



Stephens Inc. Midwest NDRS

March 24, 2015

Safe Harbor Statement

Except for historical information contained in this presentation, the matters discussed in this presentation (including the statements regarding the impact of the Company's expertise and products on customer purchasing decisions, anticipated growth in revenues, the accretive nature and projected cost savings associated with the Power Solutions and CS acquisitions and potential future growth for the Company's shareholders) are forward-looking statements that involve risks and uncertainties. Actual results could differ materially from Bel's projections. Among the factors that could cause actual results to differ materially from such statements are: the market concerns facing our customers; the continuing viability of sectors that rely on our products; the effects of business and economic conditions; difficulties associated with integrating recently acquired companies; capacity and supply constraints or difficulties; product development, commercialization or technological difficulties; the regulatory and trade environment; risks associated with foreign currencies; uncertainties associated with legal proceedings; the market's acceptance of the Company's new products and competitive responses to those new products; and the risk factors detailed from time to time in the Company's SEC reports. In light of the risks and uncertainties, there can be no assurance that any forward-looking statement will in fact prove to be correct. We undertake no obligation to update or revise any forward looking statements.



Bel Attendees

<u>Presenter</u>	<u>Background</u>
Colin Dunn VP, Finance & Secretary	<ul style="list-style-type: none">• Vice President of Finance since 1992 and Secretary since May 2003• Finance Manager since 1991, after previously serving as a Director of Bel Fuse Ltd. and Bel Fuse Macau LDA• Vice President of Finance and Operations - Kentek Information Systems from 1985-1991• MBA degree from Yale University
Pete Bittner VP, Operations	<ul style="list-style-type: none">• 25 years of experience in the Interconnect market holding several management positions directing engineering, product management and operations organizations• General Manager Bel Connectivity since 2010• General Manager Stewart Connector since 2003• Director of Engineering and Product Management Insilco Technologies 2001 until acquired by Bel in 2003

Investment Highlights

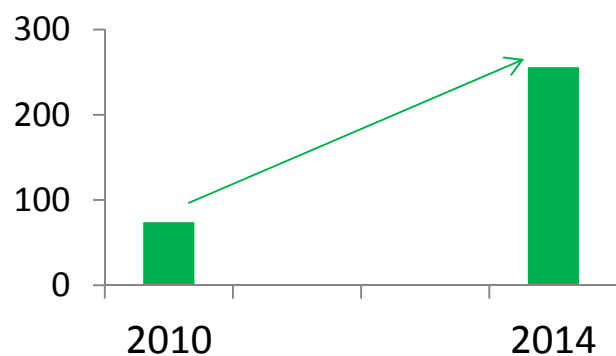
- Demonstrated history of stable revenue growth and EBITDA
- Strong track record of cash flow generation
- Consistent performance driven by:
 - Diverse group of customers
 - Stable end markets
 - Successful integration of acquisitions
 - Stable management team

Transformational Growth Through Acquisition

Power Solutions & Protection



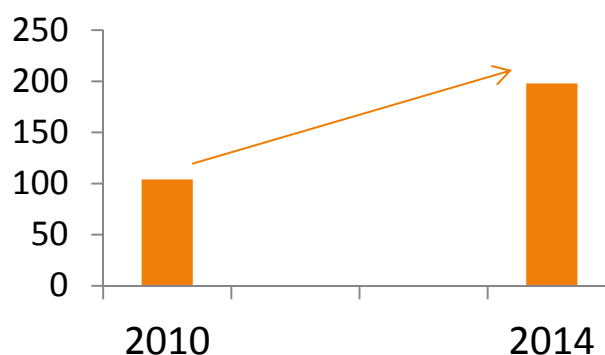
\$74m- \$256m



Connectivity Solutions



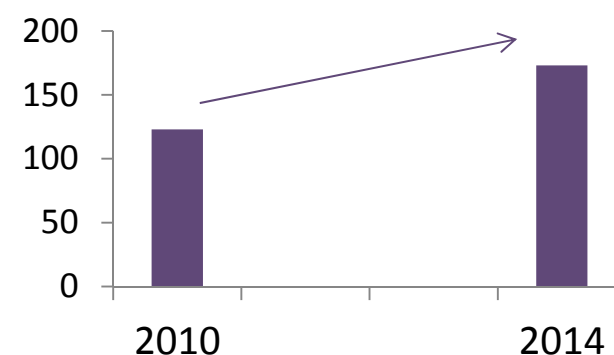
\$104m - \$198m



Magnetic Solutions



\$123m - \$173m



2014 sales reflect estimated full year pro forma sales from acquisitions.



Pursue Highly Strategic Acquisitions

Acquisition Rationale	<ul style="list-style-type: none">• Proven, disciplined approach to acquiring companies<ul style="list-style-type: none">-Accretive to earnings (EPS)-Leverage our fixed costs-Expand our global footprint-Focus on products and markets that we know and understand			
	<ul style="list-style-type: none">• 8 successful acquisitions in the last five years. Four were divestitures from billion dollar conglomerates.			





Growth through Acquisition

Acquired Company	Year	Products	Revenue	Purchase
Emerson Network Power Connectivity Solutions*	2014	Connectivity	\$78M	\$98M
ABB/Power-One Power Solutions*	2014	Power	\$194M	\$117M
TE's Coil Wound Magnetics Business*	2013	Magnetics	\$75M	\$22.4M
Array Connector	2013	Connectivity	\$10M	\$10M
GigaCom Interconnect	2012	Connectivity	\$2M	\$2.7M
Fibreco Limited	2012	Connectivity	\$7M	\$13.7M
Powerbox Italia S.R.L.	2012	Power	\$4M	\$3M
Cinch Connectors*	2010	Connectivity	\$52M	\$37.5M
Galaxy Power	2005	Power	\$18M	\$18M
Insilco Passive Components Group*	2003	Magnetics	\$70M	\$35M
APC UK	2003	Power	\$5M	\$5.5M
E-Power/Current Concepts	2001	Power	\$3M	\$6.2M
Lucent Transformers + Inductor Group*	1998	Magnetics	\$35M	\$30M

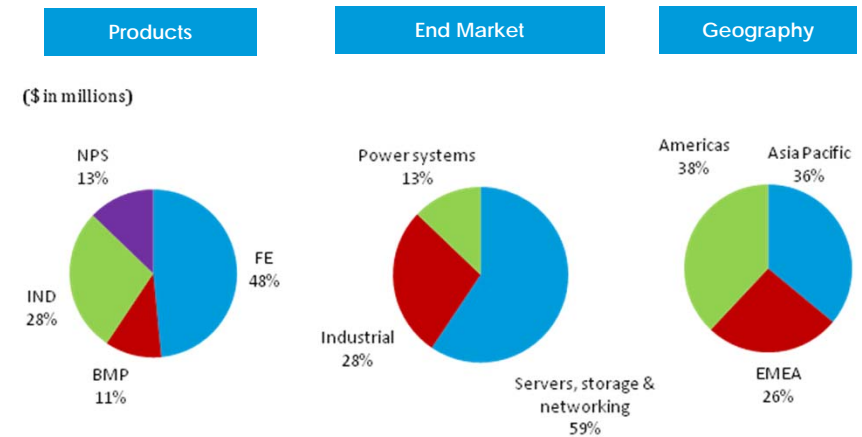


Power Solutions at a Glance

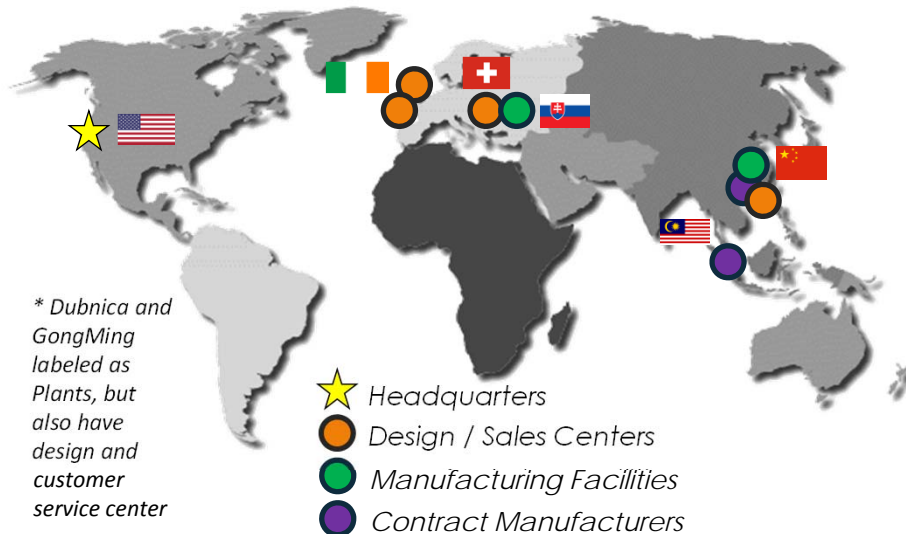
Product Line Overview

Product lines	Markets served	Select product examples
Front-End ("FE")	Servers, storage, networking and telecommunications markets	
Board-Mount-Power ("BMP")	Networking, telecommunications, military and the broad industrial markets	
Industrial and Transportation ("IND")	Broad industrial, medical, military, rail and transportation markets	
Network Power Systems ("NPS")	Telecommunication infrastructure applications and remote power generation	

2014 Revenue \$194M



Global Footprint






Select Customers

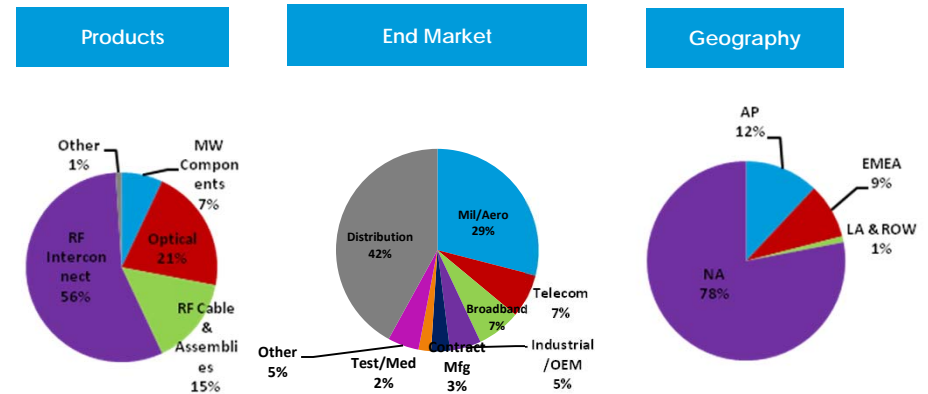


Connectivity Solutions at a Glance

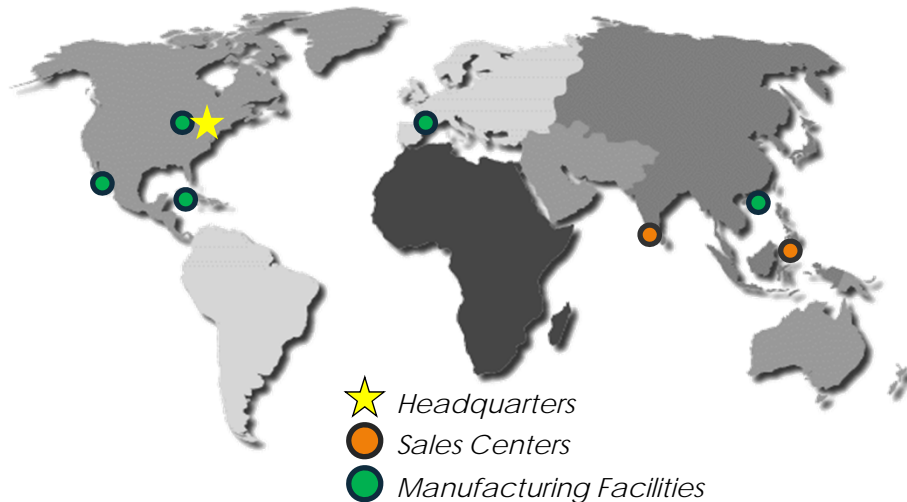
Product Line Overview

Product lines	Markets served	Select product examples
RF Coax Connectors & Cables	Aerospace , Broadcast, Military, Telecommunications	
Microwave Components	Military, Space, Laboratory Testing	
Harsh Environment Optical with Expanded Beam	Broadcast, Military, Oil & Gas	

2014 Revenue \$78M



Global Footprint



Select Customers



Leverage our Fixed Cost

- Restructure management \$5.8M
 - Utilized existing Bel management and existing middle level management to restructure senior leadership.
- Eliminate redundancies \$2.7M
 - Reduced headcounts in areas where Bel, with a combination of the two acquisitions, overlapped in certain functions such as web site development, marketing, sales, product management, and logistics.
- Combine facilities (estimated to be \$1.5M by 2016)
 - Closed Singapore and Russia office of Power-One
 - Closing Gothenburg Sweden office of Gigacom
 - Combining Fibreco UK into Connectivity Solutions UK facility
 - Combining Bel Pleasanton, CA location with Bel Power San Jose, CA facility
 - Plan to combine Cinch Lombard, IL facility with Bannockburn, IL facility

Corporate Constraints Lifted

Meetings and Programs

- 15% -20% of direct staff time was spent on reporting to corporate, while top management spend 40% - 60% of their time reporting to corporate
- Management processes such as weekly staff meetings, PACE, S&OP, GDP programs consumed a lot of resources and added little value

Customer Terms

- Contract limitations with large OEM customers, due to risk averse nature of the company
- No flexibility for payment terms beyond 30 days.
- Terms & Conditions – Mandatory limitations of liabilities

Unrealistic Company Goals

- Gross profit and operating targets needed to be maintained
- Quarterly revenue targets resulted in uneven production schedules and increased overtime and logistics costs
- Arbitrary headcount controls (revenue drops by 5%, headcount needs to drop by 5%)

Going Forward

Category	Bel	Power-One	Connectivity Solutions	Combined
Revenue	\$356M	\$194M	\$78M	\$628M*
Employees	5,500	2,000	525	8,025
R&D Centers	16	3	4	23
Manufacturing Sites	13	2	5	20
Facilities	1.86M sq ft	377K sq ft	215K sq ft	2.45M sq ft

* If Bel owned for 12 months



Going Forward



Americas

35% Annual Revenue

- 10 Manufacturing Sites
- 10 Design Centers

Europe

20% Annual Revenue

- 5 Manufacturing Sites
- 8 Design Centers

Asia

44% Annual Revenue

- 5 Manufacturing Sites
- 5 Design Centers



Market Segmentation



Networking
40%



Mil-Aero
25%



Industrial
20%



Telecom
15%

Revenue By Region



North America - 35.4%































Europe - 20.2%



Asia - 44.4%

Diverse End-Markets and Blue Chip Customer Base

Aerospace  	Cloud  	Energy  	IC CO's  	Industrial  	Lighting  	Military  
Networking  	Net Security  	Premise  	Servers  	Storage  	Telecom  	Wireless  

Broad, Industry Leading Product Portfolio

Power Solutions & Protection \$256 million

Front Ends & Board-Mount Power



Industrial



Circuit Protection



Connectivity Solutions \$198 million

Passive Connectors



Connectors & Cable Assemblies



RF Connectors /Microwave Components



Magnetic Solutions \$174 million

Integrated Connector Modules



Transformers



Magnetics



Power Solutions & Protection

Overview

- Technology Leaders in efficiency and power density for Front-End and Board-Mount Power products for networking, cloud and open compute applications
- World-Class offering and well-recognized brand Melcher™ in Industrial and transportation markets
- Complete Portfolio of Electronic Circuit Protection Products

Servers, Storage & Networking
Industrial and Transportation
Lighting



LTM Revenue: **\$256M** | Percent of Total Revenue: **41%**

Growth Drivers

- Reengage with key customers
- New standard products AC/DC, DC/DC, and Circuit Protection
- Expanded offering for railway applications
- Partnership with Echelon
- New products for hybrid electric vehicles

Brands



MELCHER
The Power Partners.

a bel power solutions brand



Connectivity Solutions

Overview

- World-Class RF and Microwave Connector supplier
- Market leader for Expanded Beam and Fiber Connectivity
- Largest supplier of Boeing approved Circular Connectors (BACC) for the aerospace industry
- Market leader in deployment of 10GBT Passive RJ Connectors

Computer, Network & Communication
Industrial & Medical
Military & Aerospace



LTM Revenue: **\$198 mm** | Percent of Total Revenue: **32%**

Growth Drivers

- Emerson acquisition creates critical mass in expanded beam and Active Optical devices (Transceivers and Media Convertors)
- Expanded Copper based Connector and Cable offering and Cross-Licensing with Radiall for innovative solutions in commercial aerospace
- Greater strength in distribution channels and better penetration across existing accounts

Brands



Magnetic Solutions

Overview

- Largest offering of Integrated Connector Module products (MagJack®)
- Broad offering of Magnetics for industrial, consumer and commercial applications
- Largest selection of IC reference designs
- Market leader in deployment of 10GBT Integrated Ethernet Connectors

Computer, Network & Communication
Industrial & Medical
Consumer



LTM Revenue: **\$174 mm** | Percent of Total Revenue: **27%**

Growth Drivers

- Higher bandwidth and greater complexity requirements
- Continued expansion of SMD inductor and switching magnetics
- Internet Protocol (IP) traffic growing at nearly 20% CAGR
- Continued growth from end users picking up IC reference designs
- Volume production of press-fit MagJack® connectors

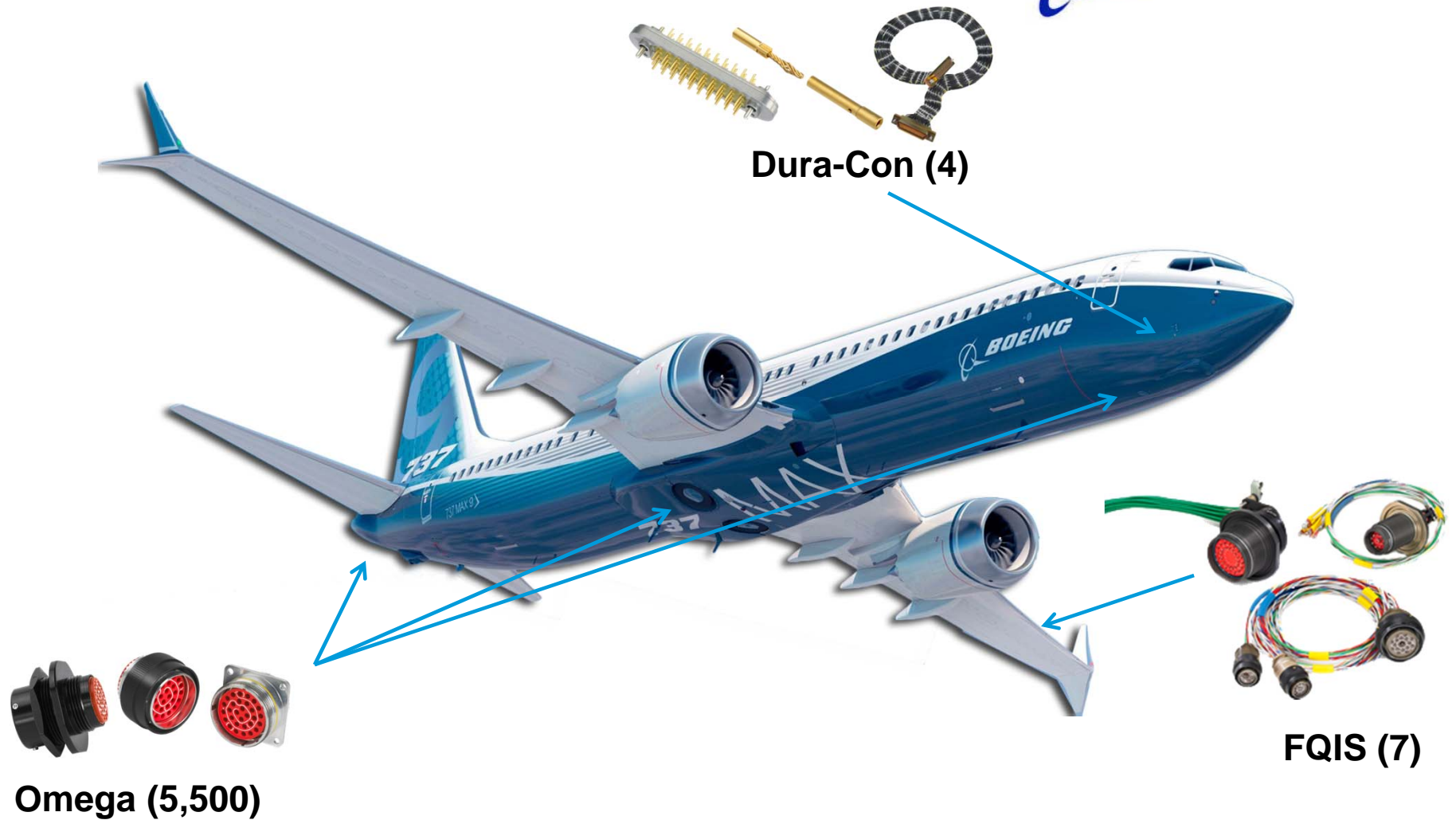
Brands



Case Study #1

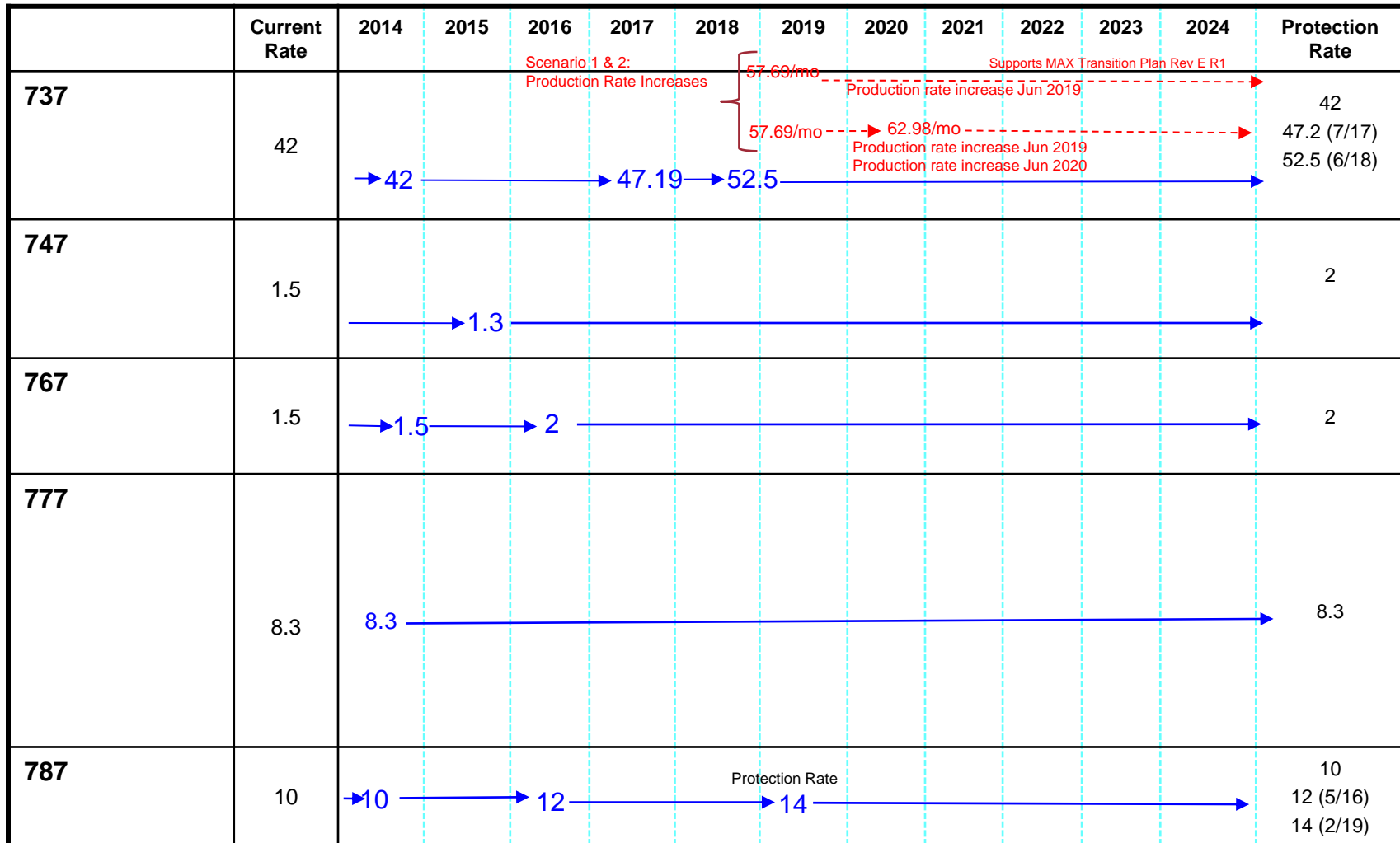
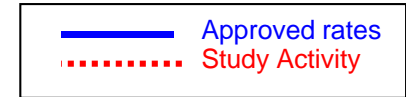


Case Study #1



* Bel content \$50K per aircraft depending on configuration

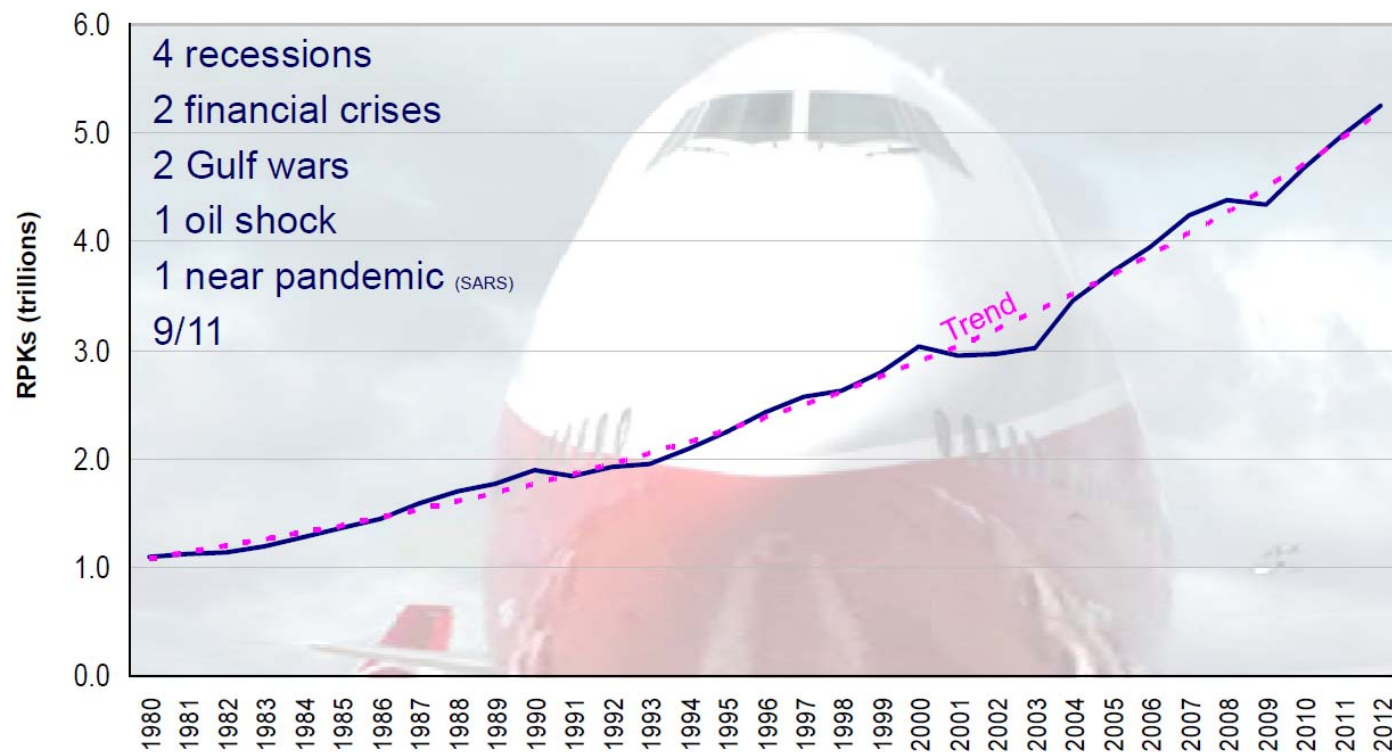
BCA Production Rates 1Q15 CPI Study



Commercial Aviation Market

World Air Travel has grown 5% per year since 1980

RPKs = Revenue Passenger Kilometers



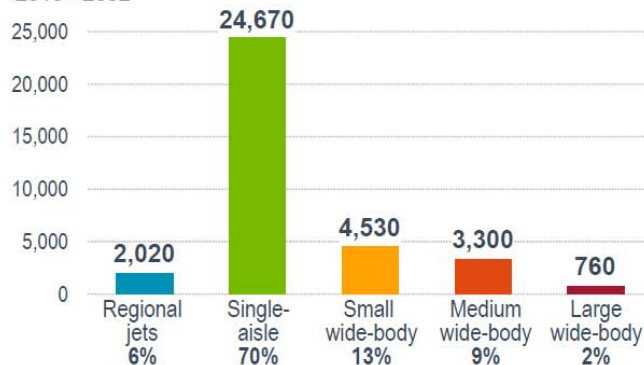
Commercial Aviation Market

Airlines will need more than 35,000 new airplanes valued at \$4.8 trillion



Airplane deliveries: 35,280

2013 - 2032



Market value: \$4.8T

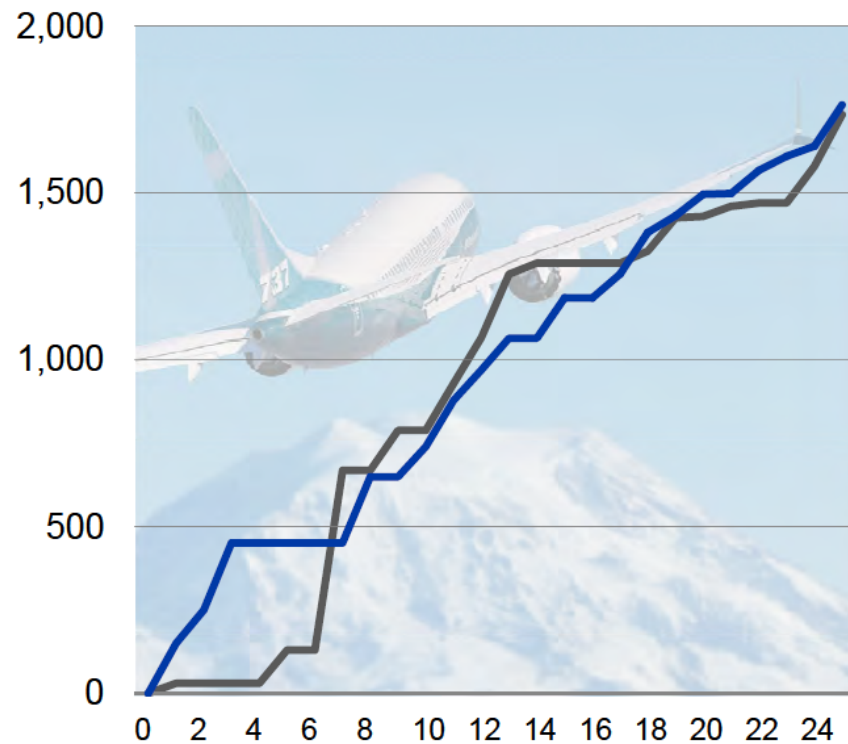
2013 - 2032



Commercial Aviation Market

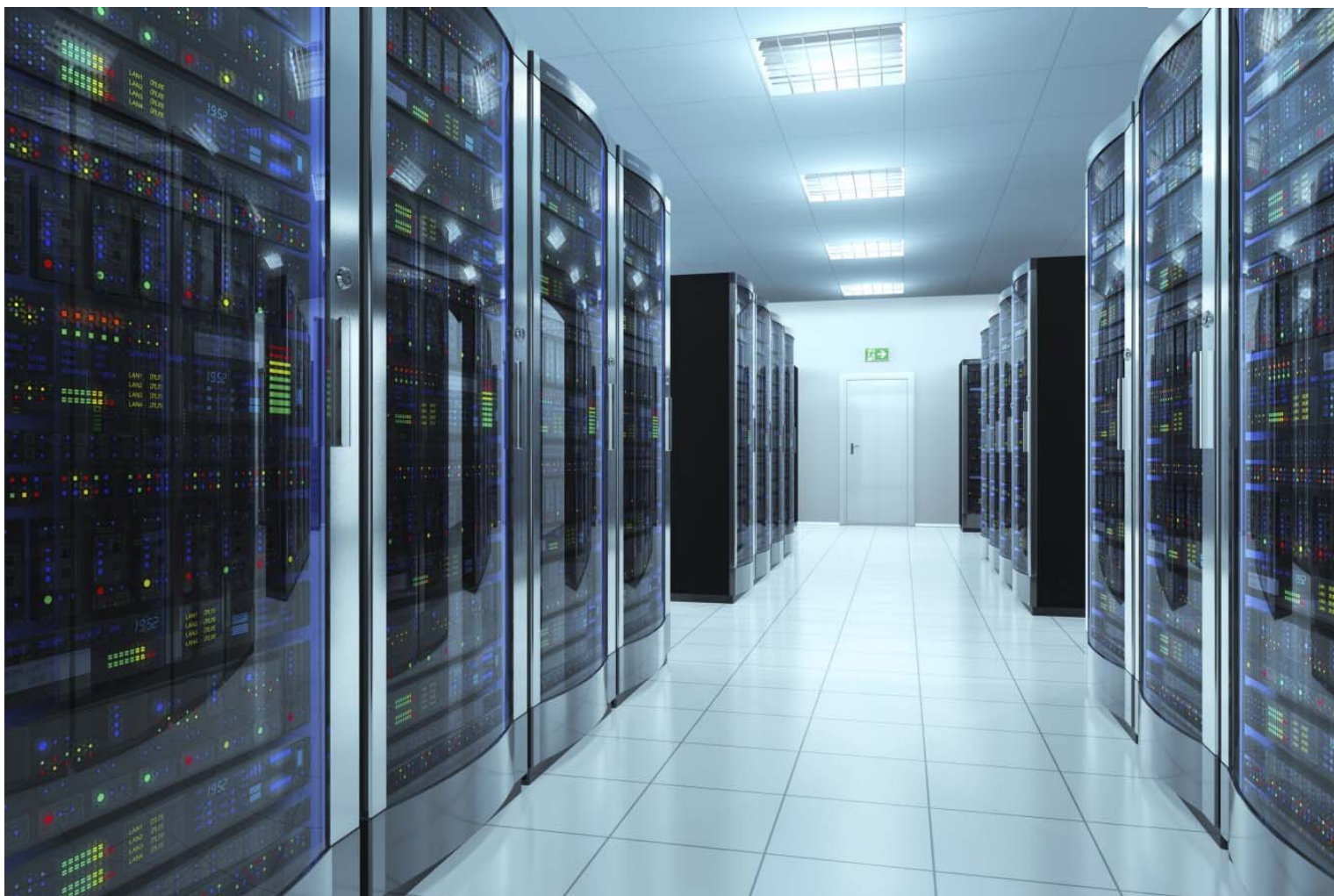
737 MAX is selling at a record pace

Net orders in the first 25 months



737 MAX: 1,763 orders
A320neo: 1,734 orders

Case Study #2



Case Study #2



Cisco Nexus 7000 Switch



10Gig ICMs

Internal Board level components include

- Fuses
- DC/DC isolated board mount converters
- DC/DC point-of-load converters

Multiport 1Gig ICMs

AC/DC Front-End Power

* Bel content \$496/unit, depending on configuration

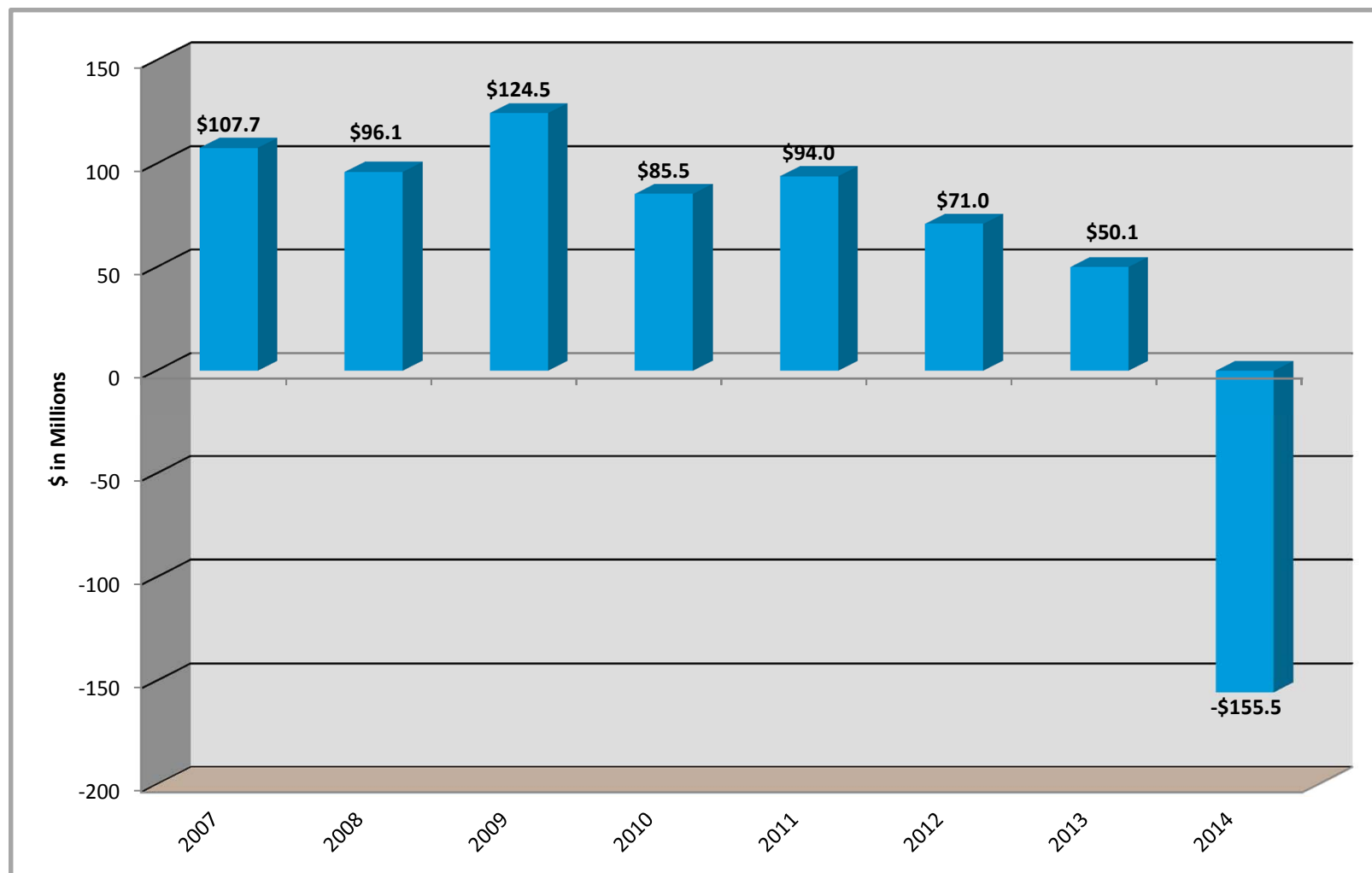


Financial Overview

Balance Sheet Highlights

	12/31/13	12/31/14
Cash & Cash Equivalents	\$62.1 mm	\$77.1 mm
Working Capital	\$137.2 mm	\$188.9 mm
Total Assets	\$308.1 mm	\$636.0 mm
Total Debt	\$12.0 mm	\$232.6 mm
Stockholders' Equity	\$228.7 mm	\$224.8 mm
Book Value per Share	\$19.86	\$19.87

Cash & Cash Equivalents & Net Debt



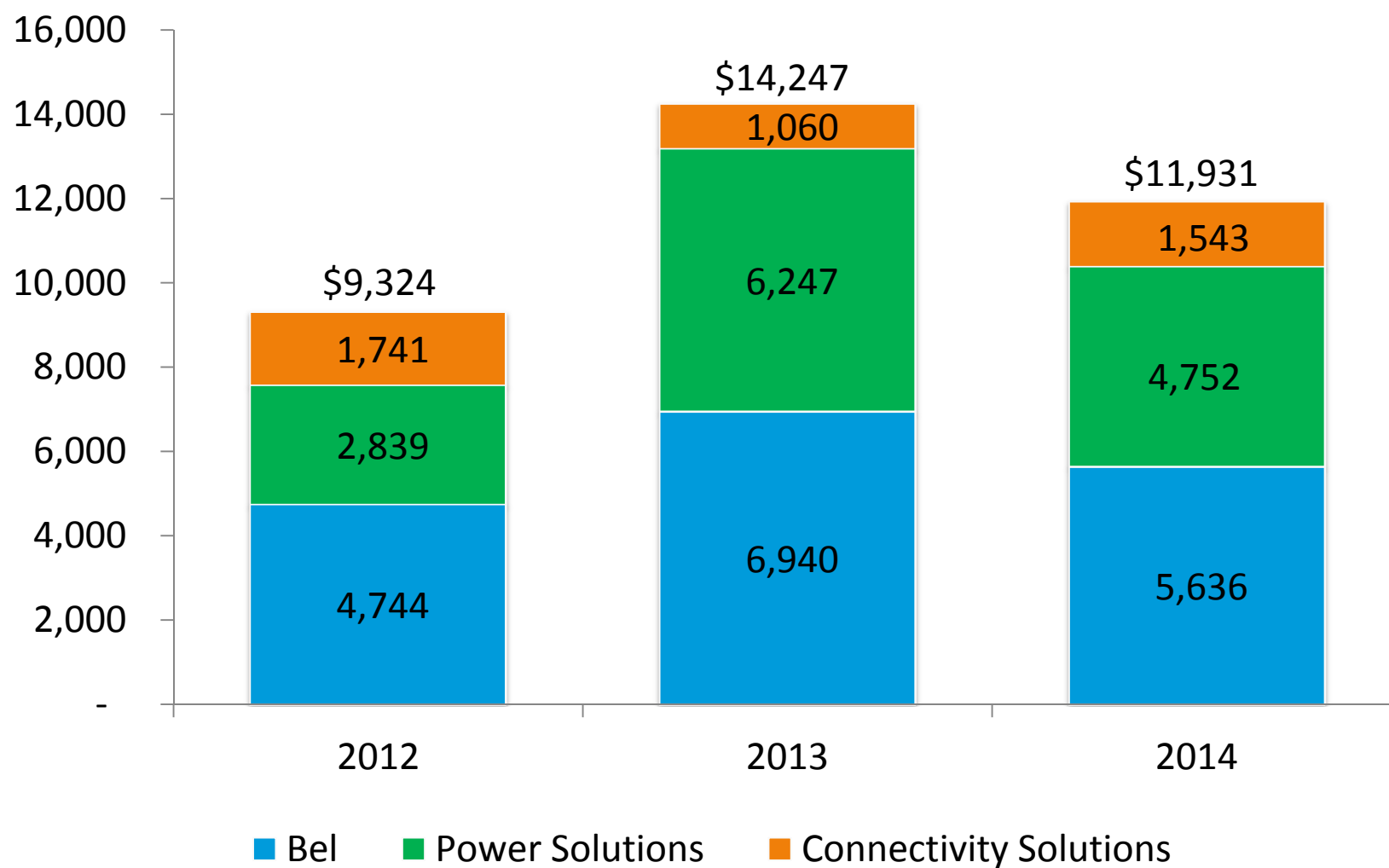
Debt Balance

Loan	12/31/14 Balance	Payment Schedule	Principal	Interest	Total Debt Payments
Term Loans	\$209,625	Balance 2015	13,438	6,555	19,993
Revolver	<u>23,000</u>				
Total Debt	\$232,625	2016	16,125	6,035	22,160
		2017	18,812	5,527	24,339
Cash	<u>77,138</u>	2018	24,188	4,906	29,094
		2019	<u>160,062</u>	<u>2,012</u>	<u>162,074</u>
Net Debt	<u>\$155,487</u>				
Liquidity		Total Debt Payments	<u>\$232,625</u>	<u>\$25,035</u>	<u>\$257,660</u>
Cash	\$77,138				
Revolver					
Availability	<u>27,000</u>				
Total Liquidity	<u>\$104,138</u>				

* If Bel owned for 12 months



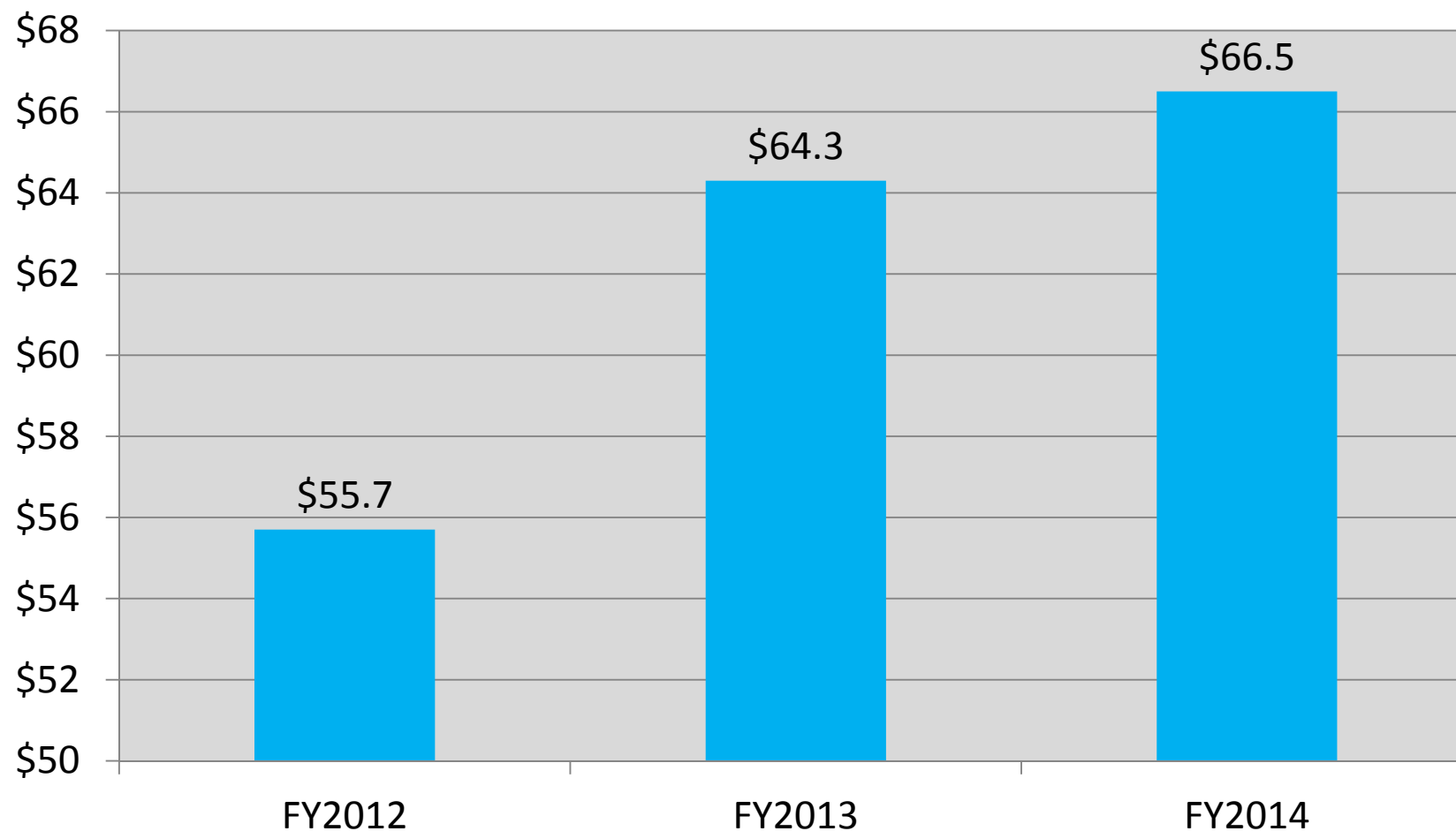
Pro Forma Historical Capex



(1) In Thousands



Adjusted EBITDA



- FY2012 and FY2013 Proforma Adjusted EBITDA per the June 2014 Lender Presentation
- FY2014 EBITDA per the Credit Agreement

(1) In Millions



Share Ownership

Class A NASDAQ: BELFA	<ul style="list-style-type: none">• 2,175,000 shares outstanding• 20 institutions own ~ 1,047,000 shares• Quarterly dividends \$0.06 per share• 35% held by insiders			
Class B NASDAQ: BELFB	<ul style="list-style-type: none">• 9,680,000 shares outstanding• 103 institutions own ~ 6,013,000 shares• Quarterly dividends \$0.07 per share• 15% held by insiders			

Q&A
