

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

Consolidated

Three Months Ended September 30, 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	13 %	27 %	25 %	28 %	14 %	15 %	19 %	(28)%	12 %
Plus: Currency translation effects	— %	(2)%	(1)%	(1)%	(1)%	(3)%	(1)%	(1)%	(1)%
Constant currency sales change	13 %	25 %	24 %	27 %	13 %	12 %	18 %	(29)%	11 %
Less: Acquisitions	— %	21 %	— %	— %	22 %	— %	9 %	— %	8 %
Organic constant currency sales change	13 %	4 %	24 %	27 %	(9)%	12 %	9 %	(29)%	3 %

Nine Months Ended September 30, 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	1 %	22 %	13 %	16 %	— %	15 %	9 %	(27)%	3 %
Plus: Currency translation effects	(2)%	(3)%	(1)%	(3)%	(2)%	(3)%	(3)%	(2)%	(2)%
Constant currency sales change	(1)%	19 %	12 %	13 %	(2)%	12 %	6 %	(29)%	1 %
Less: Acquisitions	— %	16 %	— %	— %	8 %	— %	4 %	— %	4 %
Organic constant currency sales change	(1)%	3 %	12 %	13 %	(10)%	12 %	2 %	(29)%	(3)%

*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 September 30, 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	19 %	3 %	35 %	39 %	36 %	35 %	26 %	(30)%	18 %
Plus: Currency translation effects	(1)%	— %	(1)%	(1)%	(1)%	(1)%	(1)%	(1)%	(1)%
Constant currency sales change	18 %	3 %	34 %	38 %	35 %	34 %	25 %	(31)%	17 %
Less: Acquisitions	— %	— %	— %	— %	35 %	— %	8 %	— %	7 %
Organic constant currency sales change	18 %	3 %	34 %	38 %	— %	34 %	17 %	(31)%	10 %

Nine Months Ended September 30, 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 %	4 %	19 %	22 %	8 %	21 %	10 %	(32)%	4 %
Plus: Currency translation effects	— %	— %	1 %	— %	— %	(1)%	— %	(1)%	— %
Constant currency sales change	3 %	4 %	20 %	22 %	8 %	20 %	10 %	(33)%	4 %
Less: Acquisitions	— %	— %	— %	— %	12 %	— %	3 %	— %	2 %
Organic constant currency sales change	3 %	4 %	20 %	22 %	(4)%	20 %	7 %	(33)%	2 %

*Fixed Gas and Flame Detection includes the impact of the Bacharach acquisition completed on July 1, 2021.

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International Segment

Three Months Ended September 30, 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 %	164 %	(1)%	8 %	(15)%	(9)%	6 %	(25)%	1 %
Plus: Currency translation effects	(2)%	(13)%	(3)%	(2)%	(1)%	(4)%	(2)%	(2)%	(3)%
Constant currency sales change	3 %	151 %	(4)%	6 %	(16)%	(13)%	4 %	(27)%	(2)%
Less: Acquisitions	— %	145 %	— %	— %	4 %	— %	11 %	— %	8 %
Organic constant currency sales change	3 %	6 %	(4)%	6 %	(20)%	(13)%	(7)%	(27)%	(10)%

Nine Months Ended September 30, 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)%	117 %	(4)%	4 %	(12)%	8 %	5 %	(17)%	1 %
Plus: Currency translation effects	(6)%	(18)%	(6)%	(6)%	(4)%	(8)%	(6)%	(6)%	(6)%
Constant currency sales change	(8)%	99 %	(10)%	(2)%	(16)%	— %	(1)%	(23)%	(5)%
Less: Acquisitions	— %	97 %	— %	— %	1 %	— %	7 %	— %	6 %
Organic constant currency sales change	(8)%	2 %	(10)%	(2)%	(17)%	— %	(8)%	(23)%	(11)%

*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 September 30, 2021						
	Firefighter Safety*	Fixed Gas and Flame Detection*	Industrial Core PPE	Core Sales	Non-Core Sales	Net Sales
GAAP reported sales change	19 %	14 %	23 %	19 %	(28)%	12 %
Plus: Currency translation effects	(2)%	(1)%	(1)%	(1)%	(1)%	(1)%
Constant currency sales change	17 %	13 %	22 %	18 %	(29)%	11 %
Less: Acquisitions	8 %	22 %	— %	9 %	— %	8 %
Organic constant currency sales change	9 %	(9)%	22 %	9 %	(29)%	3 %

Nine Months Ended September 30, 2021						
	Firefighter Safety*	Fixed Gas and Flame Detection*	Industrial Core PPE	Core Sales	Non-Core Sales	Net Sales
GAAP reported sales change	9 %	— %	15 %	9 %	(27)%	3 %
Plus: Currency translation effects	(2)%	(2)%	(3)%	(3)%	(2)%	(2)%
Constant currency sales change	7 %	(2)%	12 %	6 %	(29)%	1 %
Less: Acquisitions	6 %	8 %	— %	4 %	— %	4 %
Organic constant currency sales change	1 %	(10)%	12 %	2 %	(29)%	(3)%

*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 September 30, 2021				
Sales to external customers	\$ 229,076	\$ 111,121	\$ —	\$ 340,197
Operating income				28,961
Operating margin %				8.5 %
Restructuring charges				3,853
Currency exchange losses, net				100
Product liability expense				10,688
Acquisition related costs				7,351
Adjusted operating income (loss)	44,364	12,599	(6,010)	50,953
Adjusted operating margin %	19.4 %	11.3 %		15.0 %
Depreciation and amortization ^(a)				11,823
Adjusted EBITDA	52,514	16,142	(5,880)	62,776
Adjusted EBITDA %	22.9 %	14.5 %		18.5 %
Three Months Ended September 30, 2020				
Sales to external customers	\$ 194,303	\$ 110,089	\$ —	\$ 304,392
Operating income				41,149
Operating margin %				13.5 %
Restructuring charges				7,603
Currency exchange losses, net				2,759
Product liability expense				2,077
Acquisition related costs				41
Adjusted operating income (loss)	40,898	15,658	(2,927)	53,629
Adjusted operating margin %	21.0 %	14.2 %		17.6 %
Depreciation and amortization ^(a)				9,856
Adjusted EBITDA	47,465	18,848	(2,828)	63,485
Adjusted EBITDA %	24.4 %	17.1 %		20.9 %

^(a) 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, acquisition related costs, including acquisition related amortization. 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.

	<u>Americas</u>	<u>International</u>	<u>Corporate</u>	<u>Consolidated</u>
Nine Months Ended September 30, 2021				
Sales to external customers	\$ 655,123	\$ 334,792	\$ —	\$ 989,915
Operating income				108,049
Operating margin %				10.9 %
Restructuring charges				12,239
Currency exchange gains, net				(359)
Product liability expense				25,235
Acquisition related costs				11,891
Adjusted operating income (loss)	138,778	41,794	(23,517)	157,055
Adjusted operating margin %	21.2 %	12.5 %		15.9 %
Depreciation and amortization ^(a)				33,716
Adjusted EBITDA	161,861	52,095	(23,185)	190,771
Adjusted EBITDA %	24.7 %	15.6 %		19.3 %
Nine Months Ended September 30, 2020				
Sales to external customers	\$ 629,787	\$ 330,188	\$ —	\$ 959,975
Operating income				148,213
Operating margin %				15.4 %
Restructuring charges				18,475
Currency exchange losses, net				3,821
Product liability expense				4,878
Acquisition related costs				202
COVID-19 related costs				757
Adjusted operating income (loss)	149,708	45,719	(19,081)	176,346
Adjusted operating margin %	23.8 %	13.8 %		18.4 %
Depreciation and amortization ^(a)				29,284
Adjusted EBITDA	169,343	55,075	(18,788)	205,630
Adjusted EBITDA %	26.9 %	16.7 %		21.4 %

^(a) 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, acquisition related costs, including acquisition related amortization and COVID-19 related costs. 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 effective tax rate (Unaudited)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2021	2020	2021	2020
GAAP reported effective tax rate	31.5 %	29.3 %	25.8 %	25.1 %
Tax expense associated with transactions	(4.5)%	— %	(1.3)%	— %
Tax impact of product liability expense	(2.9)%	— %	(0.9)%	— %
Tax impact of non-cash charge related to the recognition of currency translation adjustments	(0.1)%	— %	0.1 %	(0.1)%
Tax benefit associated with ASU 2016-09: <i>Improvements to employee share-based payment accounting</i>	0.7 %	0.2 %	1.8 %	1.2 %
Adjusted effective tax rate	<u>24.7 %</u>	<u>29.5 %</u>	<u>25.5 %</u>	<u>26.2 %</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 September 30,			Nine Months Ended September 30,		
	2021	2020	% Change	2021	2020	% Change
Net income attributable to MSA Safety Incorporated	\$ 18,823	\$ 28,034	(33)%	\$ 80,362	\$107,763	(25)%
Tax expense associated with transactions	1,713	—		1,713	—	
Tax benefit associated with ASU 2016-09: Improvements to employee share-based payment accounting	(293)	(80)		(2,372)	(1,699)	
Subtotal	<u>20,243</u>	<u>27,954</u>	(28)%	<u>79,703</u>	<u>106,064</u>	(25)%
Product liability expense	10,688	2,077		25,235	4,878	
Acquisition related costs	7,351	41		11,891	202	
Restructuring charges	3,853	7,603		12,239	18,475	
Asset related losses, net	375	62		423	189	
COVID-19 related costs	—	—		—	757	
Currency exchange losses (gains), net	100	2,759		(359)	3,821	
Income tax expense on adjustments	<u>(5,525)</u>	<u>(3,700)</u>		<u>(12,845)</u>	<u>(7,614)</u>	
Adjusted earnings	<u>\$ 37,085</u>	<u>\$ 36,796</u>	1%	<u>\$116,287</u>	<u>\$126,772</u>	(8)%
Adjusted earnings per diluted share	<u>\$ 0.94</u>	<u>\$ 0.94</u>	0%	<u>\$ 2.95</u>	<u>\$ 3.23</u>	(9)%

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 September 30,	
	2021	
Operating income	\$	126,687
Depreciation and amortization		44,106
Product liability expense		59,393
Restructuring charges		21,145
Currency exchange gains, net		4,398
Acquisition related costs		12,406
Adjusted EBITDA	\$	268,135
Total end-of-period debt		612,742
Debt to adjusted EBITDA		<u>2.3</u>
Total end-of-period debt		612,742
Total end-of-period cash and cash equivalents		117,302
Net debt	\$	495,440
Net debt to adjusted EBITDA		<u>1.8</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 September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Cash flow from operating activities	\$ 46,229	\$ 27,137	\$ 130,143	\$ 110,155
Capital expenditures	(10,675)	(12,864)	(30,963)	(32,698)
Free cash flow	<u>\$ 35,554</u>	<u>\$ 14,273</u>	<u>\$ 99,180</u>	<u>\$ 77,457</u>
Net income attributable to MSA Safety Incorporated	\$18,823	\$28,034	\$80,362	\$107,763
Free cash flow conversion	189%	51%	123%	72%

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.