹ Qualified Pipeline consists of projects in discovery stage through contract negotiations. ² Snapshot January 1, 2019 vs January 1, 2020. ³ As of December 31, 2019.

Growing Customer Need for Distribution Automation



Changing Weather Patterns

Ensuring resiliency during extreme weather events

Wholesale Price Volatility

Optimize payback from location marginal pricing

Regulation/Shifting Business Models

Deregulation and decoupling reshaping role of the utility

Aging Infrastructure

Aging equipment leading to increased risk of failure

Capacity Constraints

Need to increase asset utilization

Demand for Greater Customer Interaction

Keeping up satisfaction in the age of Amazon

Aging Workforce

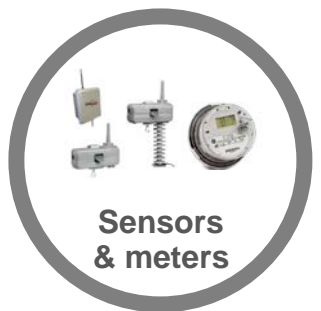
Key knowledge of systems and equipment soon to retire

Higher Grid Variability

Intermittency of solar, DER, and EVs

A Smarter Distribution Grid Enables:

- Faster outage restoration
- Increased safety (worker and public)
- Accommodation of EVs
- Handling of solar, wind, etc.
- Energy savings
- Reduced truck rolls and expenses
- Better power reliability
- Predictive maintenance



Distribution Automation Opportunities:

- Smart switching devices
- Advanced voltage/current sensors
- Sensorized T&D components
- Line and pole position sensors
- Voltage and power quality regulation
- Intelligent automated grid edge controls
- Interactive central control software
- Communications backbone
- Smart meters

Targeting Utilities' Critical Need for Grid Reliability, System Reliability, and Maintenance Spend Reduction

Hubbell + Aclara = Best-in-Class Utility Solutions Platform



- First utility T&D component supplier to add communications
- First utility communications supplier to add T&D components
- Leading AMI architecture for combining systems and components
- Technology expertise to merge hardware, intelligence and comms
- Uniquely positioned to capture rich utility data sets and provide differentiated solutions

Three Phase Recloser

- Pole ready solution combines Hubbell components with Aclara communications and partner controllers
- Embedded current and voltage sensing
- Addresses full distribution voltage range for protection and control applications

Widest Array of Mission Critical Components Meets Industry's Most Robust AMI and Makes Entire Package More Valuable

Summary: Utility Solutions



Serve Our Customers

- ✓ Providing utility customers with reliable, mission-critical components remains the core of what we do
- ✓ Hubbell + Aclara provides an unmatched portfolio of solutions to solve emerging problems for utilities



Grow the Enterprise

- ✓ Uniquely positioned to capitalize on secular T&D investment growth
- ✓ Targeted approach to smart grid opportunity while remaining focused on core
- ✓ Continue to accelerate growth through bolt-on acquisitions



Operate with Discipline

- ✓ Optimizing operations to effectively meet strong customer demand
- ✓ Footprint rationalization
- ✓ Maintaining discipline on bidding for complex projects



Develop Our People

- ✓ Integration of Hubbell and Aclara commercial and technical resources
- ✓ Investing in talent to further penetrate growing Distribution Automation market

Best-in-Class Utility Solutions Platform Well Positioned For Long-Term Success



Hubbell Electrical

Rodd Ruland, Jim Farrell, Darrin Wegman | Group Presidents





1

Targeting attractive market niches with differentiated product offerings

2

Robust new product development pipeline set to accelerate organic growth

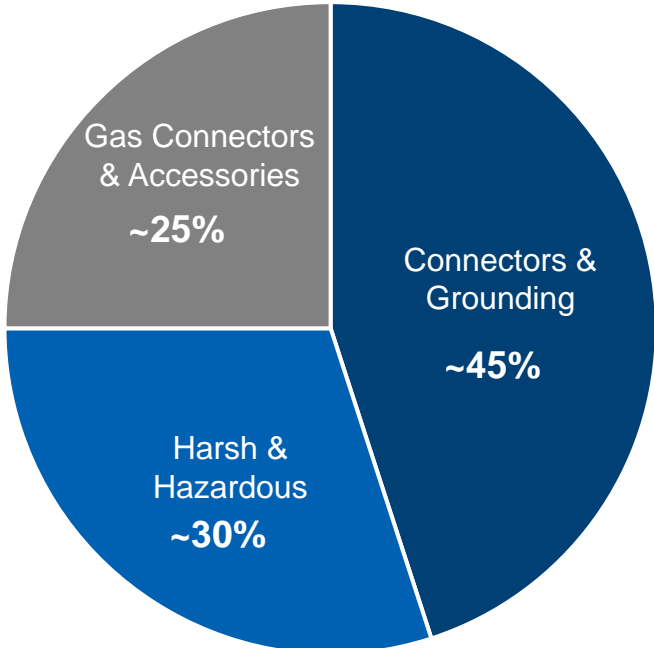
3

Footprint consolidation generating savings and a more efficient fixed cost structure

Construction & Energy – Business Group Overview

SALES BY BUSINESS

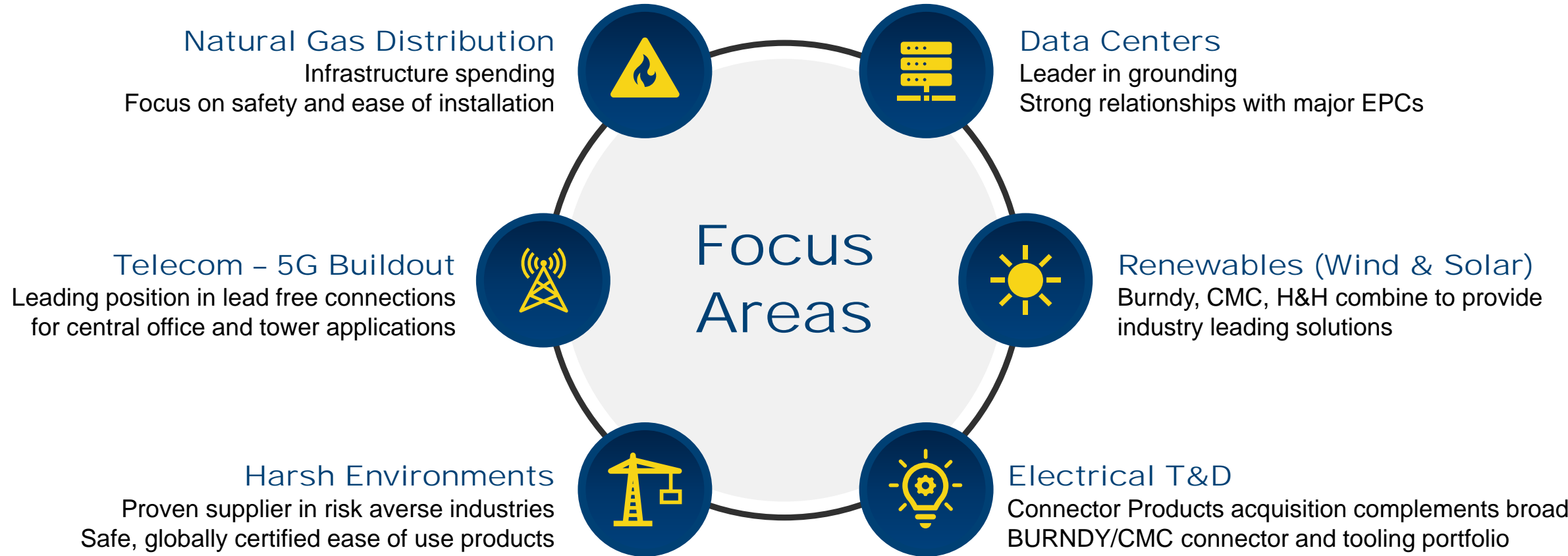
~ \$810M 2019 Sales



	Connectors & Grounding	Harsh & Hazardous	Gas Connectors & Accessories
Products	Connectors • Grounding Devices • Specialty Tooling	Specialty Communications Equipment • Specialty Lighting • Explosion Proof Devices	Connectors and Fittings • Excess Flow Valves • Meter Set Assemblies
Brands	 	 	
End Markets	Light industrial Utility T&D Datacenters / Telecom	Oil Mining Industrial	Gas Distribution
Growth Drivers	Industrial production Datacenter builds Telecom / fiber builds Renewable projects	Oil rigs and infrastructure End market diversification	Aging infrastructure Natural gas distribution Regulatory maintenance

Leading Brands and Differentiated Products

Construction & Energy – Growth Focus



Well Positioned to Drive Growth in Key Verticals

Construction & Energy – New Product Development

Ease of Use



Hawke H&H Gland
1st of kind in N. America
Global certification

Innovation



BURNDY Patriot T3
IOT technology
GPS crimp tracking

Safety



Protecta X
IEC hazardous compliant
Hot swappable battery

Sustainability



BURNDY Tin-Zinc Lugs
Environmentally responsible
1st to market

Developing Innovative, Safe and Sustainable Products

Construction & Energy – Footprint Optimization

SMALL, SUBSCALE FACILITY



- Square Footage: 72k
- Number of employees: 60

*Consolidated
Into*

LARGE, LOWER COST FACILITY



- Square Footage: 300k
- Number of employees: 350+

- **Financial Overview**
 - Combined expense of ~\$7M
 - Payback of ~3 years
- **Facilities with redundant capabilities**
 - Sand cast foundry
 - Machining & welding
 - Injection molding & in-line painting
- **Optimizing available capacity**
 - Shift from high cost, low utilization sites
 - To lower cost, high utilization, automated sites

HIGH COST, LOW TECH



- Square Footage: 75k
- Number of employees: 150

*Consolidated
Into*

LOW COST, HIGH TECH



- Square Footage: 120k
- Number of employees: 250

Construction & Energy – Strategy

Connectors & Grounding

- ✓ Leverage industry leading position to capture growth opportunities in key verticals
- ✓ Layer smart capabilities into existing products
- ✓ Bolt-on acquisitions

GROW

Harsh & Hazardous

- ✓ Expansion into diversified industrial verticals with need for explosion proof devices
- ✓ Direct salesforce investment
- ✓ Focused NPD strategy

DIVERSIFY

Gas Connectors & Accessories

- ✓ Optimize footprint and operational capabilities to meet strong market demand
- ✓ Bolt-on acquisitions

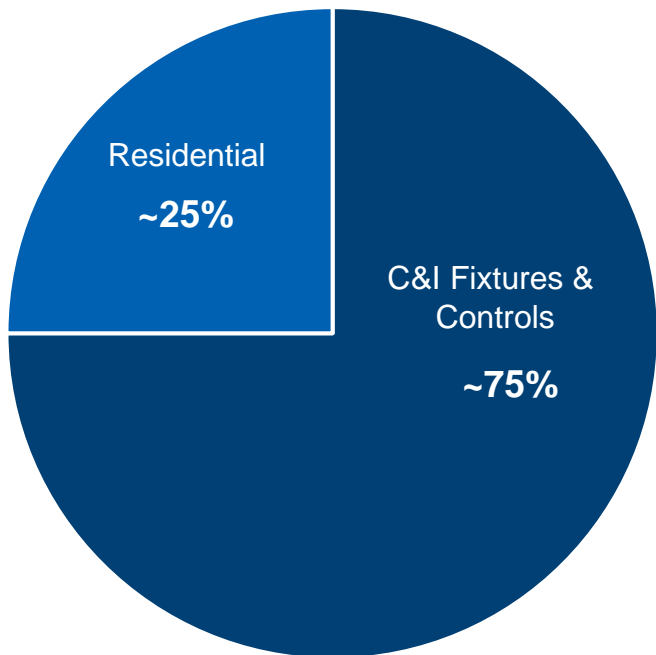
GROW

High Margin Electrical Businesses Positioned For Growth

Lighting – Business Group Overview

SALES BY BUSINESS

~\$915M 2019 Sales

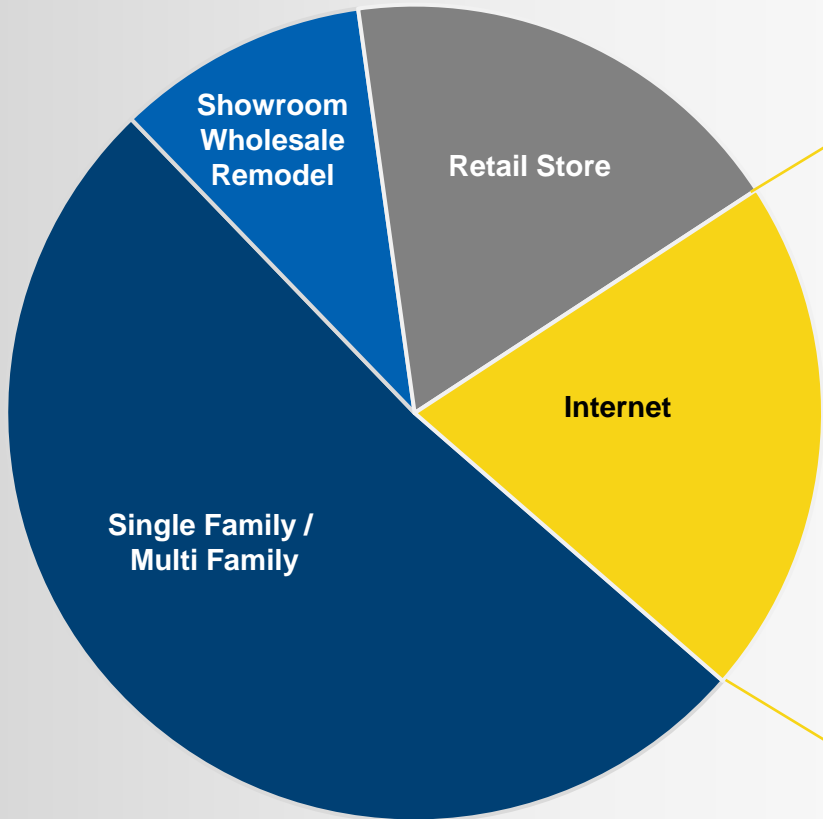


	C&I Fixtures	C&I Controls	Residential
Products			
Brands			
End Markets	<p><u>New Construction / Renovation</u></p> <ul style="list-style-type: none"> Education / Office Industrial mfg. Food & Beverage Healthcare 		<ul style="list-style-type: none"> Single-family Multi-family Remodel
Growth Drivers	<ul style="list-style-type: none"> Renovation and retrofit Energy management and connected systems 	<ul style="list-style-type: none"> Smart lighting incentives Facility management and sustainability Energy code compliance 	<ul style="list-style-type: none"> E-Commerce On-trend design and innovation

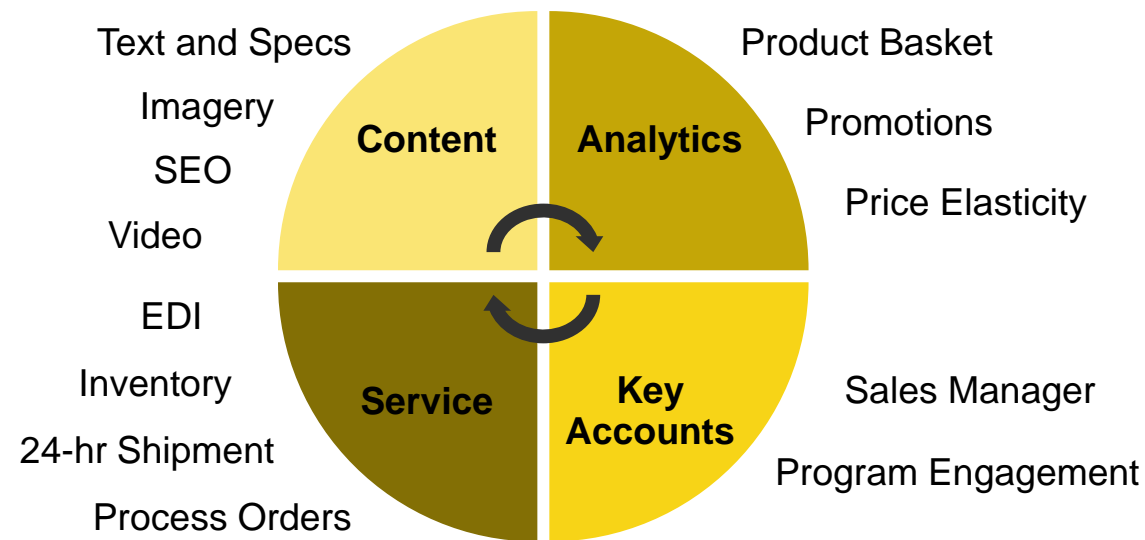
Investment Targeting Higher Value Markets and E-Commerce Infrastructure

Lighting – Residential Growth Focus

Residential Sales by Channel



E-Commerce



Doubled Internet Sales
Within Last Two Years

Content and Analytics Key to Continued Growth

Lighting – C&I Industry Dynamics

INDUSTRY DYNAMICS

- ▶ Agents primary channel to market
- ▶ SKU breadth important to agent package
Low cost / narrow SKU competition from abroad
Volatility as renovation and relight projects can be pushed out
- ▶ Cost competitive industry
LED revolution led to price erosion to facilitate adoption
- ▶ Controls add important functionality
Niche growth opportunities emerging

HUBBELL STRATEGY

- ✓ Built out a strong agent network
- ✓ Adopting outsourced contract manufacturing model to variabilize costs
- ✓ Disciplined pricing
 - Price/cost positive in 2019
- ✓ Continued investment in restructuring
 - Consolidated into 4 primary facilities
- ✓ Growing wireless NX controls business
- ✓ Developing differentiated products for specific customer applications

Focus on Improving Profitability in 2020

Lighting – C&I Focus Areas

Cost Takeout and Productivity

Footprint Optimization



Value Engineering Execution



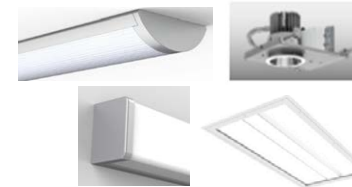
Electronic Tools

Reinvigorate Value Product Offering

tradeSELECT®



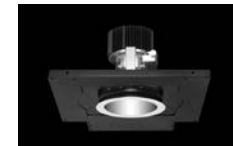
Expand High Value Markets & Categories



Complex Environment Healthcare | VR | High Abuse | Behavioral | Food Safety



Architectural Outdoor



Architectural Downlighting

Drive Integrated Controls Expansion

NX DISTRIBUTED INTELLIGENCE™



Data Transfer in Future State



Investments Aligned to Gain Share in Strategic High Growth and Underpenetrated Markets

Lighting – Footprint Optimization

SMALL, SUBSCALE FACILITY



- Square Footage: 36k
- Number of employees: 60

Consolidated
Into

LARGE, LOW COST FACILITY



- Square Footage: 277k
- Number of employees: 730

■ Financial Overview

- Combined expense of ~\$3M
- Payback of ~2 years

■ Optimizing available capacity

- Automated | Semi-Automated | Manual Assembly
- Smooth transfer with no additional capacity added

■ Lean | Continuous Improvement | Safety

- **Lean role model** for enterprise

SMALL, SUBSCALE FACILITY



- Square Footage: 48k
- Number of employees: 100

Consolidated
Into

LARGE, LOW COST FACILITY



- Square Footage: 340k
- Number of employees: 895

Consolidating Subscale Facilities

Lighting – Strategy

C&I Fixtures

- ✓ Productivity through footprint optimization and value engineering efforts
- ✓ Target high value categories
- ✓ Utilize technology to enhance ease of doing business

EXPAND MARGINS

C&I Controls

- ✓ Expand share with agent network
- ✓ Electronic tools to simplify design elements
- ✓ Continued investment

GROW

Residential

- ✓ Continued focus on expanding E-Commerce capabilities
- ✓ Growth in attractive categories
- ✓ Price discipline

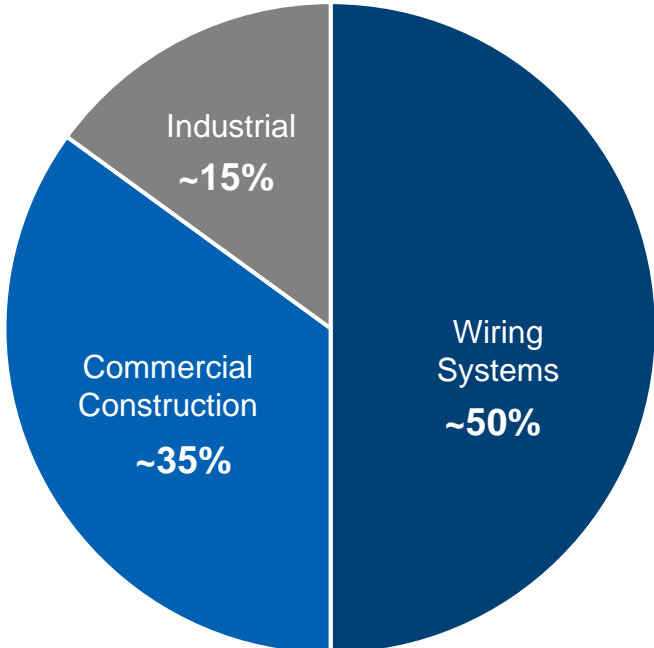
GROW SELECTIVELY

Focused Strategy to Drive Improved Performance

Commercial & Industrial – Business Group Overview

SALES BY BUSINESS

~ \$900M 2019 Sales



	Wiring Systems	Commercial Construction	Industrial
Products	Pin and Sleeve • Twist-Lock • GFCI • Plugs and Connectors	Boxes • Fittings • Enclosures	Controls • Reels • Resistors • Power Quality Solutions
Brands	 	 	
End Markets	Industrial Non-residential construction	Non-residential construction	Industrial
Growth Drivers	New construction Industrial production Data centers	New construction	Industrial production Industrial automation

Leading Brands and Differentiated Products



Strategically Targeting High Margin Opportunities

Commercial & Industrial – New Product Development

Wireless Monitoring



Smart Pin & Sleeve

Digital monitoring of critical operational performance indicators

Ease of Installation



Twist Lock Spring Termination

Installation labor savings and improved performance

Convenience



JumpCharge

Portable power to keep devices charged

Improved Efficiency



Toroidal Transformer

Lower operating costs, higher energy efficiency in a smaller, quieter design

Commercial & Industrial – Footprint Optimization

LARGE, HIGH COST FACILITY



- Square Footage: 138k
- Number of employees: 155

Consolidated
Into

- **Financial Overview**
 - Combined expense of ~\$12M
 - Payback of ~3 years
- **Facilities with redundant capabilities**
- **Optimizing available capacity**
 - Shift from high cost, low utilization sites
 - To low cost, high utilization sites
- **Site shift transparent to customer**
 - No change in delivery times

LARGE, LOW COST FACILITY



- Square Footage: 162k
- Number of employees: 500

SMALL, SUBSCALE FACILITY



- Square Footage: 36k
- Number of employees: 75

Consolidated
Into

LARGE, LOW COST FACILITY



- Square Footage: 133K
- Number of employees: 295

Optimizing Capacity Utilization

Commercial & Industrial – Strategy

Wiring Systems

- ✓ NPD targeting customer needs in attractive markets
- ✓ Layer smart capabilities over installed base of products
- ✓ Bolt-on acquisitions

GROW

Commercial Construction

- ✓ Footprint optimization
- ✓ Value engineering

EXPAND MARGINS

Industrial

- ✓ Enhancing product capabilities and offerings in high margin businesses
- ✓ Bolt-on acquisitions

GROW

Focused on Growing in Attractive Markets

Summary: Electrical



Serve Our Customers

- ✓ Reliable, safe, high quality products supporting critical customer applications
- ✓ Robust NPD targeting specific customer needs with differentiated offerings



Grow the Enterprise

- ✓ Attractive niches offer accelerated growth potential
- ✓ Bolt-on acquisitions in strategic growth markets



Operate with Discipline

- “**Outside Four Walls**”
- ✓ Generating significant margin expansion through footprint optimization
- “**Inside Four Walls**”
- ✓ Factory automation investment driving accelerated productivity



Develop Our People

- ✓ Improved organizational design
- ✓ Investing in new roles and external talent to generate new ideas and capabilities

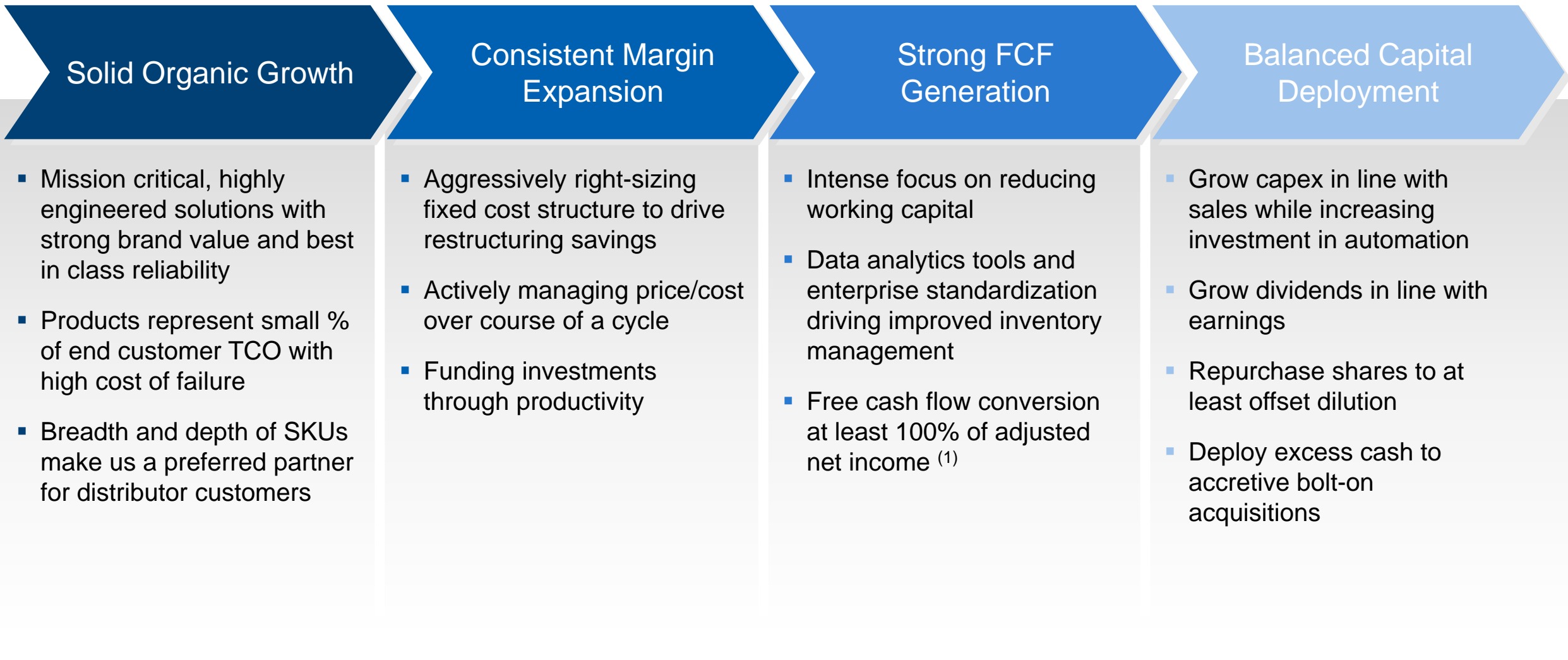


Financial Overview and Long-Term Targets

Bill Sperry | EVP & CFO



Hubbell Strategy Drives the Financial Model



Consistent High Single Digit EPS Growth Over a Cycle

¹ Refer to the appendix for reconciliation of non-GAAP measures.

Revenue	Operating Margin	EPS	Free Cash Flow
<ul style="list-style-type: none"> ▪ MSD revenue growth <ul style="list-style-type: none"> ▪ +2% to +3% Organic ▪ +2% Acquisitions 	<ul style="list-style-type: none"> ▪ Restructuring savings contribute 20 – 30 bps annual adjusted OP margin expansion ▪ Price and productivity offset cost increases and fund growth investments 	<ul style="list-style-type: none"> ▪ Strong revenue growth ▪ Consistent margin expansion 	<ul style="list-style-type: none"> ▪ Operational excellence ▪ 10% reduction in inventory days
<p style="text-align: center;">~\$5.4B Revenue</p>	<p style="text-align: center;">~16.0% Adj. OP Margin ⁽¹⁾</p>	<p style="text-align: center;">~\$11.00 Adjusted EPS ⁽¹⁾</p>	<p style="text-align: center;">\$600M+ Free Cash Flow ⁽¹⁾</p>

High Single Digit EPS CAGR With Fundamental Drivers Within Our Control

¹ Refer to the appendix for reconciliations of non-GAAP measures.



Closing Comments and Key Messages

Dave Nord | Chairman & CEO



The Hubbell Investment Thesis

NEAR-TERM

- 1 Secular grid modernization tailwinds** driving strong growth as utilities upgrade an aging grid
- 2 Restructuring savings** generating EPS/FCF contribution regardless of macro environment
- 3 Unique consolidation opportunities** supported by a strong balance sheet
- 4 Attractively valued** on ~\$500M of 2019 FCF ⁽¹⁾ with significant future working capital opportunity

LONG-TERM

- 1 Best-in-class Utility Solutions platform** positioned for sustainable growth
- 2 Operational transformation** improving margins and FCF generation
- 3 Proven bolt-on acquisition playbook** creating value and improving portfolio quality over time

Well Positioned to Deliver Consistent and Differentiated Returns for Shareholders

¹ Refer to the appendix for reconciliations of non-GAAP measures



Appendix



Non-GAAP to GAAP Reconciliation Tables

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 include adjusted operating income, adjusted operating margin, adjusted net income, adjusted net income available to common shareholders, and adjusted earnings per diluted share, which exclude, where applicable:

- Amortization of acquisition-related intangible assets associated with our business acquisitions, including inventory step-up amortization associated with those acquisitions,
- The effects of the net charge in 2019 to recognize certain additional liabilities associated with the Company's participation and withdrawal from a multi-employer pension plan,
- 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 reported within Other income (expense), net in the Condensed Consolidated Statement of Income,

Each of these adjusted operating measures are non-GAAP measures. Management uses the adjusted measures when assessing the performance of the business. Reconciliations of each of these non-GAAP measures to the most directly comparable GAAP measure can be found in the following tables, and on the Investor Relations subpage of our website at www.hubbell.com.

We do not provide certain reconciliations for free cash flow, adjusted operating margin or adjusted diluted earnings per share on a forward-looking basis because we are unable to provide an accurate calculation or estimation of the reconciling items and the information is not available without unreasonable effort. This is due to the inherent difficulty of forecasting the timing and amount of certain items on a long term basis, such as capital expenditures, amortization of acquisition-related intangible assets or transaction costs related to acquisitions or the gain or loss on business dispositions. Such adjustments have not yet occurred, could be subject to factors out of our control and/or cannot be reasonably predicted. For the same reasons, we are unable to address the probable significance of the available information.

Non-GAAP to GAAP Reconciliation Tables

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

Hubbell Incorporated	Twelve Months Ended December 31, 2019
Net Sales [a]	\$ 4,591.0
Operating Income \$	
GAAP measure [b]	\$ 596.6
Amortization of acquisition-related intangible assets	72.1
Aclara transaction costs	—
Adjusted Operating Income \$ [c]	\$ 668.7
Operating Margin %	
GAAP measure [b] / [a]	13.0%
Adjusted Operating Margin % [c] / [a]	14.6%
Electrical segment	Twelve Months Ended December 31, 2019
Net Sales [a]	\$ 2,625.7
Operating Income \$	
GAAP measure [b]	\$ 320.1
Amortization of acquisition-related intangible assets	23.1
Adjusted Operating Income \$ [c]	\$ 343.2
Operating Margin %	
GAAP measure [b] / [a]	12.2%
Adjusted Operating Margin % [c] / [a]	13.1%
Utility Solutions segment (formerly the Power Segment)	Twelve Months Ended December 31, 2019
Net Sales [a]	\$ 1,965.3
Operating Income \$	
GAAP measure [b]	\$ 276.5
Amortization of acquisition-related intangible assets	49.0
Aclara transaction costs	—
Adjusted Operating Income \$ [c]	\$ 325.5
Operating Margin %	
GAAP measure [b] / [a]	14.1%
Adjusted Operating Margin % [c] / [a]	16.6%

Non-GAAP to GAAP Reconciliation Tables

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

Hubbell Incorporated	Twelve Months Ended December 31, <u>2019</u>
Net income attributable to Hubbell (GAAP measure)	\$ 400.9
Amortization of acquisition-related intangible assets, net of tax	53.9
Gain on disposition of business, net of tax	(20.5)
Multi-employer pension expense (income), net of tax	6.4
Loss on investment, net of tax	5.0
Aclara transaction costs, net of tax	—
Adjusted Net Income	\$ 445.7

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

Hubbell Incorporated	Twelve Months Ended December 31, <u>2019</u>
Numerator:	
Net income attributable to Hubbell	\$ 400.9
Less: Earnings allocated to participating securities	(1.5)
Net income available to common shareholders (GAAP measure) [a]	\$ 399.4
Adjusted Net Income	\$ 445.7
Less: Earnings allocated to participating securities	(1.7)
Adjusted net income available to common shareholders [b]	\$ 444.0
Denominator:	
Average number of common shares outstanding [c]	54.4
Potential dilutive shares	0.3
Average number of diluted shares outstanding [d]	54.7
Earnings per share (GAAP measure):	
Basic [a] / [c]	\$ 7.35
Diluted [a] / [d]	\$ 7.31
Adjusted Earnings Per Diluted Share [b] / [d]	\$ 8.12

Non-GAAP to GAAP Reconciliation Tables

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.

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

Hubbell Incorporated	Twelve Months Ended December 31,	
	2019	
Net Cash Provided By Operating Activities (GAAP measure)	\$	591.6
Capital Expenditures		(93.9)
Free Cash Flow	\$	497.7
Adjusted Net Income	\$	445.7
Free Cash Flow Conversion		112%

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. In the twelve months ended December 31, 2019, restructuring and related costs were \$37.0 million, of which, \$32.0 million were restructuring costs as defined by U.S. GAAP and \$5.0 million were restructuring-related costs.