

MSA Safety Incorporated
 Reconciliation of As Reported Financial Measures to Non-GAAP Financial Measures
 Base Effective Tax Rate (Unaudited)
 (In thousands, except percentages)

	Three Months Ended March 31,		Basis Points Change
	2015	2014	
Provision for income taxes	\$ 15,384	\$ 7,604	
Less: Nonrecurring tax charges associated with European reorganization	7,605	—	
Provision for income taxes excluding nonrecurring tax charges	7,779	7,604	
Income from continuing operations before income taxes	24,526	20,907	
Base effective tax rate excluding nonrecurring tax charges	<u>31.7%</u>	<u>36.4%</u>	(470)

Base effective tax rate is a non-GAAP measure. Management believes that it is useful for investors to analyze trends in the effective tax rate excluding nonrecurring tax charges incurred in the current quarter associated with the company's European reorganization project. It is important to note that the base effective tax rate does not reflect the company's reported effective tax rate. As such, it is appropriate to analyze both the GAAP reported effective tax rate and the base effective tax rate excluding nonrecurring tax charges.

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Reconciliation of As Reported Financial Measures to Non-GAAP Financial Measures
Adjusted Earnings / Earnings per Share (Unaudited)
(In thousands, except per share amounts)

	Three Months Ended March 31,		% Change
	2015	2014	
Income from continuing operations attributable to MSA Safety Incorporated	9,316	13,522	(31.1)%
Nonrecurring tax charges associated with European reorganization	7,605	—	
Income from continuing operations excluding nonrecurring tax charges	16,921	13,522	25.1%
Foreign currency (gain) / loss	(2,548)	352	
Restructuring charges	731	1,900	
Self insured legal settlements and defense costs	86	2,117	
Income tax benefit / (expense) on adjustments	521	(1,590)	
Adjusted earnings	15,711	16,301	(3.6)%
Adjusted earnings per diluted share	<u>\$ 0.42</u>	<u>\$ 0.43</u>	(2.3)%

Management believes that adjusted earnings and adjusted earnings per share are useful measures for investors when analyzing 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.

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Reconciliation of As Reported Financial Measures to Non-GAAP Financial Measures
Free Cash Flow (Unaudited)
(In thousands)

	Three Months Ended March 31,	
	<u>2015</u>	<u>2014</u>
Cash from operations	\$ (16,663)	\$ 9,397
Capital expenditures	<u>(7,469)</u>	<u>(7,204)</u>
Free cash flow	<u>(24,132)</u>	<u>2,193</u>

Management believes that free cash flow is a meaningful measure for investors, as 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.