

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, 2020									
	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	1 %	(17)%	(21)%	(33)%	(7)%	(32)%	(15)%	22 %	(10)%
Plus: Currency translation effects	2 %	— %	5 %	2 %	1 %	3 %	2 %	5 %	2 %
Constant currency sales change	3 %	(17)%	(16)%	(31)%	(6)%	(29)%	(13)%	27 %	(8)%

Six Months Ended June 30, 2020									
	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	1 %	(10)%	(12)%	(16)%	4 %	(21)%	(6)%	22 %	(3)%
Plus: Currency translation effects	1 %	— %	5 %	2 %	1 %	3 %	1 %	5 %	2 %
Constant currency sales change	2 %	(10)%	(7)%	(14)%	5 %	(18)%	(5)%	27 %	(1)%

\* Non-Core Sales include Air-Purifying Respirators.

Management believes that constant currency revenue growth is a useful metric for investors, as foreign currency translation can have a material impact on revenue growth trends. Constant currency revenue growth highlights ongoing business performance excluding the impact of fluctuating foreign currencies, which is outside of management's control. There can be no assurances that MSA's definition of constant currency revenue growth is consistent with that of other companies. As such, management believes that it is appropriate to consider revenue growth determined on a GAAP basis in addition to this non-GAAP financial measure.

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Americas Segment

Three Months Ended June 30, 2020

	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	(1)%	(14)%	(33)%	(40)%	(6)%	(39)%	(18)%	37 %	(12)%
Plus: Currency translation effects	1 %	— %	6 %	3 %	1 %	3 %	2 %	6 %	2 %
Constant currency sales change	— %	(14)%	(27)%	(37)%	(5)%	(36)%	(16)%	43 %	(10)%

Six Months Ended June 30, 2020

	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	1 %	(7)%	(18)%	(19)%	8 %	(21)%	(7)%	35 %	(2)%
Plus: Currency translation effects	1 %	— %	5 %	2 %	1 %	3 %	2 %	5 %	2 %
Constant currency sales change	2 %	(7)%	(13)%	(17)%	9 %	(18)%	(5)%	40 %	— %

\* Non-Core Sales include Air-Purifying Respirators.

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International Segment

Three Months Ended June 30, 2020									
	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	5 %	(32)%	19 %	(19)%	(8)%	(20)%	(8)%	— %	(7)%
Plus: Currency translation effects	3 %	1 %	4 %	2 %	2 %	3 %	2 %	3 %	3 %
Constant currency sales change	8 %	(31)%	23 %	(17)%	(6)%	(17)%	(6)%	3 %	(4)%

Six Months Ended June 30, 2020									
	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	— %	(23)%	9 %	(11)%	(2)%	(20)%	(6)%	5 %	(5)%
Plus: Currency translation effects	3 %	2 %	4 %	3 %	2 %	2 %	2 %	3 %	3 %
Constant currency sales change	3 %	(21)%	13 %	(8)%	— %	(18)%	(4)%	8 %	(2)%

\* Non-Core Sales include Air-Purifying Respirators.

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Constant currency revenue growth (Unaudited)

Consolidated

Three Months Ended June 30, 2020						
	Firefighter Safety	Fixed Gas and Flame Detection	Industrial Core PPE	Core Sales	Non-Core Sales*	Net Sales
GAAP reported sales change	(6)%	(7)%	(29)%	(15)%	22 %	(10)%
Plus: Currency translation effects	1 %	1 %	4 %	2 %	5 %	2 %
Constant currency sales change	(5)%	(6)%	(25)%	(13)%	27 %	(8)%

Six Months Ended June 30, 2020						
	Firefighter Safety	Fixed Gas and Flame Detection	Industrial Core PPE	Core Sales	Non-Core Sales*	Net Sales
GAAP reported sales change	(3)%	4 %	(16)%	(6)%	22 %	(3)%
Plus: Currency translation effects	1 %	1 %	3 %	1 %	5 %	2 %
Constant currency sales change	(2)%	5 %	(13)%	(5)%	27 %	(1)%

\* Non-Core Sales include Air-Purifying Respirators.

Management believes that constant currency revenue growth is a useful metric for investors, as foreign currency translation can have a material impact on revenue growth trends. Constant currency revenue growth highlights ongoing business performance excluding the impact of fluctuating foreign currencies, which is outside of management's control. There can be no assurances that MSA's definition of constant currency revenue growth is consistent with that of other companies. As such, management believes that it is appropriate to consider revenue growth determined on a GAAP basis in addition to this non-GAAP financial measure.

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, 2020				
Sales to external customers	\$ 204,231	\$ 110,207	\$ —	\$ 314,438
Operating income				48,294
Operating margin %				15.4 %
Restructuring charges				8,865
Currency exchange losses, net				793
Product liability expense				851
Strategic transaction costs				64
Adjusted operating income (loss)	49,003	17,402	(7,538)	58,867
Adjusted operating margin %	24.0 %	15.8 %		18.7 %
Depreciation and amortization				9,786
Adjusted EBITDA	55,620	20,474	(7,441)	68,653
Adjusted EBITDA %	27.2 %	18.6 %		21.8 %
Three Months Ended June 30, 2019				
Sales to external customers	\$ 231,389	\$ 118,286	\$ —	\$ 349,675
Operating income				54,478
Operating margin %				15.6 %
Restructuring charges				3,522
Currency exchange losses, net				1,290
Product liability expense				3,529
Strategic transaction costs				1,529
Adjusted operating income (loss)	57,689	15,072	(8,413)	64,348
Adjusted operating margin %	24.9 %	12.7 %		18.4 %
Depreciation and amortization				9,466
Adjusted EBITDA	63,842	18,288	(8,316)	73,814
Adjusted EBITDA %	27.6 %	15.5 %		21.1 %

The Americas segment is comprised of our operations in North America and Latin America 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, and strategic transaction costs, and 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, 2020				
Sales to external customers	\$ 435,484	\$ 220,099	\$ —	\$ 655,583
Operating income				107,076
Operating margin %				16.3 %
Restructuring charges				10,872
Currency exchange losses, net				1,063
Product liability expense				2,802
Strategic transaction costs				161
COVID-19 related costs				757
Adjusted operating income (loss)	108,811	30,073	(16,153)	122,731
Adjusted operating margin %	25.0 %	13.7 %		18.7 %
Depreciation and amortization				19,428
Adjusted EBITDA	121,878	36,239	(15,958)	142,159
Adjusted EBITDA %	28.0 %	16.5 %		21.7 %
Six Months Ended June 30, 2019				
Sales to external customers	\$ 445,076	\$ 230,637	\$ —	\$ 675,713
Operating income				86,638
Operating margin %				12.8 %
Restructuring charges				9,353
Currency exchange losses, net				18,251
Product liability expense				6,425
Strategic transaction costs				1,985
Adjusted operating income (loss)	112,492	26,112	(15,952)	122,652
Adjusted operating margin %	25.3 %	11.3 %		18.2 %
Depreciation and amortization				18,792
Adjusted EBITDA	124,742	32,459	(15,757)	141,444
Adjusted EBITDA %	28.0 %	14.1 %		20.9 %

The Americas segment is comprised of our operations in North America and Latin America 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, strategic transaction costs and COVID-19 related costs, and 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  
Organic constant currency SG&A expense (Unaudited)  
(In thousands)

	Three Months Ended June 30,			Six Months Ended June 30,		
	2020	2019	% Change	2020	2019	% Change
GAAP reported SG&A expense	\$ 69,034	\$ 84,009	(18)%	\$149,271	\$162,437	(8)%
Plus: Currency translation effects	\$ —	\$ (2,075)		\$ —	\$ (3,383)	
Constant currency SG&A expense	\$ 69,034	\$ 81,934	(16)%	\$149,271	\$159,054	(6)%
Less: Acquisitions and strategic transaction costs	\$ 1,368	\$ 2,980		\$ 2,951	\$ 3,436	
Organic constant currency SG&A expense	<u>\$ 67,666</u>	<u>\$ 78,954</u>	(14)%	<u>\$146,320</u>	<u>\$155,618</u>	(6)%

Management believes that organic constant currency SG&A expense is a useful metric for investors to measure the effectiveness of the company's cost reduction programs. Constant currency SG&A expense highlights spending patterns excluding fluctuating foreign currencies. Organic constant currency SG&A expense highlights the impact of acquisitions and strategic transaction costs. These metrics provide investors with a greater level of clarity into spending levels on a year-over-year basis. There can be no assurances that MSA's definition of organic constant currency SG&A expense is consistent with that of other companies. As such, management believes that it is appropriate to consider SG&A expense determined on a GAAP basis in addition to this non-GAAP financial measure.

MSA Safety Incorporated  
 Reconciliation of As Reported Financial Measures to Non-GAAP Financial Measures  
 Adjusted effective tax rate (Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
GAAP reported effective tax rate	23.9 %	24.8 %	23.4 %	25.9 %
Tax impact of non-cash charge related to the recognition of currency translation adjustments	0.1 %	0.2 %	(0.1)%	(4.1)%
Tax benefit (charge) associated with ASU 2016-09: <i>Improvements to employee share-based payment accounting</i>	<u>0.7 %</u>	<u>(0.8)%</u>	<u>1.6 %</u>	<u>2.3 %</u>
Adjusted effective tax rate	<u>24.7 %</u>	<u>24.2 %</u>	<u>24.9 %</u>	<u>24.1 %</u>

Management believes that adjusted effective tax rate is a useful measure for investors. The adjusted effective tax rate excludes tax benefits and/or charges that are unrelated to the ongoing operations of the company. There can be no assurances that MSA's metric is consistent with metrics used by other companies. As such, management believes that it is appropriate to consider MSA's effective tax rate determined on a GAAP basis as well as this non-GAAP measure.

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
	2020	2019		2020	2019	
Net income attributable to MSA Safety Incorporated	\$ 36,066	\$ 39,806	(9)%	\$ 79,741	\$ 63,038	26%
Non-deductible non-cash charge related to the recognition of currency translation adjustments <sup>(a)</sup>	—	—		—	15,359	
Tax (benefit) / charge associated with ASU 2016-09: Improvements to employee share-based payment accounting	(348)	429		(1,619)	(1,993)	
Subtotal	<u>35,718</u>	<u>40,235</u>	(11)%	<u>78,122</u>	<u>76,404</u>	2%
Restructuring charges	8,865	3,522		10,872	9,353	
Product liability expense	851	3,529		2,802	6,425	
Currency exchange losses, net	793	1,290		1,063	2,892	
Strategic transaction costs	64	1,529		161	1,985	
Asset related losses, net	5	208		127	233	
COVID-19 related costs	—	—		757	—	
Income tax expense on adjustments	(2,613)	(2,439)		(3,914)	(5,034)	
Adjusted earnings	<u>\$ 43,683</u>	<u>\$ 47,874</u>	(9)%	<u>\$ 89,990</u>	<u>\$ 92,258</u>	(2)%
Adjusted earnings per diluted share	<u>\$ 1.11</u>	<u>\$ 1.22</u>	(9)%	<u>\$ 2.29</u>	<u>\$ 2.36</u>	(3)%

<sup>(a)</sup> Included in Currency exchange losses, net on the Condensed Consolidated Statement 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>2020</u>	
Operating income	\$	206,668
Depreciation and amortization		38,654
Product liability expense		22,996
Restructuring charges		15,365
Currency exchange losses, net		2,626
Strategic transaction costs		2,576
COVID-19 related costs		757
Adjusted EBITDA	\$	289,642
Total end-of-period debt		334,500
Debt to adjusted EBITDA		<u>1.2</u>
Total end-of-period debt		334,500
Total end-of-period cash and cash equivalents		136,238
Net debt	\$	198,262
Net debt to adjusted EBITDA		<u>0.7</u>

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, except percentages)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Cash flow from operating activities	\$ 69,424	\$ 36,328	\$ 83,031	\$ 37,545
Capital expenditures	(13,272)	(8,628)	(19,834)	(13,525)
Free cash flow	<u>\$ 56,152</u>	<u>\$ 27,700</u>	<u>\$ 63,197</u>	<u>\$ 24,020</u>
Net income attributable to MSA Safety Incorporated	\$36,066	\$39,806	\$79,741	\$63,038
Free cash flow conversion	156%	70%	79%	38%

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. Management defines free cash flow conversion as free cash flow divided by net income attributable to MSA. 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.