

MSA Safety Incorporated
Reconciliation of As Reported Financial Measures to Non-GAAP Financial Measures
Constant currency revenue growth (Unaudited)

Consolidated

	Three Months Ended June 30, 2022								
	Breathing Apparatus	Firefighter Helmets and Protective Apparel	Industrial Head Protection	Portable Gas Detection	Fixed Gas and Flame Detection*	Fall Protection	Core Sales	Non-Core Sales	Net Sales
GAAP reported sales change	20 %	(10)%	15 %	16 %	24 %	(14)%	11 %	(5)%	9 %
Plus: Currency translation effects	4 %	3 %	1 %	2 %	3 %	4 %	3 %	5 %	3 %
Constant currency sales change	24 %	(7)%	16 %	18 %	27 %	(10)%	14 %	— %	12 %
Less: Acquisitions	— %	— %	— %	— %	25 %	— %	5 %	— %	4 %
Organic constant currency sales change	24 %	(7)%	16 %	18 %	2 %	(10)%	9 %	— %	8 %

*Fixed Gas and Flame Detection includes the impact of the Bacharach acquisition completed on July 1, 2021.

	Six Months Ended June 30, 2022								
	Breathing Apparatus	Firefighter Helmets and Protective Apparel	Industrial Head Protection	Portable Gas Detection	Fixed Gas and Flame Detection*	Fall Protection	Core Sales	Non-Core Sales	Net Sales
GAAP reported sales change	11 %	(3)%	13 %	7 %	31 %	(10)%	11 %	(10)%	8 %
Plus: Currency translation effects	3 %	3 %	1 %	2 %	2 %	3 %	2 %	3 %	3 %
Constant currency sales change	14 %	— %	14 %	9 %	33 %	(7)%	13 %	(7)%	11 %
Less: Acquisitions	— %	— %	— %	— %	26 %	— %	6 %	— %	5 %
Organic constant currency sales change	14 %	— %	14 %	9 %	7 %	(7)%	7 %	(7)%	6 %

*Fixed Gas and Flame Detection includes the impact of the Bacharach acquisition completed on July 1, 2021.

Organic constant currency sales change is a non-GAAP financial measure provided by the Company to give a better understanding of the Company's underlying business performance. Organic constant currency sales change is calculated by deducting the percentage impact from acquisitions and currency translation effects from the overall percentage change in net sales.

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Americas Segment

Three Months Ended June 30, 2022									
	Breathing Apparatus	Firefighter Helmets and Protective Apparel	Industrial Head Protection	Portable Gas Detection	Fixed Gas and Flame Detection*	Fall Protection	Core Sales	Non-Core Sales	Net Sales
GAAP reported sales change	26 %	(4)%	18 %	25 %	37 %	(4)%	18 %	(7)%	16 %
Plus: Currency translation effects	— %	— %	— %	— %	— %	1 %	1 %	— %	— %
Constant currency sales change	26 %	(4)%	18 %	25 %	37 %	(3)%	19 %	(7)%	16 %
Less: Acquisitions	— %	— %	— %	— %	34 %	— %	7 %	— %	6 %
Organic constant currency sales change	26 %	(4)%	18 %	25 %	3 %	(3)%	12 %	(7)%	10 %

*Fixed Gas and Flame Detection includes the impact of the Bacharach acquisition completed on July 1, 2021.

Six Months Ended June 30, 2022									
	Breathing Apparatus	Firefighter Helmets and Protective Apparel	Industrial Head Protection	Portable Gas Detection	Fixed Gas and Flame Detection*	Fall Protection	Core Sales	Non-Core Sales	Net Sales
GAAP reported sales change	15 %	(4)%	15 %	12 %	44 %	— %	15 %	(15)%	12 %
Plus: Currency translation effects	— %	— %	— %	1 %	— %	1 %	1 %	1 %	1 %
Constant currency sales change	15 %	(4)%	15 %	13 %	44 %	1 %	16 %	(14)%	13 %
Less: Acquisitions	— %	— %	— %	— %	34 %	— %	7 %	— %	6 %
Organic constant currency sales change	15 %	(4)%	15 %	13 %	10 %	1 %	9 %	(14)%	7 %

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International Segment

Three Months Ended June 30, 2022									
	Breathing Apparatus	Firefighter Helmets and Protective Apparel	Industrial Head Protection	Portable Gas Detection	Fixed Gas and Flame Detection*	Fall Protection	Core Sales	Non-Core Sales	Net Sales
GAAP reported sales change	8 %	(23)%	4 %	(1)%	7 %	(27)%	(3)%	(3)%	(3)%
Plus: Currency translation effects	10 %	8 %	7 %	7 %	8 %	7 %	8 %	10 %	8 %
Constant currency sales change	18 %	(15)%	11 %	6 %	15 %	(20)%	5 %	7 %	5 %
Less: Acquisitions	— %	— %	— %	— %	13 %	— %	3 %	— %	3 %
Organic constant currency sales change	18 %	(15)%	11 %	6 %	2 %	(20)%	2 %	7 %	2 %

*Fixed Gas and Flame Detection includes the impact of the Bacharach acquisition completed on July 1, 2021.

Six Months Ended June 30, 2022									
	Breathing Apparatus	Firefighter Helmets and Protective Apparel	Industrial Head Protection	Portable Gas Detection	Fixed Gas and Flame Detection*	Fall Protection	Core Sales	Non-Core Sales	Net Sales
GAAP reported sales change	4 %	— %	5 %	(4)%	13 %	(24)%	1 %	(5)%	1 %
Plus: Currency translation effects	8 %	9 %	5 %	6 %	5 %	6 %	7 %	9 %	6 %
Constant currency sales change	12 %	9 %	10 %	2 %	18 %	(18)%	8 %	4 %	7 %
Less: Acquisitions	— %	— %	— %	— %	15 %	— %	4 %	— %	3 %
Organic constant currency sales change	12 %	9 %	10 %	2 %	3 %	(18)%	4 %	4 %	4 %

*Fixed Gas and Flame Detection includes the impact of the Bacharach acquisition completed on July 1, 2021.

Organic constant currency sales change is a non-GAAP financial measure provided by the Company to give a better understanding of the Company's underlying business performance. Organic constant currency sales change is calculated by deducting the percentage impact from acquisitions and currency translation effects from the overall percentage change in net sales.

MSA Safety Incorporated
Reconciliation of As Reported Financial Measures to Non-GAAP Financial Measures
Constant currency revenue growth (Unaudited)

Consolidated

Three Months Ended June 30, 2022						
	Firefighter Safety	Fixed Gas and Flame Detection*	Industrial Core PPE	Core Sales	Non-Core Sales	Net Sales
GAAP reported sales change	8 %	24 %	7 %	11 %	(5)%	9 %
Plus: Currency translation effects	3 %	3 %	2 %	3 %	5 %	3 %
Constant currency sales change	11 %	27 %	9 %	14 %	— %	12 %
Less: Acquisitions	— %	25 %	— %	5 %	— %	4 %
Organic constant currency sales change	11 %	2 %	9 %	9 %	— %	8 %

*Fixed Gas and Flame Detection includes the impact of the Bacharach acquisition completed on July 1, 2021.

Six Months Ended June 30, 2022						
	Firefighter Safety	Fixed Gas and Flame Detection*	Industrial Core PPE	Core Sales	Non-Core Sales	Net Sales
GAAP reported sales change	6 %	31 %	4 %	11 %	(10)%	8 %
Plus: Currency translation effects	2 %	2 %	2 %	2 %	3 %	3 %
Constant currency sales change	8 %	33 %	6 %	13 %	(7)%	11 %
Less: Acquisitions	— %	26 %	— %	6 %	— %	5 %
Organic constant currency sales change	8 %	7 %	6 %	7 %	(7)%	6 %

*Fixed Gas and Flame Detection includes the impact of the Bacharach acquisition completed on July 1, 2021.

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MSA Safety Incorporated
Segment Information (Unaudited)
(In thousands, except percentage amounts)

	<u>Americas</u>	<u>International</u>	<u>Corporate</u>	<u>Consolidated</u>
Three Months Ended June 30, 2022				
Sales to external customers	\$ 252,386	\$ 119,927	\$ —	\$ 372,313
Operating income				61,536
Operating margin %				16.5 %
Restructuring charges				57
Currency exchange gains, net				(1,463)
Product liability expense				2,926
Acquisition related costs ^(a)				2,557
Adjusted operating income (loss)	57,141	17,207	(8,735)	65,613
Adjusted operating margin %	22.6 %	14.3 %		17.6 %
Depreciation and amortization ^(b)				11,604
Adjusted EBITDA	65,461	20,370	(8,614)	77,217
Adjusted EBITDA margin %	25.9 %	17.0 %		20.7 %
Three Months Ended June 30, 2021				
Sales to external customers	\$ 217,707	\$ 123,582	\$ —	\$ 341,289
Operating income				35,135
Operating margin %				10.3 %
Restructuring charges				7,078
Currency exchange losses, net				1,640
Product liability expense				11,751
Acquisition related costs ^(a)				3,168
Adjusted operating income (loss)	49,319	20,444	(10,991)	58,772
Adjusted operating margin %	22.7 %	16.5 %		17.2 %
Depreciation and amortization				11,584
Adjusted EBITDA	57,218	24,024	(10,886)	70,356
Adjusted EBITDA margin %	26.3 %	19.4 %		20.6 %

*Prior period has been adjusted to reflect the change in inventory accounting method, as described in the Company's fiscal 2021 Annual Report on Form 10-K. Adjustments were made to Americas and International.

^(a) Acquisition related costs include advisory, legal, accounting, valuation, and other professional or consulting fees incurred during due diligence and integration. These costs are included in selling, general and administrative expense in the unaudited Condensed Consolidated Statements of Income. Acquisition related costs also include the acquisition related amortization, which is included in cost of products sold in the unaudited Condensed Consolidated Statements of Income.

^(b) Excludes acquisition related amortization, which is included in acquisition related costs above.

The Americas segment is comprised of our operations in Northern North American and Latin American geographies. The International segment is comprised of our operations in all geographies outside of the Americas. Certain global expenses are allocated to each segment in a manner consistent with where the benefits from the expenses are derived.

Adjusted operating income (loss), adjusted operating margin, adjusted earnings before interest, taxes, depreciation and amortization (EBITDA) and adjusted EBITDA margin are the measures used by the chief operating decision maker to evaluate segment performance and allocate resources. As such, management believes that adjusted operating income (loss), adjusted operating margin, adjusted EBITDA and adjusted EBITDA margin are useful metrics for investors. Adjusted operating income (loss) is defined as operating income excluding restructuring charges, currency exchange gains / losses, product liability expense, acquisition related costs, including acquisition related amortization. Adjusted operating margin is defined as adjusted operating income (loss) divided by segment sales to external customers. Adjusted EBITDA is defined as adjusted operating income (loss) plus depreciation and amortization, and adjusted EBITDA margin is defined as adjusted EBITDA divided by segment sales to external customers. Adjusted operating income (loss), adjusted operating margin, adjusted EBITDA and adjusted EBITDA margin are not recognized terms under GAAP, and therefore do not purport to be alternatives to operating income or operating margin as a measure of operating performance. The Company's definition of adjusted operating income (loss), adjusted operating margin, adjusted EBITDA and adjusted EBITDA margin may not be comparable to similarly titled measures of other companies. As such, management believes that it is appropriate to consider operating income determined on a GAAP basis in addition to these non-GAAP measures.

MSA Safety Incorporated
Segment Information (Unaudited)
(In thousands, except percentage amounts)

	<u>Americas</u>	<u>International</u>	<u>Corporate</u>	<u>Consolidated</u>
Six Months Ended June 30, 2022				
Sales to external customers	\$ 478,034	\$ 224,971	\$ —	\$ 703,005
Operating income				104,204
Operating margin %				14.8 %
Restructuring charges				2,247
Currency exchange losses, net				1,809
Product liability expense				5,698
Acquisition related costs ^(a)				5,499
Adjusted operating income (loss)	109,577	26,196	(16,316)	119,457
Adjusted operating margin %	22.9 %	11.6 %		17.0 %
Depreciation and amortization ^(b)				23,420
Adjusted EBITDA	126,256	32,698	(16,077)	142,877
Adjusted EBITDA margin %	26.4 %	14.5 %		20.3 %
Six Months Ended June 30, 2021				
Sales to external customers	\$ 426,046	\$ 223,671	\$ —	\$ 649,717
Operating income				79,217
Operating margin %				12.2 %
Restructuring charges				8,385
Currency exchange gains, net				(459)
Product liability expense				14,547
Acquisition related costs ^(a)				4,541
Adjusted operating income (loss)	94,512	29,201	(17,482)	106,231
Adjusted operating margin %	22.2 %	13.1 %		16.4 %
Depreciation and amortization				22,088
Adjusted EBITDA	109,444	36,154	(17,279)	128,319
Adjusted EBITDA margin %	25.7 %	16.2 %		19.7 %

*Prior period has been adjusted to reflect the change in inventory accounting method, as described in the Company's fiscal 2021 Annual Report on Form 10-K. Adjustments were made to Americas and International.

^(a) Acquisition related costs include advisory, legal, accounting, valuation, and other professional or consulting fees incurred during due diligence and integration. These costs are included in selling, general and administrative expense in the unaudited Condensed Consolidated Statements of Income. Acquisition related costs also include the acquisition related amortization, which is included in cost of products sold in the unaudited Condensed Consolidated Statements of Income.

^(b) Excludes acquisition related amortization, which is included in acquisition related costs above.

The Americas segment is comprised of our operations in Northern North American and Latin American geographies. The International segment is comprised of our operations in all geographies outside of the Americas. Certain global expenses are allocated to each segment in a manner consistent with where the benefits from the expenses are derived.

Adjusted operating income (loss), adjusted operating margin, adjusted earnings before interest, taxes, depreciation and amortization (EBITDA) and adjusted EBITDA margin are the measures used by the chief operating decision maker to evaluate segment performance and allocate resources. As such, management believes that adjusted operating income (loss), adjusted operating margin, adjusted EBITDA and adjusted EBITDA margin are useful metrics for investors. Adjusted operating income (loss) is defined as operating income excluding restructuring charges, currency exchange gains / losses, product liability expense, acquisition related costs, including acquisition related amortization. Adjusted operating margin is defined as adjusted operating income (loss) divided by segment sales to external customers. Adjusted EBITDA is defined as adjusted operating income (loss) plus depreciation and amortization, and adjusted EBITDA margin is defined as adjusted EBITDA divided by segment sales to external customers. Adjusted operating income (loss), adjusted operating margin, adjusted EBITDA and adjusted EBITDA margin are not recognized terms under GAAP, and therefore do not purport to be alternatives to operating income or operating margin as a measure of operating performance. The Company's definition of adjusted operating income (loss), adjusted operating margin, adjusted EBITDA and adjusted EBITDA margin may not be comparable to similarly titled measures of other companies. As such, management believes that it is appropriate to consider operating income determined on a GAAP basis in addition to these non-GAAP measures.

MSA Safety Incorporated

Reconciliation of As Reported Financial Measures to Non-GAAP Financial Measures

Adjusted earnings (Unaudited)

Adjusted earnings per diluted share (Unaudited)

(In thousands, except per share amounts)

	Three Months Ended June 30,		% Change	Six Months Ended June 30,		% Change
	2022	2021		2022	2021	
Net income attributable to MSA Safety Incorporated	\$ 47,693	\$ 25,186	89%	\$ 83,235	\$ 61,636	35%
Product liability expense	2,926	11,751		5,698	14,547	
Acquisition related costs ^(a)	2,557	3,168		5,499	4,541	
Restructuring charges	57	7,078		2,247	8,385	
Asset related losses and other	120	29		124	48	
Currency exchange (gains) losses, net	(1,463)	1,640		1,809	(459)	
Income tax expense on adjustments	(946)	(7,029)		(4,069)	(9,399)	
Adjusted earnings	<u>\$ 50,944</u>	<u>\$ 41,823</u>	22%	<u>\$ 94,543</u>	<u>\$ 79,299</u>	19%
Adjusted earnings per diluted share	<u>\$ 1.29</u>	<u>\$ 1.06</u>	22%	<u>\$ 2.40</u>	<u>\$ 2.01</u>	19%

^(a) Acquisition related costs include advisory, legal, accounting, valuation, and other professional or consulting fees incurred during due diligence and integration. These costs are included in selling, general and administrative expense in the unaudited Condensed Consolidated Statements of Income. Acquisition related costs also include the acquisition related amortization, which is included in cost of products sold in the unaudited Condensed Consolidated Statements of Income.

Management believes that adjusted earnings and adjusted earnings per diluted share are useful measures for investors, as management uses these measures to internally assess the company's performance and ongoing operating trends. There can be no assurances that additional special items will not occur in future periods, nor that MSA's definition of adjusted earnings is consistent with that of other companies. As such, management believes that it is appropriate to consider both net income determined on a GAAP basis as well as adjusted earnings.

MSA Safety Incorporated
Reconciliation of As Reported Financial Measures to Non-GAAP Financial Measures
Debt to adjusted EBITDA / Net debt to adjusted EBITDA (Unaudited)
(In thousands)

	Twelve Months Ended June 30,
	<u>2022</u>
Operating income	\$ 47,767
Depreciation and amortization ^(a)	46,749
Product liability expense	176,415
Restructuring charges	10,295
Currency exchange losses, net	2,484
Acquisition related costs ^(b)	16,842
Adjusted EBITDA	<u>\$ 300,552</u>
Total end-of-period debt	623,211
Debt to adjusted EBITDA	<u><u>2.1</u></u>
Total end-of-period debt	623,211
Total end-of-period cash and cash equivalents	134,047
Net debt	<u>\$ 489,164</u>
Net debt to adjusted EBITDA	<u><u>1.6</u></u>

^(a) Excludes acquisition related amortization, which is included in acquisition related costs below.

^(b) Acquisition related costs include advisory, legal, accounting, valuation, and other professional or consulting fees incurred during due diligence and integration. These costs are included in selling, general and administrative expense in the unaudited Condensed Consolidated Statements of Income. Acquisition related costs also include the acquisition related amortization, which is included in cost of products sold in the unaudited Condensed Consolidated Statements of Income.

Management believes that Debt to Adjusted EBITDA and Net Debt to Adjusted EBITDA are useful measures for investors, as management uses these measures to internally assess the Company's liquidity and balance sheet strength. There can be no assurances that that MSA's definition of Debt to Adjusted EBITDA and Net Debt to Adjusted EBITDA is consistent with that of other companies.

MSA Safety Incorporated
Reconciliation of As Reported Financial Measures to Non-GAAP Financial Measures
Free cash flow (Unaudited)
(In thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Cash flow from operating activities	\$ 15,453	\$ 38,298	\$ 39,976	\$ 83,914
Capital expenditures	(11,829)	(10,706)	(19,805)	(20,288)
Free cash flow	<u>\$ 3,624</u>	<u>\$ 27,592</u>	<u>\$ 20,171</u>	<u>\$ 63,626</u>

Management believes that free cash flow is a meaningful measure for investors. Management reviews cash from operations after deducting capital expenditures because these expenditures are necessary to promote growth of MSA's business and are likely to produce cash from operations in future periods. It is important to note that free cash flow does not reflect the residual cash balance of the company for discretionary spending since other items, including debt and dividend payments, are deducted from free cash flow before arriving at the company's ending cash balance. There can be no assurances that MSA's definition of free cash flow is consistent with that of other companies. As such, management believes that it is appropriate to consider cash from operating activities determined on a GAAP basis as well as free cash flow.