



wesco

NYSE: WCC

Fourth Quarter 2025

Webcast Presentation

February 10, 2026

Forward-Looking Statements and Non-GAAP Measures

All statements made herein that are not historical facts should be considered as "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially. These statements include, but are not limited to, statements regarding business strategy, growth strategy, competitive strengths, productivity and profitability enhancement, competition, new product and service introductions, and liquidity and capital resources. Such statements can generally be identified by the use of words such as "anticipate," "plan," "believe," "estimate," "intend," "expect," "project," and similar words, phrases or expressions or future or conditional verbs such as "could," "may," "should," "will," and "would," although not all forward-looking statements contain such words. These forward-looking statements are based on current expectations and beliefs of Wesco's management, as well as assumptions made by, and information currently available to, Wesco's management, current market trends and market conditions and involve risks and uncertainties, many of which are outside of Wesco's and Wesco's management's control, and which may cause actual results to differ materially from those contained in forward-looking statements. Accordingly, you should not place undue reliance on such statements.

Important factors that could cause actual results or events to differ materially from those presented or implied in the forward-looking statements include, among others, the failure to achieve the anticipated benefits of, and other risks associated with, acquisitions, joint ventures, divestitures and other corporate transactions; the inability to successfully integrate acquired businesses; the impact of increased interest rates or borrowing costs; fluctuations in currency exchange rates; evolving impacts from tariffs or other trade tensions between the U.S. and other countries (including implementation of new tariffs and retaliatory measures); failure to adequately protect Wesco's intellectual property or successfully defend against infringement claims; the inability to successfully deploy new technologies, digital products and information systems or to otherwise adapt to emerging technologies in the marketplace, such as those incorporating artificial intelligence (AI); risks relating to our use or reliance on AI; failure to execute on our efforts and programs related to environmental, social and governance (ESG) matters; unanticipated expenditures or other adverse developments related to compliance with new or stricter government policies, laws or regulations, including those relating to data privacy, cybersecurity, competition, sustainability and environmental protection; the inability to successfully develop, manage or implement new technology initiatives or business strategies, including with respect to the expansion of e-commerce or AI capabilities and other digital solutions and digitalization initiatives; disruption of information technology systems or operations; natural disasters (including as a result of climate change), health epidemics, pandemics and other outbreaks; supply chain disruptions; geopolitical conflicts and issues, such as the ongoing Middle East and Russia/Ukraine conflicts; the impact of changing and expanding export controls, sanctions, and data localization rules; the failure to manage the increased risks and impacts of cyber incidents or data breaches; and exacerbation of key materials shortages, inflationary cost pressures, material cost increases, demand volatility, and logistics and capacity constraints, any of which may have a material adverse effect on the Company's business, results of operations and financial condition. All such factors are difficult to predict and are beyond the Company's control. Additional factors that could cause results to differ materially from those described above can be found in Wesco's most recent Annual Report on Form 10-K and other periodic reports filed with the U.S. Securities and Exchange Commission.

Non-GAAP Measures

In addition to the results provided in accordance with U.S. Generally Accepted Accounting Principles ("U.S. GAAP") above, this presentation includes certain non-GAAP financial measures. These financial measures include organic sales growth, gross profit, gross margin, earnings before interest, taxes, depreciation and amortization (EBITDA), adjusted EBITDA, adjusted EBITDA margin, financial leverage, free cash flow, adjusted selling, general and administrative expenses, adjusted income from operations, adjusted operating margin, adjusted other non-operating expense (income), adjusted provision for income taxes, adjusted income before income taxes, adjusted net income, adjusted net income attributable to WESCO International, Inc., adjusted net income attributable to common stockholders, and adjusted earnings per diluted share. The Company believes that these non-GAAP measures are useful to investors as they provide a better understanding of our financial condition and results of operations on a comparable basis. Additionally, certain non-GAAP measures either focus on or exclude items impacting comparability of results such as digital transformation costs, restructuring costs, merger-related and integration costs, cloud computing arrangement amortization, pension settlement cost and excise taxes on excess pension plan assets related to the settlement of the Anixter Inc. Pension Plan, loss on abandonment of assets, the gain recognized on the divestiture of the WIS business, the loss on termination of business arrangement, and the related income tax effects, allowing investors to more easily compare the Company's financial performance from period to period. Management does not use these non-GAAP financial measures for any purpose other than the reasons stated above.

2025 Highlights and 2026 Outlook

Building strong momentum as we enter 2026, driven by broad-based growth and record backlog

- ✓ Strong performance continued, with **organic sales up 9% YOY** in Q4 and for the full year 2025.
- ✓ **Record backlog** sets the stage for strong 2026.
- ✓ Full-year 2026 outlook reflects **increasing momentum** seen throughout 2025.

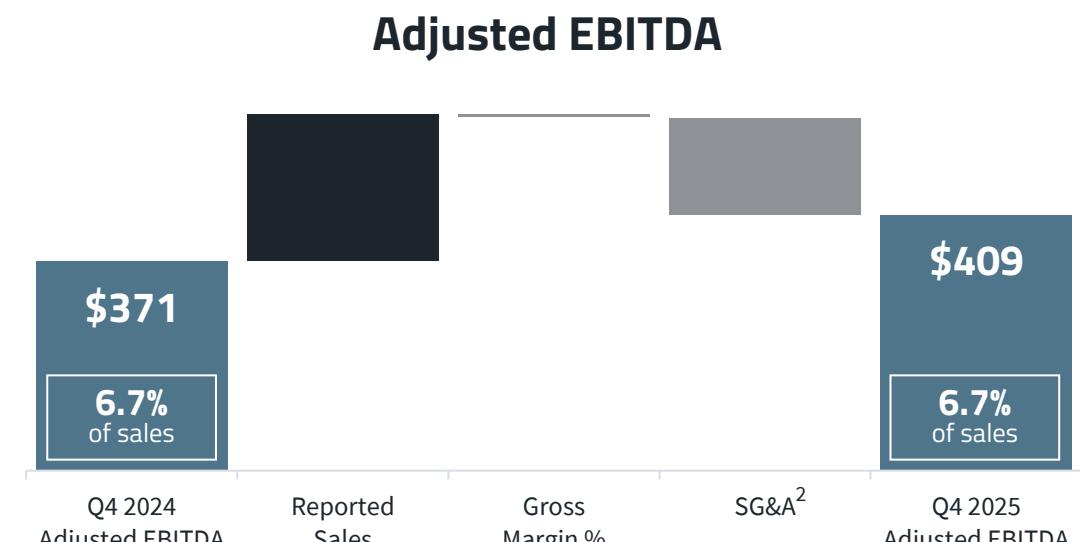
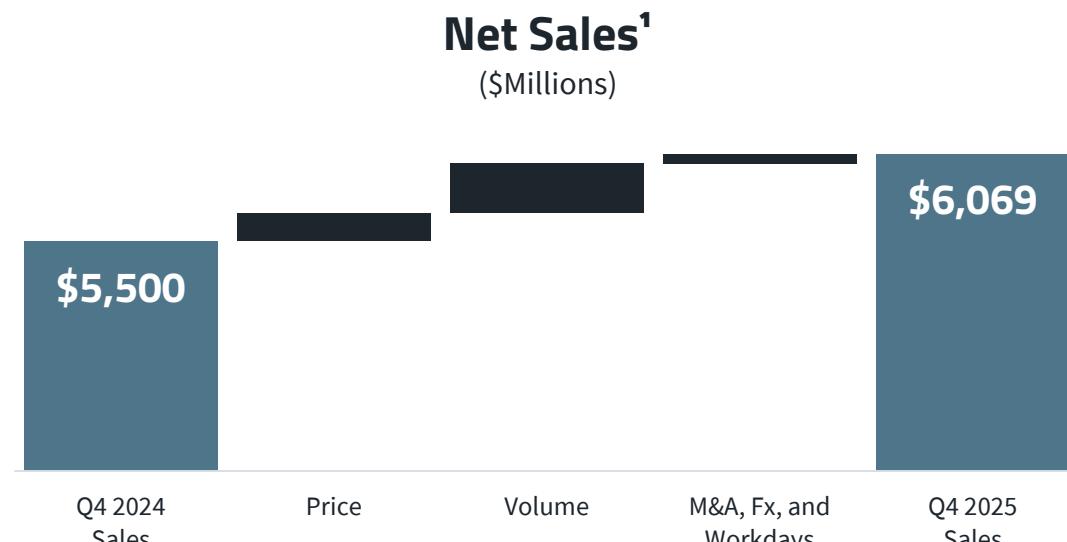
- Record annual sales of \$23.5B in 2025, up 9% organically, with growth led by CSS up ~17% and EES up ~8%
- Second consecutive quarter of growth in Utility in Q4, driven by Investor-Owned Utilities
- Total data center sales up over 50% in 2025 and reached a record ~\$4.3B, representing ~18% of total company sales
- Q4 adjusted EBITDA of \$409 million, up 10% YOY
- Q4 adjusted earnings per share of \$3.40, up 8% YOY
- Full year 2025 adjusted earnings per share of \$12.91, up 6%

- Record year-end backlog, up 19%; record CSS backlog, up ~40%
- All three SBU's grew backlog at year-end
- Well positioned to continue to outperform our markets and benefit from secular growth trends of AI-driven data centers, increased power generation, electrification, automation and reshoring

- Strong start to 2026 with preliminary January sales per workday up ~15%
- Looking ahead in 2026, we anticipate meaningful improvement in both EBITDA margin and free cash flow
- Initiating 2026 outlook with a reported sales growth range of 5%-8%, adjusted EBITDA margin of ~6.8% at the mid-point, adjusted EPS range of \$14.50 to \$16.50 and free cash flow between \$500-\$800 million

Fourth Quarter YOY Results

Strong quarter with organic sales up 9%, Adj. EBITDA up 10%, and Adj. EPS up 8%



- Reported sales up 10%, organic sales up 9%
- Volume growth across all three SBUs
- Estimated price benefit of ~3% (commodity inflation added one point to price)

- Gross margin 21.2%, in line with prior year
- SG&A² was flat
- Adjusted EBITDA margin 6.7%

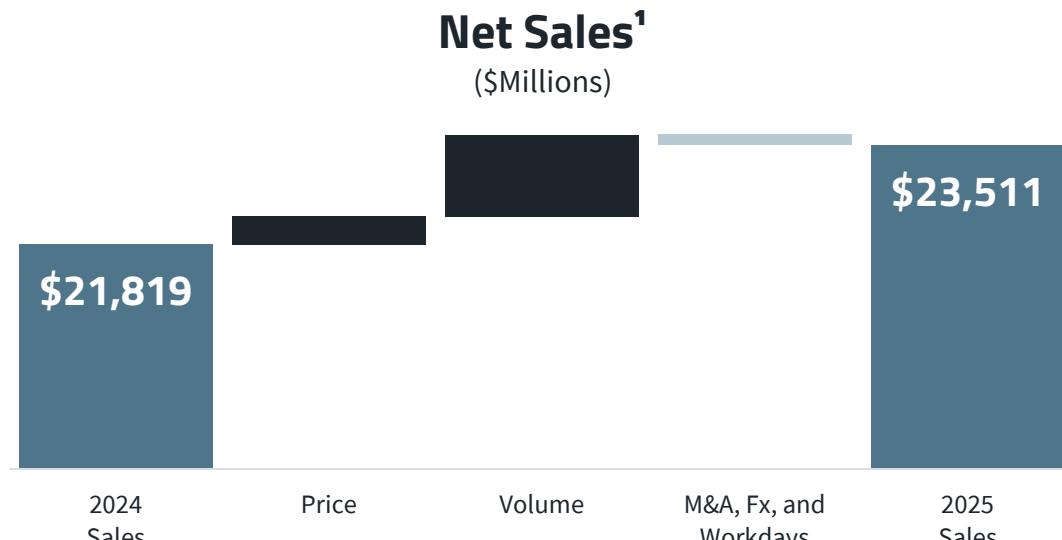
¹ Sales growth attribution based on company estimates.

² SG&A for the reconciliation for adjusted EBITDA excludes the impact of stock-based compensation expense, digital transformation costs, cloud computing arrangement amortization and restructuring costs.

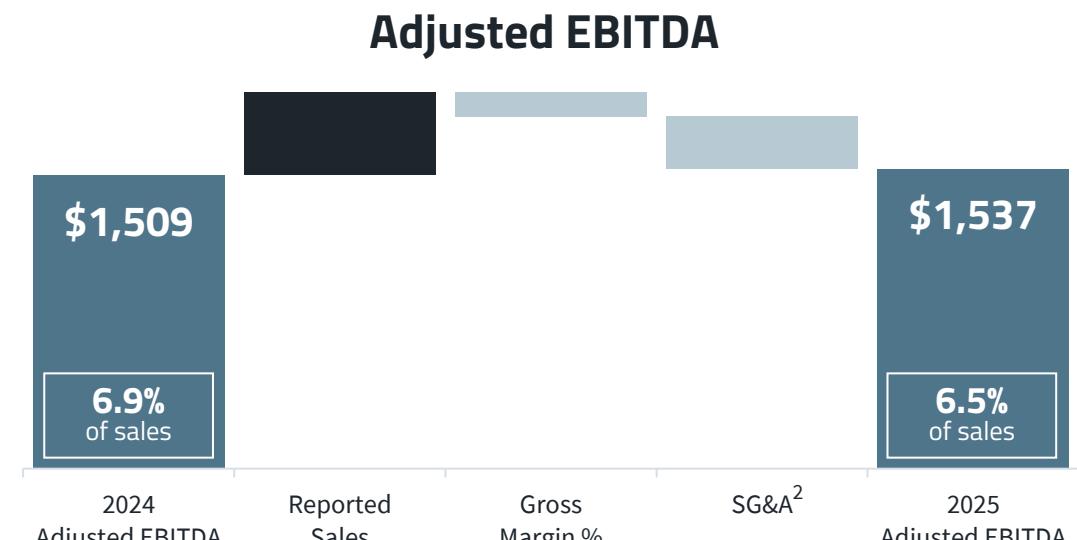
³ See appendix for non-GAAP definitions and reconciliations.

Full Year 2025 YOY Results

Organic sales grew 9% for the year, reflecting strong and improving momentum



- Reported sales up 8%, organic sales up 9%
- Strong volume growth in CSS and EES
- Estimated price benefit of ~2% (commodity inflation added one point to price)



- Gross margin 21.1%, down 50 bps
- SG&A² leverage improved 10 bps
- Adjusted EBITDA margin down ~40 bps on lower gross margin
- Adjusted EPS up 6%

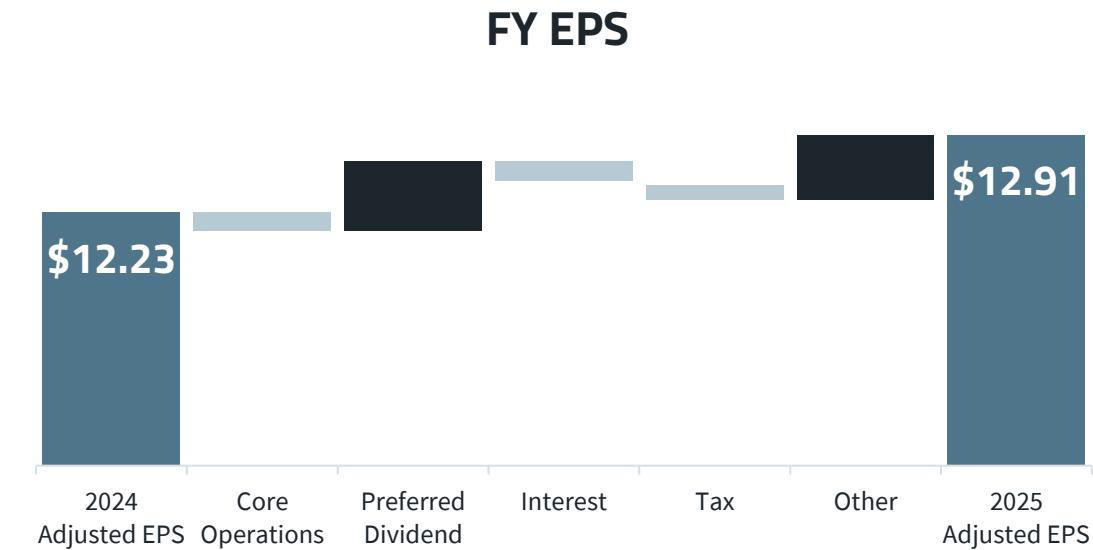
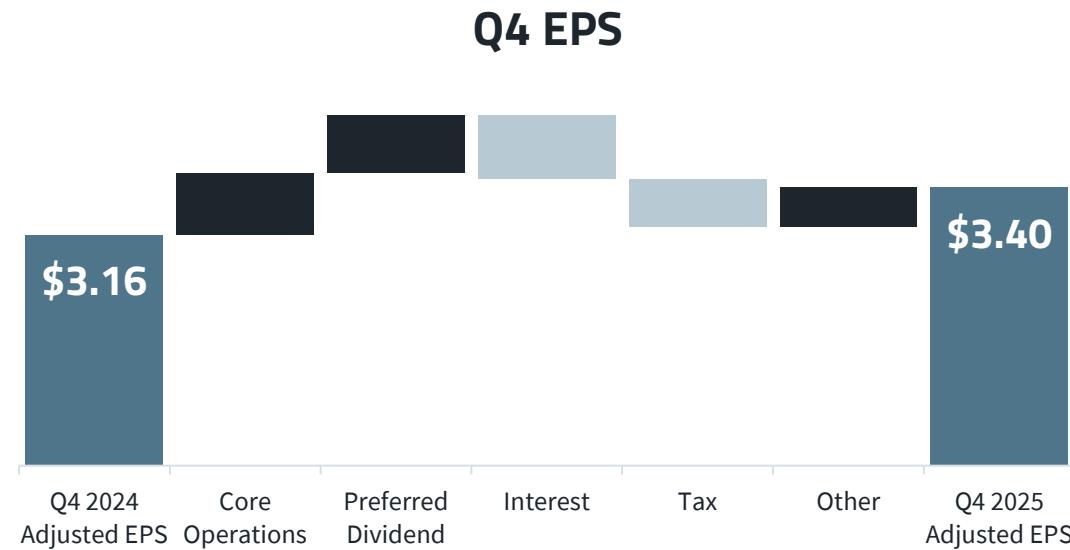
¹ Sales growth attribution based on company estimates.

² SG&A for the reconciliation for adjusted EBITDA excludes the impact of stock-based compensation expense, digital transformation costs, cloud computing arrangement amortization and restructuring costs.

³ See appendix for non-GAAP definitions and reconciliations.

Earnings Per Share

Solid Earnings Performance: Q4 EPS up 8%, 2025 EPS up 6%



- Core operations and benefit from preferred redemption drove EPS growth
- Tax related impact to interest expense ~\$10 million
- Tax rate benefit in prior year period

- Benefit from preferred redemption, non-operating FX impact and lower share count drove EPS growth
- Core operations were slightly negative due to lower gross margin

Communications & Security Solutions (CSS)

Organic sales up ~17% for the year reflecting strong data center growth of ~50%

Fourth Quarter Drivers

Organic sales up ~14%, reported sales up ~16% YOY¹

- Wesco Data Center Solutions (WDCS) up over 30% driven by hyperscale customer demand
- Enterprise Network Infrastructure (ENI) up LSD
- Security up LDD (up mid-teens including data center projects) driven by share gains

Record year-end backlog up nearly 40% over prior year reflecting strong growth in data center projects

Improved profitability with 9.1% adjusted EBITDA margin

- Adjusted EBITDA up 29%, and adjusted EBITDA margin up 90 bps YOY, reflecting higher gross margin and stronger operating cost leverage

Full Year Drivers

Organic sales up ~17%, reported sales up ~18% YOY¹

- Growth was driven by accelerating data center demand (up ~50%) and security

Improved profitability with 8.8% adjusted EBITDA margin

- Adjusted EBITDA margin improved 50 bps, reflecting strong operating cost leverage on double-digit sales growth

Q4 Results

\$ Millions	Q4 2025	Q4 2024	YOY
Sales	\$2,425	\$2,087	16%
Adjusted EBITDA	\$221	\$172	29%
% of Sales	Q4 2025	Q4 2024	bps fav / (unfav)
Gross Profit	21.0%	20.8%	20 bps
SG&A ²	11.9%	12.6%	70 bps
Adjusted EBITDA	9.1%	8.2%	90 bps

Full Year Results

\$ Millions	FY 2025	FY 2024	YOY
Sales	\$9,101	\$7,692	18%
Adjusted EBITDA	\$799	\$639	25%
% of Sales	FY 2025	FY 2024	bps fav / (unfav)
Gross Profit	21.1%	21.5%	(40) bps
SG&A ²	12.3%	13.2%	90 bps
Adjusted EBITDA	8.8%	8.3%	50 bps



¹ Organic and reported growth versus prior year sales recast for the shift of certain business from EES to CSS. See appendix for reconciliations of all prior year periods.

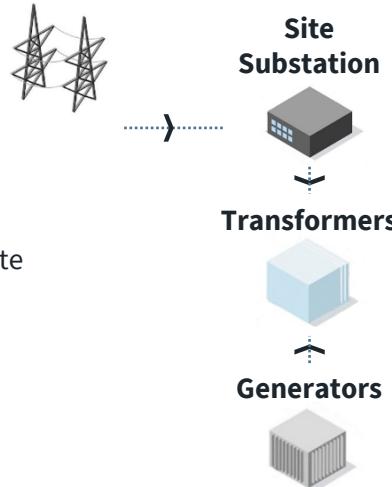
² Stock-based compensation expense is excluded from SG&A expenses, as this is an adjustment to calculate adjusted EBITDA.

Data center sales totaled \$4.3B, up ~50% in 2025

Data center sales were ~18% of Wesco company 2025 sales

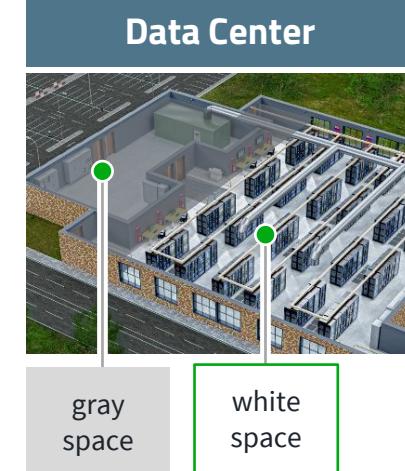
3-5 Years Time to Power

- Land acquisition with access to power
- Transmission lines to a substation for site
- Generator sets to enable backup power
- Transformers to data center

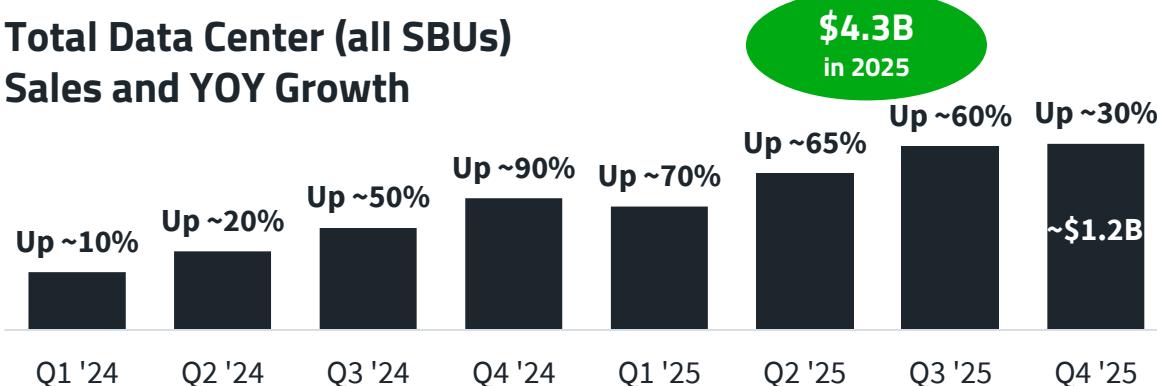


1-2 Year Construction Period

- Civil construction
- Mechanical, plumbing and electrical equipment
- Electrical distribution inside data hall
- Commissioning



Total Data Center (all SBUs) Sales and YOY Growth



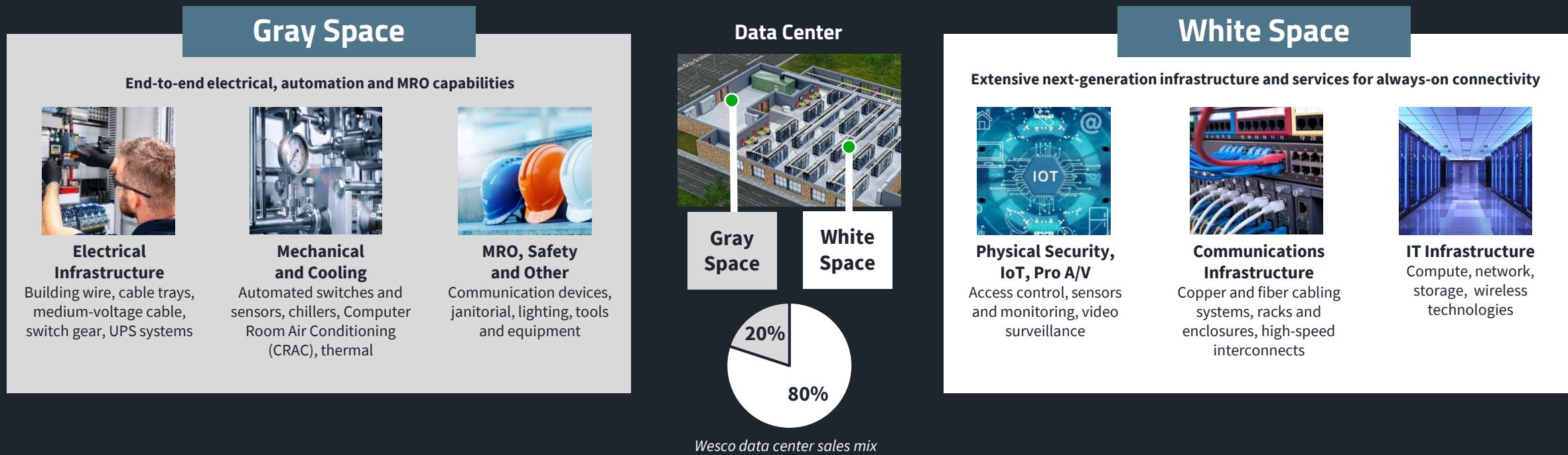
\$4.3B
in 2025

Growth and Expansion of Capabilities Through M&A

November 2022	Rahi Systems	Hyperscale solutions
June 2024	entroCIM	Data center building intelligence software
December 2024	Ascent	Data center facility services across the entire lifecycle

Data Center Product, Services and Solutions Offering

Providing holistic services and solutions for every phase of the data center lifecycle



Services and Solutions for Every Phase of the Data Center Lifecycle



Global Ecosystem

Expansive Portfolio

Holistic Solutions

Electrical & Electronic Solutions (EES)

Organic sales up ~8% in 2025 with growth across Construction, Industrial and OEM

Fourth Quarter Drivers

Organic and reported sales up ~9% YOY¹

- Construction up LDD driven by strong wire and cable demand and continued infrastructure projects
- Industrial up LSD driven by continued project activity in Canada
- OEM up mid-teens reflecting strong growth in both the U.S. and Canada

Backlog up 6% over prior year

Improved profitability with 8.5% adjusted EBITDA margin

- Adjusted EBITDA up 16%, and adjusted EBITDA margin up 50 bps YOY, driven by improved gross margin and stronger operating cost leverage

Full Year Drivers

Organic sales up ~8% and reported sales up ~7% YOY¹

- Strong OEM and Construction growth and improved Industrial performance
- Data center sales ~5% of total sales, up 40% YOY

Returned to profit growth in 2025 with an 8.0% adjusted EBITDA margin

- Adjusted EBITDA margin was down 30 bps due to lower gross margin driven by project activity and product mix

Q4 Results

\$ Millions	Q4 2025	Q4 2024	YOY
Sales	\$2,273	\$2,083	9%
Adjusted EBITDA	\$194	\$166	16%
% of Sales	Q4 2025	Q4 2024	bps fav / (unfav)
Gross Profit	23.7%	23.2%	50 bps
SG&A ²	15.2%	15.3%	10 bps
Adjusted EBITDA	8.5%	8.0%	50 bps

Full Year Results

\$ Millions	FY 2025	FY 2024	YOY
Sales	\$8,956	\$8,392	7%
Adjusted EBITDA	\$718	\$700	3%
% of Sales	FY 2025	FY 2024	bps fav / (unfav)
Gross Profit	23.2%	23.7%	(50) bps
SG&A ²	15.2%	15.4%	20 bps
Adjusted EBITDA	8.0%	8.3%	(30) bps

Utility & Broadband Solutions (UBS)

Second consecutive quarter of positive growth in Q4

Fourth Quarter Drivers

Organic and reported sales up ~3% YOY

- Utility grew MSD, driven by strong double-digit growth with IOU customers (including the benefit of Grid Services), partially offset by continued softness with public power customers
- Broadband declined HSD YOY, due to a challenging prior year comparison

Backlog up 23% from prior year reflecting new project activity

Lower profitability primarily driven by public power utility customers

- Adjusted EBITDA margin down 120 bps YOY, reflecting lower gross margin

Full Year Drivers

Organic sales down ~1%, reported sales down ~5% YOY

- Utility was down LSD, due to reduced public power activity
- Broadband delivered MSD growth on continued network investments

Lower profitability driven primarily by public power utility customers

- EBITDA declined 90 bps, primarily due to competitive pressures in the public power market

Q4 Results

\$ Millions	Q4 2025	Q4 2024	YOY
Sales	\$1,371	\$1,330	3%
Adjusted EBITDA	\$132	\$144	(8%)
% of Sales	Q4 2025	Q4 2024	bps fav / (unfav)
Gross Profit	17.4%	18.5%	(110) bps
SG&A ¹	7.7%	7.6%	(10) bps
Adjusted EBITDA	9.6%	10.8%	(120) bps

Full Year Results

\$ Millions	FY 2025	FY 2024	YOY
Sales	\$5,454	\$5,735	(5%)
Adjusted EBITDA	\$563	\$643	(13%)
% of Sales	FY 2025	FY 2024	bps fav / (unfav)
Gross Profit	17.9%	18.6%	(70) bps
SG&A ¹	7.6%	7.4%	(20) bps
Adjusted EBITDA	10.3%	11.2%	(90) bps

Powering Critical Infrastructure with End-to-End Grid Services

Comprehensive solutions for large-scale and complex projects across the power chain

Grid Services: Products and Solutions



Distribution

Overhead and underground
MV networks



Medium Voltage

Cable connectivity and switching
in MV environments



Transmission

Build, harden and modernize
HV networks



Substation

Critical infrastructure, switching
and transformation

Assemblies, conduit, insulators,
poles, protective equipment

Switch and pad-mount cabinets,
splices, termination kits

Cable, insulators, grounding

Breakers, regulators, steel
structures, transformers

Program and Project Execution

Project deployment, jobsite support, turnkey program
management, emergency prep, response and restoration

Supply Chain and Material Management

Asset, materials and yard management, kitting,
procurement, sourcing, staging, warehousing and logistics

Technical and Field Support

Value-added engineering, complex project management,
product standardization and sourcing support

Enabling power
delivery readiness
for utilities and heavy
-power markets

- Data Centers and Digital Infrastructure
- Emerging Markets
- Renewables and Electrification
- Utilities & Contractors

Holistic Power-to-Compute Solutions



UBS: Power

From the grid



EES: Gray Space

to the building

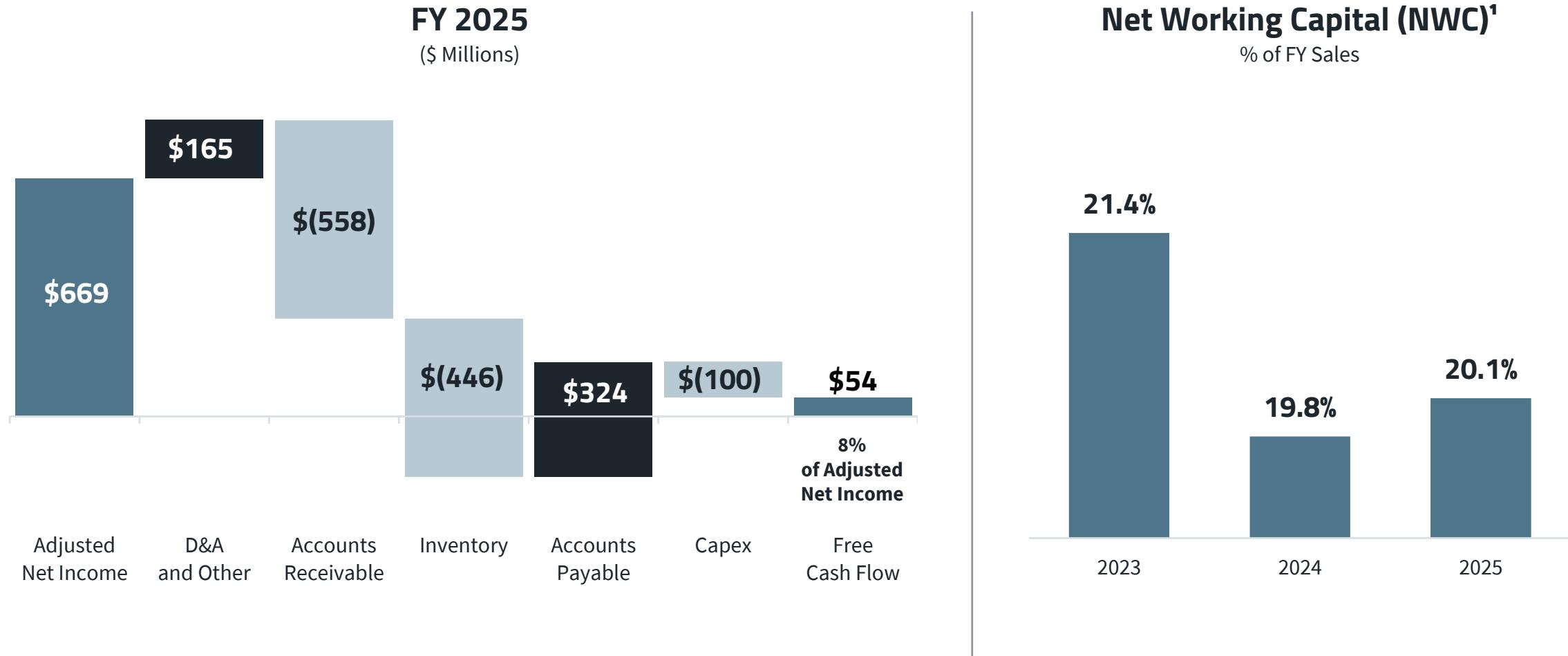


CSS: White Space

→ to the rack and equipment

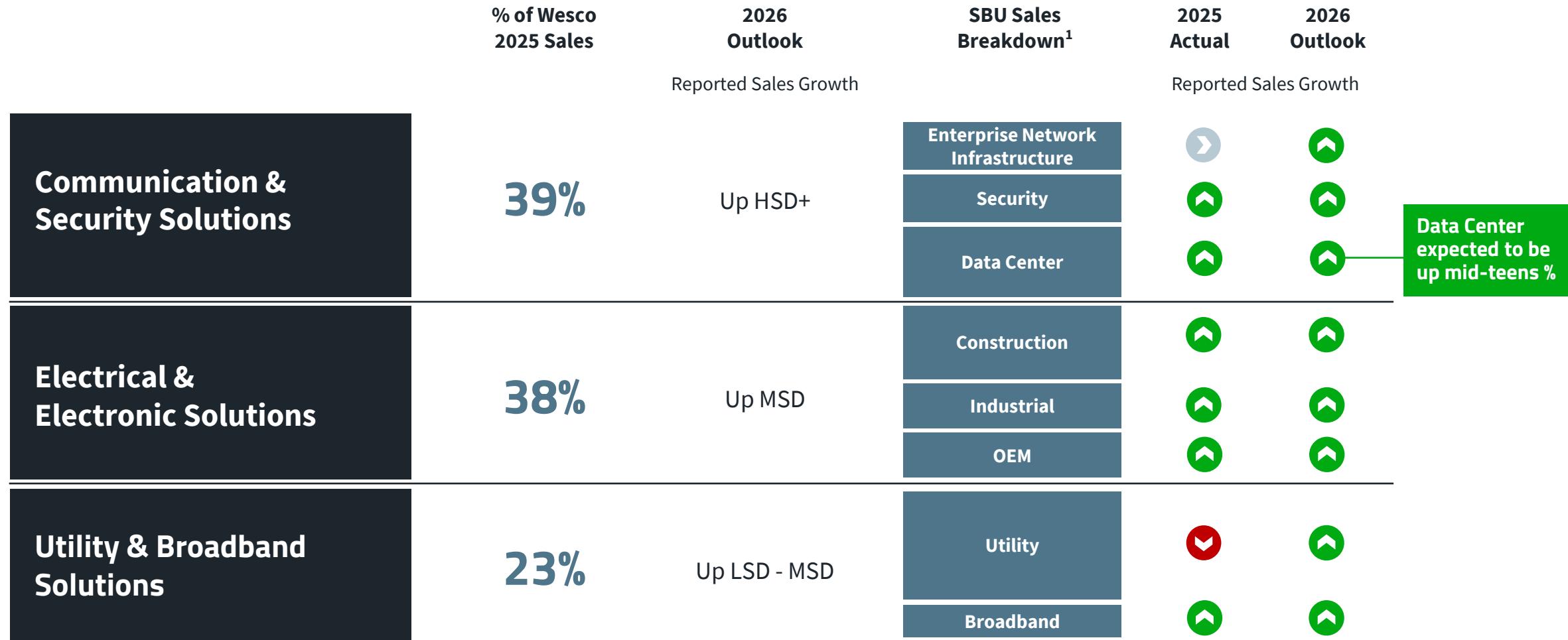
Free Cash Flow

Increased inventory and accounts receivable to support accelerating sales growth



2026 Strategic Business Unit Sales Growth Drivers

Expected reported sales of 5% to 8%, with organic sales range of 4% to 7%



Full-Year 2026 Outlook

2026 growth targets reflect solid momentum and continued operating execution

2026 Outlook	
Sales	Organic sales growth
	4% - 7%
	Estimated Fx impact
	~1%
Adjusted EBITDA	M&A and Workday impact
	0%
	Reported sales growth
	5% - 8%
Adjusted EPS	Reported sales
	\$24.7 - \$25.4 billion
Cash	Adjusted EBITDA margin
	6.6% - 7.0%
	Adjusted diluted EPS
	\$14.50 - \$16.50
	Free cash flow
	\$500 - \$800 million

2026 Outlook Assumptions

(millions, except effective tax rate)

FY 2026	
Depreciation and Amortization	~\$195-\$205
Cloud Computing Amortization Expense Adjustment	~\$50
Stock Compensation Expense Adjustment	~\$40
Interest Expense	~\$360-\$375
Other Expense, net	~\$10
Capital Expenditures	~\$100
Share Count	49-49.5
Effective Tax Rate	~26%-27% (~27% in Q2-Q4)

2026 Underlying Assumptions

- Cloud computing amortization and stock-based compensation are included in SG&A expense for adjusted EPS but are not included in adjusted EBITDA
- Carryover pricing expected to add ~2 points to the topline; the impact of future pricing is not incorporated in the outlook
- One mid-year interest rate cut of 25 bps incorporated into interest expense outlook

First Quarter 2026 Outlook

Positive momentum continued in January with preliminary sales per workday up ~15%

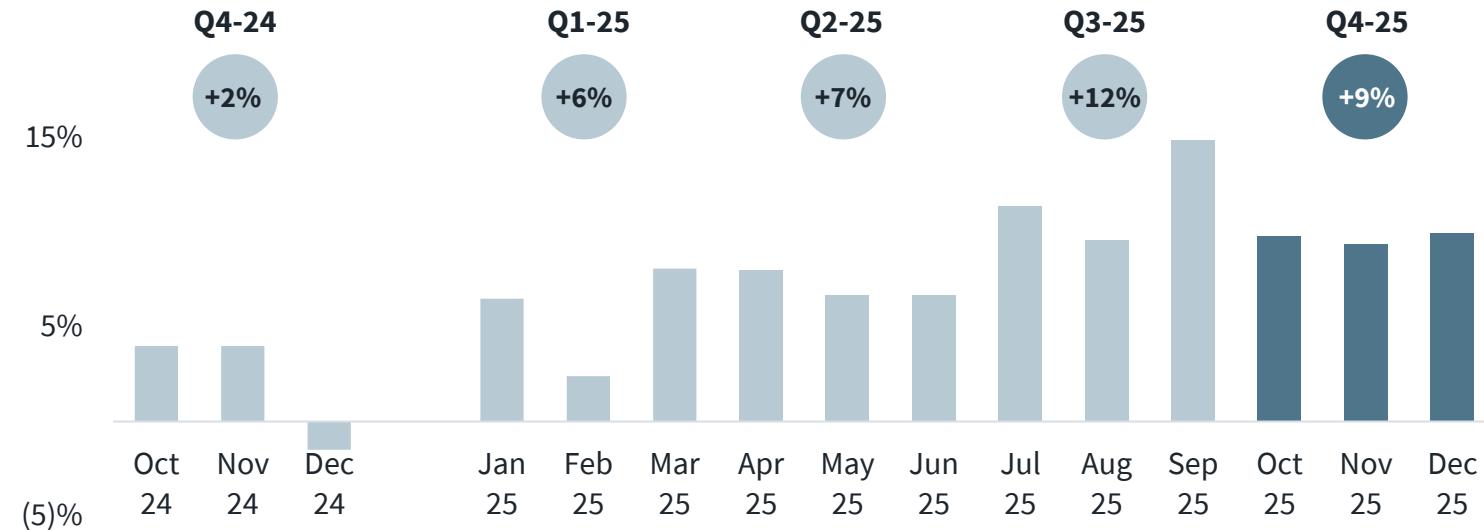
Q1 Outlook

YOY

Reported Sales
Up HSD

Adjusted EBITDA %
Up YOY

YOY Organic Sales Trends



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- Well positioned to continue to outperform our markets and benefit from secular growth trends of AI-driven data centers, increased power generation, electrification, automation and reshoring

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Appendix

Workdays

	Q1	Q2	Q3	Q4	FY
2023	63	64	63	62	252
2024	63	64	64	63	254
2025	62	64	64	63	253
2026	62	64	64	63	253

Organic Sales Growth

(\$ Millions)	Three Months Ended		Growth/(Decline)				
	December 31, 2025	December 31, 2024	Reported Sales	Acquisition	Foreign Exchange	Workday	Organic Sales
EES⁽¹⁾	\$2,272.9	\$2,082.5	9.1 %	— %	0.3 %	— %	8.8 %
CSS⁽¹⁾	2,424.7	2,087.1	16.2 %	1.7 %	1.0 %	— %	13.5 %
UBS	1,371.0	1,330.1	3.1 %	— %	— %	— %	3.1 %
Total net sales	\$6,068.6	\$5,499.7	10.3 %	0.6 %	0.5 %	— %	9.2 %
(\$ Millions)	Twelve Months Ended		Growth/(Decline)				
	December 31, 2025	December 31, 2024	Reported Sales	Acquisition/ Divestiture	Foreign Exchange	Workday	Organic Sales
EES⁽¹⁾	\$8,955.5	\$8,391.7	6.7 %	— %	(0.4) %	(0.4)%	7.5 %
CSS⁽¹⁾	9,101.0	7,692.1	18.3 %	1.9 %	0.1 %	(0.4)%	16.7 %
UBS	5,454.4	5,735.0	(4.9) %	(3.3) %	(0.2) %	(0.4)%	(1.0) %
Total net sales	\$23,510.9	\$21,818.8	7.8 %	(0.2) %	(0.2) %	(0.4)%	8.6 %

(1) In the first quarter of 2025, a portion of the EES reportable segment was moved to the CSS reportable segment as a result of operational realignment. As a result, the reportable segment financial information for the three months and year ended December 31, 2024 has been recast to conform to the current year presentation. The recast does not impact previously reported condensed consolidated results.

Organic sales growth is a non-GAAP financial measure of sales performance. Organic sales growth is calculated by deducting the percentage impact from acquisitions and divestitures for one year following the respective transaction, fluctuations in foreign exchange rates and number of workdays from the reported percentage change in consolidated net sales. Workday impact represents the change in the number of operating days period-over-period after adjusting for weekends and public holidays in the United States. The fourth quarter of 2025 had the same number of workdays as the fourth quarter of 2024, and 2025 had one less workday compared to 2024.

Gross Profit

(\$ Millions)	Three Months Ended		Twelve Months Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Net sales	\$6,068.6	\$5,499.7	\$23,510.9	\$21,818.8
Cost of goods sold (excluding depreciation and amortization)	4,782.3	4,335.7	18,538.9	17,106.2
Gross profit	\$1,286.3	\$1,164.0	\$4,972.0	\$4,712.6
Gross margin	21.2 %	21.2 %	21.1 %	21.6 %

Gross profit is a financial measure commonly used in the distribution industry. Gross profit is calculated by deducting cost of goods sold, excluding depreciation and amortization, from net sales. Gross margin is calculated by dividing gross profit by net sales.

Business Unit Gross Profit and Gross Margin

(\$ Millions)

Electrical & Electronic Solutions (EES)⁽¹⁾

	Three Months Ended	
	December 31, 2025	December 31, 2024
Gross Profit:		
Net sales	\$2,272.9	\$2,082.5
Cost of goods sold (excluding depreciation and amortization)	1,734.7	1,598.5
Gross profit	\$538.2	\$484.0
Gross margin	23.7%	23.2%

Communications & Security Solutions (CSS)⁽¹⁾

	Three Months Ended	
	December 31, 2025	December 31, 2024
Gross Profit:		
Net sales	\$2,424.7	\$2,087.1
Cost of goods sold (excluding depreciation and amortization)	1,914.5	1,652.8
Gross profit	\$510.2	\$434.3
Gross margin	21.0%	20.8%

Utility & Broadband Solutions (UBS)

	Three Months Ended	
	December 31, 2025	December 31, 2024
Gross Profit:		
Net sales	\$1,371.0	\$1,330.1
Cost of goods sold (excluding depreciation and amortization)	1,133.1	1,084.4
Gross profit	\$237.9	\$245.7
Gross margin	17.4%	18.5%

(1) In the first quarter of 2025, a portion of the EES reportable segment was moved to the CSS reportable segment as a result of operational realignment. As a result, the reportable segment financial information for the three months ended December 31, 2024 has been recast to conform to the current year presentation. The recast does not impact previously reported condensed consolidated results.

Gross profit is a financial measure commonly used in the distribution industry. Gross profit is calculated by deducting cost of goods sold, excluding depreciation and amortization, from net sales. Gross margin is calculated by dividing gross profit by net sales.

Business Unit Gross Profit and Gross Margin - Full Year

(\$ Millions)

Electrical & Electronic Solutions (EES)⁽¹⁾

	Twelve Months Ended	
	December 31, 2025	December 31, 2024
Gross Profit:		
Net sales	\$8,955.5	\$8,391.7
Cost of goods sold (excluding depreciation and amortization)	6,877.0	6,401.0
Gross profit	\$2,078.5	\$1,990.7
Gross margin	23.2%	23.7%

Communications & Security Solutions (CSS)⁽¹⁾

	Twelve Months Ended	
	December 31, 2025	December 31, 2024
Gross Profit:		
Net sales	\$9,101.0	\$7,692.1
Cost of goods sold (excluding depreciation and amortization)	7,185.0	6,035.2
Gross profit	\$1,916.0	\$1,656.9
Gross margin	21.1%	21.5%

Utility & Broadband Solutions (UBS)

	Twelve Months Ended	
	December 31, 2025	December 31, 2024
Gross Profit:		
Net sales	\$5,454.4	\$5,735.0
Cost of goods sold (excluding depreciation and amortization)	4,476.9	4,670.0
Gross profit	\$977.5	\$1,065.0
Gross margin	17.9%	18.6%

(1) In the first quarter of 2025, a portion of the EES reportable segment was moved to the CSS reportable segment as a result of operational realignment. As a result, the reportable segment financial information for the year ended December 31, 2024 has been recast to conform to the current year presentation. The recast does not impact previously reported condensed consolidated results.

Gross profit is a financial measure commonly used in the distribution industry. Gross profit is calculated by deducting cost of goods sold, excluding depreciation and amortization, from net sales. Gross margin is calculated by dividing gross profit by net sales.

Free Cash Flow

(\$ Millions)

Twelve Months Ended

December 31, 2025

Cash flow provided by operations	\$125.0
Less: Capital expenditures	(99.8)
Add: Other adjustments	28.6
Free cash flow	\$53.8
<hr/>	
Adjusted net income	\$668.5
Percentage of adjusted net income	8.0 %

Free cash flow is a non-GAAP financial measure of liquidity. Capital expenditures are deducted from operating cash flow to determine free cash flow. Free cash flow is available to fund investing and financing activities. For the twelve months ended December 31, 2025, the Company paid for certain costs related to digital transformation and restructuring. Such expenditures have been added back to operating cash flow to determine free cash flow for such periods. Our calculation of free cash flow may not be comparable to similar measures used by other companies.

Net Working Capital - December 31, 2025

(\$ Millions)	As of				Four-Quarter Average as of December 31, 2025
	March 31, 2025	June 30, 2025	September 30, 2025	December 31, 2025	
Trade accounts receivable, net	\$3,641.3	\$3,942.8	\$4,204.2	\$4,069.6	
Inventories	3,740.2	3,971.2	4,059.1	4,008.8	
Accounts payable	3,025.8	3,291.4	3,375.1	3,030.5	
Net working capital	\$4,355.7	\$4,622.6	\$4,888.2	\$5,047.9	\$4,728.6

	Three Months Ended				Twelve Months Ended December 31, 2025
	March 31, 2025	June 30, 2025	September 30, 2025	December 31, 2025	
Net sales	\$5,343.7	\$5,899.6	\$6,199.1	\$6,068.6	\$23,510.9
Average net working capital % of TTM December 31, 2025 net sales					
	20.1 %				

Net working capital is a non-GAAP financial measure of short-term liquidity. Net working capital is calculated by subtracting accounts payable from the sum of trade accounts receivable, net and inventories. Net working capital represents our ability to fund our short-term operational expenses. Our calculation of net working capital may not be comparable to similar measures used by other companies.

Net Working Capital - December 31, 2024

(\$ Millions)	As of				Four-Quarter Average as of December 31, 2024
	March 31, 2024	June 30, 2024	September 30, 2024	December 31, 2024	
Trade accounts receivable, net	\$3,526.7	\$3,654.6	\$3,629.1	\$3,454.4	
Inventories	3,525.4	3,505.8	3,630.1	3,501.7	
Accounts payable	2,974.3	2,688.9	2,839.1	2,670.6	
Net working capital	\$4,077.8	\$4,471.5	\$4,420.1	\$4,285.5	\$4,313.7

	Three Months Ended				Twelve Months Ended December 31, 2024
	March 31, 2024	June 30, 2024	September 30, 2024	December 31, 2024	
Net sales	\$5,350.0	\$5,479.7	\$5,489.4	\$5,499.7	\$21,818.8

Average net working capital % of TTM December 31, 2024 net sales	19.8 %
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Net working capital is a non-GAAP financial measure of short-term liquidity. Net working capital is calculated by subtracting accounts payable from the sum of trade accounts receivable, net and inventories. Net working capital represents our ability to fund our short-term operational expenses. Our calculation of net working capital may not be comparable to similar measures used by other companies.

Net Working Capital - December 31, 2023

(\$ Millions)	As of				Four-Quarter Average as of December 31, 2023
	March 31, 2023	June 30, 2023	September 30, 2023	December 31, 2023	
Trade accounts receivable, net	\$3,807.4	\$3,850.7	\$3,795.0	\$3,639.5	
Inventories	3,729.5	3,584.3	3,541.4	3,572.1	
Accounts payable	2,648.3	2,662.7	2,650.0	2,431.5	
Net working capital	\$4,888.6	\$4,772.3	\$4,686.4	\$4,780.1	\$4,781.9

	Three Months Ended				Twelve Months Ended December 31, 2023
	March 31, 2023	June 30, 2023	September 30, 2023	December 31, 2023	
Net sales	\$5,521.9	\$5,745.5	\$5,644.4	\$5,473.4	\$22,385.2

Average net working capital % of TTM December 31, 2023 net sales	21.4 %
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Net working capital is a non-GAAP financial measure of short-term liquidity. Net working capital is calculated by subtracting accounts payable from the sum of trade accounts receivable, net and inventories. Net working capital represents our ability to fund our short-term operational expenses. Our calculation of net working capital may not be comparable to similar measures used by other companies.

Adjusted EBITDA – Q4 2025

EBITDA and Adjusted EBITDA by Segment

(\$ Millions)

	Three Months Ended December 31, 2025				
	EES	CSS	UBS	Corporate	Total
Net income attributable to common stockholders	\$176.0	\$168.1	\$122.3	\$(301.2)	\$165.2
Net income (loss) attributable to noncontrolling interests	0.1	1.0	—	(0.1)	1.0
Gain on redemption of Series A Preferred Stock	—	—	—	(5.3)	(5.3)
Provision for income taxes ⁽¹⁾	—	—	—	57.6	57.6
Interest expense, net ⁽¹⁾	—	—	—	108.6	108.6
Depreciation and amortization	13.3	20.2	9.4	8.8	51.7
EBITDA	\$189.4	\$189.3	\$131.7	\$(131.6)	\$378.8
Other expense (income), net	3.3	30.7	—	(36.5)	(2.5)
Stock-based compensation expense	1.0	1.3	0.4	8.5	11.2
Digital transformation costs ⁽²⁾	—	—	—	11.0	11.0
Cloud computing arrangement amortization ⁽³⁾	—	—	—	10.1	10.1
Adjusted EBITDA	\$193.7	\$221.3	\$132.1	\$(138.5)	\$408.6
Adjusted EBITDA margin %	8.5 %	9.1 %	9.6 %		6.7 %

(1) The reportable segments do not incur income taxes and interest expense as these costs are centrally controlled through the Corporate tax and treasury functions.

(2) Digital transformation costs include costs associated with certain digital transformation initiatives.

(3) Cloud computing arrangement amortization consists of expense recognized in selling, general and administrative expenses for capitalized implementation costs for cloud computing arrangements to support our digital transformation initiatives.

EBITDA, Adjusted EBITDA and Adjusted EBITDA margin % are non-GAAP financial measures that provide indicators of the Company's performance and its ability to meet debt service requirements. For the three months ended December 31, 2025, Adjusted EBITDA is defined as earnings before interest, taxes, depreciation and amortization before other non-operating expenses (income), non-cash stock-based compensation expense, digital transformation costs, and cloud computing arrangement amortization.

Adjusted EBITDA – Q4 2024

EBITDA and Adjusted EBITDA by Segment

(\$ Millions)	Three Months Ended December 31, 2024				
	EES ⁽¹⁾	CSS ⁽¹⁾	UBS	Corporate	Total
Net income attributable to common stockholders	\$157.9	\$130.9	\$135.3	\$(273.1)	\$151.0
Net income (loss) attributable to noncontrolling interests	0.2	0.4	—	(0.1)	0.5
Preferred stock dividends	—	—	—	14.4	14.4
Provision for income taxes ⁽²⁾	—	—	—	43.5	43.5
Interest expense, net ⁽²⁾	—	—	—	85.1	85.1
Depreciation and amortization	11.8	17.7	7.2	8.9	45.6
EBITDA	\$169.9	\$149.0	\$142.5	\$(121.3)	\$340.1
Other (income) expense, net	(4.6)	21.2	0.8	(10.8)	6.6
Stock-based compensation expense	1.1	1.6	0.8	5.8	9.3
Digital transformation costs ⁽³⁾	—	—	—	7.4	7.4
Cloud computing arrangement amortization ⁽⁴⁾	—	—	—	4.4	4.4
Restructuring costs ⁽⁵⁾	—	—	—	2.6	2.6
Excise taxes on excess pension plan assets ⁽⁶⁾	—	—	—	0.1	0.1
Adjusted EBITDA	\$166.4	\$171.8	\$144.1	\$(111.8)	\$370.5
Adjusted EBITDA margin %	8.0 %	8.2 %	10.8 %		6.7 %

(1) In the first quarter of 2025, a portion of the EES reportable segment was moved to the CSS reportable segment as a result of operational realignment. As a result, the reportable segment financial information for the three months ended December 31, 2024 has been recast to conform to the current year presentation. The recast does not impact previously reported condensed consolidated results.

(2) The reportable segments do not incur income taxes and interest expense as these costs are centrally controlled through the Corporate tax and treasury functions.

(3) Digital transformation costs include costs associated with certain digital transformation initiatives.

(4) Cloud computing arrangement amortization consists of expense recognized in selling, general and administrative expenses for capitalized implementation costs for cloud computing arrangements to support our digital transformation initiatives.

(5) Restructuring costs include severance costs incurred pursuant to an ongoing restructuring plan.

(6) Excise taxes on excess pension plan assets represent the excise taxes applicable to the excess pension plan assets following the final settlement of the Company's U.S. pension plan.

EBITDA, Adjusted EBITDA and Adjusted EBITDA margin % are non-GAAP financial measures that provide indicators of the Company's performance and its ability to meet debt service requirements. For the three months ended December 31, 2024, Adjusted EBITDA is defined as earnings before interest, taxes, depreciation and amortization before other non-operating expenses (income), non-cash stock-based compensation expense, digital transformation costs, cloud computing arrangement amortization, restructuring costs, and excise taxes on excess pension plan assets represent the excise taxes applicable to the excess pension plan assets following the final settlement of the Company's U.S. pension plan.

Adjusted EBITDA – 2025

EBITDA and Adjusted EBITDA by Segment

(\$ Millions)

	Year Ended December 31, 2025				
	EES	CSS	UBS	Corporate	Total
Net income attributable to common stockholders	\$646.5	\$649.1	\$531.0	\$(1,180.8)	\$645.8
Net income (loss) attributable to noncontrolling interests	0.5	2.9	—	(1.1)	2.3
Gain on redemption of Series A Preferred Stock	—	—	—	(32.9)	(32.9)
Preferred stock dividends	—	—	—	27.3	27.3
Provision for income taxes ⁽¹⁾	—	—	—	213.4	213.4
Interest expense, net ⁽¹⁾	—	—	—	386.7	386.7
Depreciation and amortization	50.5	77.7	32.6	36.8	197.6
EBITDA	\$697.5	\$729.7	\$563.6	\$(550.6)	\$1,440.2
Other expense (income), net	16.0	64.4	(2.6)	(87.4)	(9.6)
Stock-based compensation expense	4.1	5.3	1.8	29.3	40.5
Digital transformation costs ⁽²⁾	—	—	—	35.2	35.2
Cloud computing arrangement amortization ⁽³⁾	—	—	—	30.2	30.2
Adjusted EBITDA	\$717.6	\$799.4	\$562.8	\$(543.3)	\$1,536.5
Adjusted EBITDA margin %	8.0 %	8.8 %	10.3 %		6.5 %

(1) The reportable segments do not incur income taxes and interest expense as these costs are centrally controlled through the Corporate tax and treasury functions.

(2) Digital transformation costs include costs associated with certain digital transformation initiatives.

(3) Cloud computing arrangement amortization consists of expense recognized in selling, general and administrative expenses for capitalized implementation costs for cloud computing arrangements to support our digital transformation initiatives.

EBITDA, Adjusted EBITDA and Adjusted EBITDA margin % are non-GAAP financial measures that provide indicators of the Company's performance and its ability to meet debt service requirements. For the year ended December 31, 2025, Adjusted EBITDA is defined as earnings before interest, taxes, depreciation and amortization before other non-operating expenses (income), non-cash stock-based compensation expense, digital transformation costs, cloud computing arrangement amortization and restructuring costs.

Adjusted EBITDA – 2024

EBITDA and Adjusted EBITDA by Segment

(\$ Millions)

	Year Ended December 31, 2024				
	EES ⁽¹⁾	CSS ⁽¹⁾	UBS	Corporate	Total
Net income attributable to common stockholders	\$641.0	\$496.8	\$733.0	\$(1,210.6)	\$660.2
Net (loss) income attributable to noncontrolling interests	(1.1)	2.3	—	0.6	1.8
Preferred stock dividends	—	—	—	57.4	57.4
Provision for income taxes ⁽²⁾	—	—	—	231.6	231.6
Interest expense, net ⁽²⁾	—	—	—	364.9	364.9
Depreciation and amortization	46.4	71.9	28.5	36.4	183.2
EBITDA	\$686.3	\$571.0	\$761.5	\$(519.7)	\$1,499.1
Other expense (income), net ⁽³⁾	9.1	61.2	(121.2)	(41.8)	(92.7)
Stock-based compensation expense	4.4	6.6	3.1	14.8	28.9
Digital transformation costs ⁽⁴⁾	—	—	—	24.9	24.9
Loss on abandonment of assets ⁽⁵⁾	—	—	—	17.8	17.8
Cloud computing arrangement amortization ⁽⁶⁾	—	—	—	14.1	14.1
Restructuring costs ⁽⁷⁾	—	—	—	12.1	12.1
Excise taxes on excess pension plan assets ⁽⁸⁾	—	—	—	4.9	4.9
Adjusted EBITDA	\$699.8	\$638.8	\$643.4	\$(472.9)	\$1,509.1
Adjusted EBITDA margin %	8.3 %	8.3 %	11.2 %		6.9 %

EBITDA, Adjusted EBITDA and Adjusted EBITDA margin % are non-GAAP financial measures that provide indicators of the Company's performance and its ability to meet debt service requirements. For the year ended December 31, 2024, Adjusted EBITDA is defined as earnings before interest, taxes, depreciation and amortization before other non-operating expenses (income), non-cash stock-based compensation expense, digital transformation costs, loss on abandonment of assets, cloud computing arrangement amortization, restructuring costs and excise taxes on excess pension plan assets related to the final settlement of the Anixter Inc. Pension Plan.

(1) In the first quarter of 2025, a portion of the EES reportable segment was moved to the CSS reportable segment as a result of operational realignment. As a result, the reportable segment financial information for the year ended December 31, 2024 has been recast to conform to the current year presentation. The recast does not impact previously reported condensed consolidated results.

(2) The reportable segments do not incur income taxes and interest expense as these costs are centrally controlled through the Corporate tax and treasury functions.

(3) Other income for the UBS segment includes the gain on the divestiture of the WIS business.

(4) Digital transformation costs include costs associated with certain digital transformation initiatives.

(5) Loss on abandonment of assets represents the write-off of certain capitalized cloud computing arrangement implementation costs relating to a third-party developed operations management software product in favor of an application with functionality that better suits the Company's operation.

(6) Cloud computing arrangement amortization consists of expense recognized in selling, general and administrative expenses for capitalized implementation costs for cloud computing arrangements to support our digital transformation initiatives.

(7) Restructuring costs include severance costs incurred pursuant to an ongoing restructuring plan.

(8) Excise taxes on excess pension plan assets represent the excise taxes applicable to the excess pension plan assets following the final settlement of the Company's U.S. pension plan.

Adjusted SG&A, Income from Operations, Other (Income) Expense, and Provision for Income Taxes

(\$ Millions)	Three Months Ended		Twelve Months Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Adjusted SG&A Expenses:				
Selling, general and administrative expenses	\$910.0	\$817.3	\$3,541.4	\$3,306.2
Digital transformation costs ⁽¹⁾	(11.0)	(7.4)	(35.2)	(24.9)
Restructuring costs ⁽²⁾	—	(2.6)	—	(12.1)
Loss on abandonment of assets ⁽³⁾	—	—	—	(17.8)
Excise taxes on excess pension plan assets ⁽⁴⁾	—	(0.1)	—	(4.9)
Adjusted selling, general and administrative expenses	\$899.0	\$807.2	\$3,506.2	\$3,246.5
Percentage of net sales	14.8 %	14.7 %	14.9 %	14.9 %
Adjusted Income from Operations:				
Income from operations	\$324.6	\$301.1	\$1,233.0	\$1,223.2
Digital transformation costs ⁽¹⁾	11.0	7.4	35.2	24.9
Restructuring costs ⁽²⁾	—	2.6	—	12.1
Loss on abandonment of assets ⁽³⁾	—	—	—	17.8
Excise taxes on excess pension plan assets ⁽⁴⁾	—	0.1	—	4.9
Adjusted income from operations	\$335.6	\$311.2	\$1,268.2	\$1,282.9
Adjusted income from operations margin %	5.5 %	5.7 %	5.4 %	5.9 %
Adjusted Other (Income) Expense, net:				
Other (income) expense, net	\$(2.5)	\$6.6	\$(9.6)	\$(92.7)
Loss on termination of business arrangement ⁽⁵⁾	—	0.2	(0.3)	(3.6)
Pension settlement cost ⁽⁶⁾	—	0.8	—	(2.5)
Gain on divestiture	—	—	—	122.2
Adjusted other (income) expense, net	\$(2.5)	\$7.6	\$(9.9)	\$23.4
Adjusted Provision for Income Taxes:				
Provision for income taxes	\$57.6	\$43.5	\$213.4	\$231.6
Income tax effect of adjustments to income from operations and other (income) expense, net ⁽⁷⁾	3.0	2.7	9.5	(14.8)
Adjusted provision for income taxes	\$60.6	\$46.2	\$222.9	\$216.8

(1) Digital transformation costs include costs associated with certain digital transformation initiatives.

(2) Restructuring costs include severance costs incurred pursuant to an ongoing restructuring plan.

(3) Loss on abandonment of assets represents the write-off of certain capitalized cloud computing arrangement implementation costs relating to a third-party developed operations management software product in favor of an application with functionality that better suits the Company's operations.

(4) Excise taxes on excess pension plan assets represent the excise taxes applicable to the excess pension plan assets following the final settlement of the Company's U.S. pension plan.

(5) Loss on termination of business arrangement represents the loss recognized as a result of management's decision to terminate a business arrangement with a third party.

(6) Pension settlement cost represents expense related to the settlement of the Company's U.S. pension plan.

(7) The adjustments to income from operations and other (income) expense, net have been tax effected at rates of 27.1% and 26.6% for the three and twelve months ended December 31, 2025, respectively, and 29.7% and 26.2% for the three and twelve months ended December 31, 2024, respectively.

Adjusted Net Income Attributable to Common Stockholders

(\$ Millions)	Three Months Ended		Twelve Months Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Adjusted Net Income Attributable to Common Stockholders:				
Net income attributable to common stockholders	\$165.2	\$151.0	\$645.8	\$660.2
Digital transformation costs ⁽¹⁾	11.0	7.4	35.2	24.9
Restructuring costs ⁽²⁾	—	2.6	—	12.1
Loss on abandonment of assets ⁽³⁾	—	—	—	17.8
Excise taxes on excess pension plan assets ⁽⁴⁾	—	0.1	—	4.9
Gain on divestiture	—	—	—	(122.2)
Loss on termination of business arrangement ⁽⁵⁾	—	(0.2)	0.3	3.6
Pension settlement cost ⁽⁶⁾	—	(0.8)	—	2.5
Income tax effect of adjustments to income from operations and other (income) expense, net ⁽⁷⁾	(3.0)	(2.7)	(9.5)	14.8
Gain on redemption of Series A Preferred Stock	(5.3)	—	(32.9)	—
Adjusted net income attributable to common stockholders	\$167.9	\$157.4	\$638.9	\$618.6

(1) Digital transformation costs include costs associated with certain digital transformation initiatives.

(2) Restructuring costs include severance costs incurred pursuant to an ongoing restructuring plan.

(3) Loss on abandonment of assets represents the write-off of certain capitalized cloud computing arrangement implementation costs relating to a third-party developed operations management software product in favor of an application with functionality that better suits the Company's operations.

(4) Excise taxes on excess pension plan assets represent the excise taxes applicable to the excess pension plan assets following the final settlement of the Company's U.S. pension plan.

(5) Loss on termination of business arrangement represents the loss recognized as a result of management's decision to terminate a business arrangement with a third party.

(6) Pension settlement cost represents expense related to the final settlement of the Company's U.S. pension plan. Reduction to pension settlement cost during the three months ended December 31, 2024 represents income as a result of the finalization of the liabilities transferred as part of the settlement of the Company's U.S. pension plan.

(7) The adjustments to income from operations and other (income) expense, net have been tax effected at rates of 27.1% and 26.6% for the three and twelve months ended December 31, 2025, respectively, and 29.7% and 26.2% for the three and twelve months ended December 31, 2024, respectively.

Adjusted Earnings Per Diluted Share

(\$ Millions, except for per share data)

	Three Months Ended		Twelve Months Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Adjusted income from operations	\$335.6	\$311.2	\$1,268.2	\$1,282.9
Interest expense, net	108.6	85.1	386.7	364.9
Adjusted other (income) expense, net	(2.5)	7.6	(9.9)	23.4
Adjusted income before income taxes	229.5	218.5	891.4	894.6
Adjusted provision for income taxes	60.6	46.2	222.9	216.8
Adjusted net income	168.9	172.3	668.5	677.8
Net income attributable to noncontrolling interests	1.0	0.5	2.3	1.8
Adjusted net income attributable to WESCO International, Inc.	167.9	171.8	666.2	676.0
Preferred stock dividends	—	14.4	27.3	57.4
Adjusted net income attributable to common stockholders	\$167.9	\$157.4	\$638.9	\$618.6
Diluted shares	49.4	49.8	49.5	50.6
Adjusted earnings per diluted share	\$3.40	\$3.16	\$12.91	\$12.23

For the three months ended December 31, 2025, SG&A expenses, income from operations, other non-operating expense (income), the provision for income taxes, net income attributable to common stockholders and earnings per diluted share have been adjusted to exclude digital transformation costs, restructuring costs, the loss on termination of business arrangement, and the related income tax effects, and the gain on redemption of the Company's Series A Preferred Stock. For the three and twelve months ended December 31, 2024, SG&A expenses, income from operations, other non-operating (income) expense, the provision for income taxes, net income attributable to common stockholders, and earnings per diluted share have been adjusted to exclude digital transformation costs, the loss on abandonment of assets, restructuring costs, excise taxes on excess pension plan assets, the gain recognized on the divestiture of the WIS business, the loss on termination of business arrangement, pension settlement cost, and the related income tax effects.

Financial Leverage

(\$ Millions, except ratios)

Net income attributable to common stockholders

Net income attributable to noncontrolling interests

Gain on redemption of Series A Preferred Stock

Preferred stock dividends

Provision for income taxes

Interest expense, net

Depreciation and amortization

EBITDA

Other income, net

Stock-based compensation expense

Digital transformation costs⁽¹⁾

Cloud computing arrangement amortization⁽²⁾

Restructuring costs⁽³⁾

Loss on abandonment of assets⁽⁴⁾

Excise taxes on excess pension plan assets costs⁽⁵⁾

Adjusted EBITDA

Short-term debt and current portion of long-term debt, net

Long-term debt, net

Debt discount and debt issuance costs⁽⁶⁾

Fair value adjustments to the Anixter Senior Notes⁽⁶⁾

Total debt

Less: Cash and cash equivalents

Total debt, net of cash

Financial leverage ratio

	Twelve Months Ended	
	December 31, 2025	December 31, 2024
Net income attributable to common stockholders	\$645.8	\$660.2
Net income attributable to noncontrolling interests	2.3	1.8
Gain on redemption of Series A Preferred Stock	(32.9)	—
Preferred stock dividends	27.3	57.4
Provision for income taxes	213.4	231.6
Interest expense, net	386.7	364.9
Depreciation and amortization	197.6	183.2
EBITDA	\$1,440.2	\$1,499.1
Other income, net	(9.6)	(92.7)
Stock-based compensation expense	40.5	28.9
Digital transformation costs ⁽¹⁾	35.2	24.9
Cloud computing arrangement amortization ⁽²⁾	30.2	14.1
Restructuring costs ⁽³⁾	—	12.1
Loss on abandonment of assets ⁽⁴⁾	—	17.8
Excise taxes on excess pension plan assets costs ⁽⁵⁾	—	4.9
Adjusted EBITDA	\$1,536.5	\$1,509.1
	As of	
	December 31, 2025	December 31, 2024
Short-term debt and current portion of long-term debt, net	\$25.0	\$19.5
Long-term debt, net	5,756.4	5,045.5
Debt discount and debt issuance costs ⁽⁶⁾	48.0	47.2
Fair value adjustments to the Anixter Senior Notes ⁽⁶⁾	—	(0.1)
Total debt	5,829.4	5,112.1
Less: Cash and cash equivalents	604.8	702.6
Total debt, net of cash	\$5,224.6	\$4,409.5
Financial leverage ratio	3.4	2.9

Financial leverage is a non-GAAP measure of the use of debt. Financial leverage ratio is calculated by dividing total debt, excluding debt discount, debt issuance costs and fair value adjustments, net of cash, by adjusted EBITDA. EBITDA is defined as the trailing twelve months earnings before interest, taxes, depreciation and amortization. Adjusted EBITDA is defined as the trailing twelve months EBITDA before other non-operating expense (income), non-cash stock-based compensation expense, digital transformation costs, cloud computing arrangement amortization, restructuring costs, loss on abandonment of assets, and excise taxes on excess pension plan assets related to the final settlement of the Anixter Inc. Pension Plan.



(1) Digital transformation costs include costs associated with certain digital transformation initiatives.

(2) Cloud computing arrangement amortization consists of expense recognized in selling, general and administrative expenses for capitalized implementation costs for cloud computing arrangements to support our digital transformation initiatives.

(3) Restructuring costs include severance costs incurred pursuant to an ongoing restructuring plan.

(4) Loss on abandonment of assets represents the write-off of certain capitalized cloud computing arrangement implementation costs relating to a third-party developed operations management software product in favor of an application with functionality that better suits the Company's operations.

(5) Excise taxes on excess pension plan assets represent the excise taxes applicable to the excess pension plan assets following the final settlement of the Company's U.S. pension plan.

(6) Debt is presented in the condensed consolidated balance sheets net of debt issuance and debt discount costs, and includes adjustments to record the long-term debt assumed in the merger with Anixter at its acquisition date fair value.

Inter-Segment Business Transfer – 1Q24 and 2Q24

Recast results for EES and CSS

(\$ Millions)	Three Months Ended March 31, 2024				(\$ Millions)	Three Months Ended June 30, 2024			
	EES	CSS	UBS	Reportable Segments Total		EES	CSS	UBS	Reportable Segments Total
Net sales	\$2,064.3	\$1,704.8	\$1,580.9	\$5,350.0	Net sales	\$2,134.5	\$1,904.3	\$1,440.9	\$5,479.7
Less: Cost of goods sold (excluding depreciation and amortization)	1,580.9	1,333.6	1,297.6	4,212.1	Less: Cost of goods sold (excluding depreciation and amortization)	1,623.1	1,492.0	1,166.6	4,281.7
Selling, general and administrative payroll expenses⁽¹⁾⁽³⁾	212.7	149.6	68.0	430.3	Selling, general and administrative payroll expenses⁽¹⁾⁽³⁾	212.6	157.0	58.2	427.8
Other segment items⁽²⁾	108.9	90.4	45.9	245.2	Other segment items⁽²⁾	108.6	99.8	42.6	251.0
Adjusted EBITDA	\$161.8	\$131.2	\$169.4	\$462.4	Adjusted EBITDA	\$190.2	\$155.5	\$173.5	\$519.2
Adjusted EBITDA margin %	7.8 %	7.7 %	10.7 %		Adjusted EBITDA margin %	8.9 %	8.2 %	12.0 %	

(1) Selling, general and administrative payroll expenses includes salaries, benefits, commissions, incentives, temporary labor, and other payroll expenses.

(2) Other segment items primarily includes allocated expenses (which includes employee-related allocations), transportation costs, facility costs (including rent and utilities), employee expenses (including travel and entertainment), credit losses, professional and consulting fees, supplies, real estate and personal property taxes, sales promotion expenses, and gains (losses) on the sale, disposal, or abandonment of property and equipment.

(3) Stock-based compensation expense is excluded from selling, general and administrative payroll expenses, as this is an adjustment to calculate adjusted EBITDA.

(1) Selling, general and administrative payroll expenses includes salaries, benefits, commissions, incentives, temporary labor, and other payroll expenses.

(2) Other segment items primarily includes allocated expenses (which includes employee-related allocations), transportation costs, facility costs (including rent and utilities), employee expenses (including travel and entertainment), credit losses, professional and consulting fees, supplies, real estate and personal property taxes, sales promotion expenses, and gains (losses) on the sale, disposal, or abandonment of property and equipment.

(3) Stock-based compensation expense is excluded from selling, general and administrative payroll expenses, as this is an adjustment to calculate adjusted EBITDA.

Inter-Segment Business Transfer – 3Q24 and 4Q24

Recast results for EES and CSS

(\$ Millions)	Three Months Ended September 30, 2024				(\$ Millions)	Three Months Ended December 31, 2024			
	EES	CSS	UBS	Reportable Segments Total		EES	CSS	UBS	Reportable Segments Total
Net sales	\$2,110.4	\$1,995.9	\$1,383.1	\$5,489.4	Net sales	\$2,082.5	\$2,087.1	\$1,330.1	\$5,499.7
Less: Cost of goods sold (excluding depreciation and amortization)	1,598.6	1,556.7	1,121.4	4,276.7	Less: Cost of goods sold (excluding depreciation and amortization)	1,598.5	1,652.8	1,084.4	4,335.7
Selling, general and administrative payroll expenses⁽¹⁾⁽³⁾	216.8	160.4	60.9	438.1	Selling, general and administrative payroll expenses⁽¹⁾⁽³⁾	200.0	159.6	57.8	417.4
Other segment items⁽²⁾	113.7	98.6	44.3	256.6	Other segment items⁽²⁾	117.6	102.9	43.8	264.3
Adjusted EBITDA	\$181.3	\$180.2	\$156.5	\$518.0	Adjusted EBITDA	\$166.4	\$171.8	\$144.1	\$482.3
Adjusted EBITDA margin %	8.6 %	9.0 %	11.3 %		Adjusted EBITDA margin %	8.0 %	8.2 %	10.8 %	

(1) Selling, general and administrative payroll expenses includes salaries, benefits, commissions, incentives, temporary labor, and other payroll expenses.

(2) Other segment items primarily includes allocated expenses (which includes employee-related allocations), transportation costs, facility costs (including rent and utilities), employee expenses (including travel and entertainment), credit losses, professional and consulting fees, supplies, real estate and personal property taxes, sales promotion expenses, and gains (losses) on the sale, disposal, or abandonment of property and equipment.

(3) Stock-based compensation expense is excluded from selling, general and administrative payroll expenses, as this is an adjustment to calculate adjusted EBITDA.

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(3) Stock-based compensation expense is excluded from selling, general and administrative payroll expenses, as this is an adjustment to calculate adjusted EBITDA.

Inter-Segment Business Transfer – FY23 and FY24

Recast results for EES and CSS

(\$ Millions)	Year Ended December 31, 2023				(\$ Millions)	Year Ended December 31, 2024			
	EES	CSS	UBS	Reportable Segments Total		EES	CSS	UBS	Reportable Segments Total
Net sales	\$8,449.8	\$7,312.7	\$6,622.7	\$22,385.2	Net sales	\$8,391.7	\$7,692.1	\$5,735.0	\$21,818.8
Less: Cost of goods sold (excluding depreciation and amortization)	6,455.7	5,645.1	5,440.7	17,541.5	Less: Cost of goods sold (excluding depreciation and amortization)	6,401.0	6,035.2	4,670.0	17,106.2
Selling, general and administrative payroll expenses⁽¹⁾⁽³⁾	861.0	605.2	275.5	1,741.7	Selling, general and administrative payroll expenses⁽¹⁾⁽³⁾	842.1	626.6	244.9	1,713.6
Other segment items⁽²⁾	426.9	357.4	167.2	951.5	Other segment items⁽²⁾	448.8	391.5	176.7	1,017.0
Adjusted EBITDA	\$706.2	\$705.0	\$739.3	\$2,150.5	Adjusted EBITDA	\$699.8	\$638.8	\$643.4	\$1,982.0
Adjusted EBITDA margin %	8.4 %	9.6 %	11.2 %		Adjusted EBITDA margin %	8.3 %	8.3 %	11.2 %	

(1) Selling, general and administrative payroll expenses includes salaries, benefits, commissions, incentives, temporary labor, and other payroll expenses.

(2) Other segment items primarily includes allocated expenses (which includes employee-related allocations), transportation costs, facility costs (including rent and utilities), employee expenses (including travel and entertainment), credit losses, professional and consulting fees, supplies, real estate and personal property taxes, sales promotion expenses, and gains (losses) on the sale, disposal, or abandonment of property and equipment.

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