

REFINITIV STREETEVENTS

EDITED TRANSCRIPT

MSA.N - Q4 2021 MSA Safety Inc Earnings Call

EVENT DATE/TIME: FEBRUARY 18, 2022 / 1:30PM GMT

OVERVIEW:

Co. reported 2021 total revenue of \$1.4b. 4Q21 revenue was \$410m, GAAP loss per diluted share was \$1.57 and adjusted EPS was \$1.67.

CORPORATE PARTICIPANTS

Chris Hepler *MSA Safety Incorporated - Executive Director, Corporate Development and Investor Relations*

Kenneth D. Krause *MSA Safety Incorporated - Senior VP, CFO & Treasurer*

Nishan J. Vartanian *MSA Safety Incorporated - Chairman, President & CEO*

CONFERENCE CALL PARTICIPANTS

Robert W. Mason *Robert W. Baird & Co. Incorporated, Research Division - Senior Research Analyst*

Stanley Stoker Elliott *Stifel, Nicolaus & Company, Incorporated, Research Division - VP & Analyst*

PRESENTATION

Operator

Good day, and welcome to the MSA Fourth Quarter 2021 Earnings Conference Call. (Operator Instructions) Please note, this event is being recorded. I would now like to turn the conference over to Chris Hepler. Please go ahead.

Chris Hepler - *MSA Safety Incorporated - Executive Director, Corporate Development and Investor Relations*

Thank you, Jason. Good morning, and welcome to MSA's Fourth Quarter and Full Year 2021 Earnings Conference Call. This is Chris Hepler, Executive Director of Corporate Development and Investor Relations. I'm here with Nish Vartanian, Chairman, President and CEO; Ken Krause, Senior Vice President, CFO and Treasurer; Steve Blanco, President of Americas; and Bob Leenen, President of International.

Before we begin, I'd like to remind everyone that the matters discussed during this call may include forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, but are not limited to, all projections and anticipated levels of future performance. Forward-looking statements involve a number of risks, uncertainties and other factors that may cause our actual results to differ materially from those discussed today. These risks, uncertainties and other factors are detailed in our SEC filings. MSA undertakes no duty to publicly update any forward-looking statements made on this call, except as required by law. We have included certain non-GAAP financial measures as part of our discussion this morning and the non-GAAP reconciliations as well as our 2021 fourth quarter and full year press release are available on our Investor Relations website at investors.msasafety.com.

Moving to today's agenda. Nish will discuss key highlights of the fourth quarter and full year. He will then turn the call over to Ken to discuss our financial performance. Nish will conclude with closing remarks. And then we will open up the call to questions. With that, I'll turn the call over to Nish.

Nishan J. Vartanian - *MSA Safety Incorporated - Chairman, President & CEO*

Thanks, Chris, and good morning, everyone. On today's call, I'll start with an overview of the fourth quarter and also talk about the trends we're seeing in the market. Ken will then provide a more detailed financial review. After that, both Steve Blanco, President of the Americas; and Bob Leenen, President of International, will join us for a Q&A session, and it's nice to have Bob back in the U.S. for a couple of weeks. We delivered a very strong fourth quarter despite ongoing supply chain constraints, a challenging backdrop of rising inflation and the evolving impacts of COVID-19. I'm very pleased with our team's disciplined execution in navigating these headwinds. In the fourth quarter, we achieved all-time records across many of our key financial metrics.

Our quarterly revenue of \$410 million was a record, up 6% from a year ago, driven by acquisitions and strong growth in industrial, personal protective equipment, and we achieved a record 19.5% adjusted operating margin in the quarter, up 150 basis points over the prior year. This is evidence of the progress we're making toward our aspirational goal of 20%-plus operating margins.

Demand for our life-protecting products and technologies remains strong, and our backlog continues to trend at record levels as a result of solid order pace and supply chain challenges. Backlog ended the year up more than \$70 million from a year ago. Impacting GAAP numbers in the quarter was MSA LLC's noncash charge, which Ken will discuss in more detail.

As we continue to manage through the ongoing impacts of the pandemic, I want to again recognize and thank our entire global workforce for their tremendous commitment to delivering safety solutions to our customers around the world. At MSA, our greatest asset is our people. Their commitment and dedication to the MSA mission were evident in our strong year-end performance. I also want to recognize the significant progress we're making on margins in International.

In the fourth quarter, adjusted operating margin was very strong at 19.9%. To provide context on our progress with International back in 2017, we set a goal to improve our operating margin performance. Since then, we've transformed the business to be more efficient, agile and customer-focused. Our International team has done an excellent job of managing costs, driving productivity improvements and focusing sales efforts on the geographies and markets where we can deliver the greatest level of value. That has resulted in nearly 400 basis points of margin expansion over the past 4 years. But they're not done. Our International team continues to execute programs to drive further growth and profitability, as we bring leading solutions to our customers' greatest challenges.

Shifting focus now to our full year. Our total revenue for 2021 increased 4% to \$1.4 billion. Core product revenue was up 2% on an organic constant currency basis and the acquisitions of Bacharach and Bristol Uniforms added 5% growth. This was offset by lower sales of respiratory products which returned to normalized pre-pandemic levels. Our adjusted operating margin for the year was 17.2%.

I noted on our third quarter call that our order book was strengthening and that continued to be the case as we closed out the year and throughout January. As we saw in the first 3 quarters of the year, our incoming orders exceeded revenue again in the fourth quarter. Incoming orders were up mid-single digits when compared against both 2020 and pre-pandemic 2019 levels. We saw solid demand across our portfolio, but the largest drivers were industrial, personal protective equipment, SCBA, fixed gas and flame detection and turnout gear. Supply chain disruptions and labor constraints did impact our ability to ship some product in the quarter.

As we look forward in 2022, we expect challenges related to supply chain, inflation and COVID-19 to continue. Specifically related to the supply chain, the availability of electronic components is worsening, which could impact our ability to deliver certain products in the near term. Yet even with these challenges, I'm enthusiastic that our company is well positioned to navigate through this environment and continue creating value long term and here's why.

First, the exciting work our team is doing on the product development front and the new technologies we're bringing to the safety market; second, our relentless focus on continuous improvement as evidenced by what we were able to accomplish in the quarter, including the very meaningful improvements in International segment's profitability; and third, our team's unwavering commitment to the MSA mission of protecting lives. We've all been tested throughout this pandemic, but the resilience of our team and their overall respect for the health and well-being of each other and understanding that what we do every day does make an impact on people's lives are important qualities of the MSA culture and all played a part in our success in 2021.

Before I turn the call over to Ken, I want to mention one other achievement in the fourth quarter that made us particularly proud. For the first time, MSA was named one of America's most responsible companies 2022 by Newsweek. The Newsweek list highlights organizations spanning 14 industries that strive to be excellent corporate citizens. They were selected from a list of candidates that include the top 2,000 public companies headquartered in the United States based on revenue.

As a company that's focused exclusively on helping to protect workers, corporate responsibility has been at the heart of the MSA mission since our founding in 1914. We're dedicated to that mission of protecting lives around the world and are also proud of our progress in the area of talent development, diversity and inclusion, environmental sustainability, governance and risk. We work to evolve and improve these programs each year to build greater resiliency and adaptability into our overall business model. So again, gaining this kind of recognition was a proud moment for all of our associates, and I hope for our shareholders as well.

With that, I'll now turn the call over to Ken to take you through our quarterly financial results. Ken?

Kenneth D. Krause - *MSA Safety Incorporated - Senior VP, CFO & Treasurer*

Thanks, Nish, and good morning, everyone. I'll start the discussion with financial highlights centered around growth, profitability and our balance sheet before providing more detail on the fourth quarter. We had a strong finish. The acquisitions we made earlier this year, combined with strength in industrial PPE, notably head protection, portable gas detection and fall protection drove revenues to a quarterly record.

While orders were strong in fixed gas and flame detection, SCBA and turnout gear, supply chain and labor constraints had an impact on deliveries and drove our quarterly book-to-bill ratio above 1x and backlog to record levels. It was good to see the strong finish in margins. Despite the ongoing inflationary and supply chain challenges, we continue to see a very healthy level of gross margins, a strong improvement in adjusted operating margin and a return to over 40% incremental margins. This performance speaks to our ability to realize price improvement, combined with our ongoing focus on improving productivity.

We took the opportunity to continue to invest in the business to drive long-term profitable growth and enhance our market positions throughout 2021. We invested over \$400 million for the year in strategic acquisitions, technology partnerships and capital expenditures and returned nearly \$70 million to shareholders through dividends. Our balance sheet remains strong with net leverage of 1.6x at year-end. We are positioned well to maintain our balanced approach to capital allocation.

Before reviewing the details of the quarter, I want to summarize the noncash charge our subsidiary, MSA LLC took related to cumulative trauma product liability claims in the quarter. Consistent with prior years, in the fourth quarter, we conducted the annual review process to determine MSA LLC's cumulative trauma product liability claims reserve. Based on that review, MSA LLC's product liability reserve increased by \$182 million, which reflects the estimated liability through 2074. Net of insurance recoveries, the pretax charge was \$160 million. It is important to note that the noncash charge is related to products sold many years ago and are no longer offered for sale. At the same time, MSA LLC continues to defend and resolve the claims that are currently pending.

Now let's take a closer look at the financial results in the quarter. I'll start with a focus on revenue. We achieved record quarterly revenue of \$410 million, an increase of 6% over the prior year. Acquisition-related revenues and strong growth in industrial PPE were weighed down by lower sales of pandemic-related respiratory products. While SCBA and FGFD were down organically in the quarter, healthy orders and ongoing supply chain challenges drove backlog up in these areas. From a geographic perspective, revenue in our Americas segment was up 4% overall and down 2% on an organic constant currency basis, driven by lower sales of noncore products. Core product revenue was up 2% on an organic constant currency basis.

In our International segment, revenue was up 9% overall and down 1% on an organic constant currency basis. The healthy demand trends we saw in the third quarter continued throughout the fourth quarter. Order activity was strong, finishing ahead of the pre-pandemic levels of 2019 and has remained healthy to start 2022. We finished the quarter with a book-to-bill well above 1x.

Our teams executed well in light of the challenging environment, but we continue to face shortages in electronic components, impacting our ability to ship certain products and the challenges are intensifying to start the year. From what we're seeing in the market, we expect supply chain challenges to persist well into this year and don't expect meaningful improvement in the first half of 2022.

Turning to profitability and earnings. Gross profit totaled \$178 million or 43.4% of sales in the quarter compared to \$162 million or 41.8% on sales in the prior year. Gross profit margin was negatively impacted by 70 basis points for purchase price amortization related to the Bacharach and Bristol acquisitions we made in 2021. Excluding this, gross profit margin was a healthy 44.1% in the quarter, up 230 basis points compared to a year ago.

It is important to note that the change to FIFO did not have an impact on the margin comparison as all periods have been restated.

We implemented several price increases in 2021 to offset inflation. We had a price increase take effect in our Americas segment during the quarter and one went into effect on January 1 in our International segment. While we continue to see inflation at varying levels in the regions we operate, we are taking the necessary pricing actions and remain focused on taking additional actions to mitigate the impact of inflation on our margins.

SG&A expense in the quarter was \$87 million or 21.1% of revenue, up \$10 million from the prior year. This was driven primarily by \$7 million of increased costs from acquired companies, \$3 million in variable compensation and \$3 million in discretionary costs, which were offset by about \$2 million in cost savings. I'm pleased to see the second half SG&A expense come in lower than the 23.5% we guided to in September.

We continue to invest in restructuring programs to enhance operational productivity and margin performance across our business, and ultimately drive improved incremental margin leverage, which we saw come through this quarter. Our quarterly adjusted operating margin was 19.5%, an increase of 150 basis points from a year ago. We saw healthy incremental margins in the quarter of over 40%.

Looking at our segment performance. Americas adjusted operating margin was 23.9%, up 200 basis points year-over-year, while International's adjusted operating margin was very strong at 19.9%, up 230 basis points year-over-year. When I think back the commitments we made at Investor Day in late 2019 related to International, the team has delivered on the profitability expansion goals with a focus on pricing, productivity improvements and complexity reduction. I'm also pleased to see that gross margin was up year-over-year in both of our reporting segments.

On a GAAP basis, we reported a loss of \$1.57 per diluted share compared to earnings of \$0.38 per diluted share in the prior year. On an adjusted basis, adding back product liability expense restructuring and similar items in both periods, earnings per share was \$1.67, a 26% increase over the prior year. Higher operating income resulting from the higher revenues, price realization, productivity improvements, and to a lesser degree, a lower tax rate contributed to the increase.

Again, I want to reiterate that the change in accounting methods from LIFO to FIFO did not have an impact on the change in earnings between periods.

Turning to cash flow and the balance sheet, quarterly cash flow, excluding product liability, was \$63 million. We continue to execute on a balanced capital allocation strategy. In the quarter, we invested \$13 million in CapEx, paid \$17 million of dividends to shareholders and repaid \$16 million in debt. At the end of the year, we had cash of \$141 million and net debt of \$457 million or 1.6x adjusted last 12 months EBITDA. Our strong balance sheet and cash flow provides ample capacity to invest in organic and inorganic growth opportunities.

Also in the fourth quarter, as I've discussed previously, we discontinued the use of the LIFO accounting method. We believe that the FIFO method of accounting for inventory is preferable because it forms our entire inventory to a single accounting method and improves comparability against our peers. Our financial results for all the periods presented in yesterday's press release and in our Form 10-K that soon will be published, have been adjusted to reflect this accounting change.

Looking back over time, LIFO had an unfavorable impact to margins in 2020 of 40 basis points and was a headwind to EPS by about \$0.10. If we would have continued to report on that basis for year-end 2021, it would have had an impact of about 50 basis points for the year on margins and had been a headwind to EPS by \$0.15, of which \$0.09 would have been in the fourth quarter.

Overall, the business is performing well. Demand is robust, and there are signs of end market improvements across the globe. We have and continue to make organic investments and evaluate other areas of growth. I've spent considerable time with customers recently, and the feedback has been very positive around our products and solutions. Our market positions are healthy. Our relationships with customers and channel partners are strong, and we remain very committed and are focused on making investments to drive sustainable long-term value creation for our shareholders. We do expect supply chain and inflation headwinds to continue into 2022, especially in electronic components, and this could impact our ability to deliver products, notably in fixed gas and flame detection in the near term.

As we said before, supply chain is our biggest variable. With that, the team is executing very well with our suppliers to ensure material availability and our focus on pricing has never been greater. I am proud of the work our team is doing and thank them for their unwavering commitment to our mission and our customers.

With that, I'll turn the call back over to Nish for closing remarks. Nish?

Nishan J. Vartanian - *MSA Safety Incorporated - Chairman, President & CEO*

Thanks, Ken. While supply chain disruptions and inflation continue to be present ongoing challenges, I'm very pleased with how our teams work with speed and agility to ensure we're delivering products to our customers and meeting their needs, while maintaining discipline around pricing to ensure we're offsetting rising costs.

I'm also pleased with the progress we're making with last year's 2 acquisitions and the introduction of key new products and technologies. Despite the challenges we face, we are positioned well for what I believe will be a successful 2022.

Demand is robust for our products and solutions as we continue to build strength in the MSA brand around the world. Our balance sheet is healthy, and we'll continue to look to strengthen our market positions through both organic and inorganic investment.

Thank you for your interest in our company, and your participation this morning. At this time, we'll be glad to take any questions you may have. Please remember that MSA does not give guidance. Having said that, we'll now open up the call for your questions.

QUESTIONS AND ANSWERS

Operator

(Operator Instructions) Our first question comes from Stanley Elliott from Stifel.

Stanley Stoker Elliott - *Stifel, Nicolaus & Company, Incorporated, Research Division - VP & Analyst*

You talked about the pricing piece within kind of the portfolio and orders up. I think it was kind of like mid-single-digit-ish. How much pricing tailwind should we expect kind of within the '22 period, all else being equal?

Nishan J. Vartanian - *MSA Safety Incorporated - Chairman, President & CEO*

So I'll open up and then Ken will give a little more color. Stanley. We did have a price increase in the fourth quarter in Latin America and then in North America. We did implement one, I think, it was October or November in each of those segments, so obviously, we'll get some benefit from that in 2022. We had a midyear price increase in North America in the July time frame, so we'll see a little increase from that for the first half of the year. And then in International, we had a price increase in January. And net effect of that, Ken, you might want to give a little more color to that.

Kenneth D. Krause - *MSA Safety Incorporated - Senior VP, CFO & Treasurer*

Yes. It's interesting. We did an exceptional job at continuing to price the value of our product, Stanley, throughout the year, and we remain committed. If I just take it back to a higher level, when we think about outlook and we think about growth rates in the business in 2022, the order pace that we spoke about previously provides us a sense of confidence in our ability to continue to grow our business. When we think about growth rates of mid-single digit organically and then the additional acquisition-related revenues of another 3% to 4%. We think that a high single-digit sort of growth rate for the year is probably not out of the question.

Now I'll hedge to that a bit when I think about the supply chain. It's going to certainly be a tough start to the year. When we think about the first half of 2022, we are dealing with unprecedented challenges with respect to electronic components and other supply chain material availability. So we continue to navigate that; we continue to navigate it well. We feel like we are positioned to continue to grow this business into 2022.

Stanley Stoker Elliott - *Stifel, Nicolaus & Company, Incorporated, Research Division - VP & Analyst*

Seasonally, the second half is always a little bit stronger. Could you help us -- how this is going to deviate from normal just kind of given the supply chain issues you're thinking about in the first half of the year and everything within that?

Nishan J. Vartanian - *MSA Safety Incorporated - Chairman, President & CEO*

Sure, Stanley. It really depends upon what we can get out the door in the first half and the pace of business throughout the year. So as you know, the market is tight for electronic components, and it's not improving. We're taking some action in self-help. What we're doing is really 2 key actions there. We've created a microprocessor task force, and we're looking to find and secure compatible microprocessors for all critical components and platforms that are on allocation. And that will open up the market for us a bit in the second half, right? It will get approval on some alternative products that we can bring in and implement with our products. So there'll be some nice opportunity as we go forward with those self-help actions.

Traditionally, we have a strong second half, and that's really driven largely by those assistance to firefighter grants in the SCBA business, the fire service business, in general, in the back half of the year. And then, of course, there are some large orders that go out for fixed gas and flame detection that traditionally hit in the fourth quarter. We anticipate that happening, and then we're trying to position ourselves so if there's any miss in the first half of the year, we can make that up in the second half. At this point, we just don't know what that impact will be as the supply chain is just not very stable.

Stanley Stoker Elliott - *Stifel, Nicolaus & Company, Incorporated, Research Division - VP & Analyst*

And then last for me. In terms of the cumulative trauma loss piece, my memory was that these were pre-1986 products, but we're seeing an acceleration. It seems in claims, both last year and this year. Can you help us with the confidence around kind of taking the reserves out to 74. What sort of -- is there any risk to that? Just how you're thinking about kind of where you are from a coverage standpoint, because I would have thought it would have been covered by now.

Nishan J. Vartanian - *MSA Safety Incorporated - Chairman, President & CEO*

Well, Stanley, just a point of clarification. So we stopped selling those products in the late 1990s and no longer sold those products. That was not in the '80s. We sold those, I believe, from the '60s through the '90s, somewhere in that time frame. But Ken, you might comment?

Kenneth D. Krause - *MSA Safety Incorporated - Senior VP, CFO & Treasurer*

Yes, sure. No, it definitely is a volatile area for MSA LLC, Stanley. It's an area that we just can't know for certain where claims filings are going to go in the future. The spike occurred after the onset, the spike you referred to, occurred after the onset of the pandemic and it continued into '21. The big pandemic may have affected claiming rates. It may have not have, but there's really no sure way of telling. What I can say is the increase in MSA LLC's reserve is really the result of the increased level of new claims that were filed throughout 2021.

Just for background, MSA LLC's reserve was increased in the second and third quarters, to account for an uptick in the number of new claims filed in those quarters. And during this annual comprehensive review at year-end, the claims filing activity for the full year was taken into account. It was really incorporated in the models that are used to estimate the number of future claims projected to be filed over several decades into the future. And as you so well point out, the reserve is through 2074 at this point.

Operator

Our next question comes from Rob Mason from Baird.

Robert W. Mason - *Robert W. Baird & Co. Incorporated, Research Division - Senior Research Analyst*

You've kind of touched on it, I think, but again, maybe going to just trying to put your seasonality into context with both your backlog as well as the supply chain constraints. I mean, should we -- when you say things have gotten worse in the first quarter, it also looks like, again, based on maybe where we were thinking the fourth quarter would come in that you outperformed in the fourth quarter? And so should we be maybe basing our -- I guess what I'm asking is what's the right baseline to work from off the fourth quarter where we thought we would be or where we kind of ended up at \$410 million in revenue?

Nishan J. Vartanian - *MSA Safety Incorporated - Chairman, President & CEO*

I'll kick that off and Ken will add some color to it. So think about our business. Traditionally, the first quarter is traditionally our weakest quarter when it comes to a revenue standpoint. And that really stems, Rob, from those fast-turn products. The fast-turn products really haven't been affected tremendously by the supply chain issues, right? So you're thinking hard hats, fall protection and even portable gas detection. In portable gas detection, we did a nice job of maintaining delivery. I think that looks pretty good for the first quarter. We should be in pretty good shape with that.

Where we're having some difficulties is with fixed gas and flame detection, self-contained breathing apparatus. And really turnout gear has been more of a labor issue with one of our plants, just getting employees there and then some contact tracing with COVID are some challenges we had there in the fourth quarter, which will hopefully go away. So you'll probably see that normal pattern of a lower first quarter occur because of those fast-turn products. And then as we can get the fixed gas and flame detection products and SCBA out in larger quantities, we expect that we'll start to catch up throughout the year on our turnout gear; that should improve. Ken, you want to add?

Kenneth D. Krause - *MSA Safety Incorporated - Senior VP, CFO & Treasurer*

Yes. Just a finer point on that, Rob. It's been really good to see the business do so well to start the year from an order perspective. If you remember last year, it was a tough first quarter for us and certainly it was a tough year-over-year comparison as we were comparing to pre-pandemic levels, but as we start this year, we're seeing solid order growth of 10-plus percent. We feel like we should be able to show some growth, some potentially high single-digit growth here in the first quarter.

The one thing that I just want to point out and continue to point out is the fact that we're all dealing with supply chain challenges that are changing on a daily basis. So if we continue to see what we have right now and we continue to see the performance coming through, a high single-digit sort of growth rate in the first quarter is probably not out of the question. But again, there's just so many uncertainties we're dealing with.

Robert W. Mason - *Robert W. Baird & Co. Incorporated, Research Division - Senior Research Analyst*

I see. I see. Just on those short-term industrial products you talked about. Any sense that your channel -- distribution channel is now comfortable stocking those? Are we able to do that [fill] stocking orders?

Nishan J. Vartanian - *MSA Safety Incorporated - Chairman, President & CEO*

When you think about portable gas detection, portable gas detection is really a made-to-order product. There's a lot of different configurations. So that's not a stocking item. Well over half our hard hats have logos. And again, that's traditionally not a stocking item. So those, again, are made to order type products. We do get some stocking in fall protection and some stocking in, obviously, the non-logo hard hats, but that's not a significant part of the business.

The inventory levels have been pretty consistent. We typically do get distributors loading up a bit here in March and April on hard hats because of the turnaround season. So we don't see a lot of that. We don't expect a lot of change in the channels. There hasn't been any so-called panic buying,

so to speak, where people are worried about inventory; that might have been an issue last year, when we bring into shortages of polyethylene. That's really not the case today.

Robert W. Mason - *Robert W. Baird & Co. Incorporated, Research Division - Senior Research Analyst*

Just last question, Nish, I know that you're constrained on the fixed gas and flame. And so backlog is higher. But where do you think that the business is in terms of just the overall demand level recovering for that product line?

Nishan J. Vartanian - *MSA Safety Incorporated - Chairman, President & CEO*

That's a really good question. We saw the traditional recovery in our business. If you go back and you look at the revenue for our hard hats, you saw that turn around, right? That's the business that picks up first. When employees get back to work, they typically get a hard hat, safety glasses, earplugs, et cetera. And we saw that business come back as we normally do in a recovery. Then right behind that is the portable gas detection and fall protection. We saw that natural progression of business. Now we're seeing fixed gas and flame detection.

Demand for products for fixed gas and flame has been really strong. It's rebounded quite nicely. We're seeing that on a broad basis, not just here in the U.S., but on a global basis, we're starting to see demand pick up in those end user customers, with oil prices over \$90 a barrel. The CapEx budgets are pretty good, and we expect the spending to kick in as we normally do. So the outlook for that should be pretty good through '22 and hopefully into '23.

Operator

(Operator Instructions) There are no more questions in the queue. This concludes our question-and-answer session. I'd like to turn the conference back over to Chris Hepler for any closing remarks.

Chris Hepler - *MSA Safety Incorporated - Executive Director, Corporate Development and Investor Relations*

Thanks, Jason. And thank you all for joining us this morning. If you missed the portion of today's conference call, an audio replay and transcript will be available on our Investor Relations website for the next 90 days. We look forward to speaking with you again soon. Thank you.

Operator

Conference has now concluded. Thank you for attending today's presentation. You may now disconnect.

DISCLAIMER

Refinitiv reserves the right to make changes to documents, content, or other information on this web site without obligation to notify any person of such changes.

In the conference calls upon which Event Transcripts are based, companies may make projections or other forward-looking statements regarding a variety of items. Such forward-looking statements are based upon current expectations and involve risks and uncertainties. Actual results may differ materially from those stated in any forward-looking statement based on a number of important factors and risks, which are more specifically identified in the companies' most recent SEC filings. Although the companies may indicate and believe that the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate or incorrect and, therefore, there can be no assurance that the results contemplated in the forward-looking statements will be realized.

THE INFORMATION CONTAINED IN EVENT TRANSCRIPTS IS A TEXTUAL REPRESENTATION OF THE APPLICABLE COMPANY'S CONFERENCE CALL AND WHILE EFFORTS ARE MADE TO PROVIDE AN ACCURATE TRANSCRIPTION, THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE REPORTING OF THE SUBSTANCE OF THE CONFERENCE CALLS. IN NO WAY DOES REFINITIV OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BASED UPON THE INFORMATION PROVIDED ON THIS WEB SITE OR IN ANY EVENT TRANSCRIPT. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S CONFERENCE CALL ITSELF AND THE APPLICABLE COMPANY'S SEC FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS.

©2022, Refinitiv. All Rights Reserved.