

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, 2021									
	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)%	37 %	17 %	10 %	15 %	11 %	9 %	(16)%	6 %
Plus: Currency translation effects	— %	(2)%	2 %	1 %	1 %	1 %	1 %	1 %	— %
Constant currency sales change	(8)%	35 %	19 %	11 %	16 %	12 %	10 %	(15)%	6 %
Less: Acquisitions	— %	32 %	— %	— %	20 %	— %	9 %	— %	7 %
Organic constant currency sales change	(8)%	3 %	19 %	11 %	(4)%	12 %	1 %	(15)%	(1)%

Twelve Months Ended December 31, 2021									
	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	(2)%	26 %	14 %	14 %	4 %	14 %	9 %	(24)%	4 %
Plus: Currency translation effects	(1)%	(3)%	— %	(1)%	(1)%	(2)%	(2)%	(1)%	(1)%
Constant currency sales change	(3)%	23 %	14 %	13 %	3 %	12 %	7 %	(25)%	3 %
Less: Acquisitions	— %	20 %	— %	— %	11 %	— %	5 %	— %	5 %
Organic constant currency sales change	(3)%	3 %	14 %	13 %	(8)%	12 %	2 %	(25)%	(2)%

*Firefighter Helmets and Protective Apparel and Fixed Gas and Flame Detection include the impact of the Bristol and Bacharach acquisitions completed on January 25, 2021 and July 1, 2021, respectively.

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 December 31, 2021									
	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	(10)%	(1)%	15 %	18 %	34 %	13 %	8 %	(27)%	4 %
Plus: Currency translation effects	— %	— %	2 %	1 %	— %	2 %	— %	1 %	— %
Constant currency sales change	(10)%	(1)%	17 %	19 %	34 %	15 %	8 %	(26)%	4 %
Less: Acquisitions	— %	— %	— %	— %	33 %	— %	6 %	— %	6 %
Organic constant currency sales change	(10)%	(1)%	17 %	19 %	1 %	15 %	2 %	(26)%	(2)%

Twelve Months Ended December 31, 2021									
	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	(2)%	3 %	18 %	21 %	15 %	19 %	9 %	(31)%	4 %
Plus: Currency translation effects	1 %	— %	1 %	— %	— %	— %	— %	— %	— %
Constant currency sales change	(1)%	3 %	19 %	21 %	15 %	19 %	9 %	(31)%	4 %
Less: Acquisitions	— %	— %	— %	— %	18 %	— %	3 %	— %	3 %
Organic constant currency sales change	(1)%	3 %	19 %	21 %	(3)%	19 %	6 %	(31)%	1 %

*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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International Segment

Three Months Ended December 31, 2021									
	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)%	173 %	23 %	(2)%	(5)%	8 %	11 %	(2)%	9 %
Plus: Currency translation effects	1 %	(1)%	1 %	— %	3 %	1 %	2 %	3 %	2 %
Constant currency sales change	(4)%	172 %	24 %	(2)%	(2)%	9 %	13 %	1 %	11 %
Less: Acquisitions	— %	153 %	— %	— %	8 %	— %	14 %	— %	12 %
Organic constant currency sales change	(4)%	19 %	24 %	(2)%	(10)%	9 %	(1)%	1 %	(1)%

Twelve Months Ended December 31, 2021									
	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)%	134 %	3 %	2 %	(9)%	8 %	7 %	(13)%	4 %
Plus: Currency translation effects	(3)%	(13)%	(5)%	(4)%	(2)%	(5)%	(4)%	(4)%	(4)%
Constant currency sales change	(6)%	121 %	(2)%	(2)%	(11)%	3 %	3 %	(17)%	— %
Less: Acquisitions	— %	114 %	— %	— %	4 %	— %	9 %	— %	8 %
Organic constant currency sales change	(6)%	7 %	(2)%	(2)%	(15)%	3 %	(6)%	(17)%	(8)%

*Firefighter Helmets and Protective Apparel and Fixed Gas and Flame Detection include the impact of the Bristol and Bacharach acquisitions completed on January 25, 2021 and July 1, 2021, respectively.

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

Consolidated

Three Months Ended December 31, 2021						
	Firefighter Safety*	Fixed Gas and Flame Detection*	Industrial Core PPE	Core Sales	Non-Core Sales	Net Sales
GAAP reported sales change	3 %	15 %	13 %	9 %	(16)%	6 %
Plus: Currency translation effects	— %	1 %	1 %	1 %	1 %	— %
Constant currency sales change	3 %	16 %	14 %	10 %	(15)%	6 %
Less: Acquisitions	8 %	20 %	— %	9 %	— %	7 %
Organic constant currency sales change	<u>(5)%</u>	<u>(4)%</u>	<u>14 %</u>	<u>1 %</u>	<u>(15)%</u>	<u>(1)%</u>

Twelve Months Ended December 31, 2021						
	Firefighter Safety*	Fixed Gas and Flame Detection*	Industrial Core PPE	Core Sales	Non-Core Sales	Net Sales
GAAP reported sales change	7 %	4 %	14 %	9 %	(24)%	4 %
Plus: Currency translation effects	(1)%	(1)%	(1)%	(2)%	(1)%	(1)%
Constant currency sales change	6 %	3 %	13 %	7 %	(25)%	3 %
Less: Acquisitions	7 %	11 %	— %	5 %	— %	5 %
Organic constant currency sales change	<u>(1)%</u>	<u>(8)%</u>	<u>13 %</u>	<u>2 %</u>	<u>(25)%</u>	<u>(2)%</u>

*Firefighter Safety and Fixed Gas and Flame Detection include the impact of the Bristol and Bacharach acquisitions completed on January 25, 2021 and July 1, 2021, respectively.

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
Segment Information (Unaudited)
(In thousands, except percentage amounts)

	<u>Americas</u>	<u>International</u>	<u>Corporate</u>	<u>Consolidated</u>
Three Months Ended December 31, 2021				
Sales to external customers	\$ 252,945	\$ 157,323	\$ —	\$ 410,268
Operating loss				(88,840)
Operating margin %				(21.7)%
Restructuring charges				4,194
Currency exchange losses, net				575
Product liability expense				160,029
Acquisition related costs ^(a)				3,993
Adjusted operating income (loss)	60,334	31,297	(11,680)	79,951
Adjusted operating margin %	23.9 %	19.9 %		19.5 %
Depreciation and amortization ^(b)				11,702
Adjusted EBITDA	68,488	34,714	(11,549)	91,653
Adjusted EBITDA %	27.1 %	22.1 %		22.3 %
Three Months Ended December 31, 2020				
Sales to external customers	\$ 244,518	\$ 143,730	\$ —	\$ 388,248
Operating income				21,527
Operating margin %				5.5 %
Restructuring charges				8,906
Currency exchange losses, net				4,757
Product liability expense				34,158
Acquisition related costs ^(a)				515
Adjusted operating income (loss)	53,558	25,304	(8,999)	\$ 69,863
Adjusted operating margin %	21.9 %	17.6 %		18.0 %
Depreciation and amortization ^(b)				10,390
Adjusted EBITDA	60,686	28,468	(8,901)	80,253
Adjusted EBITDA %	24.8 %	19.8 %		20.7 %

During the fourth quarter of 2021, the company voluntarily changed its method of accounting for certain domestic inventory previously valued by the LIFO method to the FIFO method. The effects of the change in accounting principle from LIFO to FIFO have been retrospectively applied to all periods presented in the financial tables of this reconciliation.

^(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 Consolidated Statements of Income. Acquisition related costs also include the acquisition related amortization, which is included in cost of products sold in the 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 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, 2021				
Sales to external customers	\$ 908,068	\$ 492,114	\$ —	\$1,400,182
Operating income				22,780
Operating margin %				1.6 %
Restructuring charges				16,433
Currency exchange losses, net				216
Product liability expense				185,264
Acquisition related costs ^(a)				15,884
Adjusted operating income (loss)	202,496	73,279	(35,198)	240,577
Adjusted operating margin %	22.3 %	14.9 %		17.2 %
Depreciation and amortization ^(b)				45,417
Adjusted EBITDA	233,732	86,997	(34,735)	285,994
Adjusted EBITDA %	25.7 %	17.7 %		20.4 %
Twelve Months Ended December 31, 2020				
Sales to external customers	\$ 874,305	\$ 473,918	\$ —	\$1,348,223
Operating income				171,895
Operating margin %				12.7 %
Restructuring charges				27,381
Currency exchange losses, net				8,578
Product liability expense				39,036
Acquisition related costs ^(a)				717
COVID-19 related costs				757
Adjusted operating income (loss)	205,304	71,140	(28,080)	248,364
Adjusted operating margin %	23.5 %	15.0 %		18.4 %
Depreciation and amortization ^(b)				39,674
Adjusted EBITDA	232,066	83,661	(27,689)	288,038
Adjusted EBITDA %	26.5 %	17.7 %		21.4 %

During the fourth quarter of 2021, the company voluntarily changed its method of accounting for certain domestic inventory previously valued by the LIFO method to the FIFO method. The effects of the change in accounting principle from LIFO to FIFO have been retrospectively applied to all periods presented in the financial tables of this reconciliation.

^(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 Consolidated Statements of Income. Acquisition related costs also include the acquisition related amortization, which is included in cost of products sold in the Consolidated Statements of Income.

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

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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,		% Change	Twelve Months Ended December 31,		% Change
	2021	2020		2021	2020	
Net (loss) income attributable to MSA Safety Incorporated	\$ (61,476)	\$ 14,778		\$ 21,340	\$ 124,077	
Product liability expense	160,029	34,158		185,264	39,036	
Restructuring charges	4,194	8,906		16,433	27,381	
Acquisition related costs ^(a)	3,993	515		15,884	717	
Currency exchange losses, net	575	4,757		216	8,578	
Asset related losses and other	365	47		788	993	
Income tax expense on adjustments	(41,676)	(10,863)		(55,180)	(20,176)	
Adjusted earnings	<u>\$ 66,004</u>	<u>\$ 52,298</u>	26%	<u>\$ 184,745</u>	<u>\$ 180,606</u>	2%
Adjusted earnings per diluted share	<u>\$ 1.67</u>	<u>\$ 1.33</u>	26%	<u>\$ 4.68</u>	<u>\$ 4.60</u>	2%

^(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 Consolidated Statements of Income. Acquisition related costs also include the acquisition related amortization, which is included in cost of products sold in the 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 December 31,	
	2021	
Operating income	\$	22,780
Depreciation and amortization ^(a)		45,417
Product liability expense		185,264
Restructuring charges		16,433
Currency exchange losses, net		216
Acquisition related costs ^(b)		15,884
Adjusted EBITDA	\$	285,994
Total end-of-period debt		597,651
Debt to adjusted EBITDA		<u>2.1</u>
Total end-of-period debt		597,651
Total end-of-period cash and cash equivalents		140,895
Net debt	\$	456,756
Net debt to adjusted EBITDA		<u>1.6</u>

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

^(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 Consolidated Statements of Income. Acquisition related costs also include the acquisition related amortization, which is included in cost of products sold in the 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, except percentages)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2021	2020	2021	2020
Cash flow from operating activities	\$ 69,002	\$ 96,400	\$ 199,145	\$ 206,555
Capital expenditures	(12,874)	(16,207)	(43,837)	(48,905)
Free cash flow	<u>\$ 56,128</u>	<u>\$ 80,193</u>	<u>\$ 155,308</u>	<u>\$ 157,650</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.