

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

Consolidated

Three Months Ended December 31, 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	20 %	(5)%	(7)%	(4)%	(5)%	— %	3 %	10 %	3 %
Plus: Currency translation effects	(2)%	(2)%	2 %	— %	(2)%	(1)%	(1)%	(1)%	(1)%
Constant currency sales change	18 %	(7)%	(5)%	(4)%	(7)%	(1)%	2 %	9 %	2 %

Twelve Months Ended December 31, 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	4 %	(9)%	(13)%	(16)%	(2)%	(18)%	(6)%	15 %	(4)%
Plus: Currency translation effects	— %	— %	3 %	1 %	— %	1 %	— %	1 %	1 %
Constant currency sales change	4 %	(9)%	(10)%	(15)%	(2)%	(17)%	(6)%	16 %	(3)%

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 December 31, 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	22 %	(3)%	(11)%	(12)%	(7)%	(14)%	1 %	38 %	4 %
Plus: Currency translation effects	— %	— %	5 %	1 %	1 %	2 %	1 %	3 %	1 %
Constant currency sales change	22 %	(3)%	(6)%	(11)%	(6)%	(12)%	2 %	41 %	5 %

Twelve Months Ended December 31,2020

	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	4 %	(6)%	(18)%	(21)%	(1)%	(26)%	(8)%	25 %	(4)%
Plus: Currency translation effects	1 %	— %	4 %	2 %	1 %	3 %	2 %	4 %	1 %
Constant currency sales change	5 %	(6)%	(14)%	(19)%	— %	(23)%	(6)%	29 %	(3)%

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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International Segment

Three Months Ended December 31, 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	16 %	(12)%	4 %	12 %	(2)%	22 %	6 %	(13)%	3 %
Plus: Currency translation effects	(7)%	(5)%	(5)%	(4)%	(5)%	(4)%	(5)%	(6)%	(5)%
Constant currency sales change	9 %	(17)%	(1)%	8 %	(7)%	18 %	1 %	(19)%	(2)%

Twelve Months Ended December 31, 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	3 %	(21)%	3 %	(6)%	(3)%	(6)%	(3)%	1 %	(3)%
Plus: Currency translation effects	(1)%	(1)%	— %	(1)%	(2)%	— %	(1)%	(1)%	(1)%
Constant currency sales change	2 %	(22)%	3 %	(7)%	(5)%	(6)%	(4)%	— %	(4)%

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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Consolidated

Three Months Ended December 31, 2020						
	Firefighter Safety	Fixed Gas and Flame Detection	Industrial Core PPE	Core Sales	Non-Core Sales	Net Sales
GAAP reported sales change	12 %	(5)%	(4)%	3 %	10 %	3 %
Plus: Currency translation effects	(2)%	(2)%	— %	(1)%	(1)%	(1)%
Constant currency sales change	10 %	(7)%	(4)%	2 %	9 %	2 %

Twelve Months Ended December 31, 2020						
	Firefighter Safety	Fixed Gas and Flame Detection	Industrial Core PPE	Core Sales	Non-Core Sales	Net Sales
GAAP reported sales change	(1)%	(2)%	(16)%	(6)%	15 %	(4)%
Plus: Currency translation effects	— %	— %	2 %	— %	1 %	1 %
Constant currency sales change	(1)%	(2)%	(14)%	(6)%	16 %	(3)%

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)

	Americas	International	Corporate	Consolidated
Three Months Ended December 31, 2020				
Sales to external customers	\$ 244,518	\$ 143,730	\$ —	\$ 388,248
Operating income				18,638
Operating margin %				4.8 %
Restructuring charges				8,906
Currency exchange losses, net				4,757
Product liability expense				34,158
Strategic transaction costs				515
Adjusted operating income (loss)	50,828	25,145	(8,999)	66,974
Adjusted operating margin %	20.8 %	17.5 %		17.3 %
Depreciation and amortization				10,390
Adjusted EBITDA	57,955	28,310	(8,901)	77,364
Adjusted EBITDA %	23.7 %	19.7 %		19.9 %
Three Months Ended December 31, 2019				
Sales to external customers	\$ 235,419	\$ 139,836	\$ —	\$ 375,255
Operating income				39,978
Operating margin %				10.7 %
Restructuring charges				2,643
Currency exchange losses, net				2,476
Product liability expense				18,464
Strategic transaction costs				1,463
Adjusted operating income (loss)	55,133	20,022	(10,131)	65,024
Adjusted operating margin %	23.4 %	14.3 %		17.3 %
Depreciation and amortization				9,681
Adjusted EBITDA	61,203	23,535	(10,033)	74,705
Adjusted EBITDA %	26.0 %	16.8 %		19.9 %

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, 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>
Twelve Months Ended December 31, 2020				
Sales to external customers	\$ 874,305	\$ 473,918	\$ —	\$1,348,223
Operating income				166,851
Operating margin %				12.4 %
Restructuring charges				27,381
Currency exchange losses, net				8,578
Product liability expense				39,036
Strategic transaction costs				717
COVID-19 related costs				757
Adjusted operating income (loss)	200,536	70,864	(28,080)	243,320
Adjusted operating margin %	22.9 %	15.0 %		18.0 %
Depreciation and amortization				39,674
Adjusted EBITDA	227,298	83,385	(27,689)	282,994
Adjusted EBITDA %	26.0 %	17.6 %		21.0 %
Twelve Months Ended December 31, 2019				
Sales to external customers	\$ 915,118	\$ 486,863	\$ —	\$1,401,981
Operating income				186,230
Operating margin %				13.3 %
Restructuring charges				13,846
Currency exchange losses, net				19,814
Product liability expense				26,619
Strategic transaction costs				4,400
Adjusted operating income (loss)	226,596	59,910	(35,597)	250,909
Adjusted operating margin %	24.8 %	12.3 %		17.9 %
Depreciation and amortization				38,020
Adjusted EBITDA	251,287	72,848	(35,206)	288,929
Adjusted EBITDA %	27.5 %	15.0 %		20.6 %

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  
Adjusted earnings (Unaudited)  
Adjusted earnings per diluted share (Unaudited)  
(In thousands, except per share amounts)

	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2020	2019	% Change	2020	2019	% Change
Net income attributable to MSA Safety Incorporated	\$ 12,338	\$ 31,162	(60)%	\$ 120,101	\$ 136,440	(12)%
Non-deductible non-cash charge related to the recognition of currency translation adjustments <sup>(a)</sup>	—	—		—	15,359	
Tax charges associated with restructuring activities	1,119	584		1,119	584	
Tax benefit associated with ASU 2016-09: Improvements to employee share-based payment accounting	(266)	(98)		(1,965)	(2,278)	
Subtotal	<u>13,191</u>	<u>31,648</u>	(58)%	<u>119,255</u>	<u>150,105</u>	(21)%
Product liability expense	34,158	18,464		39,036	26,619	
Restructuring charges	8,906	2,643		27,381	13,846	
Currency exchange losses, net	4,757	2,476		8,578	4,455	
Strategic transaction costs	515	1,463		717	4,400	
Asset related losses and other	47	100		993	371	
Income tax expense on adjustments	<u>(11,716)</u>	<u>(5,914)</u>		<u>(19,330)</u>	<u>(11,826)</u>	
Adjusted earnings	<u>\$ 49,858</u>	<u>\$ 50,880</u>	(2)%	<u>\$ 176,630</u>	<u>\$ 187,970</u>	(6)%
Adjusted earnings per diluted share	<u>\$ 1.27</u>	<u>\$ 1.29</u>	(2)%	<u>\$ 4.50</u>	<u>\$ 4.80</u>	(6)%

<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 December 31,	
	2020	
Operating income	\$	166,851
Depreciation and amortization		39,674
Product liability expense		39,036
Restructuring charges		27,381
Currency exchange losses, net		8,578
COVID-19 related costs		757
Strategic transaction costs		717
Adjusted EBITDA	\$	282,994
Total end-of-period debt		307,157
Debt to adjusted EBITDA		<u>1.1</u>
Total end-of-period debt		307,157
Total end-of-period cash and cash equivalents		160,672
Net debt	\$	146,485
Net debt to adjusted EBITDA		<u>0.5</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 December 31,		Twelve Months Ended December 31,	
	2020	2019	2020	2019
Cash flow from operating activities	\$ 96,400	\$ 76,712	\$ 206,555	\$ 164,962
Capital expenditures	(16,207)	(13,081)	(48,905)	(36,604)
Free cash flow	<u>\$ 80,193</u>	<u>\$ 63,631</u>	<u>\$ 157,650</u>	<u>\$ 128,358</u>
Net income attributable to MSA Safety Incorporated	\$12,338	\$31,162	\$120,101	\$136,440
Free cash flow conversion	650%	204%	131%	94%

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.