

# Benchmark Electronics

First Quarter Fiscal Year 2026 Results

April 29, 2026

## Forward-Looking Statements

This document contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements are identified as any statement that does not relate strictly to historical or current facts and may include words such as “anticipate,” “believe,” “intend,” “plan,” “project,” “forecast,” “strategy,” “position,” “continue,” “estimate,” “expect,” “may,” “will,” “could,” “predict,” and similar expressions of the negative or other variations thereof. In particular, statements, expressed or implied, concerning the Company’s outlook and guidance for second quarter and fiscal year 2026 results, future operating results or margins, the ability to generate sales and income or cash flow, expected revenue mix, the Company’s business strategy and strategic initiatives, the Company’s repurchases of shares of its common stock, regarding enterprise AI opportunities, anticipated growth in bookings, the Company’s expectations regarding restructuring charges, stock-based compensation expense, amortization of intangibles, capital expenditures, and the Company’s intentions concerning the payment of dividends, among others, are forward-looking statements. Although the Company believes these statements are based on and derived from reasonable assumptions, they involve risks, uncertainties and assumptions that are beyond the Company’s ability to control or predict, relating to operations, markets and the business environment generally, including those discussed under Part I, Item 1A of the Company’s Annual Report on Form 10-K for the year ended December 31, 2025, and in any of the Company’s subsequent reports filed with the Securities and Exchange Commission. Events relating to the possibility of customer demand fluctuations, supply chain constraints, continuing inflationary pressures, the effects of foreign currency fluctuations and high interest rates, the potential of another U.S. government shutdown and the economic impacts, volatility and uncertainty resulting therefrom, geopolitical uncertainties including continuing hostilities and tensions, trade restrictions and sanctions, tariffs and retaliatory countermeasures, the ability to utilize the Company’s manufacturing facilities at sufficient levels to cover its fixed operating costs, or write-downs or write-offs of obsolete or unsold inventory, may have resulting impacts on the Company’s business, financial condition, results of operations, and the Company’s ability (or inability) to execute on its plans. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual outcomes, including the future results of the Company’s operations, may vary materially from those indicated. Undue reliance should not be placed on any forward-looking statements. Forward-looking statements are not guarantees of performance. All forward-looking statements included in this document are based upon information available to the Company as of the date of this document, and the Company assumes no obligation to update.

## Non-GAAP Financial Information

Management discloses certain non-GAAP information to provide investors with additional information to analyze the Company’s performance and underlying trends. These non-GAAP financial measures exclude restructuring charges, stock-based compensation expense, amortization of intangible assets acquired in business combinations, certain legal and other settlement losses (gains), customer insolvency losses (recoveries), asset impairments, other significant non-recurring costs and the related tax impacts, including discrete tax items, and other non-GAAP tax adjustments, of all of the above. A detailed reconciliation between GAAP results and results excluding certain items (“non-GAAP”) is included in the following tables attached to this document. In situations where a non-GAAP reconciliation has not been provided, the Company was unable to provide such a reconciliation without unreasonable effort due to the uncertainty and inherent difficulty predicting the occurrence, the financial impact and the periods in which the non-GAAP adjustments may be recognized. Management uses non-GAAP measures that exclude certain items in order to better assess operating performance and help investors compare results with our previous guidance. This document also references “free cash flow”, a non-GAAP measure, which the Company defines as cash flow from operations less additions to property, plant and equipment and purchased software. The Company’s non-GAAP information is not necessarily comparable to the non-GAAP information used by other companies. Non-GAAP information should not be viewed as a substitute for, or superior to, net income or other data prepared in accordance with GAAP as a measure of the Company’s profitability or liquidity. Readers should consider the types of events and transactions for which adjustments have been made.

# Today's Speakers



**David Moezidis**  
President & Chief  
Executive Officer



**Bryan Schumaker**  
EVP and  
Chief Financial Officer

# First Quarter Results and Outlook

**\$677M**

GAAP AND NON-GAAP REVENUE

**10.3%**

NON-GAAP GROSS MARGIN

**4.8%**

NON-GAAP OPERATING MARGIN

**\$0.58**

NON-GAAP EPS

- Revenue and non-GAAP EPS achieved higher end of the guidance range
- Performance led by strength in Medical, AC&C and Semi-Cap
- Increasing 2026 revenue growth outlook to 9-10%
- Operating margin expansion expected to grow EPS faster than revenue throughout the year

\* See APPENDIX 1 for a reconciliation of GAAP to non-GAAP Financial Results

# Business Highlights

## Well-Positioned Portfolio

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- Momentum across multiple markets
- High complexity delivering attractive gross margin
- Sector balance positions for sustainable growth

## Customer Focus Driving Results

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- Sustained bookings momentum and improved program mix
- Expanded share of wallet and program wins across strategic customers
- Execution driving growth across multiple sectors

## Continued Financial Discipline

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- Operating Income and earnings expected to grow faster than revenue
- Working capital management driving Free Cash Flow generation
- Consistent capital allocation approach

## Investing in Growth

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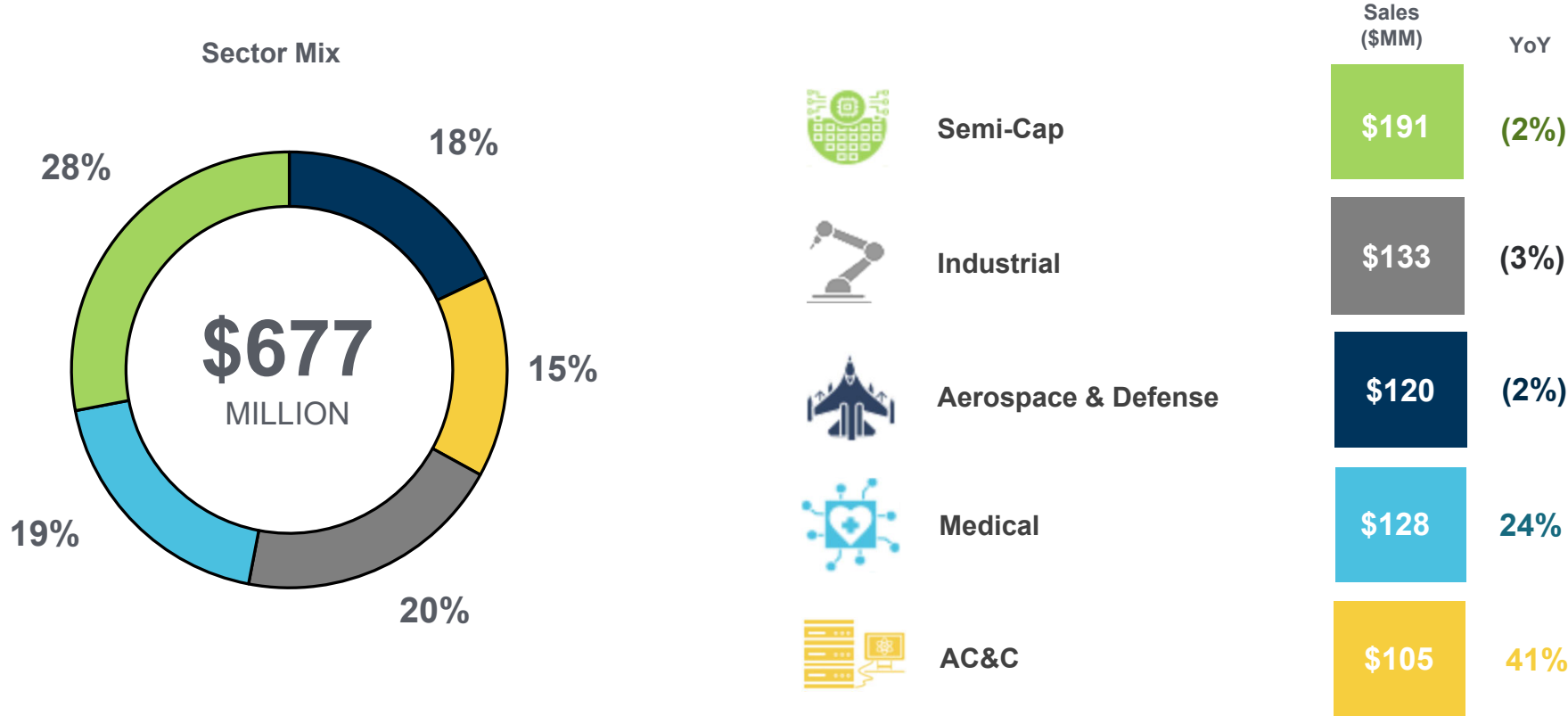
- Expanding PT and cleanroom capacity
- Continuing to invest in our people
- Advancing automation and AI to improve manufacturing productivity

# Financial Results (Non-GAAP)

	THREE MONTHS ENDED March 31 2025	THREE MONTHS ENDED December 31 2025	THREE MONTHS ENDED March 31 2026
(\$ MILLIONS)			
Revenue	\$632	\$704	\$677
Gross Margin	10.1%	10.6%	10.3%
Operating Margin	4.6%	5.5%	4.8%
Effective Tax Rate	25.0%	25.4%	27.4%
EPS	\$0.52	\$0.71	\$0.58

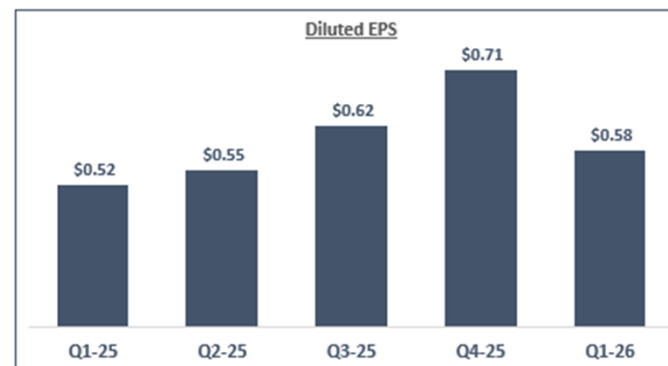
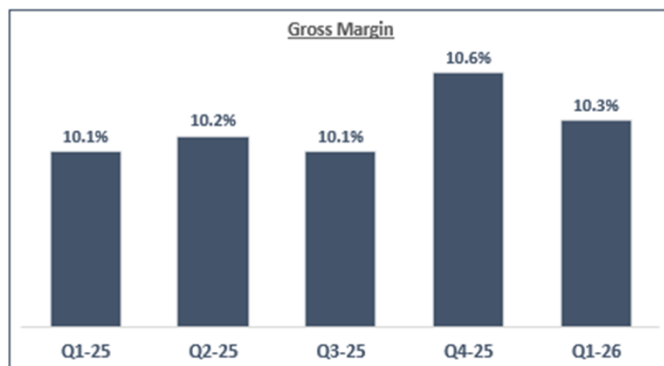
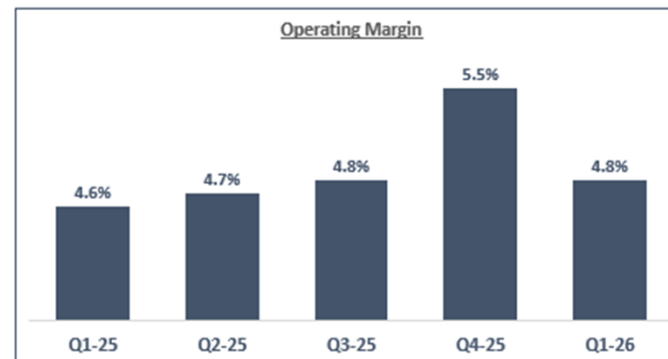
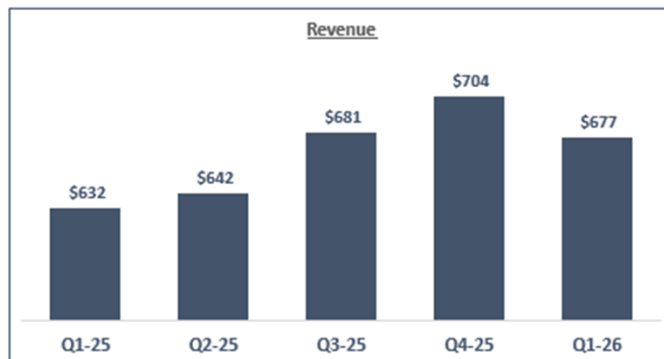
\* See APPENDIX 1 for a reconciliation of GAAP to non-GAAP Financial Results

# First Quarter 2026 Sector Performance



# Trended Non-GAAP Results

(Dollars in Millions, except EPS)



\* See APPENDIX 1 for a reconciliation of GAAP to non-GAAP Financial Results

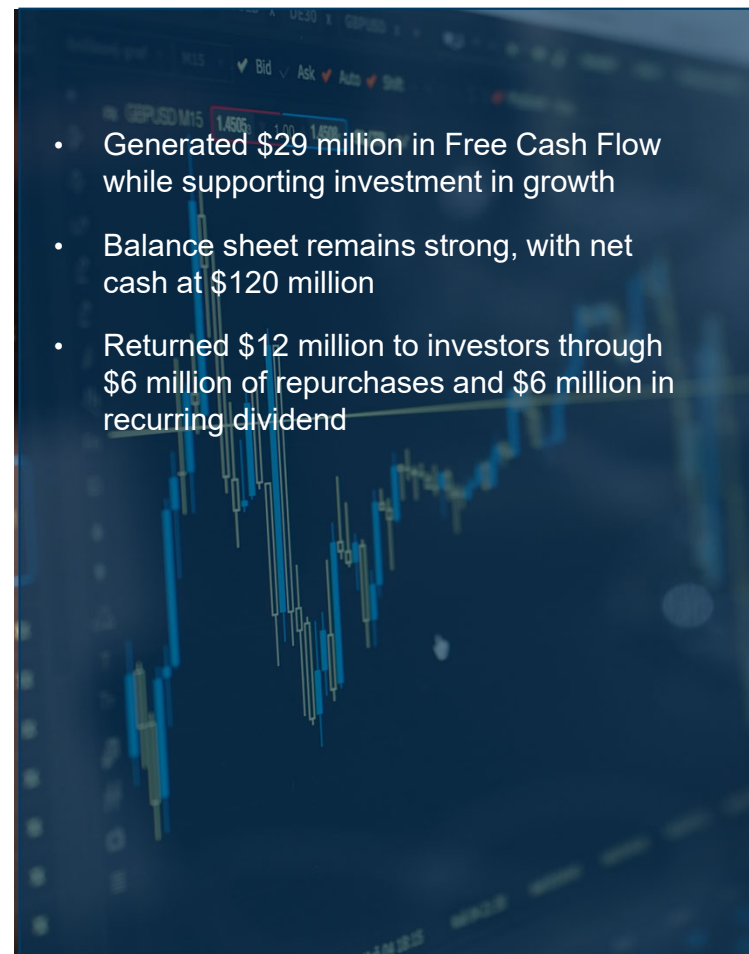
# Balance Sheet and Cash Flow Update

(In Millions)	Q1-25	Q4-25	Q1-26
Cash Flows from Operations	\$32	\$59	\$47
Free Cash Flow <sup>(1)</sup>	\$27	\$48	\$29
Share Repurchases	\$8	\$1	\$6
Cash	\$355	\$322	\$325

Debt Structure (In Millions)	Q1-26
Senior Secured Term Loan, net of \$2 Debt Costs	\$145
Revolving Credit Facility Drawn Amount	\$60
Borrowing Capacity Available under Revolver	\$486

(1) Free Cash Flow (FCF), a non-GAAP measure, is defined as net cash provided by (used in) operations less capex

- Generated \$29 million in Free Cash Flow while supporting investment in growth
- Balance sheet remains strong, with net cash at \$120 million
- Returned \$12 million to investors through \$6 million of repurchases and \$6 million in recurring dividend



# Working Capital Trends

	Q1-25	Q2-25	Q3-25	Q4-25	Q1-26
Accounts Receivable Days	53	52	50	50	50
Contract Asset Days	25	25	26	23	25
Inventory Days	89	83	75	69	75
Accounts Payable Days	(61)	(55)	(56)	(58)	(67)
Advance Payments from Customers Days	(20)	(20)	(18)	(17)	(16)
<b>Cash Conversion Cycle Days</b>	<b>86</b>	<b>85</b>	<b>77</b>	<b>67</b>	<b>67</b>

# Q2 2026 Guidance

## Q2-26E

Net Sales	\$700M to \$740M
Gross Margin – non-GAAP	10.4% to 10.6%
Operating Margin – non-GAAP	5.1% to 5.3%
Interest and Other Expenses	~\$3.5M
Non-operating Expenses	\$0.8M to \$1.2M
Stock-Based Compensation	~\$6.1M
Effective Tax Rate	26% to 27%
Diluted EPS – GAAP	\$0.51 to \$0.57
Diluted EPS – non-GAAP	\$0.65 to \$0.71
Weighted-Average Shares	~36.3M

# Sector Outlook



## Semi-Cap

- Cyclical improvement expected to continue
- Penang 4 ramping operations to support 2026 growth
- Expecting sequential and year-over-year growth throughout rest of 2026



## Industrial

- In line with steady performance for the year
- Transportation, construction and agriculture showing strength
- Improved global macro could bolster sector performance



## Aerospace & Defense

- Commercial air remains stable
- Defense moderating after two years of double-digit growth
- Momentum in space applications continues



## Medical

- Double-digit growth expected to continue
- MedTech bookings support longer-term growth
- Benefiting from end-market strength and new program ramps



## Advanced Computing & Communications

- Expecting significant growth in 2026
- Strong momentum in enterprise AI clusters and on-prem cloud infrastructure
- Won Manufacturing Partner of the Year at HPE

# Summary

## 1. Ahead of Initial Growth Expectations

- Semi-Cap cycle is proving out and AI-related opportunities in AC&C are scaling
- Medical strength continues, while Industrial and A&D are tracking as expected
- Increasing 2026 growth outlook from mid-single digits to 9-10%

## 2. Positioned to Deliver Operating Leverage

- Expecting Operating Income and Earnings to grow faster than revenue
- Sequential and year-over-year Operating Income and EPS growth throughout the remainder of the year

## 3. Continuing to Invest

- Expanding capacity to meet our customers' growing needs
- Investing in our people to deliver customer success
- Advancing automation and AI to improve manufacturing productivity

# Appendix

# APPENDIX 1 – Reconciliation of GAAP to Non-GAAP

(Dollars in thousands, except per share data – Unaudited)

	Three Months Ended				
	Mar 31, 2025	June 30, 2025	Sep 30, 2025	Dec 31, 2025	Mar 31, 2026
Income from operations (GAAP)	\$ 11,759	\$ 20,486	\$ 23,661	\$ 20,143	\$ 21,874
Restructuring charges and other costs	1,342	1,939	1,211	2,952	3,747
Stock-based compensation expense	4,397	5,335	5,345	2,121	5,401
Amortization of intangible assets	1,204	1,204	1,205	1,204	1,204
Asset impairments	—	—	—	11,102	—
Legal and other settlement loss	10,275	799	816	1,174	154
Other	—	311	357	60	—
Non-GAAP income from operations	\$ 28,977	\$ 30,074	\$ 32,595	\$ 38,756	\$ 32,380
GAAP operating margin	1.9%	3.2%	3.5%	2.9%	3.2%
Non-GAAP operating margin	4.6%	4.7%	4.8%	5.5%	4.8%
Gross profit (GAAP)	\$ 63,180	\$ 64,772	\$ 67,943	\$ 74,169	\$ 69,234
Stock-based compensation expense	431	514	515	498	559
Non-GAAP gross profit	\$ 63,611	\$ 65,286	\$ 68,458	\$ 74,667	\$ 69,793
GAAP gross margin	10.0%	10.1%	10.0%	10.5%	10.2%
Non-GAAP gross margin	10.1%	10.2%	10.1%	10.6%	10.3%
Selling, general and administrative expenses	\$ 38,800	\$ 40,569	\$ 41,520	\$ 38,769	\$ 42,409
Stock-based compensation expense	(3,966)	(4,821)	(4,830)	(1,622)	(4,842)
Legal and other settlement loss	(200)	(225)	(471)	(1,174)	(154)
Other	—	(311)	(357)	(60)	—
Non-GAAP selling, general and administrative expenses	\$ 34,634	\$ 35,212	\$ 35,862	\$ 35,913	\$ 37,413
Net income (GAAP)	\$ 3,644	\$ 972	\$ 14,263	\$ 5,973	\$ 13,023
Restructuring charges and other costs	1,342	1,939	1,211	2,952	3,747
Stock-based compensation expense	4,397	5,335	5,345	2,121	5,401
Amortization of intangible assets	1,204	1,204	1,205	1,204	1,204
Asset impairments	—	—	—	11,102	—
Legal and other settlement loss	10,275	799	816	1,174	154
Refinancing of Credit Facilities	—	224	—	—	—
Other	—	311	357	60	—
Income tax adjustments <sup>(1)</sup>	(1,645)	9,208	(905)	1,182	(2,525)
Non-GAAP net income	\$ 19,217	\$ 19,992	\$ 22,292	\$ 25,768	\$ 21,004
Diluted earnings per share:					
Diluted (GAAP)	\$ 0.10	\$ 0.03	\$ 0.39	\$ 0.17	\$ 0.36
Diluted (Non-GAAP)	\$ 0.52	\$ 0.55	\$ 0.62	\$ 0.71	\$ 0.58
Weighted-average number of shares used in calculating diluted earnings per share:					
Diluted (GAAP)	36,605	36,258	36,182	36,193	36,276
Diluted (Non-GAAP)	36,605	36,258	36,182	36,193	36,276
Net cash provided by operations	\$ 31,503	\$ (2,823)	\$ 36,608	\$ 58,676	\$ 47,028
Additions to property, plant and equipment	(4,156)	(12,304)	(11,494)	(10,590)	(18,270)
Free cash flow	\$ 27,347	\$ (15,127)	\$ 25,114	\$ 48,086	\$ 28,758

<sup>(1)</sup> This amount represents the tax impact of the non-GAAP adjustments, including discrete tax items, using the applicable effective tax rates.