



The Safety Company

Fourth Quarter and Full-Year 2025

Earnings Presentation

February 12, 2026





The Safety Company

Larry De Maria

Executive Director of Investor Relations

Introduction

Purpose-led Company Driven by Our Mission:

*That men and women may work in safety and that they, their families,
and their communities may live in health throughout the world.*

Cautionary Statements Regarding Forward-looking Statements

This presentation may contain (and verbal statements made by MSA[®] Safety Incorporated (“MSA Safety”) may contain) “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These statements relate to future events or our future financial performance and involve various assumptions, known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. These risks and other factors include, but are not limited to, statements in this presentation regarding our expectations of future results, performance or financial condition we express or imply in any forward-looking statements. In some cases, you can identify forward-looking statements by words such as “may,” “will,” “should,” “expects,” “intends,” “plans,” “objectives,” “anticipates,” “believes,” “estimates,” “predicts,” “potential” or other comparable words. Actual results, performance or outcomes may differ materially from those expressed or implied by these forward-looking statements and may not align with historical performance and events due to a number of factors, including those discussed in the sections of our annual report on Form 10-K entitled “Cautionary Statement Regarding Forward-Looking Statements” and “Risk Factors,” and those discussed in our Form 10-Q quarterly reports filed after such annual report. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements, and caution should be exercised against placing undue reliance upon such statements, which are based only on information currently available to us and speak only as of the date hereof. We are under no duty to update publicly any of the forward-looking statements after the date of this presentation, whether as a result of new information, future events or otherwise, except as required by law.

Non-GAAP Financials

To supplement our Consolidated Financial Statements presented in accordance with generally accepted accounting principles (“GAAP”), we use, and this presentation includes, certain non-GAAP financial measures. These financial measures include organic sales change, adjusted operating income, adjusted operating margin, adjusted EBITDA, adjusted EBITDA margin, adjusted earnings, adjusted earnings per diluted share, R&D investment, net debt, debt to adjusted EBITDA, net debt to adjusted EBITDA (net leverage), free cash flow and free cash flow conversion, and adjusted ROIC. These metrics are consistent with how management evaluates segment results and makes strategic decisions about the business. Additionally, these non-GAAP financial measures provide information useful to investors in understanding our operating performance and trends, and to facilitate comparisons with the performance of our peers. Management also uses these measures internally to assess and better understand our underlying business performance and trends related to core business activities. The non-GAAP financial measures and key performance indicators we use, and computational methods with respect thereto, may differ from the non-GAAP financial measures and key performance indicators, and computational methods, that our peers use to assess their performance and trends.

The presentation of these non-GAAP financial measures does not comply with U.S. GAAP. These non-GAAP financial measures should be viewed as supplemental in nature, and not as a substitute for, or superior to, our reported results prepared in accordance with GAAP. When non-GAAP financial measures are disclosed, the Securities and Exchange Commission’s Regulation G requires: (i) the presentation of the most directly comparable financial measure calculated and presented in accordance with GAAP and (ii) a reconciliation of the differences between the non-GAAP financial measure presented and the most directly comparable financial measure calculated and presented in accordance with GAAP. For an explanation of these measures, together with a reconciliation to the most directly comparable GAAP financial measure, see the appendix of this presentation.



The Safety Company

Steve Blanco

President and Chief Executive Officer

Business Update

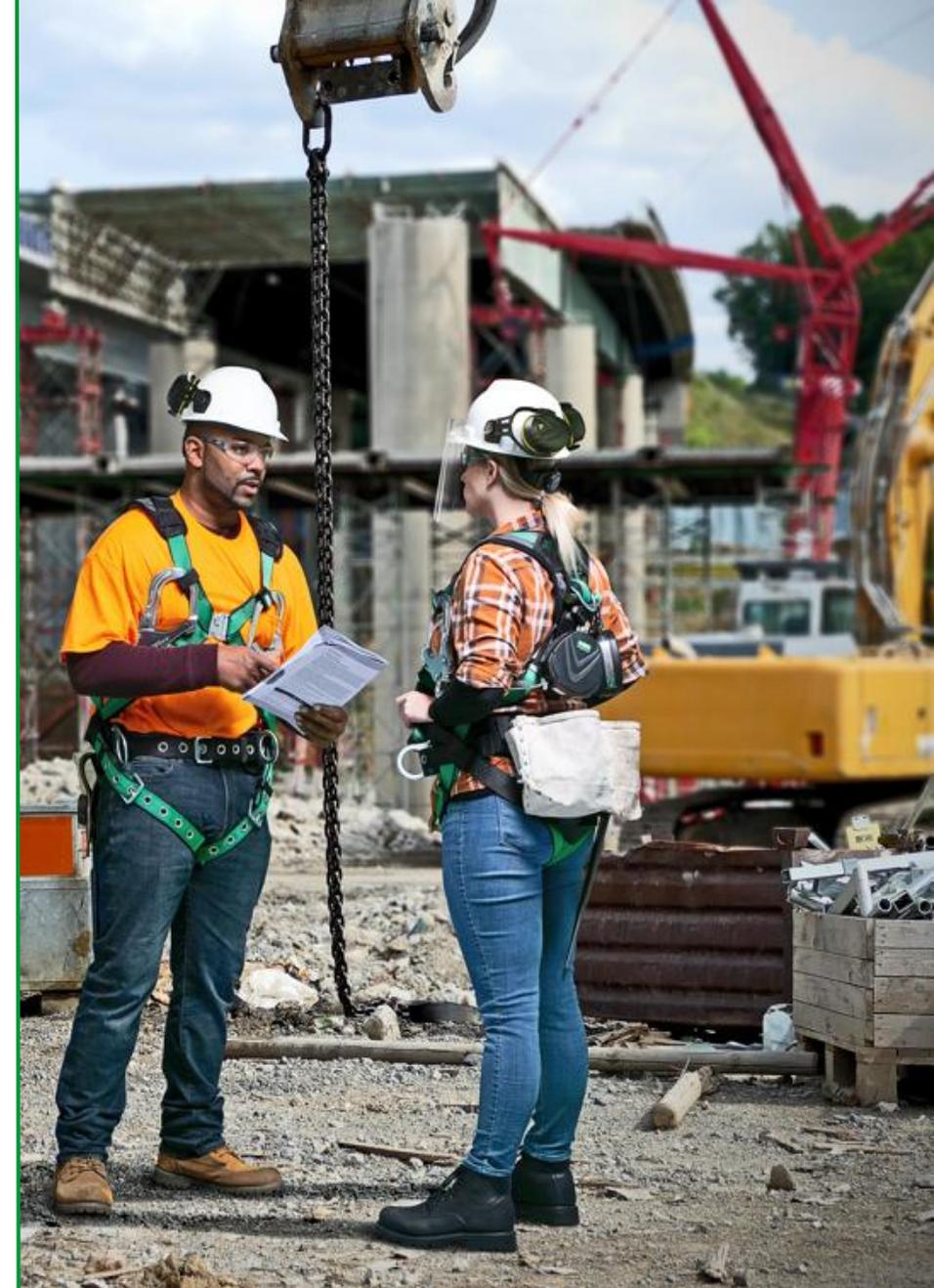
Purpose-led Company Driven by Our Mission:

*That men and women may work in safety and that they, their families,
and their communities may live in health throughout the world.*

4Q and FY 2025 Performance Summary

Solid 4Q Operating Results to Conclude a Dynamic 2025

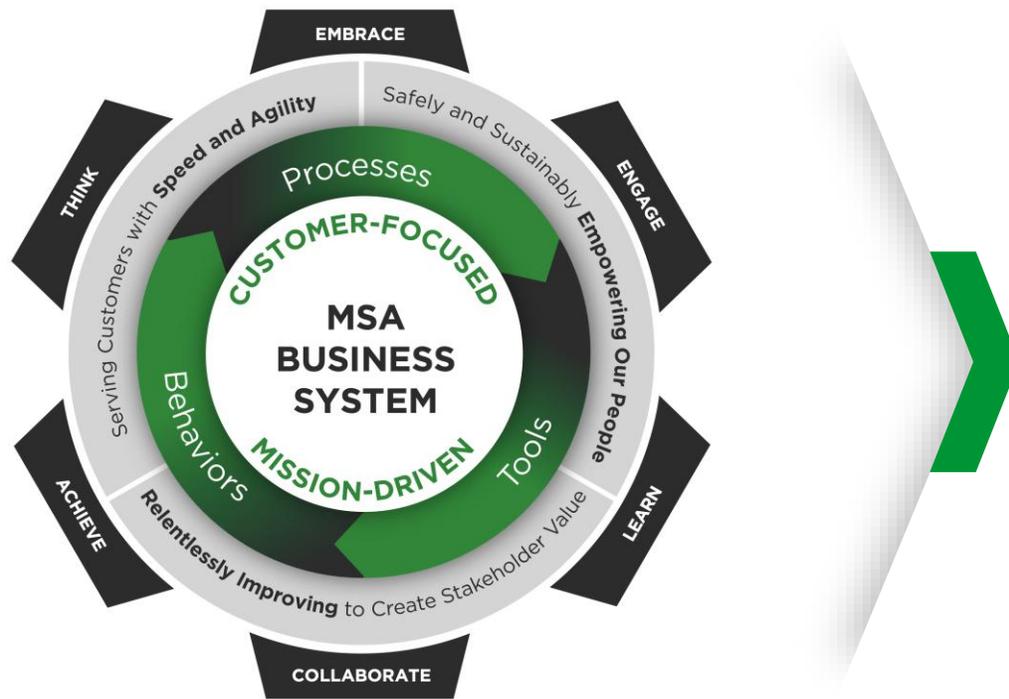
Key Metrics ⁽¹⁾	4Q	Full-Year
Net Sales	\$511MM +2%	\$1.9B +4%
Adj. Operating Income	\$122MM +1%	\$415MM +0%
Adj. Operating Margin	23.9% (10 bps)	22.1% (80 bps)
Adj. EPS	\$2.38 +6%	\$7.93 +3%
Free Cash Flow	\$106MM +13%	\$295MM +22%
Free Cash Flow Conversion	122%	106%



2025 Safety Performance

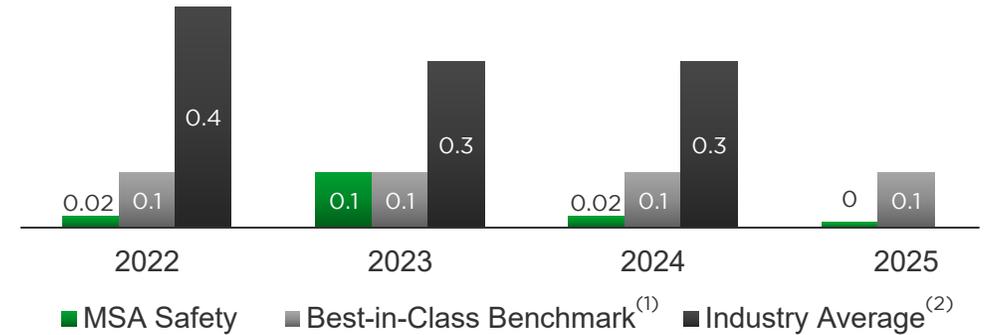
MSA Business System and Continuous Improvement Culture Drove World-Class Safety Performance

Behavior-Driven Safety Journey Yielding Results

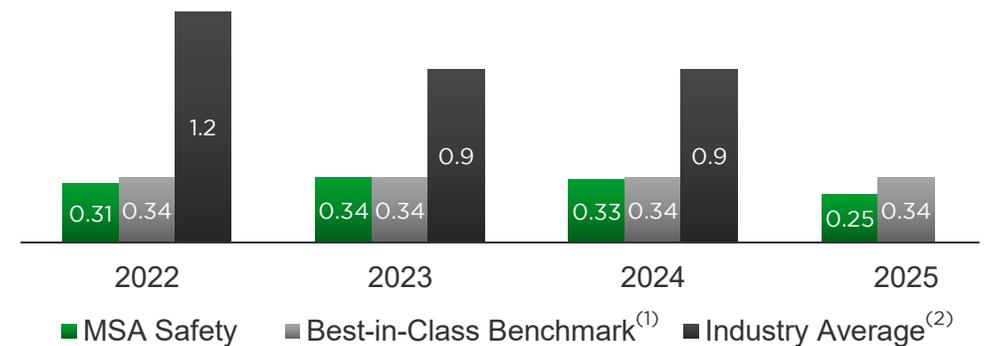


Excellent Safety Performance in 2025

Total Lost Time Incident Rate



Total Recordable Incident Rate



2025 Executive Summary

Laser Focused Strategic Execution in a Fluid Operating Environment

2025 *Accelerate* Strategy Execution



Delivered **above-market results in Growth Accelerator product categories** of detection and fall protection



Launched new products and solutions across our premium safety portfolio; **ended 2025 with 37% product vitality⁽¹⁾**



Accelerated and expanded MSA+ Connected Ecosystem, continuing to see rapid new customer adoption



Generated strong **free cash flow conversion that exceeded annual target range**



Strong balance sheet enabled **growth-focused capital deployment, including M&C acquisition, and cash returns to shareholders**



Applied MSA Business System principles to effectively manage mixed industrial markets, fire service timing delays

Workers Protected ⁽²⁾	Total Capital Deployed ⁽³⁾	Free Cash Flow Conversion
40MM+	\$485MM	106%
<i>Global Safety Leadership</i>	<i>+112% YoY</i>	<i>90-100% Target Range</i>
New Product Innovations		
		
ALTAIR io™ 6 Portable Gas Detector	G1 XR 2025 Edition SCBA	V-Gard H2® Full Brim Safety Helmet

(1) Percent of sales from products and solutions developed and launched in past 5 years.

(2) As of December 31, 2024. "Workers Protected" is an estimate based on internal data, third-party and internal market research, product expert opinions, and certain assumptions, and is subject to change. Learn more in our [Impact Report](#).

(3) Includes capital used for R&D, capital expenditures, acquisitions, dividend payments, and share repurchases.

2026 End Market Assumptions

Protecting Workers Around the World Across Diverse and Attractive End Markets

End Market	Trend
Energy and Chemical	^
Fire Service	^
General Industrial	^
Industrial Construction and Infrastructure	=
All Other	=

^ Positive
= Neutral

40+

Million Workers Protected⁽¹⁾





Julie Beck

Senior Vice President and Chief Financial Officer

**Financial Performance
and 2026 Outlook**

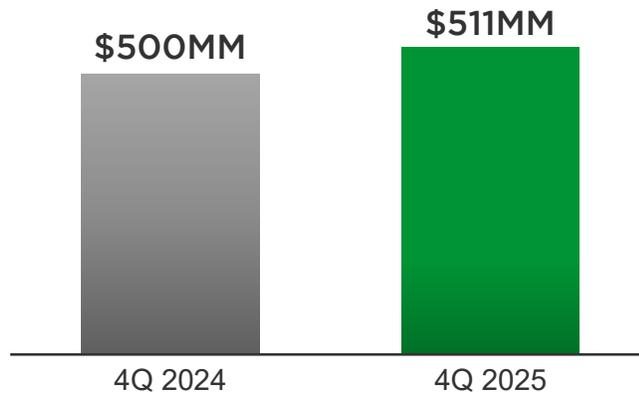
Purpose-led Company Driven by Our Mission:

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4Q 2025 Financial Summary

Organic Sales Growth Impacted by Timing Delays in Fire Service

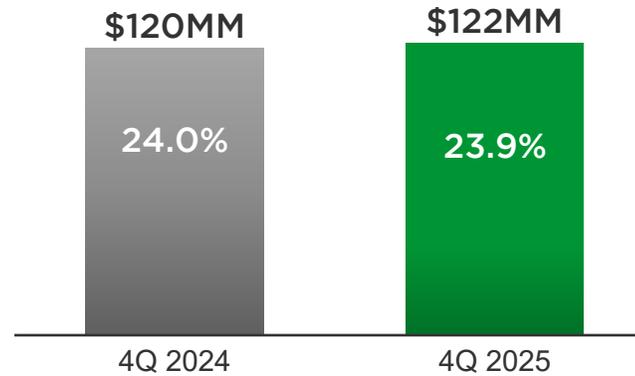
Net Sales



+2% REPORTED NET SALES GROWTH

- Sales: -3% organic, +3% acquisitions, +2% FX
 - Americas: -1% reported (-3% organic)
 - International: +8% reported (-3% organic)
- Positive contributions from price and M&C TechGroup acquisition, partially offset by lower volume
- High-teens organic growth in detection and LSD growth in industrial PPE was offset by contraction in fire service

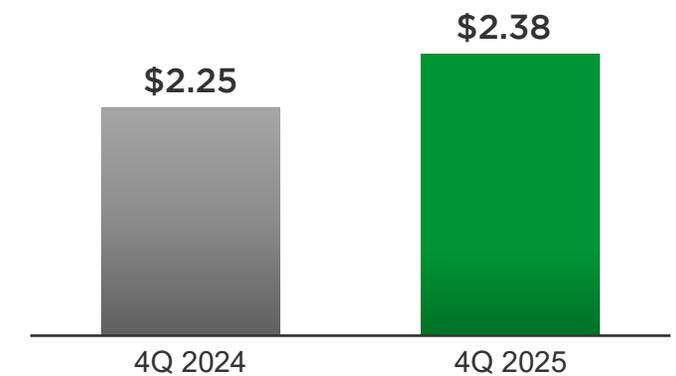
Adjusted Operating Income and Margin



23.9% ADJUSTED OPERATING MARGIN

- Adjusted operating margin: -10 bps YoY, +180 bps sequentially
 - Americas: 31.0%
 - International: 16.8%
- Adjusted EBITDA margin of 26.6%, -30 bps YoY
- Consistent adjusted operating margin reflects price mitigation of tariffs and inflation, transactional FX benefit and positive mix

Adjusted EPS



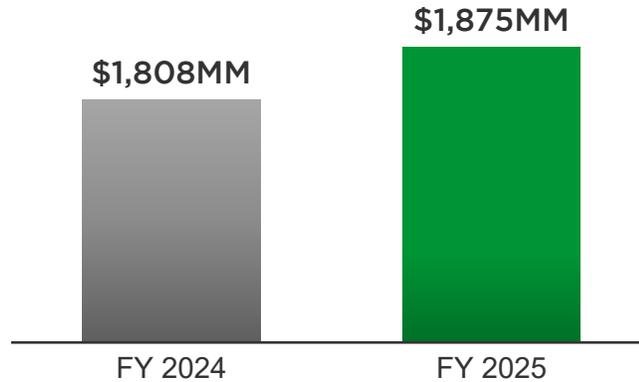
+6% ADJUSTED EPS GROWTH

- Lower year-over-year adjusted effective tax rate
- Detection volume increase
- M&C accretive to quarterly adjusted EPS

Full-Year 2025 Financial Summary

Low-Single Digit Organic Sales Growth; 20% Adjusted ROIC Including Impact of M&C Acquisition

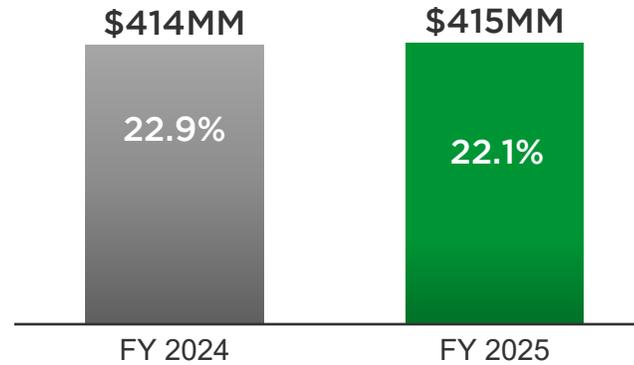
Net Sales



+4% REPORTED NET SALES GROWTH

- Sales: +1% organic, +2% acquisitions, +1% FX
 - Americas: +1% reported (~flat organic)
 - International: +9% reported (+1% organic)
- DD organic growth in detection and LSD growth in industrial PPE partially offset by contraction in fire service

Adjusted Operating Income and Margin



22.1% ADJUSTED OPERATING MARGIN

- Adjusted operating margin: -80 bps YoY
 - Americas: 28.9%
 - International: 15.2%
- Adjusted EBITDA margin of 25.2%, -80 bps YoY
- Adjusted operating margin reflects impacts from inflation, tariffs and transactional FX partially offset by price / mix and improved productivity

Adjusted EPS



+3% ADJUSTED EPS GROWTH

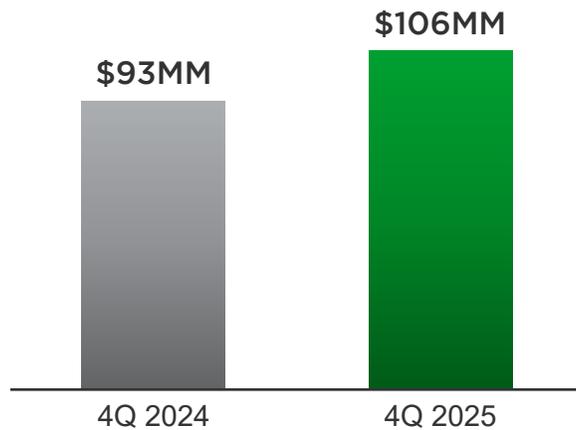
- M&C \$0.09 accretive to full-year adjusted EPS
- Higher costs from tariffs, inflation and transactional FX, partially offset by price
- Lower interest expense due to lower weighted-average interest rate, partially offset by higher debt from M&C acquisition

4Q and Full Year 2025 Free Cash Flow and Financial Leverage

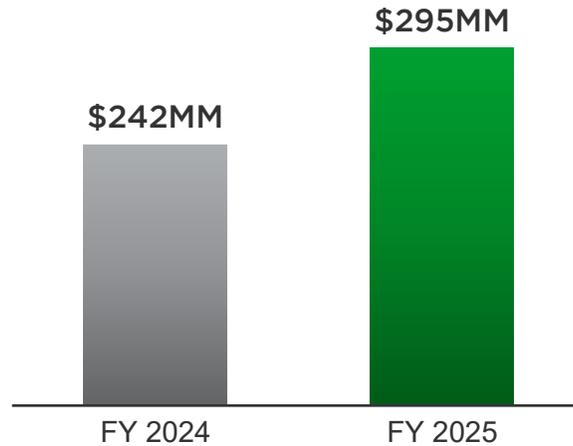
Strong Cash Generation and Ample Liquidity Support *Accelerate* Strategy

Free Cash Flow

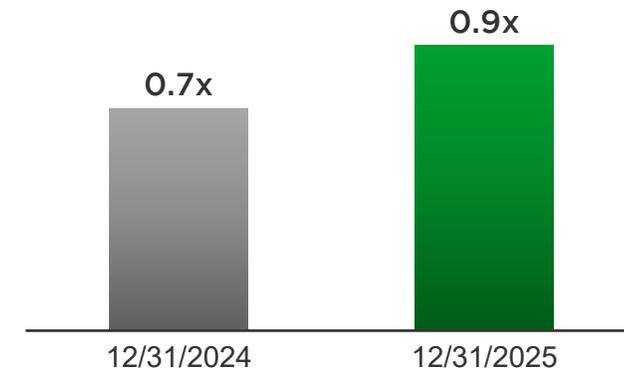
Fourth Quarter



Full-Year



Net Leverage



DISCIPLINED CAPITAL ALLOCATION AND CASH FLOW GENERATION

- FCF conversion rate of 122%
 - Capital expenditures of \$16MM
 - Returned \$61MM to shareholders via dividends of \$21MM and share repurchases of \$40MM
- FCF conversion rate of 106%
 - Capital expenditures of \$68MM
 - M&C acquisition totaled \$189MM
 - Returned \$162MM to shareholders via dividends of \$82MM and share repurchases of \$80MM

ROBUST BALANCE SHEET WITH 0.9X NET LEVERAGE AND AMPLE LIQUIDITY

- Liquidity of \$1.2B⁽¹⁾
- \$416MM of net debt at year end, have paid down ~\$100MM of M&C debt
- Full year adjusted EBITDA totaled \$473MM
- Strong balance sheet and ample liquidity enable significant capital deployment optionality to support *Accelerate* growth strategy

2026 Outlook

Mid-Single Digit Organic Sales Growth Outlook; Reflects Growth Across Diverse Portfolio

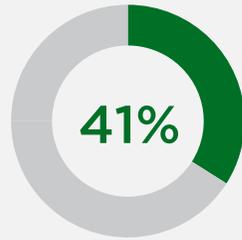
% NET SALES⁽¹⁾

DIVERSE END MARKETS

OPERATING ENVIRONMENT UPDATE

DETECTION

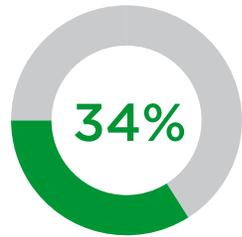
- Fixed gas & flame detection
- Refrigerant detection & identification
- Portable gas detection
- Gas analysis & process safety



- Energy & chemical
- Utilities
- HVAC-R
- Food retail
- Water & wastewater
- Industrial

FIRE SERVICE

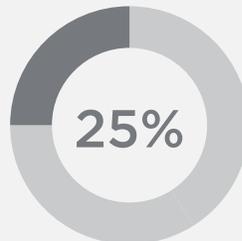
- SCBA
- Helmets
- Protective apparel



- Government fire service
- Municipal fire service
- First responder

INDUSTRIAL PPE AND OTHER

- Industrial head protection
- Fall protection
- APR & other PPE



- Energy & utilities
- Construction
- Manufacturing
- Industrial
- Healthcare & pharma

TAILWINDS

- + Increasing global safety standards creating demand for sophisticated safety products and solutions; diverse end markets provide resiliency
- + Favorable underlying demand for fixed and portable detection, including MSA+ connected ecosystem solutions
- + Carry-over from fire service late AFG funding and U.S. Government shutdown in 2025
- + Industrial PPE to benefit from continued momentum in fall protection
- + Positive contribution from strategic pricing actions

HEADWINDS

- Continued macroeconomic, tariff and geopolitical policy uncertainty
- Mixed industrial end market demand globally
- Non-recurrence of large detection orders in Latin America

ADDITIONAL FULL-YEAR MODELING CONSIDERATIONS

- **M&A Contribution⁽²⁾:** +1%
- **Interest Expense:** ~\$28-\$31MM / **Tax Rate:** 24%-25%
- **Pension and Other Non-Operating Income:** Increase of ~\$4-\$5MM over 2025 levels



The Safety Company

Steve Blanco

President and Chief Executive Officer

**2026 Strategic Priorities
and Closing Remarks**

Purpose-led Company Driven by Our Mission:

*That men and women may work in safety and that they, their families,
and their communities may live in health throughout the world.*

2026 Strategic Priorities

Entering 2026 Steadfast in Our Commitment to Serving Our Mission, *Accelerating* Value Creation

2026 *Accelerate* Strategic Priorities

CONTINUED SAFETY LEADERSHIP AND GROWTH FOCUS

Leveraging technology to lead in the safety market with premium innovative solutions

- Leverage best-in-class new product development process to expand our product and solution offerings across our portfolio; continue momentum in detection and fall protection
- Continue growth acceleration in MSA+ Connected Ecosystem, begin shipment of ALTAIR io 6

OPERATIONAL EXCELLENCE

Enhance margins through driving scale and operating efficiency

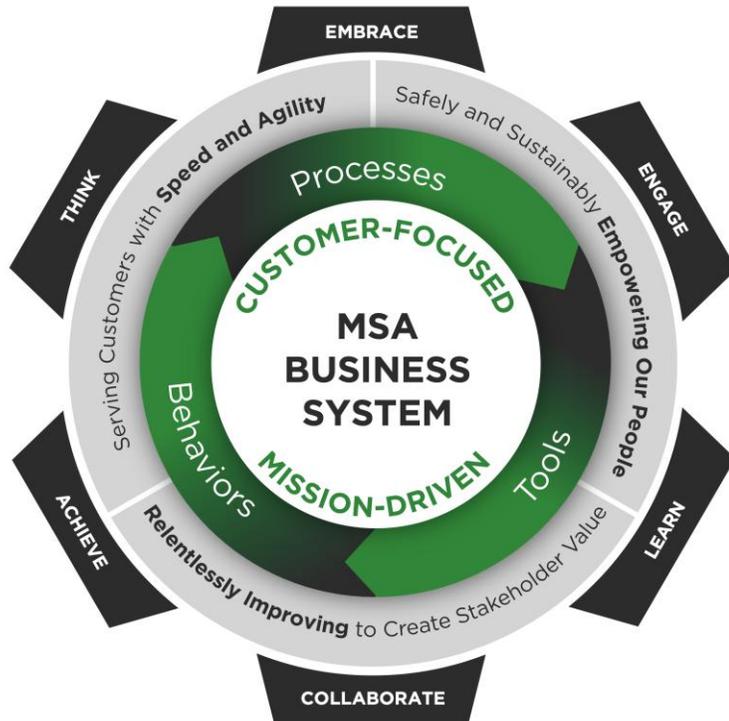
- Achieve price/cost neutrality in first half of 2026
- Further optimize operating footprint; drive higher productivity conversion

CAPITAL ALLOCATION

Leverage strong balance sheet and financial profile to effectively deploy capital in alignment with our capital allocation strategy

- Prioritize R&D and technology investments to drive organic growth in high return categories
- Leverage strong M&A pipeline; actively pursue bolt-on acquisition opportunities
- Return cash to shareholders via dividend and share repurchases

ACCELERATE
Driving future growth





Key Takeaways

Positioned to Deliver Stakeholder Value in 2026 and Beyond

1

Strategic execution in 2025 delivered solid financial results while navigating challenging macro conditions

2

Strong financial profile provides balanced capital deployment optionality, including growth investments and returns to shareholders

3

Executing *Accelerate* strategy to deliver profitable growth in 2026 and beyond; 2026 MSD organic sales growth outlook

Thank You to Our Associates!



Q&A

Appendix



MSA Safety (NYSE: MSA) Snapshot

\$1.9B Net Sales⁽¹⁾

4.3% R&D Investment^(1,2)

37% Product Vitality⁽³⁾

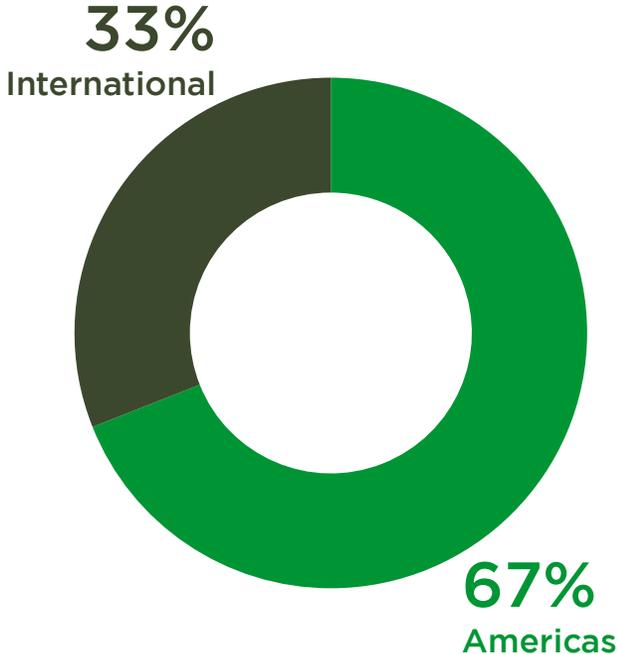
46.5% Gross Profit Margin⁽¹⁾

22.1% Adj. Operating Margin⁽¹⁾

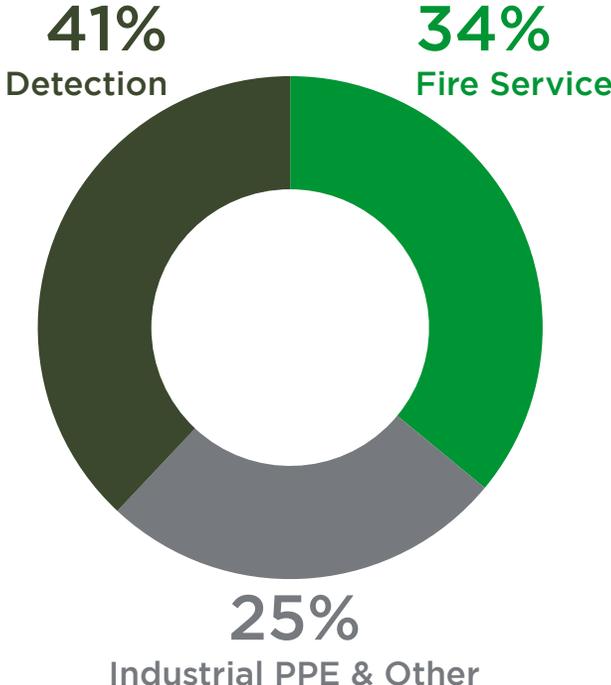
0.9x Net Leverage⁽¹⁾

55 Years Consecutive Dividend Increases

Net Sales by Segment⁽¹⁾



Net Sales by Product Category^(1,4)



MSA Safety | Accelerate Strategy

CONTINUE TO BE THE LEADER IN PREMIUM SAFETY SOLUTIONS



- Leverage scale, market leadership, and customer-centric innovation to drive above-market profitable growth
- Deliver excellence in customer experience and commercial execution
- Enhance diversification across end markets, geographies, and product portfolio to fortify resilient organic growth

IMPLEMENT TARGETED GROWTH ACCELERATORS



- Continue to evolve from hardware supplier to system solutions provider, improving customer safety outcomes and generating recurring revenue
- Lean into high-growth end markets such as detection and fall protection with distinct safety megatrends around connectivity and productivity solutions
- Enhance portfolio through strategic acquisitions

APPLY MSA BUSINESS SYSTEM TO ENABLE EXCELLENCE



- Drive excellence in pricing, operations, resource allocation, and balance sheet efficiency
- Set foundation for digital automation
- Empower high-performance teams and leaders
- Win as a team with consistent tools, processes, and behaviors

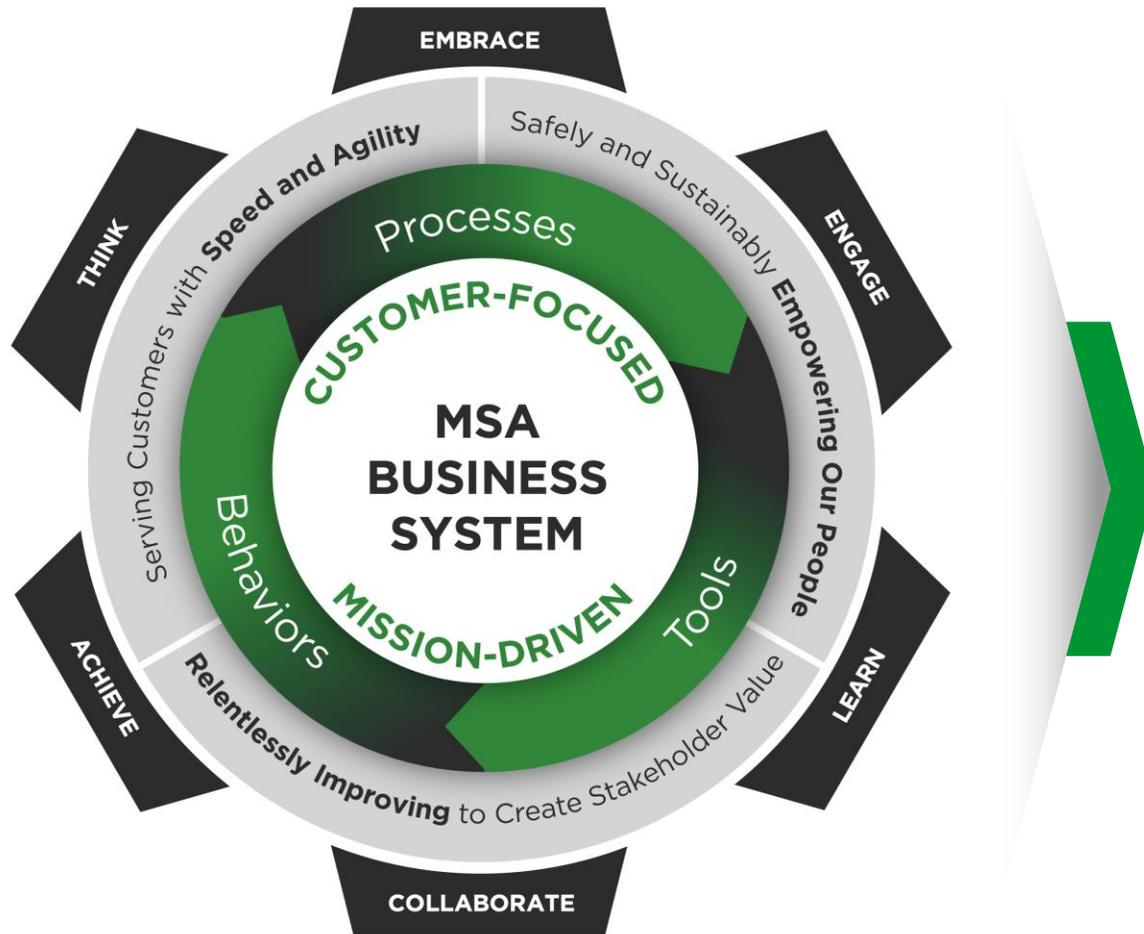
ALLOCATE CAPITAL EFFECTIVELY



- Leverage premier financial profile to deliver sustainable long-term growth
- Maintain disciplined, growth-oriented capital allocation strategy, priorities include:
 - Organic growth
 - M&A
 - 55 Years of increasing dividend
 - Share repurchases

ACCELERATE
Driving future growth

MSA Safety | Business System (MBS)



BEHAVIORS

The way we act and react to changes and challenges

- Relentless focus on improving our performance on new product development, SG&A, project management, and global business service

PROCESSES

How we work with others and apply tools

- Working Capital: SIOP⁽¹⁾ to forecast supply and demand and apply global best practices in transaction processing

TOOLS

Ways to identify and eliminate waste, standardize work, and problem solve

- Manufacturing Execution System (MES): gaining greater visibility and real-time data from our manufacturing plants through technology

FOUNDATION TO ACHIEVE SUPERIOR AND SUSTAINABLE RESULTS

MSA Safety | 2028 Financial Targets

MISSION-DRIVEN REINVESTMENT



Resilient Organic Revenue Growth

\$2.1B - \$2.3B

- 3 - 5% organic revenue growth
- Market growth, customer-centric innovation, and commercial excellence
- Macro secular safety trends

Operating Margin⁽¹⁾ Expansion

23.5% - 25.0%

- Target 30 - 50 bps annually
- MSA Business System evolution across global business
- Continued focus on operating efficiency

Continued EPS⁽¹⁾ Compounding

\$10.00 - \$11.00

- Strategy evolution delivers new base of expansion
- 30 - 40% incremental operating margins

Capital Deployment Optionality

\$1.5B+⁽²⁾

- Consistent organic growth investment
- Sustained dividend + share repurchases
- Accretive acquisitions from free cash flow generation and available debt capacity
- Continue performance of 20%+ Adjusted ROIC

OUR STRATEGY FUELS PROVEN SHAREHOLDER VALUE CREATION

Reconciliation of Non-GAAP Financial Measures



Reconciliation of Non-GAAP Financial Measures

Organic Sales Change (Unaudited)

Consolidated

	Three Months Ended December 31, 2025				Twelve Months Ended December 31, 2025			
	Detection ^(a)	Fire Service ^(b)	Industrial PPE and Other ^(c)	Net Sales	Detection ^(a)	Fire Service ^(b)	Industrial PPE and Other ^(c)	Net Sales
GAAP reported sales change	28%	(19%)	4%	2%	19%	(9%)	2%	4%
Currency translation effects	(3%)	(2%)	(3%)	(2%)	(1%)	(1%)	— %	(1%)
Less: Acquisitions	(8%)	— %	— %	(3%)	(6%)	— %	— %	(2%)
Organic sales change	17%	(21%)	1%	(3%)	12%	(10%)	2%	1%

Americas

	Three Months Ended December 31, 2025				Twelve Months Ended December 31, 2025			
	Detection ^(a)	Fire Service ^(b)	Industrial PPE and Other ^(c)	Net Sales	Detection ^(a)	Fire Service ^(b)	Industrial PPE and Other ^(c)	Net Sales
GAAP reported sales change	29%	(23%)	2%	(1%)	18%	(12%)	1%	1%
Currency translation effects	(2%)	— %	(3%)	(1%)	— %	— %	1%	— %
Less: Acquisitions	(3%)	— %	— %	(1%)	(3%)	— %	— %	(1%)
Organic sales change	24%	(23%)	(1%)	(3%)	15%	(12%)	2%	— %

International

	Three Months Ended December 31, 2025				Twelve Months Ended December 31, 2025			
	Detection ^(a)	Fire Service ^(b)	Industrial PPE and Other ^(c)	Net Sales	Detection ^(a)	Fire Service ^(b)	Industrial PPE and Other ^(c)	Net Sales
GAAP reported sales change	26%	(10%)	8%	8%	21%	(2%)	7%	9%
Currency translation effects	(4%)	(6%)	(4%)	(5%)	(3%)	(3%)	(3%)	(3%)
Less: Acquisitions	(18%)	— %	— %	(6%)	(13%)	— %	— %	(5%)
Organic sales change	4%	(16%)	4%	(3%)	5%	(5%)	4%	1%

(a) Detection includes Fixed Gas and Flame Detection and Portable Gas Detection.

(b) Fire Service includes Breathing Apparatus and Firefighter Helmets and Protective Apparel.

(c) Industrial PPE and Other includes Industrial Head Protection, Fall Protection and Non-Core.

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

Reconciliation of Non-GAAP Financial Measures

Adjusted Operating Income and Adjusted EBITDA (Unaudited)

	Three Months Ended December 31,		12 Months Ended December 31,	
	2025	2024	2025	2024
(In thousands)				
Adjusted EBITDA	\$ 135,999	\$ 134,642	\$ 472,911	\$ 469,431
Less:				
Depreciation and amortization	14,076	14,484	58,313	55,159
Adjusted operating income	121,923	120,158	414,598	414,272
Less:				
Currency exchange losses (gains), net	2,564	(1,077)	15,801	3,638
Acquisition-related amortization	3,582	2,286	12,615	9,174
Restructuring charges	1,427	653	3,897	6,397
Transaction costs ^(a)	465	652	10,467	886
Net cost for product-related legal matter	-	-	-	5,000
GAAP operating income	\$ 113,885	\$ 117,644	\$ 371,818	\$ 389,177
Less:				
Interest expense	8,431	7,333	31,799	36,889
Other income, net	(7,794)	(6,503)	(26,379)	(22,718)
Income before income taxes	113,248	116,814	366,398	375,006
Provision for income taxes	26,315	28,868	87,474	90,039
Net income	\$ 86,933	\$ 87,946	\$ 278,924	\$ 284,967
Net Sales	\$ 510,913	\$ 499,696	\$ 1,874,814	\$ 1,808,140
Adjusted EBITDA	135,999	134,642	472,911	469,431
Adjusted EBITDA%	26.6%	26.9%	25.2%	26.0%
Adjusted Operating Income	121,923	120,158	414,598	414,272
Adjusted Operating Margin %	23.9%	24.0%	22.1%	22.9%

(a) Transaction costs include advisory, legal, accounting, valuation, and other professional or consulting fees incurred during our evaluation of or in connection with acquisitions and divestitures. These costs are included in selling, general and administrative expense in the Consolidated Statements of Operations.

Adjusted operating income and adjusted earnings before interest, taxes, depreciation and amortization (EBITDA) are the measures used by management to evaluate segment performance and allocate resources. As such, management believes these measures are useful metrics for investors. Adjusted operating income is defined as operating income excluding restructuring charges, currency exchange gains / losses, amortization of acquisition-related intangible assets, and transaction costs and Adjusted EBITDA is defined as adjusted operating income plus depreciation and amortization. Adjusted operating income and adjusted EBITDA 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, 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 and net income determined on a GAAP basis in addition to these non-GAAP measures.

Reconciliation of Non-GAAP Financial Measures

Adjusted Earnings and Adjusted Earnings per Diluted Share (Unaudited)

(In thousands, except per share amounts)

	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2025	2024	% Change	2025	2024	% Change
Net income	\$ 86,933	\$ 87,946	(1%)	\$ 278,924	\$ 284,967	(2%)
Currency exchange losses (gains), net	2,564	(1,077)		15,801	3,638	
Restructuring charges	1,427	653		3,897	6,397	
Acquisition-related amortization	3,582	2,286		12,615	9,174	
Transaction costs ^(a)	465	652		10,467	886	
Asset related losses	419	(141)		1,408	819	
Pension settlement	-	-		721	1,308	
Net cost for product related legal matter	-	-		-	5,000	
Income tax expense on adjustments	(2,019)	(1,277)		(11,904)	(7,689)	
Adjusted earnings	\$ 93,371	\$ 89,042	5%	\$ 311,929	\$ 304,500	2%
Adjusted earnings per diluted share	\$ 2.38	\$ 2.25	6%	\$ 7.93	\$ 7.70	3%

(a) Transaction costs include advisory, legal, accounting, valuation, and other professional or consulting fees incurred during our evaluation of or in connection with acquisitions and divestitures. These costs are included in selling, general and administrative expense in the Consolidated Statements of Operations.

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.

Reconciliation of Non-GAAP Financial Measures

Return on Invested Capital, ROIC (Unaudited)

	Twelve Months Ended December 31,
	2025
(In thousands, except percentage amounts)	
Adjusted earnings	\$ 311,929
Adjusted ROIC earnings	
Pre-Tax interest expense	31,799
Adjusted effective tax rate	24.1%
Adjusted after-tax interest expense	24,135
Adjusted ROIC earnings	<u>\$ 336,064</u>
Average invested capital (previous 5 quarters)	
Debt	\$ 579,787
Shareholder's equity	1,251,101
Cash and cash equivalents	163,446
Average Invested Capital	<u>\$ 1,667,442</u>
Adjusted return on invested capital (ROIC)	<u>20.2%</u>
	Adjusted Effective Tax Rate
Effective tax rate	23.9%
Share based payments	0.2%
Adjusted effective tax rate	24.1%

Management believes that ROIC is a useful measure for investors as it assists in showing how effectively the Company utilizes capital invested in our operations. ROIC is calculated by dividing adjusted ROIC earnings (defined as adjusted earnings plus after-tax interest expense) by the average debt (sum of short and long-term) plus stockholders' equity less cash and cash equivalents "Average Invested Capital" for the previous five quarters.

Reconciliation of Non-GAAP Financial Measures

Return on Invested Capital, ROIC Continued (Unaudited)

	For the Twelve Months Ended December 31, 2025					
	<u>Dec '25</u>	<u>Sep '25</u>	<u>Jun '25</u>	<u>Mar '25</u>	<u>Dec '24</u>	<u>Average</u>
Debt	\$ 580,934	\$ 628,583	\$ 679,348	\$ 502,057	\$ 508,013	\$ 579,787
Shareholder's equity	1,367,012	1,302,390	1,252,642.0	1,190,145.0	1,143,318.0	1,251,101
Cash and cash equivalents	165,067	169,998	146,988	170,617	164,560	163,446
Total Invested Capital	\$ 1,782,879	\$ 1,760,975	\$ 1,785,002	\$ 1,521,585	\$ 1,486,771	\$ 1,667,442

Management believes that ROIC is a useful measure for investors as it assists in showing how effectively the Company utilizes capital invested in our operations. ROIC is calculated by dividing adjusted ROIC earnings (defined as adjusted earnings plus after-tax interest expense) by the average debt (sum of short and long-term) plus stockholders' equity less cash and cash equivalents "Average Invested Capital" for the previous five quarters.

Reconciliation of Non-GAAP Financial Measures

Free Cash Flow (Unaudited)

(In thousands, except percentage amounts)	Three Months Ended		Twelve Months Ended	
	December 31,		December 31,	
	2025	2024	2025	2024
Cash flow from operating activities	\$ 122,354	\$ 107,908	\$ 363,867	\$ 296,428
Capital expenditures	(16,334)	(14,409)	(68,438)	(54,223)
Free cash flow	<u>\$ 106,020</u>	<u>\$ 93,499</u>	<u>\$ 295,429</u>	<u>\$ 242,205</u>
Net Income	86,933	87,946	278,924	284,967
Free cash flow conversion	122%	106%	106%	85%

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. 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.

Reconciliation of Non-GAAP Financial Measures

Debt to Adjusted EBITDA and Net Debt to Adjusted EBITDA (Unaudited)

(In thousands)	Twelve Months	
	Ended December 31, 2025	Ended December 31, 2024
Operating income	\$ 371,818	\$ 389,177
Depreciation and amortization	58,313	55,159
Currency exchange losses, net	15,801	3,638
Restructuring charges	3,897	6,397
Acquisition-related amortization	12,615	9,174
Net cost for product related legal matter	-	5,000
Transaction costs ^(a)	10,467	886
Adjusted EBITDA	\$ 472,911	\$ 469,431
Total end-of-period debt	580,934	508,013
Debt to adjusted EBITDA	1.2	1.1
Total end-of-period debt	\$ 580,934	\$ 508,013
Total end-of-period cash and cash equivalents	165,067	164,560
Net debt	\$ 415,867	\$ 343,453
Net debt to adjusted EBITDA	0.9	0.7

(a) Transaction costs include advisory, legal, accounting, valuation, and other professional or consulting fees incurred during our evaluation of or in connection with acquisitions and divestitures. These costs are included in selling, general and administrative expense in the Consolidated Statements of Operations.

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.

Reconciliation of Non-GAAP Financial Measures

R&D Investment (Unaudited)

(In thousands, except percentage amounts)

	Twelve Months Ended December 31,	
	2025	2024
Research and development expense	\$ 65,343	\$ 66,526
Capitalized software development costs	14,914	12,993
Total R&D investment	<u>\$ 80,257</u>	<u>\$ 79,519</u>
Net sales	\$ 1,874,814	\$ 1,808,140
R&D investment (% net sales)	4.3%	4.4%

Management believes that total R&D investment is a meaningful measure for investors. Management includes capitalized software development costs when evaluating total research and development expenditures as it believes it better represents its overall spend. Management defines R&D investment as research and development expense plus capitalized software development cost. As such, management believes that it is appropriate to consider research and development expense determined on a GAAP basis as well as total R&D investment.



The Safety Company