

# 1Q 2018 Highlights and Operating Results

April 26, 2018

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# Safe Harbor Statement and Non-GAAP Financial Measures

Safe Harbor Statement

The statements in this release other than historical facts are forward-looking statements made in reliance upon the safe harbor of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to a number of factors that could cause our actual results to differ materially from what is indicated here. These factors include but are not limited to general economic conditions, the level of customer demand particularly for capital projects in the markets we serve, changes in supplier relationships or in supplier sales strategies or financial viability, risks associated with the sale of nonconforming products and services, political, economic or currency risks related to foreign operations, inventory obsolescence, copper price fluctuations, customer viability, risks associated with accounts receivable, the impact of regulation and regulatory, investigative and legal proceedings and legal compliance risks, information security risks, risks associated with substantial debt and restrictions contained in financial and operating covenants in our debt agreements, the impact and the uncertainty concerning the timing and terms of the withdrawal by the United Kingdom from the European Union, unanticipated changes in our tax provision and tax liabilities related to the enactment of the Tax Cuts and Jobs Act, and risks associated with integration of acquired companies, including, but not limited to, the risk that the acquisitions may not provide us with the synergies or other benefits that were anticipated. These uncertainties may cause our actual results to be materially different than those expressed in any forward looking statements. We do not undertake to update any forward looking statements. Please see our Securities and Exchange Commission ("SEC") filings for more information.

Non-GAAP Financial Measures

In addition to the results provided in accordance with U.S. Generally Accepted Accounting Principles ("GAAP") above, this release includes certain financial measures computed using non-GAAP components as defined by the SEC. Specifically, net sales comparisons to the prior corresponding period, both worldwide and in relevant segments, are discussed in this release both on a GAAP and non-GAAP basis. We believe that by providing non-GAAP organic growth, which adjusts for the impact of acquisitions (when applicable), foreign exchange fluctuations, copper prices and the number of billing days, both management and investors are provided with meaningful supplemental sales information to understand and analyze our underlying trends and other aspects of our financial performance. We calculate the year-over-year organic sales growth and operating expenses impact relating to the Power Solutions acquisition by including its 2015 comparable period results prior to the acquisition with our results (on a "pro forma" basis) as we believe this represents the most accurate representation of organic growth, considering the nature of the company we acquired and the synergistic revenues that have been or will be achieved. Historically and from time to time, we may also exclude other items from reported financial results (e.g., impairment charges, inventory adjustments, restructuring charges, tax items, currency devaluations, pension settlements, etc.) in presenting adjusted operating expense, adjusted operating income, adjusted income taxes and adjusted net income so that both management and financial statement users can use these non-GAAP financial measures to better understand and evaluate our performance period over period and to analyze the underlying trends of our business. As a result of the recent acquisitions we have also excluded amortization of intangible assets associated with purchase accounting from acquisitions from the adjusted amounts for comparison of the non-GAAP financial measures period over period.

EBITDA is defined as net income before interest, income taxes, depreciation and amortization. Adjusted EBITDA is defined as EBITDA before foreign exchange and other non-operating expense and non-cash stock-based compensation, excluding the other items from reported financial results, as defined above. Adjusted EBITDA leverage is defined as the percentage change in Adjusted EBITDA divided by the percentage change in net sales. We believe that adjusted operating income, EBITDA, Adjusted EBITDA, and Adjusted EBITDA leverage provide relevant and useful information, which is widely used by analysts, investors and competitors in our industry as well as by our management in assessing both consolidated and business segment performance. Adjusted operating income provides an understanding of the results from the primary operations of our business by excluding the effects of certain items that do not reflect the ordinary earnings of our operations. We use adjusted operating income to evaluate our period-over-period operating performance because we believe this provides a more comparable measure of our continuing business excluding certain items that are not reflective of expected ongoing operations. This measure may be useful to an investor in evaluating the underlying performance of our business. EBITDA provides us with an understanding of earnings before the impact of investing and financing charges and income taxes. Adjusted EBITDA further excludes the effects of foreign exchange and other non-cash stock-based compensation, and certain items that do not reflect the ordinary earnings of our operations and that are also excluded for purposes of calculating adjusted net income, adjusted earnings per share and adjusted operating income. EBITDA and Adjusted EBITDA are used by our management for various purposes including as measures of performance of our operating entities and as a basis for strategic planning and forecasting. Adjusted EBITDA and Adjusted EBITDA leverage may be useful to an investor because this measure is widely used to evaluate a company's operating performance without regard to items excluded from the calculation of such measure, which can vary substantially from company to company depending on the accounting methods, book value of assets, capital structure and the method by which the assets were acquired, among other factors. They are not, however, intended as an alternative measure of operating results or cash flow from operations as determined in accordance with generally accepted accounting principles.

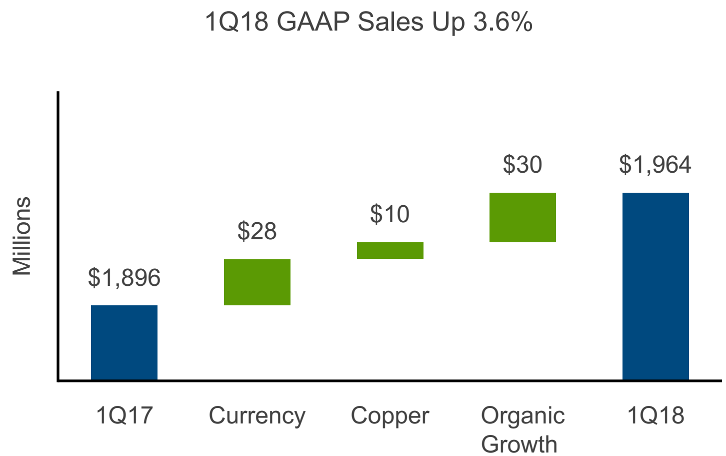
Non-GAAP financial measures provide insight into selected financial information and should be evaluated in the context in which they are presented. These non-GAAP financial measures have limitations as analytical tools, and should not be considered in isolation from, or as a substitute for, financial information presented in compliance with GAAP, and non-GAAP financial measures as reported by us may not be comparable to similarly titled amounts reported by other companies. The non-GAAP financial measures should be considered in conjunction with the Condensed Consolidated Financial Statements, including the related notes, and Management's Discussion and Analysis of Financial Condition and Results of Operations included in this release. Management does not use these non-GAAP financial measures for any purpose other than the reasons stated above.

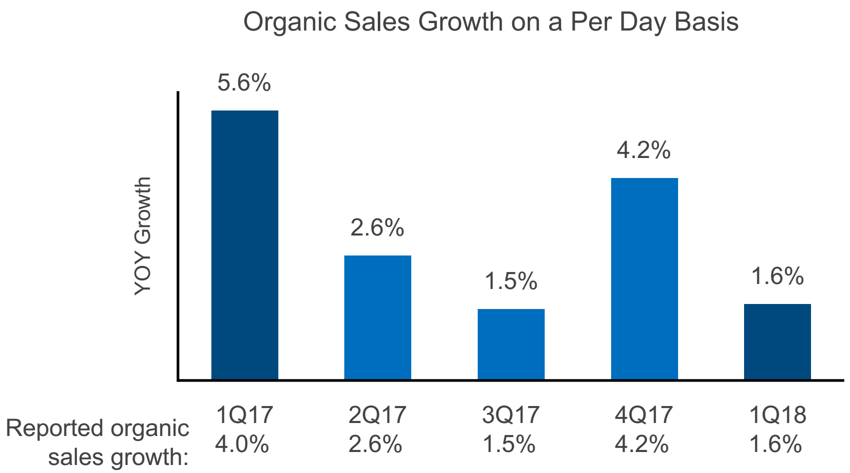
# Announced Agreements to Acquire Australia and New Zealand Security Businesses

| Transaction Summary for Combined Businesses | |
|---|---|
| Purchase price* | ~$151 million |
| *Purchase prices are in local currency; represents estimated price at current exchange rates | |
| Trailing 12-month revenues | ~$114 million |
| Trailing 12-month adjusted EBITDA | ~$20 million |
| Consideration | 100% cash |
| Financing | Available cash and borrowing capacity |
| Expected closing | Before the end of 2Q18 |

| Strategic Rationale |
|---|
| Enhances our competitive position, bringing new, innovative products and solutions to Anixter that we believe will be valued by both new and existing customers |
| Acquired businesses gross and operating margins are higher than Anixter's |
| Acquisition rate of return is above Anixter's risk-adjusted average cost of capital |

# 1Q18 Sales

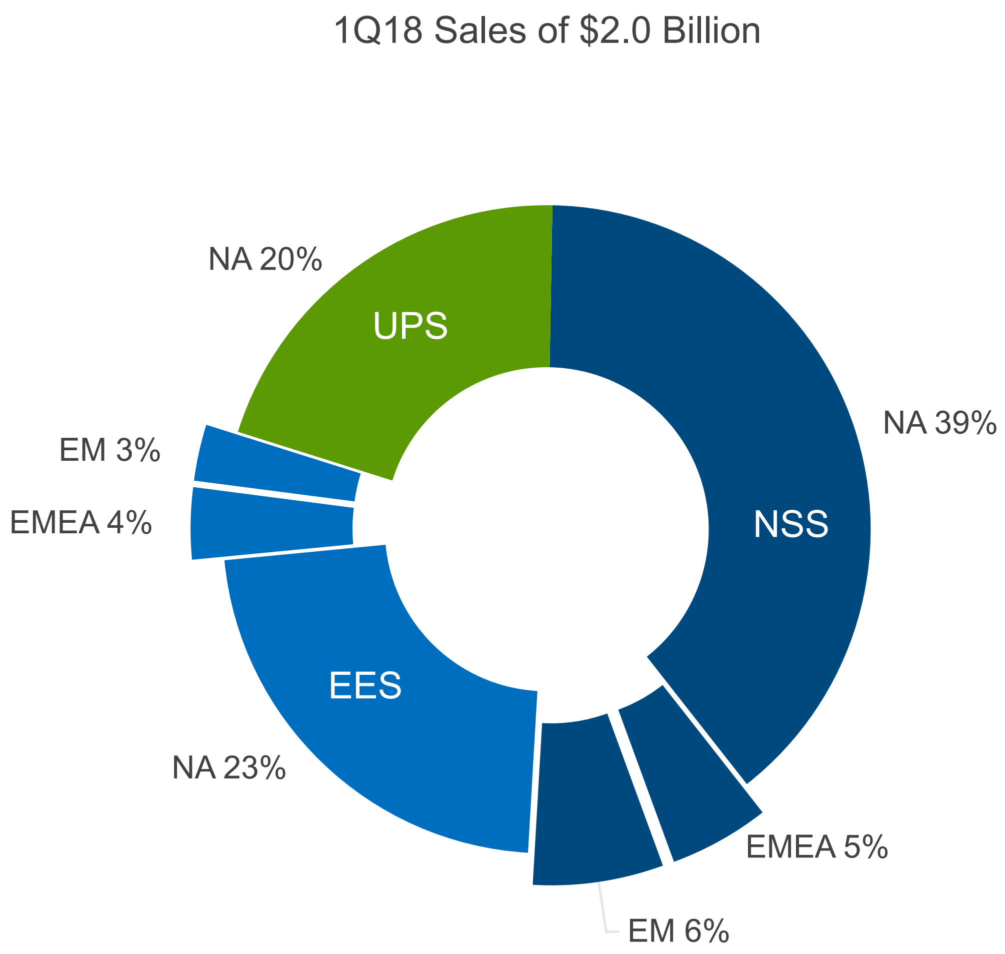



- Record first quarter sales of $2.0B, up 3.6%, with growth in all segments and all geographies
- Excluding the favorable impacts from higher average copper prices and currency fluctuations, organic sales increased 1.6%

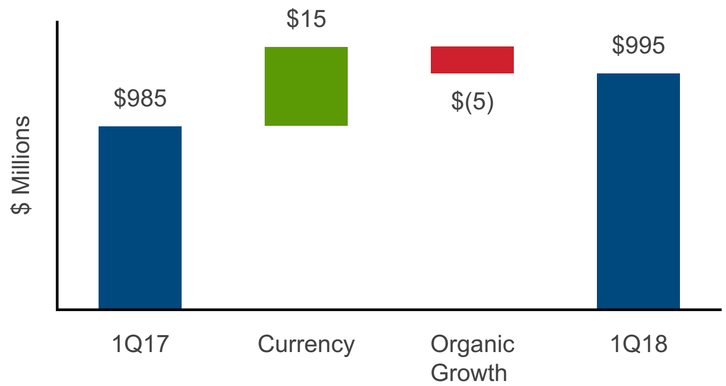
| | % of total sales | YOY Sales Growth | |
|---|---|---|---|
| | | GAAP | Organic |
| North America | 82% | 2.9% | 1.7% |
| EMEA | 9% | 8.5% | (2.1)% |
| Emerging Markets | 9% | 6.1% | 3.4% |
| Anixter International | | 3.6% | 1.6% |

# 1Q18 Segment and Geographic Sales Mix

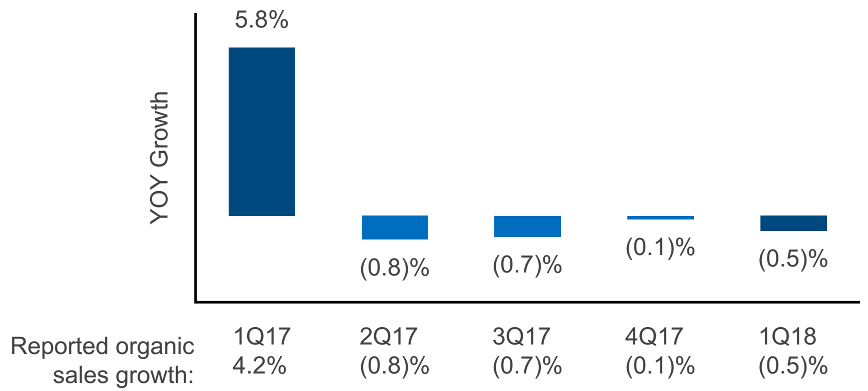


# Network & Security Solutions Sales

1Q18 GAAP NSS Sales Up 1.0%




NSS Organic Sales Growth on a Per Day Basis



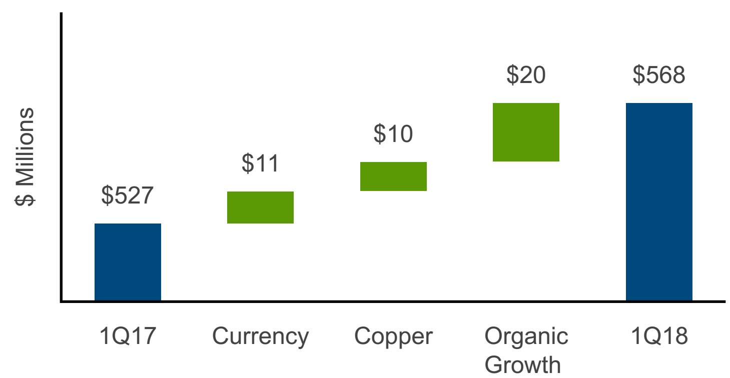

- NSS sales of $994.8M increased 1.0% on a GAAP basis and were approximately flat on an organic basis
- With the exception of large project business, sales momentum across NSS is solid, driven by growth in day-to-day business, mid-sized project activity, professional audio/video initiative and large service provider programs
- As disclosed in 4Q17, a new 5-year integrated supply agreement with an existing large customer will begin to ship during Q2 and is expected to total over $50 million on an annualized basis
- NSS security sales of $415.6M increased 3.4%, which was 1.9% on an organic basis

| | % of NSS Sales | YOY Sales Growth | |
|---|---|---|---|
| | | GAAP | Organic |
| North America | 77% | 0.1% | (0.4)% |
| EMEA | 10% | 5.8% | (3.6)% |
| Emerging Markets | 13% | 3.2% | 1.0% |
| Total NSS | | 1.0% | (0.5)% |

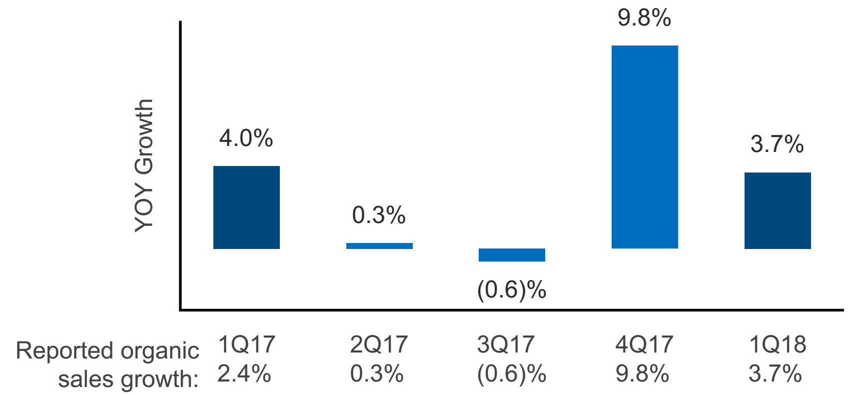
Sales Overview

# Electrical & Electronic Solutions Sales

1Q18 GAAP EES Sales Up 7.8%



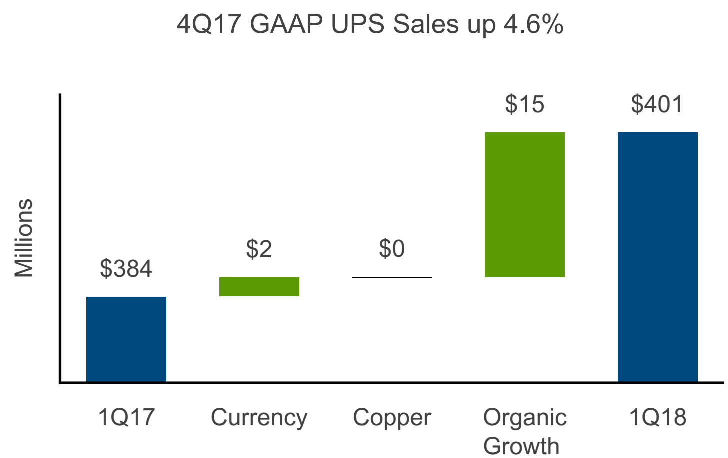

EES Organic Sales Growth on a Per Day Basis

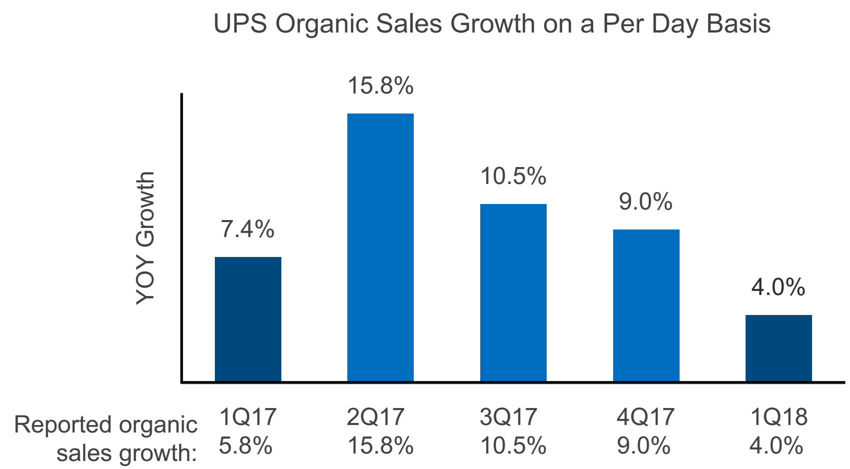



- EES sales of $568.4M increased 7.8% on a GAAP basis and 3.7% on an organic basis
- We continue to experience strong growth on the OEM side of the business, in Canada and Latin America, and with synergistic sales of low voltage electrical products. We have also experienced a strong recovery on the industrial side of the business, offset by sluggish trends in our commercial construction business.

| | % of EES Sales | YOY Sales Growth | |
|---|---|---|---|
| | | GAAP | Organic |
| North America | 78% | 12.4% | 3.6% |
| EMEA | 12% | 15.9% | 0.1% |
| Emerging Markets | 10% | 13.2% | 9.3% |
| Total EES | | 7.8% | 3.7% |

# Utility Power Solutions Sales

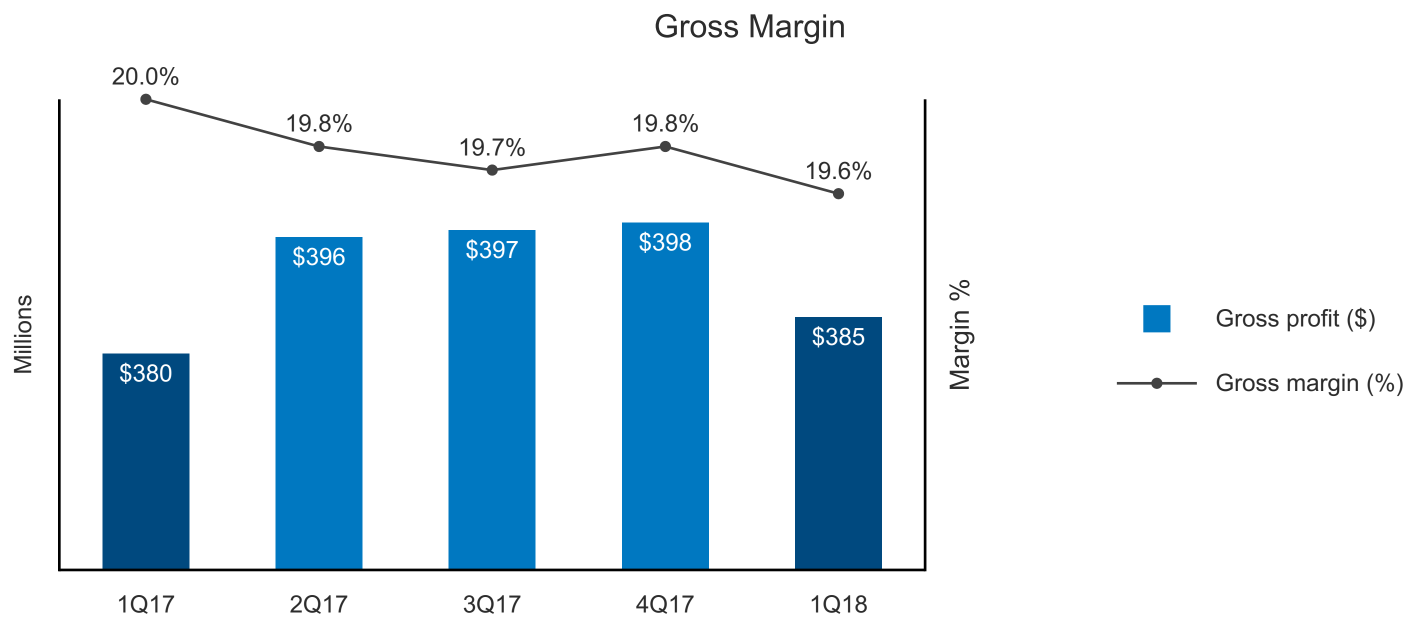



- UPS sales of $401.0M increased 4.0% on an organic basis, reflecting growth with new and existing IOU and public power customers
- As disclosed in 3Q17, awarded a 5-year agreement with an existing customer, estimated at over $30 million in incremental annual business, to begin shipping by mid-year 2018

| | YOY Sales Growth | |
|---|---|---|
| | GAAP | Organic |
| Total UPS | 4.6% | 4.0% |

# Gross Margin

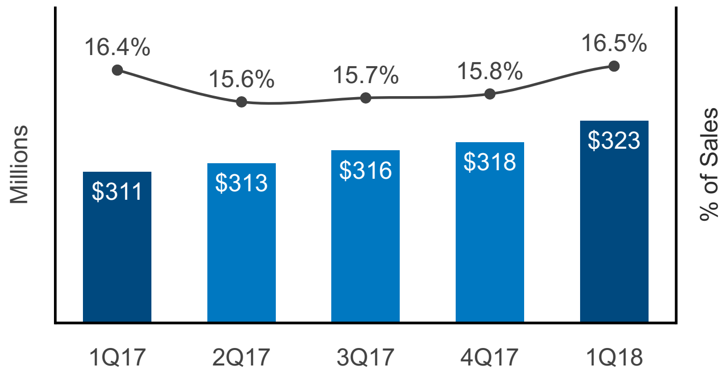



- The year-over-year increase in gross profit dollars was driven by volume growth in EES and UPS
- The change in gross margin percentage is due to customer and product mix, lower vendor rebates and competitive pressure

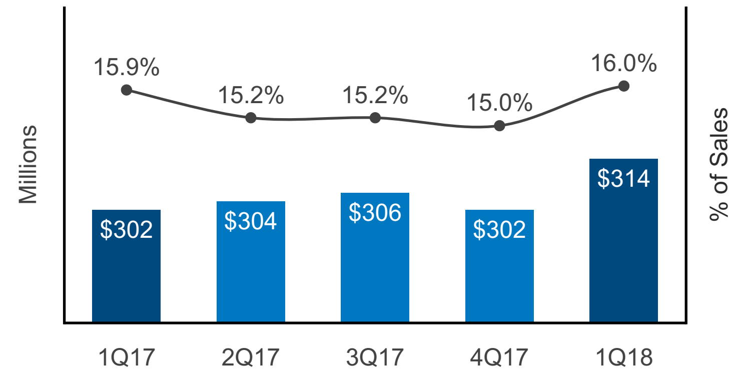
Financial Performance Trends

# Operating Expense

Operating Expense (GAAP)




Adjusted Operating Expense



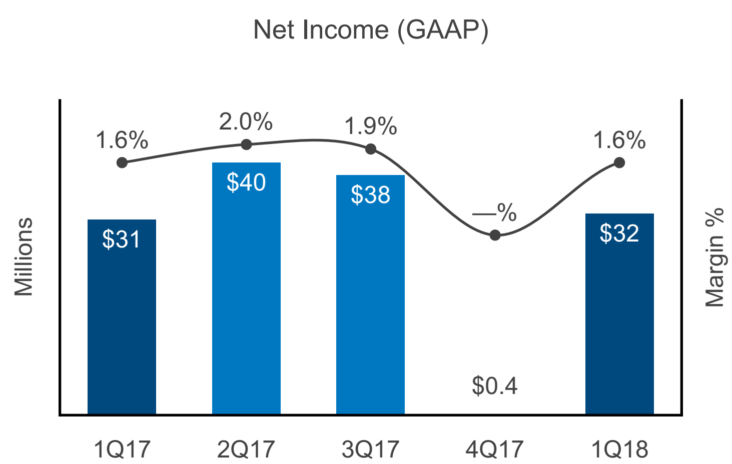

Operating Expense (GAAP)

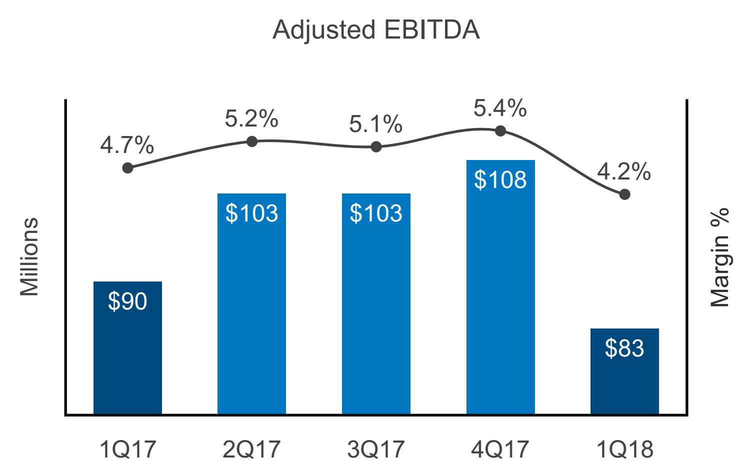
- 1Q18 operating expense of $323.2M includes $9.8M, primarily related to amortization of intangible assets and acquisition and integration costs
- 1Q17 operating expense of $310.8M included $9.0M of amortization of intangible assets and acquisition and integration costs

Adjusted Operating Expense

- Adjusted operating expense increased 3.9% to $313.4M, driven by inflationary pressures, primarily in freight expense and employee benefits

# Net Income and Adjusted EBITDA




Net Income (GAAP)

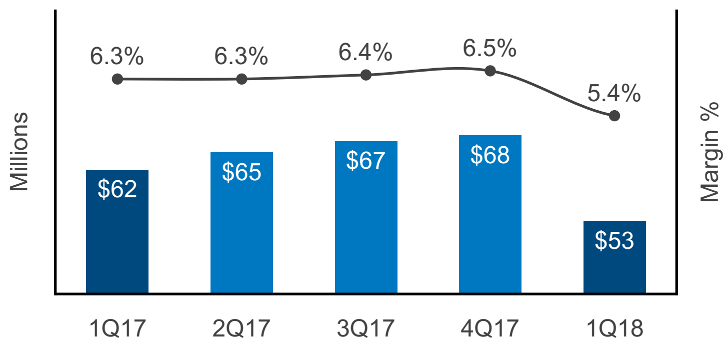
- Net income of $32.1M includes a $9.8M pre-tax and a $7.6M after-tax impact, primarily amortization of intangible assets and acquisition and integration costs. Prior year net income of $30.9M included a $9.0M pre-tax and a $6.1M after-tax impact, primarily amortization of intangible assets
- On a sequential basis, the increase in net income was primarily caused by higher tax expense of $35.6M in 4Q17 related to the impact of tax legislation

Adjusted EBITDA

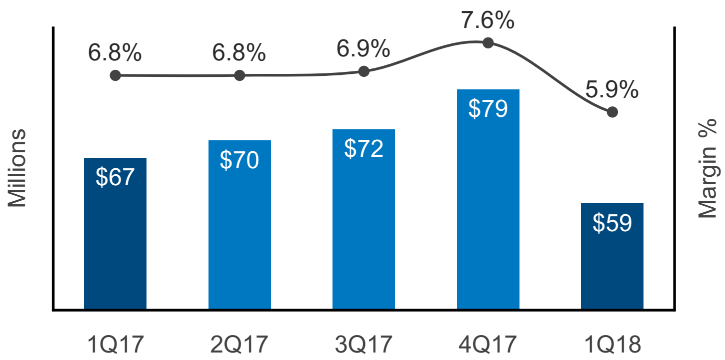
- Adjusted EBITDA of $83.4M compares to $89.4M. The corresponding adjusted EBITDA margin of 4.2% compares to 4.7%, caused by lower gross margin and higher operating expense as a percent of sales
- On a sequential basis, the decline in adjusted EBITDA and adjusted EBITDA margin was caused by lower gross margin and higher operating expense

# NSS Operating Income and Adjusted EBITDA

NSS Operating Income (GAAP)




NSS Adjusted EBITDA




Operating Income (GAAP)

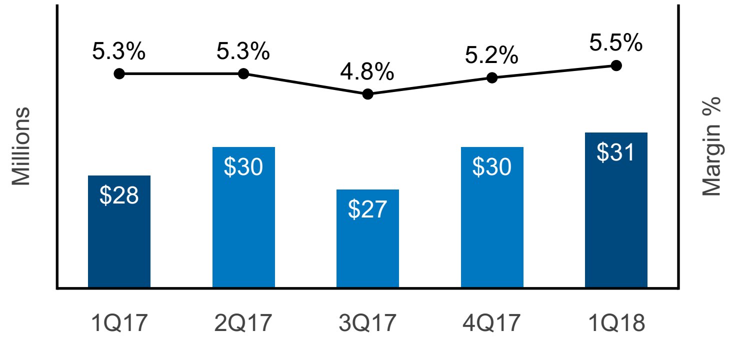
- Operating income of $53.5M includes $3.8M of expense, primarily intangible asset amortization; prior year operating income of $61.8M included $3.6M of expense, primarily intangible asset amortization

Adjusted EBITDA

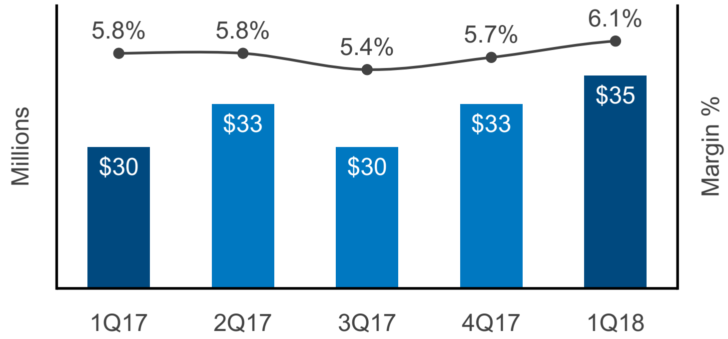
- Adjusted EBITDA of $58.5M compares to $66.6M. The corresponding margin of 5.9% compares to 6.8%. The change is due to the combination of lower gross margin, primarily driven by mix, the impact of deflation in certain product categories, and higher operating expense, primarily driven by increased freight expense.
- Sequentially, the change in adjusted EBITDA and adjusted EBITDA margin was due to lower volume and higher operating expense

# EES Operating Income and Adjusted EBITDA

EES Operating Income (GAAP)




EES Adjusted EBITDA



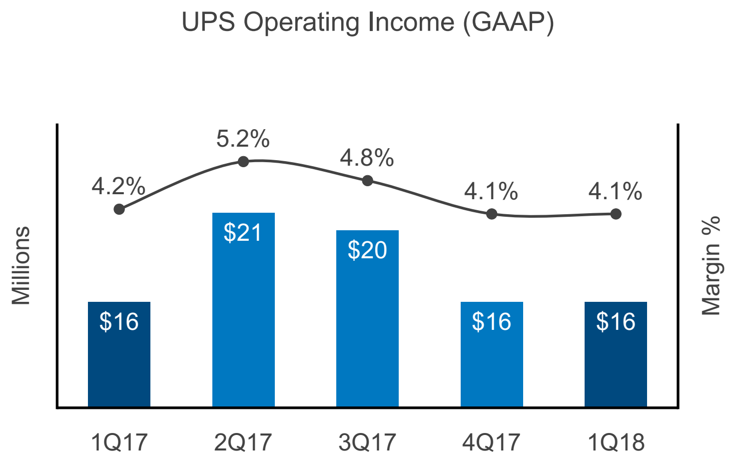

Operating Income (GAAP)

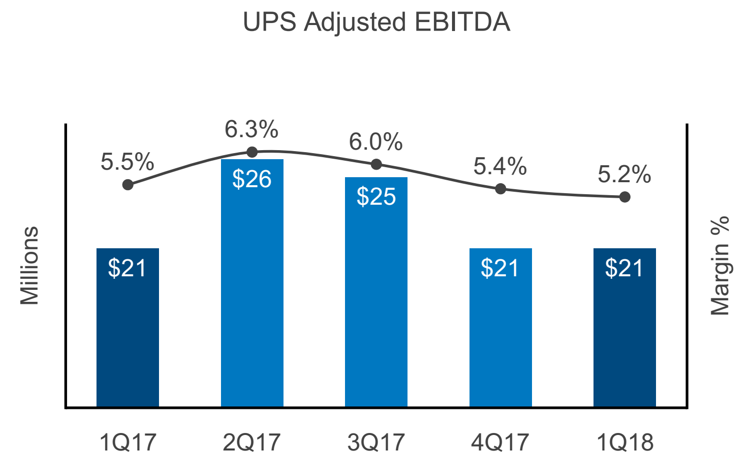
- Operating income of $31.4M compares to $27.9M. Current and prior year quarters include $2.4M and $1.6M of intangible asset amortization expense, respectively

Adjusted EBITDA

- Adjusted EBITDA increased 14.0% to $34.7M. The corresponding adjusted EBITDA margin of 6.1% compares to 5.8%, driven by higher volume combined with the benefit of higher copper prices
- Strong performance resulted in adjusted EBITDA leverage of 1.8 times

# UPS Operating Income and Adjusted EBITDA



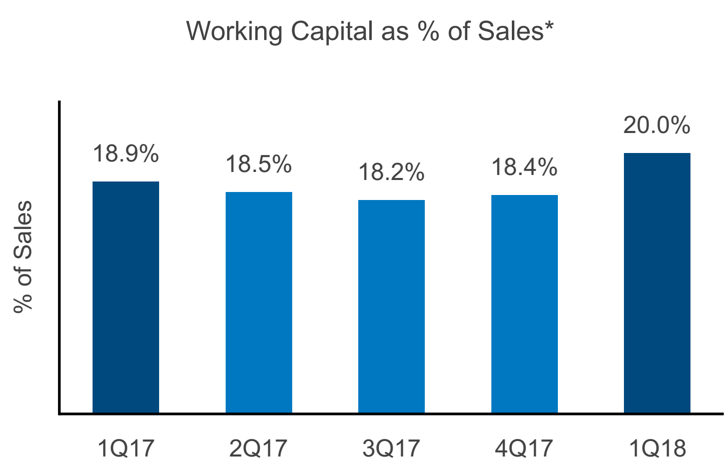

Operating Income (GAAP)

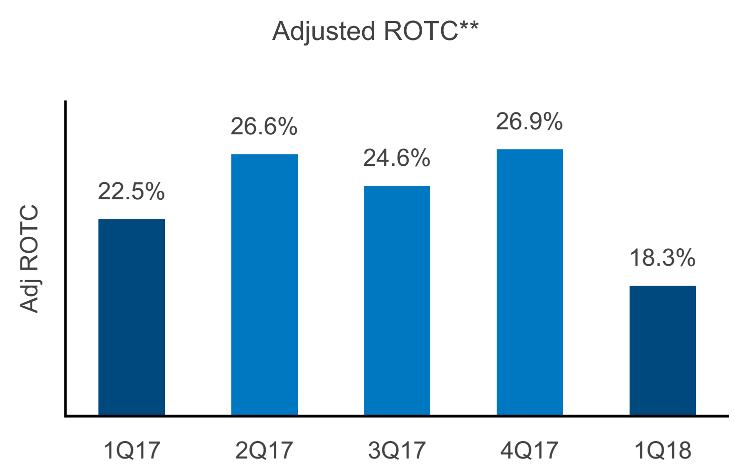
- Operating income of $16.4M compares to $16.2M. Current and prior year quarters include $3.3M and $3.5M of expense, primarily intangible asset amortization, respectively

Adjusted EBITDA

- Adjusted EBITDA of $20.9M was flat. The corresponding adjusted EBITDA margin of 5.2% compares to 5.5%, with the change due to lower gross margin, driven by customer and product mix

# Working Capital and Adjusted ROTC




Working Capital

- Working capital ratio of 20.0% compares to 18.9% in 1Q17, with the increase primarily due to higher working capital

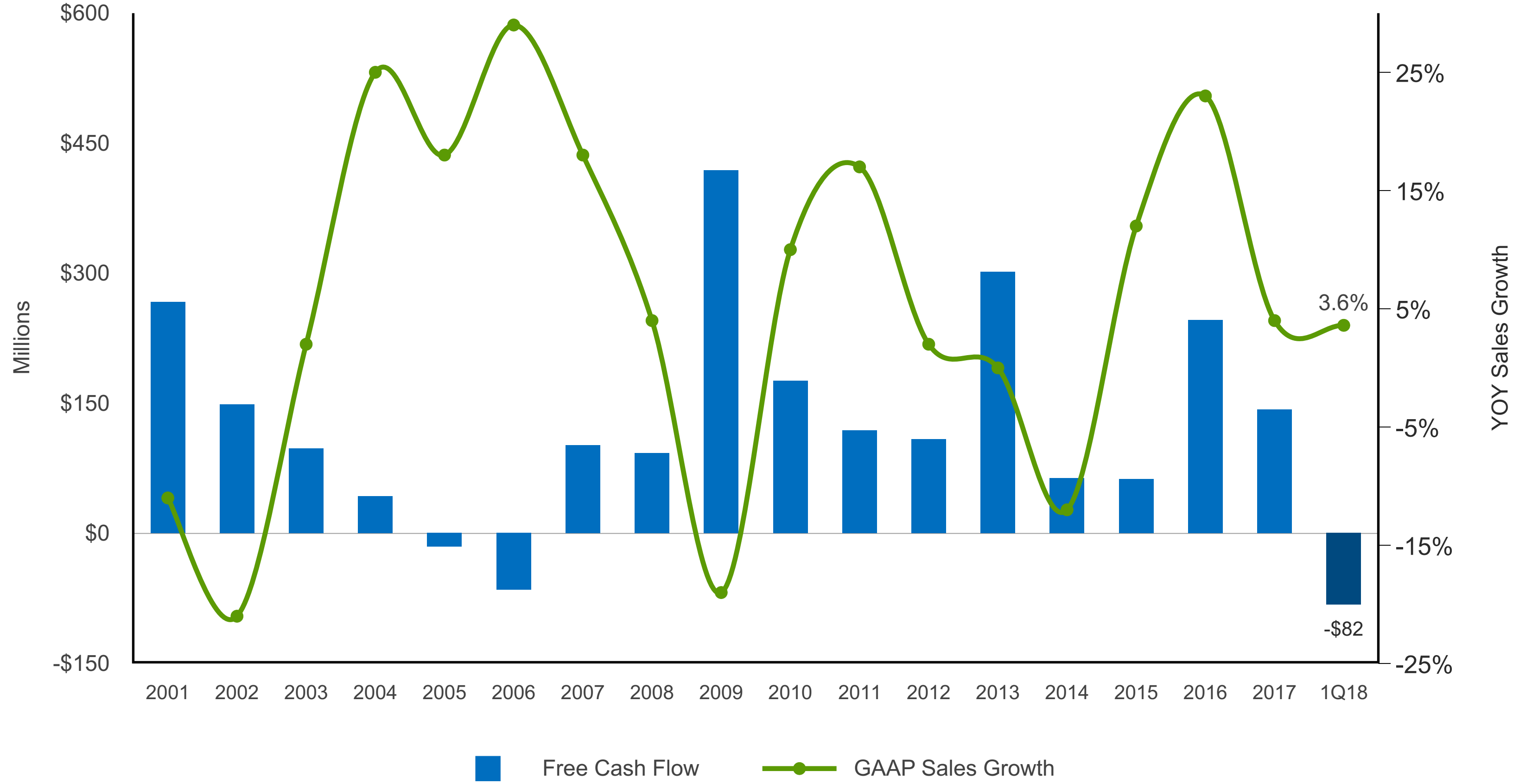
Adjusted ROTC

- Adjusted ROTC of 18.3% compares to 22.5% in 1Q17, reflecting lower adjusted operating income

*Working Capital as a % of Sales: Defined as the net of current assets less current liabilities divided by annualized sales

**ROTC and Adjusted ROTC: Return on tangible capital defined as operating profits, excluding intangible amortization and one-time items identified in our earnings releases, divided by average tangible capital

# Counter-Cyclical Free Cash Flow Provides Financial Flexibility

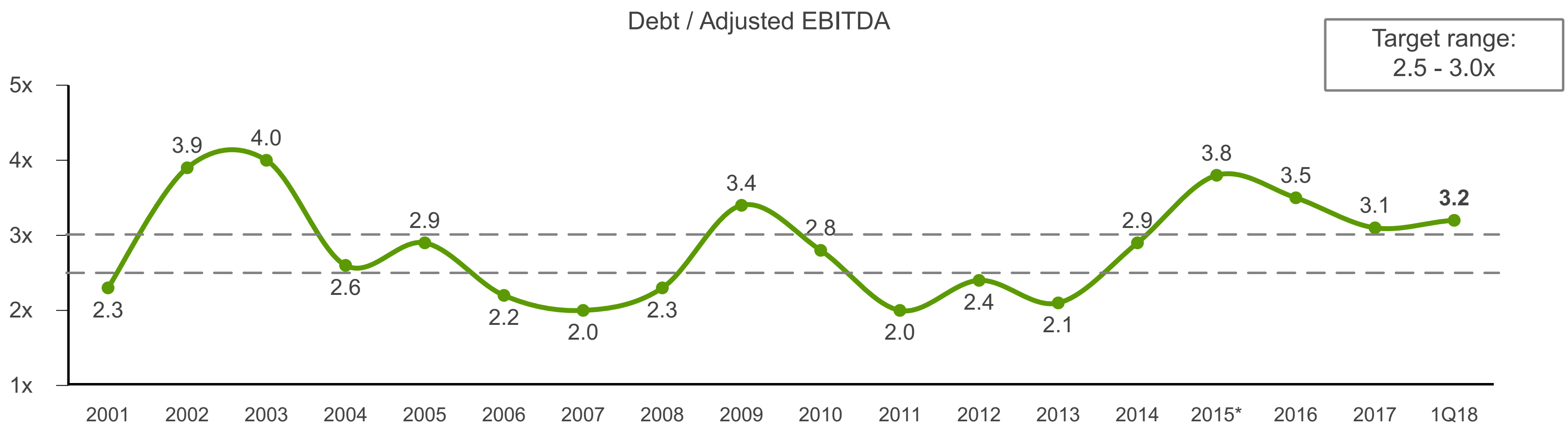



Free cash flow: Defined as net cash provided by operating activities less capital expenditures. Free cash flow is not restated for acquisitions and divestitures

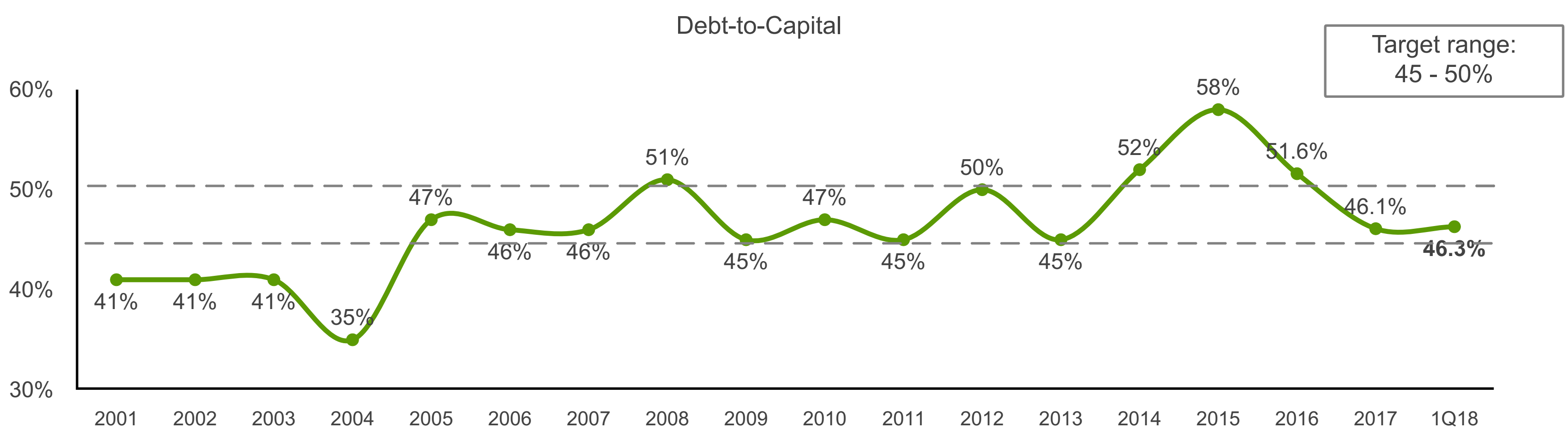
**Generate Strong Free Cash Flow Throughout the Economic Cycle**

Leverage Metrics

# Approaching Target Capital Structure




*2015 includes 12 months of Power Solutions earnings on a pro forma basis



# Impact of Currency and Copper on 1Q18 Sales

| $ millions | 1Q18 | |
|---|---|---|
| | Prior Outlook | Actual |
| Organic sales growth | 2.0 - 3.0% | 1.6% |
| Currency* | $10 - 15 | $28.3 |
| Copper** | $10 - 15 | $10.3 |

*1Q18 currency outlook estimated based on rates as of December 29, 2017
**1Q18 copper outlook estimated based on recent copper price of $3.20 vs 1Q17 average of $2.65

Outlook

# Market Trends by Business and Geography

| | North America | EMEA | Emerging Markets |
|---|---|---|---|
| NSS | ↑ | ↑ | → |
| EES | ↑ | ↑ | ↑ |
| UPS | → | | |

Market Trend 2Q18 versus 1Q18

↑ Trend is likely to improve

→ Trend is stable

↓ Trend is likely to decline

# Estimated Sales Impacts of Currency and Copper

| $ millions | 2Q18 Outlook | FY18 Outlook |
|---|---|---|
| Organic sales growth | 2.0 - 3.0% | 2.0 - 5.0% |
| Currency* | $20 - 25 | $45 - 50 |
| Copper** | $10 - 12 | $25 - 30 |

*Currency outlook estimated based on rates as of March 30, 2018
**Copper outlook estimated based on recent copper price which compares to 2Q17 average of $2.58 and FY17 average of $2.80

# Estimated Impact of Tax Cuts and Jobs Act on 2018 Non-GAAP Effective Tax Rate

| Non-GAAP | 2017 | Estimate 2018 |
|---|---|---|
| U.S. Federal Tax Rate | 35.0% | 21.0% |
| State Tax Expense | 2.3% | 3.5% |
| Foreign Effects, including Global Intangible Low Taxed Income (GILTI) | -0.2% | 3.2 - 4.0% |
| Non-Deductible Expenses | 0.7% | 0.8 - 1.0% |
| **Effective Tax Rate (ETR)** | **37.8%** | **28.5 - 29.5%** |

# Appendix

# Glossary

| | |
|---|---|
| 1H | first half of fiscal year |
| 2H | second half of fiscal year |
| B | billions |
| M | millions |
| Fx | foreign exchange |
| Bps | basis points |
| GAAP | U.S. GAAP |
| NSS | Network & Security Solutions |
| EES | Electrical & Electronic Solutions |
| UPS | Utility Power Solutions |
| ETR | effective tax rate |
| Opex | total operating expense |
| EMEA | Europe, middle east and Africa |
| CALA | Central and Latin America |
| APAC | Asia Pacific, Australia and China |
| OEM | original equipment manufacturer |
| IOU | investor owned utility |
| MRO | maintenance, repair and operations |
| YOY | year-over-year |
| NA | North America |
| EM | emerging markets |
| USD | U.S. dollar |
| WC | working capital |
| ROTC | return on tangible capital |

Anixter International Inc

# Items Impacting Comparability

| $ millions (except per share amounts) | Positive (Negative) Impact<br>Three Months Ended<br>March 30, 2018 | <br><br>March 31, 2017 |
|---|---|---|
| **Items impacting comparability of results:** | | |
| *Items impacting operating expense and operating income:* | | |
| Amortization of intangible assets | $(9.3) | $(9.0) |
| Acquisition and integration costs | (0.3) | — |
| U.K. facility relocation costs | (0.2) | — |
| **Total of items impacting operating expense and operating income** | **$(9.8)** | **$(9.0)** |
| **Total of items impacting pre-tax income** | **$(9.8)** | **$(9.0)** |
| *Items impacting income taxes:* | | |
| Tax impact of items impacting pre-tax income above | $2.2 | $2.9 |
| **Total of items impacting income taxes** | **$2.2** | **$2.9** |
| **Net income impact of these items** | **$(7.6)** | **$(6.1)** |
| **Diluted EPS impact of these items** | **$(0.22)** | **$(0.18)** |

Anixter International Inc

# Items Impacting Comparability (continued)

| $ millions (except per share amounts) | Positive (Negative) Impact<br>Three Months Ended<br>March 30, 2018 | <br><br>March 31, 2017 |
|---|---|---|
| **GAAP to Non-GAAP Net Income and EPS Reconciliation:** | | |
| Net income – GAAP | $32.1 | $30.9 |
| Items impacting net income | 7.6 | 6.1 |
| Net income – Non-GAAP | $39.7 | $37.0 |
| | | |
| Diluted EPS – GAAP | $0.94 | $0.91 |
| Diluted EPS impact of these items | 0.22 | 0.18 |
| Diluted EPS – Non-GAAP | $1.16 | $1.09 |

Anixter International Inc

# EBITDA and Adjusted EBITDA Reconciliation

| $ millions | EBITDA and Adjusted EBITDA 1Q 16 | 2Q 16 | 3Q 16 | 4Q 16 | 1Q 17 | 2Q 17 | 3Q 17 | 4Q 17 | 1Q 18 |
|---|---|---|---|---|---|---|---|---|---|
| Net income | $23.2 | $20.8 | $40.3 | $36.8 | $30.9 | $40.1 | $37.6 | $0.4 | $32.1 |
| Interest expense | 20.1 | 19.8 | 19.8 | 19.0 | 18.9 | 17.9 | 18.9 | 19.0 | 18.2 |
| Income taxes | 14.2 | 15.3 | 25.1 | 21.8 | 19.0 | 23.7 | 24.8 | 61.1 | 13.6 |
| Depreciation | 7.0 | 7.0 | 7.1 | 6.8 | 7.0 | 7.1 | 7.4 | 6.7 | 7.4 |
| Amortization of intangible assets | 9.7 | 9.5 | 9.4 | 9.0 | 9.0 | 9.0 | 9.1 | 9.0 | 9.3 |
| **EBITDA** | **$74.2** | **$72.4** | **$101.7** | **$93.4** | **$84.8** | **$97.8** | **$97.8** | **$96.2** | **$80.6** |
| *EBITDA as a % of sales* | *4.1%* | *3.7%* | *5.2%* | *4.9%* | *4.5%* | *4.9%* | *4.9%* | *4.8%* | *4.1%* |
| | | | | | | | | | |
| EBITDA | $74.2 | $72.4 | $101.7 | $93.4 | $84.8 | $97.8 | $97.8 | $96.2 | $80.6 |
| Foreign exchange and other non-operating exp (inc) | 2.8 | 0.8 | 2.1 | 3.4 | 0.2 | 1.0 | (0.3) | (0.1) | (2.3) |
| Stock-based compensation | 4.1 | 4.4 | 3.9 | 4.1 | 4.4 | 4.4 | 4.4 | 4.8 | 4.6 |
| U.K. facility relocation costs | — | — | — | — | — | — | — | — | 0.2 |
| Restructuring charge | — | 5.6 | (0.2) | — | — | — | — | — | — |
| Latin America bad debt provision | — | 7.6 | — | — | — | — | — | — | — |
| Impairment of intangible assets | — | — | — | — | — | — | — | 5.7 | — |
| Acquisition and integration costs | 2.2 | 1.4 | 0.7 | 0.8 | — | — | 0.8 | 1.5 | 0.3 |
| UK pension settlement | — | 9.6 | — | — | — | — | — | — | — |
| **Adjusted EBITDA** | **$83.3** | **$101.8** | **$108.2** | **$101.7** | **$89.4** | **$103.2** | **$102.7** | **$108.1** | **$83.4** |
| *Adjusted EBITDA as a % of sales* | *4.6%* | *5.2%* | *5.5%* | *5.4%* | *4.7%* | *5.2%* | *5.1%* | *5.4%* | *4.2%* |

Network & Security Solutions

# EBITDA and Adjusted EBITDA Reconciliation

| $ millions | EBITDA and Adjusted EBITDA | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | 1Q 16 | 2Q 16 | 3Q 16 | 4Q 16 | 1Q 17 | 2Q 17 | 3Q 17 | 4Q 17 | 1Q 18 |
| Net income | $58.8 | $64.9 | $74.9 | $77.2 | $61.8 | $64.9 | $67.5 | $68.4 | $53.5 |
| Interest expense | — | — | — | — | — | — | — | — | — |
| Income taxes | — | — | — | — | — | — | — | — | — |
| Depreciation | 0.9 | 0.8 | 0.8 | 0.7 | 0.8 | 0.7 | 0.7 | 0.9 | 0.8 |
| Amortization of intangible assets | 3.6 | 3.6 | 3.3 | 3.6 | 3.6 | 3.6 | 3.6 | 3.6 | 3.8 |
| **EBITDA** | **$63.3** | **$69.3** | **$79.0** | **$81.5** | **$66.2** | **$69.2** | **$71.8** | **$72.9** | **$58.1** |
| *EBITDA as a % of sales* | *6.7%* | *6.6%* | *7.5%* | *7.8%* | *6.7%* | *6.7%* | *6.8%* | *6.9%* | *5.8%* |
| | | | | | | | | | |
| EBITDA | $63.3 | $69.3 | $79.0 | $81.5 | $66.2 | $69.2 | $71.8 | $72.9 | $58.1 |
| Stock-based compensation | 0.5 | 0.6 | 0.2 | 0.5 | 0.4 | 0.6 | 0.5 | 0.8 | 0.4 |
| Restructuring charge | — | 1.9 | (0.1) | (0.1) | — | — | — | — | — |
| Latin America bad debt provision | — | 3.9 | — | — | — | — | — | — | — |
| Impairment of intangible assets | — | — | — | — | — | — | — | 5.7 | — |
| **Adjusted EBITDA** | **$63.8** | **$75.7** | **$79.1** | **$81.9** | **$66.6** | **$69.8** | **$72.3** | **$79.4** | **$58.5** |
| *Adjusted EBITDA as a % of sales* | *6.7%* | *7.2%* | *7.5%* | *7.9%* | *6.8%* | *6.8%* | *6.9%* | *7.6%* | *5.9%* |

Electrical & Electronic Solutions

# EBITDA and Adjusted EBITDA Reconciliation

| $ millions | EBITDA and Adjusted EBITDA | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | 1Q 16 | 2Q 16 | 3Q 16 | 4Q 16 | 1Q 17 | 2Q 17 | 3Q 17 | 4Q 17 | 1Q 18 |
| Net income | $22.5 | $23.9 | $28.7 | $22.4 | $27.9 | $29.6 | $26.8 | $30.0 | $31.4 |
| Interest expense | — | — | — | — | — | — | — | — | — |
| Income taxes | — | — | — | — | — | — | — | — | — |
| Depreciation | 0.5 | 1.0 | 0.5 | 0.7 | 0.6 | 0.6 | 0.5 | 0.7 | 0.5 |
| Amortization of intangible assets | 2.2 | 2.0 | 2.1 | 2.2 | 2.1 | 2.1 | 2.2 | 2.0 | 2.2 |
| **EBITDA** | **$25.2** | **$26.9** | **$31.3** | **$25.3** | **$30.6** | **$32.3** | **$29.5** | **$32.7** | **$34.1** |
| *EBITDA as a % of sales* | *5.0%* | *4.8%* | *5.8%* | *5.0%* | *5.8%* | *5.8%* | *5.3%* | *5.6%* | *6.0%* |
| | | | | | | | | | |
| **EBITDA** | **$25.2** | **$26.9** | **$31.3** | **$25.3** | **$30.6** | **$32.3** | **$29.5** | **$32.7** | **$34.1** |
| Stock-based compensation | 0.2 | 0.3 | 0.2 | 0.3 | 0.3 | 0.5 | 0.2 | 0.3 | 0.4 |
| U.K. facility relocation costs | — | — | — | — | — | — | — | — | 0.2 |
| Restructuring charge | — | 1.4 | (0.1) | — | (0.5) | — | — | — | — |
| Latin America bad debt provision | — | 3.7 | — | — | — | — | — | — | — |
| **Adjusted EBITDA** | **$25.4** | **$32.3** | **$31.4** | **$25.6** | **$30.4** | **$32.8** | **$29.7** | **$33.0** | **$34.7** |
| *Adjusted EBITDA as a % of sales* | *5.0%* | *5.8%* | *5.9%* | *5.1%* | *5.8%* | *5.8%* | *5.4%* | *5.7%* | *6.1%* |

Utility Power Solutions

# EBITDA and Adjusted EBITDA Reconciliation

| $ millions | EBITDA and Adjusted EBITDA | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | 1Q 16 | 2Q 16 | 3Q 16 | 4Q 16 | 1Q 17 | 2Q 17 | 3Q 17 | 4Q 17 | 1Q 18 |
| Net income | $14.3 | $12.0 | $15.8 | $14.6 | $16.2 | $21.3 | $19.8 | $15.8 | $16.4 |
| Interest expense | — | — | — | — | — | — | — | — | — |
| Income taxes | — | — | — | — | — | — | — | — | — |
| Depreciation | 1.4 | 0.7 | 1.0 | 1.1 | 1.0 | 1.0 | 1.1 | 0.8 | 0.9 |
| Amortization of intangible assets | 3.9 | 3.9 | 4.0 | 3.2 | 3.3 | 3.3 | 3.3 | 3.4 | 3.3 |
| **EBITDA** | **$19.6** | **$16.6** | **$20.8** | **$18.9** | **$20.5** | **$25.6** | **$24.2** | **$20.0** | **$20.6** |
| *EBITDA as a % of sales* | *5.4%* | *4.7%* | *5.6%* | *5.5%* | *5.3%* | *6.2%* | *5.9%* | *5.3%* | *5.1%* |
| | | | | | | | | | |
| **EBITDA** | **$19.6** | **$16.6** | **$20.8** | **$18.9** | **$20.5** | **$25.6** | **$24.2** | **$20.0** | **$20.6** |
| Stock-based compensation | 0.2 | 0.5 | 0.3 | 0.4 | 0.2 | 0.4 | 0.6 | 0.5 | 0.3 |
| Restructuring charge | — | 2.2 | — | (0.1) | 0.2 | (0.1) | — | — | — |
| Acquisition and integration costs | 0.3 | — | — | — | — | — | — | — | — |
| **Adjusted EBITDA** | **$20.1** | **$19.3** | **$21.1** | **$19.2** | **$20.9** | **$25.9** | **$24.8** | **$20.5** | **$20.9** |
| *Adjusted EBITDA as a % of sales* | *5.6%* | *5.4%* | *5.7%* | *5.5%* | *5.5%* | *6.3%* | *6.0%* | *5.4%* | *5.2%* |

Supplemental Information

# Billing Days and Average Copper Prices

| Billing Days | | | | | |
|---|---|---|---|---|---|
| | Q1 | Q2 | Q3 | Q4 | FY |
| 2016 | 65 | 64 | 63 | 62 | 254 |
| 2017 | 64 | 64 | 63 | 62 | 253 |
| 2018 | 64 | 64 | 63 | 62 | 253 |

| Average Copper Prices | | | | | |
|---|---|---|---|---|---|
| | Q1 | Q2 | Q3 | Q4 | FY |
| 2015 | $2.67 | $2.77 | $2.39 | $2.20 | $2.50 |
| 2016 | $2.11 | $2.13 | $2.16 | $2.39 | $2.20 |
| 2017 | $2.65 | $2.58 | $2.89 | $3.10 | $2.80 |
| 2018 | $3.14 | | | | |
| Increase (Decrease) | $0.49 | | | | |
| % Increase (Decrease) | 19% | | | | |