Benchmark Electronics, Inc.

Q1 2018 Earnings

April 25, 2018

Forward-Looking Statements

This document contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. The words "expect," "estimate," "anticipate," "predict" and similar expressions, and the negatives thereof, often identify forward-looking statements, which are not limited to historical facts. Forward-looking statements include, among other things: guidance for 2018 results; statements, express or implied, concerning future operating results or margins, the ability to generate sales and income or cash flow; and Benchmark's business and growth strategies and expected growth and performance. Although Benchmark believes these statements are based upon reasonable assumptions, they involve risks and uncertainties relating to operations, markets and the business environment generally. If one or more of these risks or uncertainties materializes, or underlying assumptions prove incorrect, actual outcomes may vary materially from those indicated. Readers are advised to consult further disclosures on these risks and uncertainties, particularly in Item 1A, "Risk Factors", of the Company's Annual Report on Form 10-K for the year ended December 31, 2017 and in its subsequent filings with the Securities and Exchange Commission. All forward-looking statements included in this document are based upon information available to the Company as of the date of this document, and it assumes no obligation to update them.

Non-GAAP Financial Information

This document includes certain financial measures that exclude items and therefore are not in accordance with U.S. generally accepted accounting principles ("GAAP"). A detailed reconciliation between GAAP results and results excluding special items ("non-GAAP") is included in the Appendix of this document. Management discloses non-GAAP information to provide investors with additional information to analyze the Company's performance and underlying trends. 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", 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.

Implementation of ASC 606 – Revenue from Contracts with Customers

Effective January 1, 2018, the Company implemented ASC 606 the accounting standard governing “Revenue from Contracts with Customers” using the full retrospective transition method. Under ASC 606, revenue is recognized as or when the customer obtains control of the goods or services promised in a contract. Given the nature of the terms and conditions in substantially all of the Company’s customer contracts, the Company now recognizes revenue over time (beginning at work-in-process (“WIP”)) for the majority of its contracts. This is a change in the timing of revenue recognition from a historical perspective. The effect of implementing ASC 606, is a reduction in revenue by less than $500K for Q1 2018. All historical financial information represented in this presentation have been adjusted to reflect the retrospective implementation of ASC 606.

As part of ASC 606, we are also required to reclassify finished goods and WIP meeting “the over time criteria” from inventory to a new line item called contract assets on the face of the balance sheet. Contract assets are defined as the Company’s right to consideration for work completed but not billed.

CEO Update

First Quarter 2018 Summary

Operational performance

- Revenue and non-GAAP EPS exceeded the high end of Q1 guidance
- Year-over-year revenue growth of 9% driven by higher-value markets
- Non-GAAP gross margins expanded for the quarter to 9.5%
- Delivered $0.41 non-GAAP EPS for the quarter

Working capital

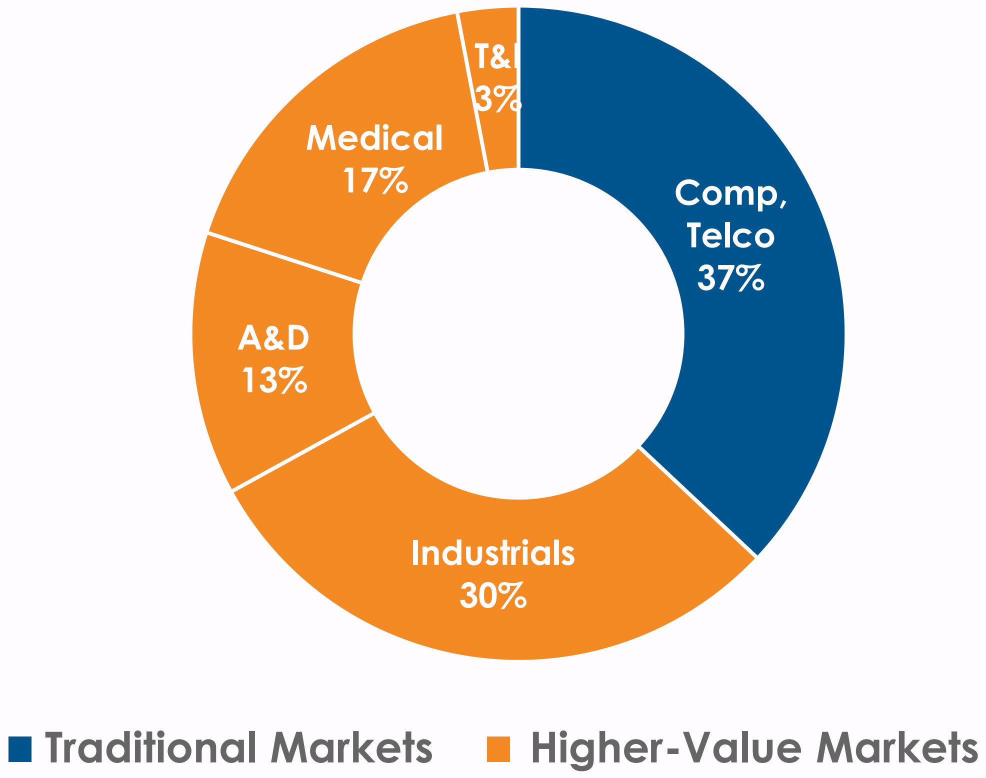
- Cash conversion cycle of 68 days ending Q1
- At the low end of the target range of 73 to 68 days

Cash flow and improving ROIC

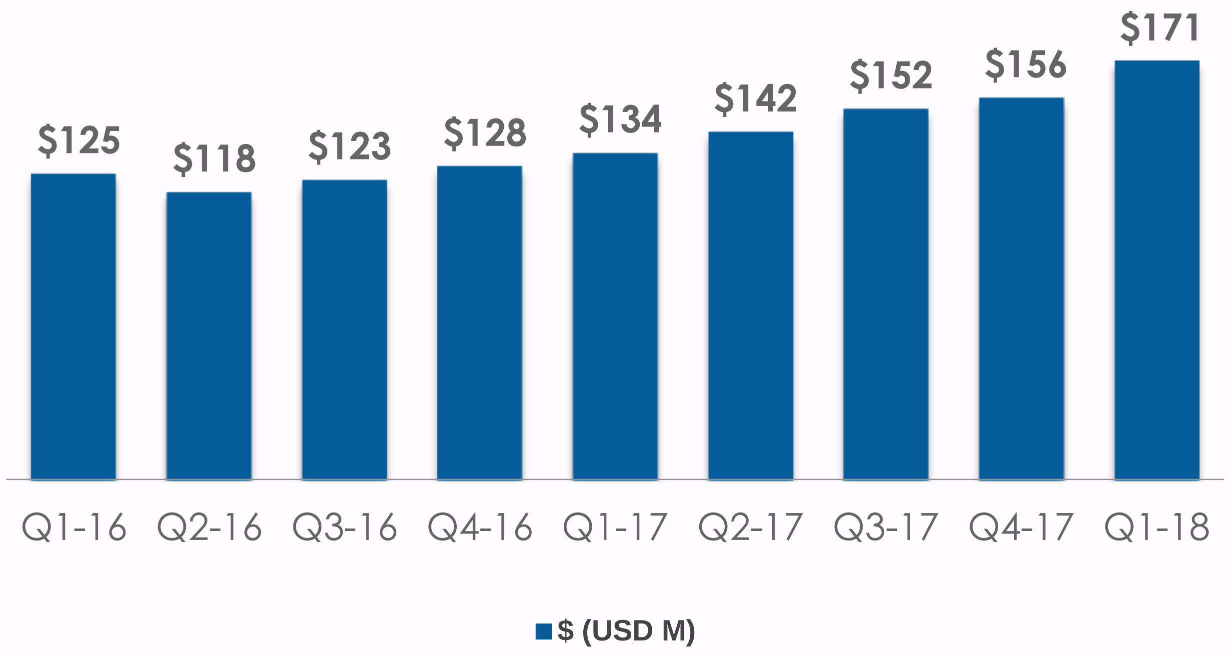
- Operating cash flow of $25 million in the quarter
- ROIC of 11.2%, up 90 bps quarter-over-quarter and 230 bps year-over-year

New Business Wins with Focus on Market Sector Sales

Q1 2018 New Business Wins by Segment



Estimated Annual Revenue from New Business Wins



Q1 New Business Wins Highlights:

- 32 manufacturing and 17 engineering project awards
- Estimated annual revenue run rate between $141 – 201 million
- Strong bookings in Industrials and Telco

2018 Optimization Year: Leverage Investments

Extend value proposition for customers

- Expanding microelectronics
- Investing in RF components
- Developing high-speed circuits

Expand engineering and technology investments

- Defense solutions
- RF module design
- Surveillance systems
- IoT front-end architecture

Elevate operational execution

- Lean and Six Sigma
- Standard processes
- Equipment and tools

Q2 Guidance – Convergence of Timing Dynamics Impacting Financials

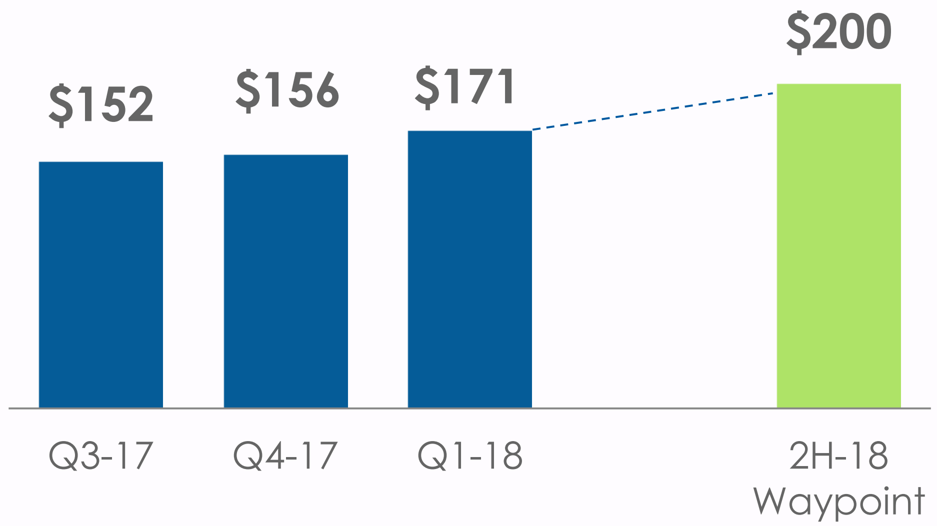
- Mix shifts primarily in the Medical sector due to product transition timing
- New customer ramp headwinds impacting execution
- Planned investments in engineering and solutions

	Guidance
Net Sales (in millions)	$590– $630
Diluted EPS – non-GAAP*	$0.26 – $0.34

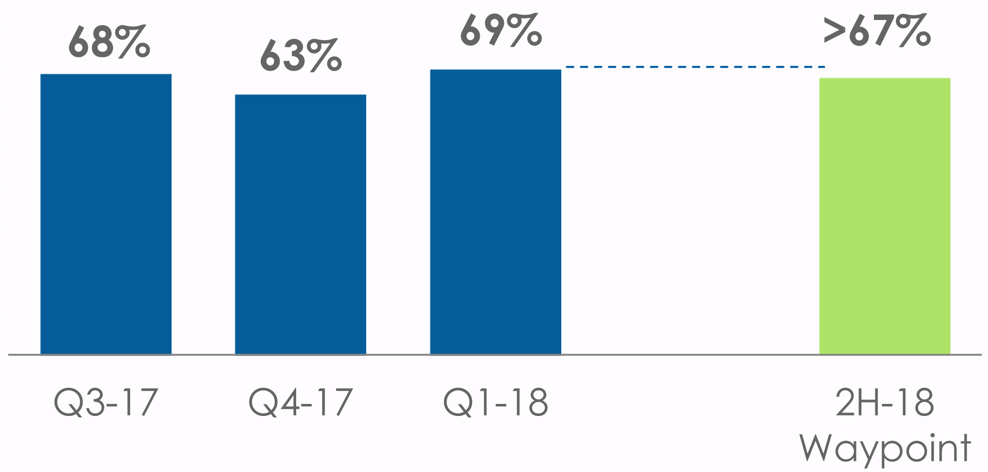
* The above guidance excludes the impact of amortization of intangible assets and estimated restructuring charges

Progress Milestones 2H-18

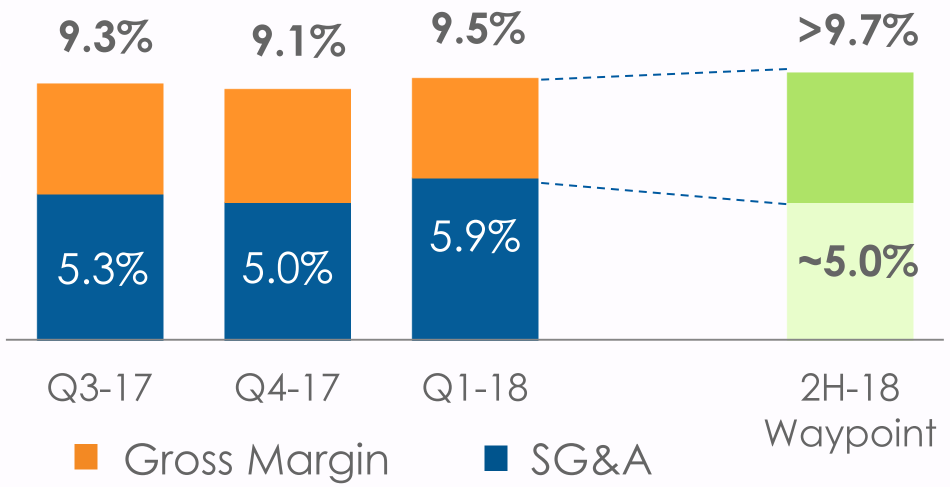
Bookings ($M)



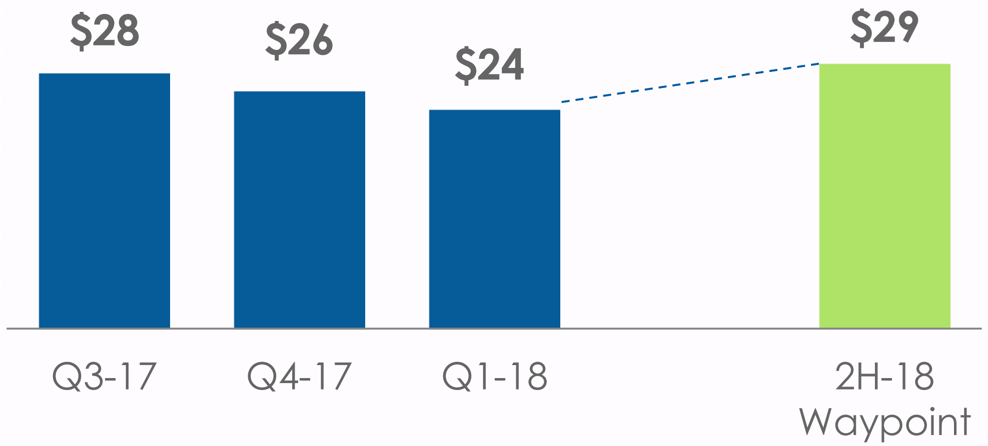
Higher-Value Market Revenue Mix



Gross Margin & SG&A (%)



LTM Profit per Square Foot ($)



*Waypoint represents LTM target based on non-GAAP Operating Income

Q1 2018
Financial Highlights

First Quarter 2018 Financial Summary

(In millions, except EPS)	For the Three Months Ended Mar. 31, 2018	Dec. 31, 2017	Q/Q	Mar. 31, 2017	Y/Y
Net Sales	$608	$666	(9%)	$558	9%
GAAP Operating Margin	3.0%	3.3%	(30 bps)	2.0%	100 bps
GAAP Diluted EPS	($0.49)	($1.54)	68%	$0.17	(388%)
Non-GAAP Operating Margin	3.7%	4.1%	(40 bps)	3.6%	10 bps
Non-GAAP Diluted EPS	$0.41	$0.49	(16%)	$0.32	28%
GAAP ROIC	9.1%	8.1%	100 bps	7.3%	180 bps
Non-GAAP ROIC	11.2%	10.3%	90 bps	8.9%	230 bps

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

Our Guidance for the First Quarter:

- Revenue (in millions) $585 – $605
- Diluted EPS – non-GAAP $0.34 – $0.38

Revenue by Market Sector

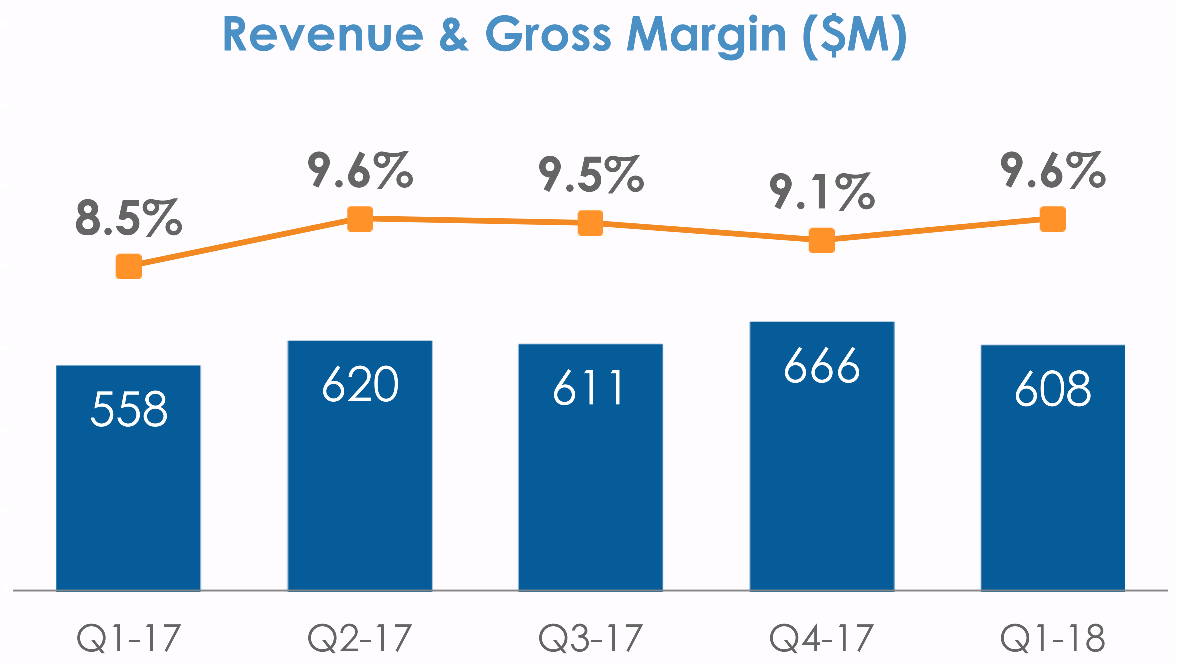
For the Three Months Ended

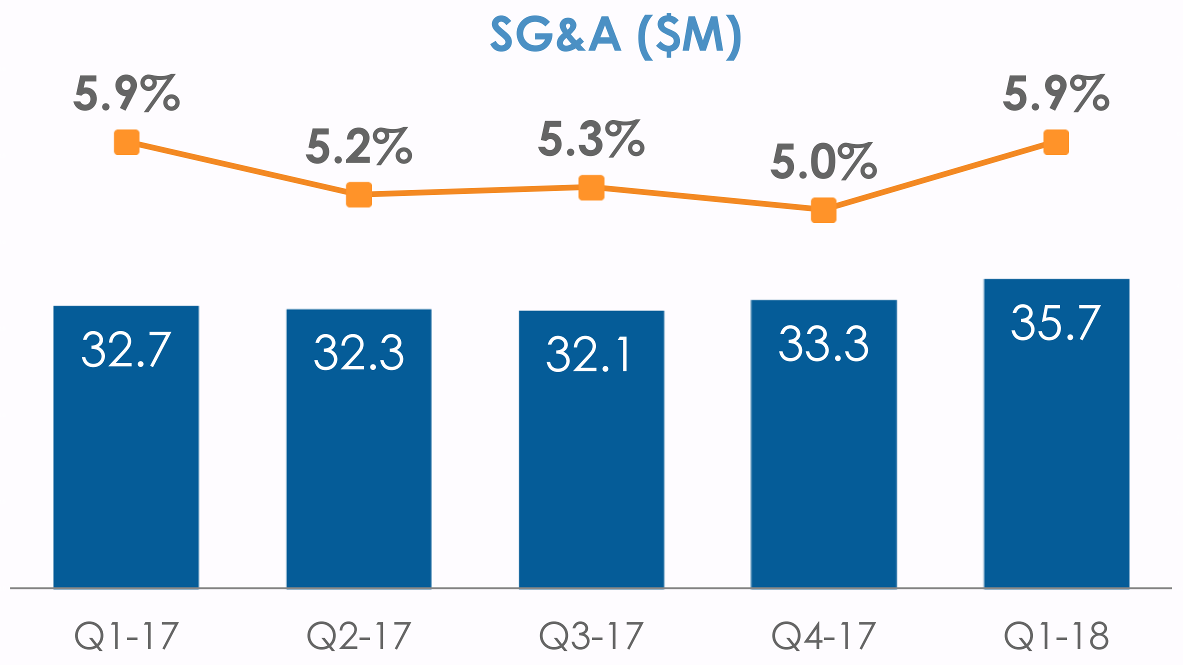
Higher-Value Markets	Mar. 31, 2018 (1)		Dec. 31, 2017 (1)		Q/Q	Mar. 31, 2017 (1)		Y/Y
Industrials	20%	$125	19%	$129	(3%)	21%	$117	6%
Aerospace & Defense	16%	$98	15%	$95	3%	18%	$100	(2%)
Medical	16%	$97	15%	$100	(3%)	15%	$85	15%
Test & Instrument.	17%	$102	14%	$93	10%	14%	$76	35%
Total Revenue		$422		$417	1%		$378	12%

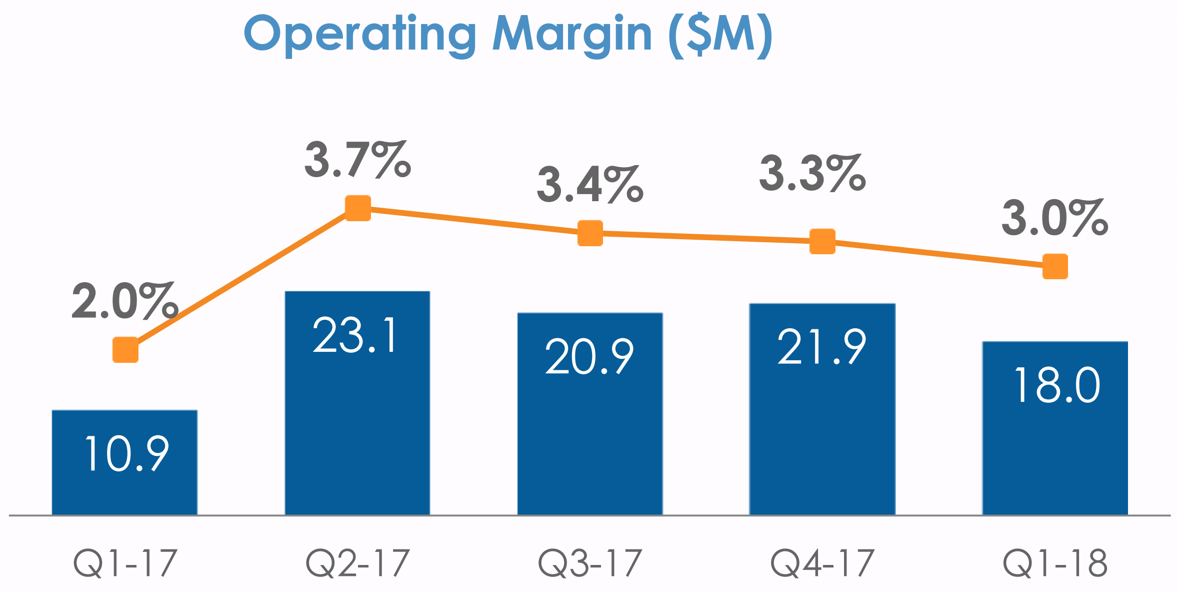
Traditional Markets	Mar. 31, 2018 (1)		Dec. 31, 2017 (1)		Q/Q	Mar. 31, 2017 (1)		Y/Y
Computing	17%	$103	26%	$172	(40%)	18%	$100	3%
Telecommunications	14%	$83	11%	$77	7%	14%	$80	3%
Total Revenue		$186		$249	(25%)		$180	3%

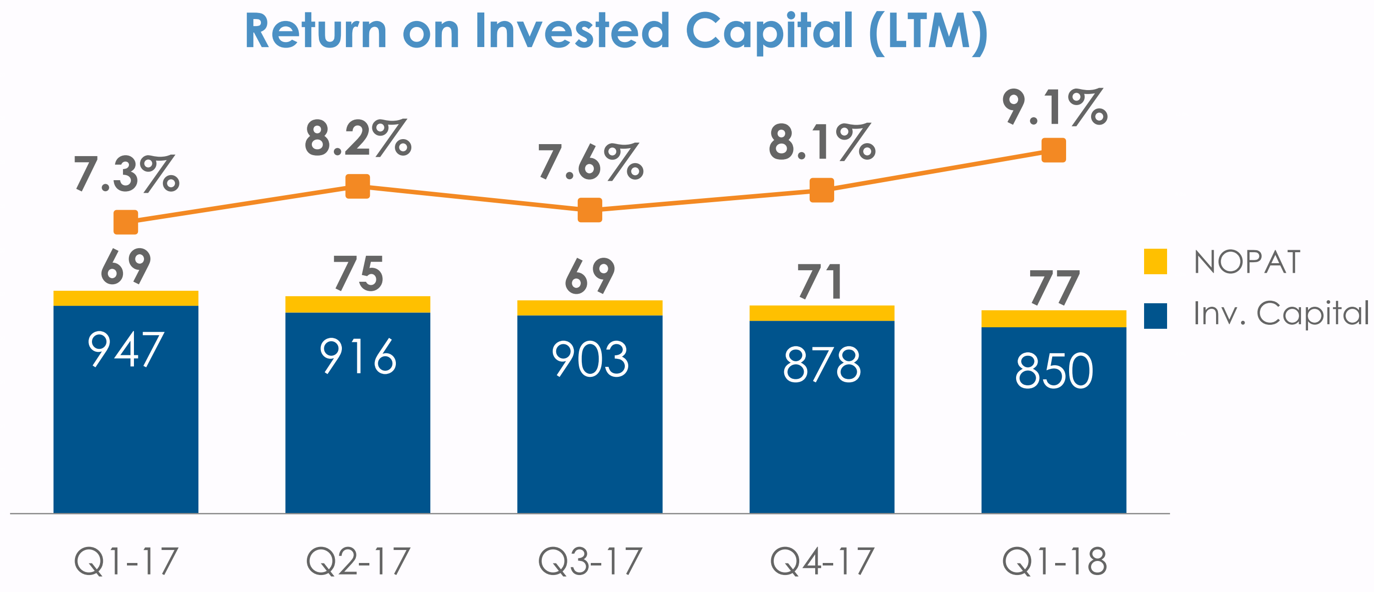
(1) In millions

GAAP Key Business Trends





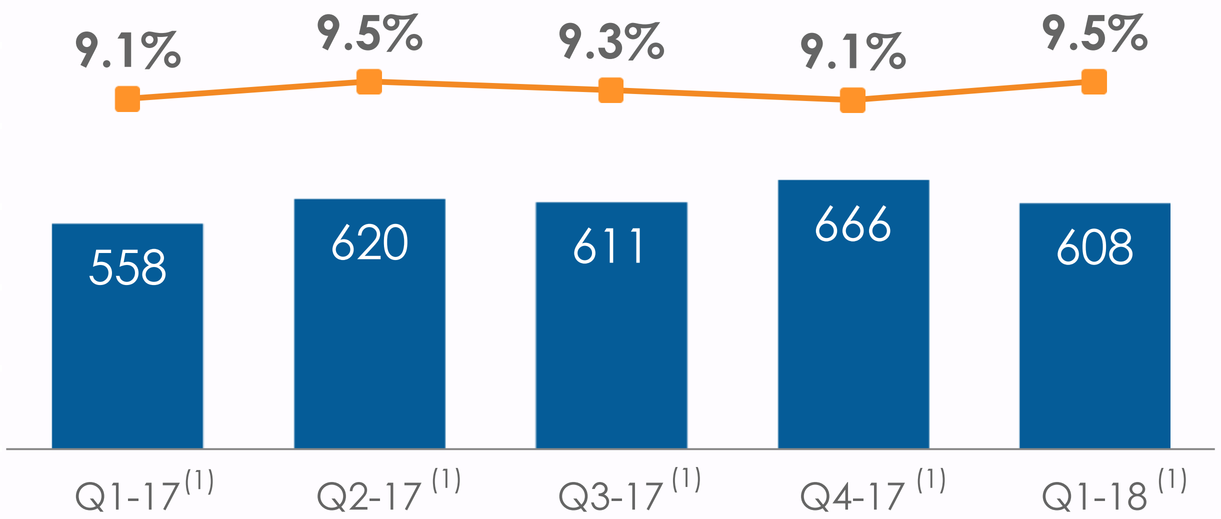




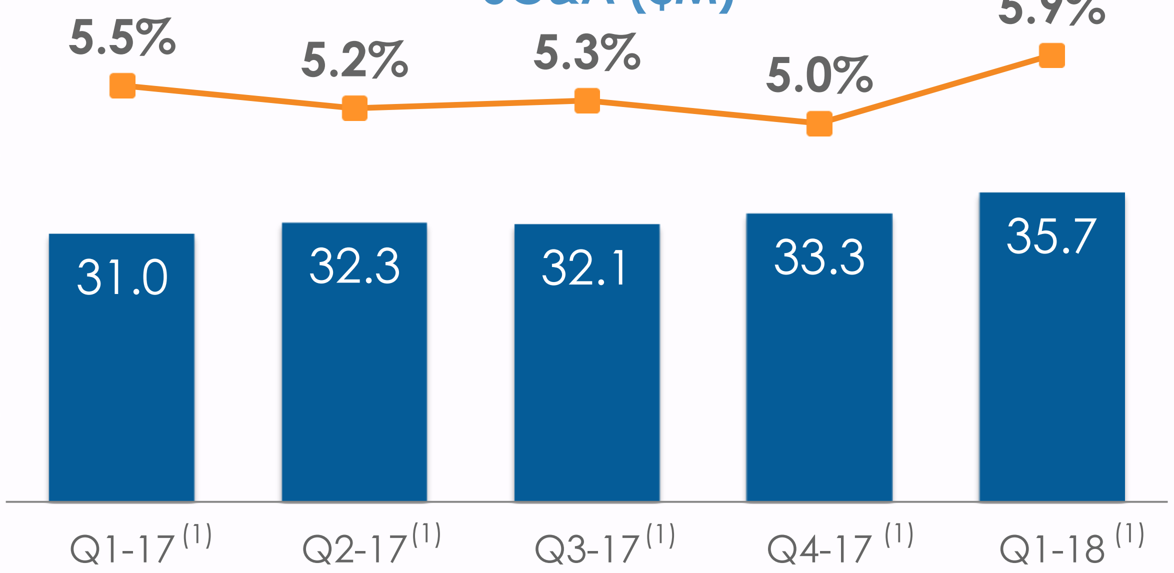
GAAP ROIC = (GAAP income from operations – GAAP Tax Impact) ÷ (Average Invested Capital for last 5 quarters)

Non-GAAP Key Business Trends

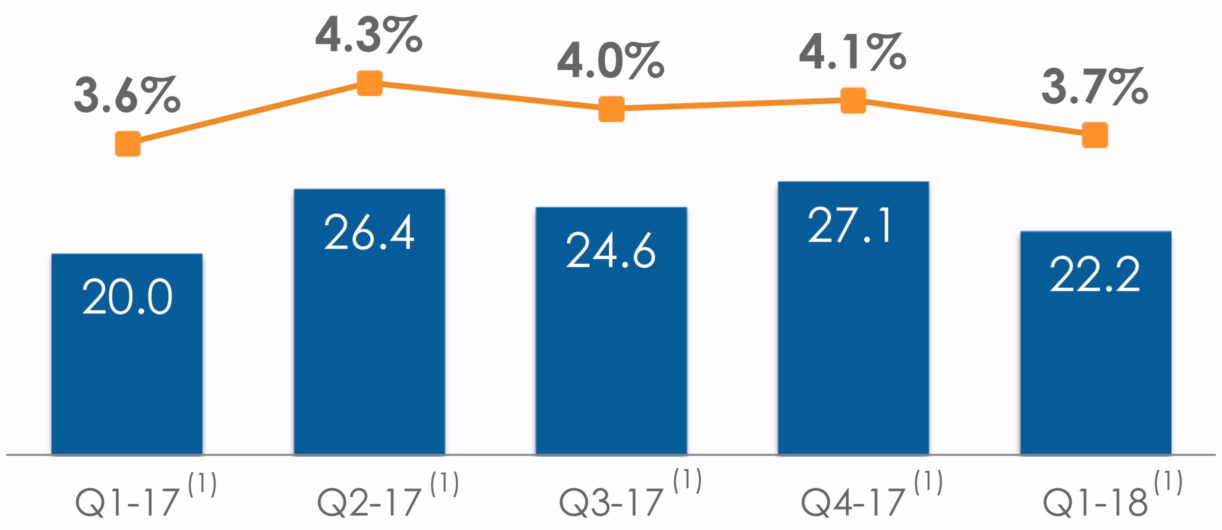
Revenue & Gross Margin ($M)



SG&A ($M)

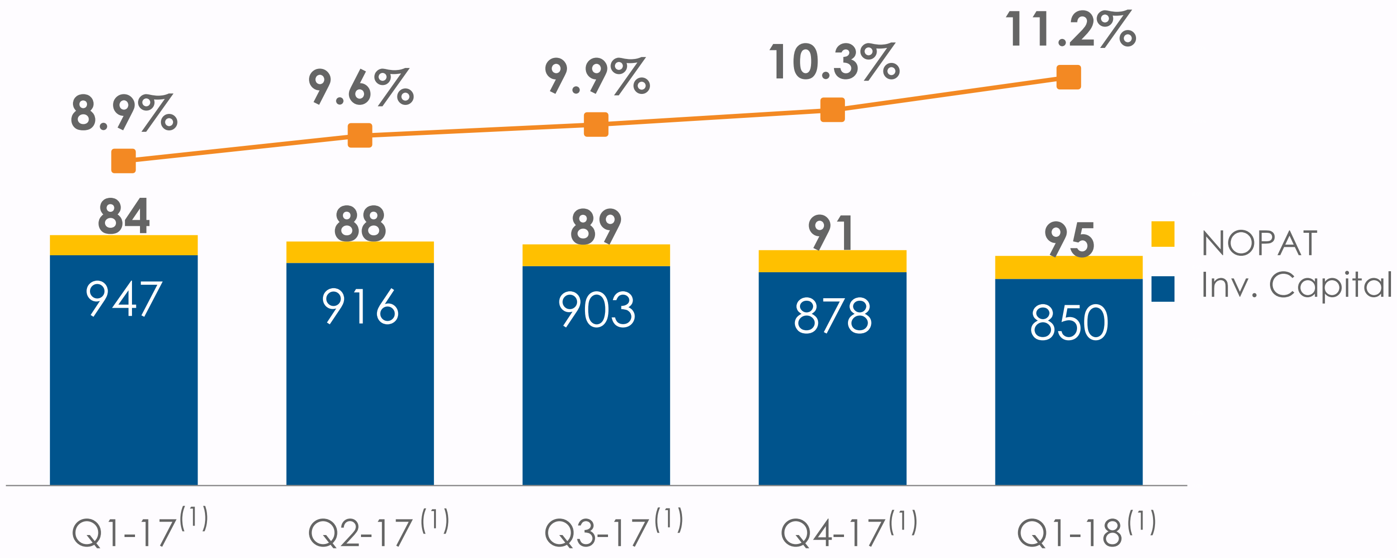


Operating Margin ($M)



(1) Excludes the impact of customer insolvency.

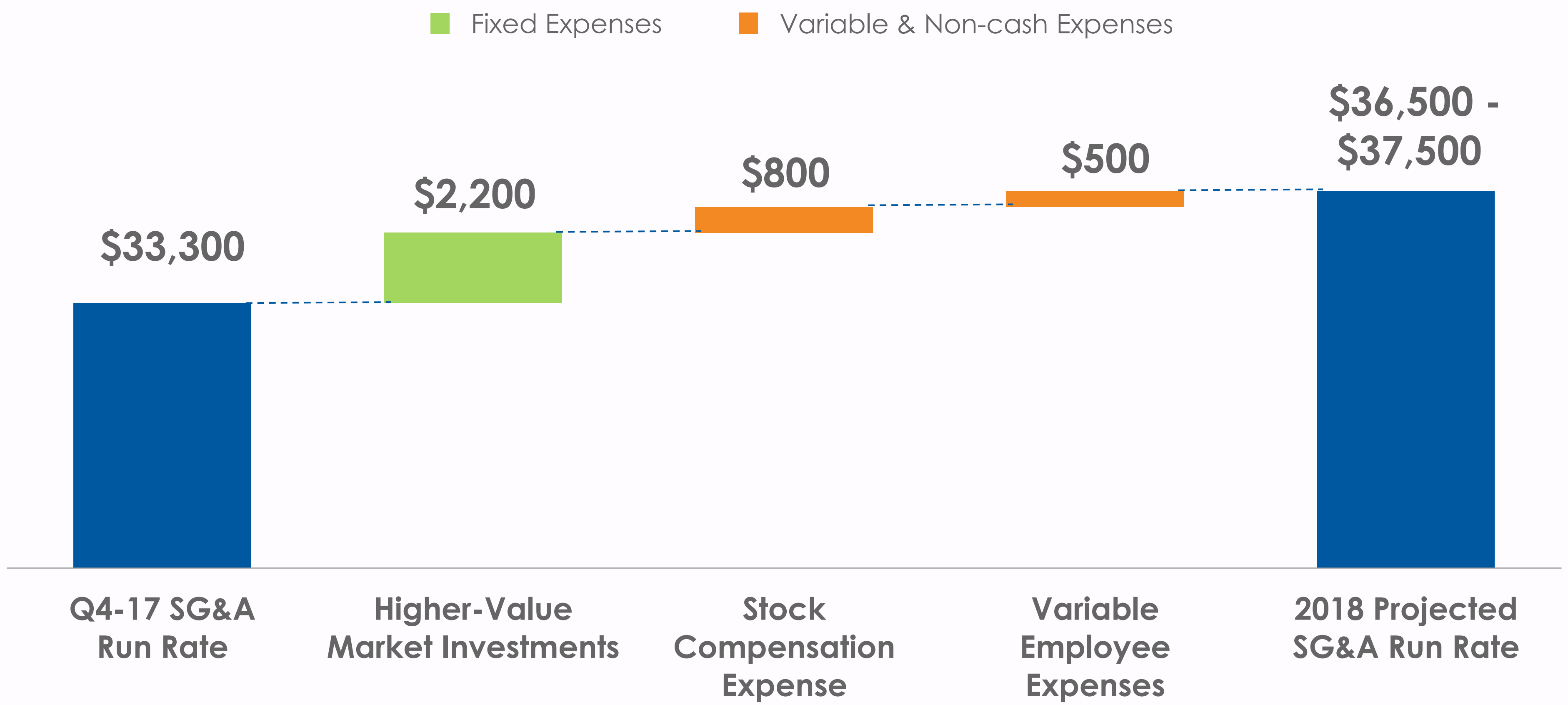
Return on Invested Capital (LTM)



Non-GAAP ROIC = (Non-GAAP income from operations – Non-GAAP Tax Impact) ÷ [Average Invested Capital for last 5 quarters]

SG&A Investments

Q4-17 SG&A Quarterly Run Rate to 2018 Projections



Continued Investments for Future Growth

- Expand capabilities to increase customer value proposition
- Investments vary between fixed expenses and variable & non-cash expenses
- Benchmark includes stock compensation expense in SG&A

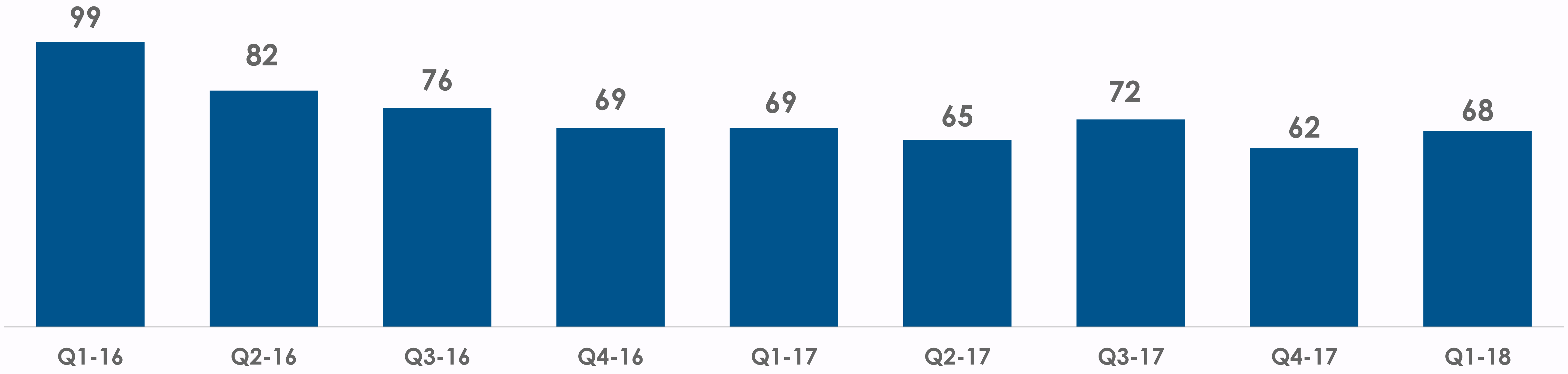
Cash Flow / Working Capital Highlights

(In millions)	For the Three Months Ended Mar. 31, 2018	 Dec. 31, 2017	 Mar. 31, 2017
Cash Flows from (used in) Operations	$25	$56	$78
FCF [1]	$4	$39	$70
Cash	$676	$743	$752
International	$438	$674	$659
US	$238	$69	$93
Inventory	$306	$269	$272
Accounts Receivable	$404	$437	$381
Contract Assets	$148	$146	$150
Accounts Payable	$369	$363	$344

(1) Free cash flow (FCF) defined as net cash provided by operations (GAAP) less capex

Generated $25 million of Cash from Operations in Q1

Working Capital Update



	Q1-16	Q2-16	Q3-16	Q4-16	Q1-17	Q2-17	Q3-17	Q4-17	Q1-18
Accounts Receivable Days	69	66	64	63	62	57	61	59	59
Contract Asset Days	22	21	22	23	24	22	24	20	22
Inventory Days	51	44	45	39	48	45	46	40	50
Deposits	3	2	3	4	4	4	4	3	3
Accounts Payable Days	40	47	52	52	61	55	55	54	60
Cash Conversion Cycle	**99**	**82**	**76**	**69**	**69**	**65**	**72**	**62**	**68**

Ongoing Cash Conversion Cycle Days will Range between 73 and 68 Days

U.S. Tax Reform: Benchmark Impacts

Repatriation and tax expenses

- Decision in Q1-18 to change historical repatriation strategy
- Repatriation of $277 million to the U.S. in Q1-18
- Applicable foreign withholding and U.S. state taxes recorded due to decision to repatriate foreign earnings

Q1-18 tax expense of $40 million

- Estimated $31 million tax expense for foreign withholding taxes
- Estimated $9 million tax expense for applicable state taxes for foreign cash distributions

Effective Tax Rate for 2018

- Global Intangible Low-Taxed Income (GILTI) impacts tax rate by 3-4%
- Expected to range from 16-18%

Capital Allocation update

New dividend

- Announced first quarterly cash dividend of $0.15 per share to shareholders of record as of March 29, 2018
- Dividend was paid on April 11, 2018

Stock repurchase authorization

- Board approved stock repurchase of up to an additional $250 million of common stock

Accelerated Stock Repurchase (ASR) agreement

- $50 million accelerated stock repurchase agreement signed in Q1-18
- Initial delivery of 1,288,245 shares for $40 million
- Remaining $10 million expected to settle at contract closure

Open Market Repurchases (OMR) for Q1-18

- Repurchase of 623,133 shares for $18 million

Second Quarter 2018 Guidance

	Guidance
Net Sales (in millions)	$590 – $630
Diluted EPS – non-GAAP*	$0.26 – $0.34

* The above guidance excludes the impact of amortization of intangible assets and estimated restructuring charges

Sequential Modeling Information

Higher-Value Markets	Q2-18 Outlook (%)
Industrials	Up Mid-Singles
Aerospace & Defense	Down Mid-Singles
Medical	Down Low Teens
Test & Instrumentation	Up Mid-Singles

Traditional Markets	Q2-18 Outlook (%)
Computing	Up High Singles
Telecommunications	Flat

	Q2-18 Guidance
Operating Margin - non-GAAP*	2.7% – 3.2%
Interest Expense (in millions)	$2.3
Effective Tax Rate	18%
Weighted Average Shares (m)	47.6

* The above guidance excludes the impact of amortization of intangible assets and estimated restructuring charges

Appendix

APPENDIX 1 - Reconciliation of GAAP to non-GAAP Financial Results

(Amounts in Thousands, Except Per Share Data) – (UNAUDITED)

	Three Months Ended		
	March 31, 2018	December 31, 2017	March 31, 2017
		(as adjusted)	
Income from operations (GAAP)	$ 17,967	$ 21,910	$ 10,889
Restructuring charges and other costs	2,235	3,062	1,511
Customer insolvency (recovery)	(341)	(239)	5,120
Amortization of intangible assets	2,366	2,367	2,481
Non-GAAP income from operations	$ 22,227	$ 27,100	$ 20,001
Net income (loss) (GAAP)	$ (23,641)	$ (76,361)	$ 8,555
Restructuring charges and other costs	2,235	3,062	1,511
Customer insolvency (recovery)	(341)	(239)	5,120
Amortization of intangible assets	2,366	2,367	2,481
Income tax adjustments[1]	(818)	(1,793)	(1,580)
Tax Cuts and Jobs Act[2]	40,114	97,633	-
Non-GAAP net income	$ 19,915	$ 24,669	$ 16,087
Diluted earnings (loss) per share:			
Diluted (GAAP)	$ (0.49)	$ (1.54)	$ 0.17
Diluted (Non-GAAP)	$ 0.41	$ 0.49	$ 0.32

[1] This amount represents the tax impact of the non-GAAP adjustments using the applicable effective tax rates

[2] This amount represents the estimated impact of the U.S. Tax Reform and the impact of repatriating foreign earnings from our foreign jurisdictions to the U.S. as allowed under the U.S. Tax Reform. For the three months ended March 31, 2018, this includes estimated foreign withholding taxes applicable to historical earnings prior to December 31, 2017 and for the applicable state tax impact of foreign cash distributions into the U.S. For the three months ended December 31, 2017, this includes the impact of a one-time mandatory tax on the deemed repatriation of undistributed foreign earnings and the re-measurement of U.S. deferred tax assets and liabilities for the decrease in the U.S. federal tax rate from 35% to 21%.

APPENDIX 2 - Reconciliation of GAAP to non-GAAP Financial Measures

(Amounts in Thousands, Except Per Share Data) – (UNAUDITED)

	Three Months Ended	
	Mar 31, 2018	Mar 31, 2017
GAAP gross profit	$ 58,318	$ 47,532
Customer Insolvency (recovery)	(341)	3,423
Non-GAAP gross profit	$ 57,977	$ 50,955