

MSA Safety Incorporated
 Reconciliation of As Reported Financial Measures to Non-GAAP Financial Measures
 Local Currency Revenue Growth (Unaudited)

	<u>Three Months Ended March 31, 2016</u>		
	<u>Consolidated</u>	<u>Americas</u>	<u>International</u>
Local currency revenue growth, excluding Latchways	7 %	9 %	4 %
Latchways acquisition	6 %	1 %	14 %
Local currency revenue growth	<u>13 %</u>	<u>10 %</u>	<u>18 %</u>
FX translation	<u>(4)%</u>	<u>(4)%</u>	<u>(4)%</u>
GAAP reported revenue growth	<u>9 %</u>	<u>6 %</u>	<u>14 %</u>

Management believes that local currency revenue growth is a useful metric for investors, as foreign currency translation can have a material impact on revenue growth trends. Local 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 local currency revenue growth is consistent with that of other companies. As such, management believes that it is appropriate to consider both revenue growth determined on a GAAP basis as well as local currency revenue growth.

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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
	2016	2015	
Income from continuing operations attributable to MSA Safety Incorporated	12,683	9,316	36.1%
Nonrecurring tax charges associated with European reorganization	<u>3,600</u>	<u>7,605</u>	
Subtotal	<u>16,283</u>	<u>16,921</u>	(3.8)%
Currency exchange losses (gains), net	1,950	(2,548)	
Latchways integration costs	511	—	
Restructuring and other charges	470	731	
Asset related (gains), net	(343)	—	
Self-insured legal settlements and defense costs	20	86	
Income tax (expense) benefit on adjustments	<u>(905)</u>	<u>549</u>	
Adjusted earnings	<u>17,986</u>	<u>15,739</u>	14.3%
Adjusted earnings per diluted share	<u>\$ 0.48</u>	<u>\$ 0.42</u>	14.3%

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>2016</u>	<u>2015</u>
Cash flow (used in) operating activities	\$ (11,006)	\$ (16,663)
Capital expenditures	<u>(5,819)</u>	<u>(7,469)</u>
Free cash flow	<u>\$ (16,825)</u>	<u>\$ (24,132)</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.

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 Reconciliation of As Reported Financial Measures to Non-GAAP Financial Measures
 Debt to EBITDA / Net Debt to EBITDA (Unaudited)
 (In thousands)

	Trailing Twelve Months Ended March 31, 2016
Net income attributable to MSA Safety Incorporated	72,876
Provision for income taxes	41,534
Interest expense	12,283
Depreciation and amortization	33,903
Other non-cash expenses	18,833
Non-cash restructuring expenses	3,600
Costs related to acquisition	7,973
EBITDA	191,002
Total end-of-period debt	478,298
Debt to EBITDA	2.5
Total end-of-period debt	478,298
Total end-of-period cash and cash equivalents	111,901
Net debt	366,397
Net Debt to EBITDA	1.9

EBITDA is a non-GAAP financial measure. MSA defines this measure as net income attributable to the Company, excluding interest, taxes, depreciation and amortization, non-cash charges including pension expense and stock-based compensation, non-cash restructuring charges and costs related to the acquisition of Latchways. Management believes this information is useful for investors to analyze profitability trends of the Company. EBITDA, as defined herein, may not be comparable to similarly titled measures reported by other companies. Furthermore, this performance measure does not take into account certain significant items that directly affect net income. EBITDA should be considered in addition to GAAP measures such as net income.

Debt to EBITDA ratio is a non-GAAP measure defined as total long term debt and debt maturing within one year divided by EBITDA, as reconciled above. Net Debt to EBITDA removes cash and cash equivalents from the Company's debt balance. These ratios are frequently used by investors and credit agencies and management believes these measures provide relevant and useful information.