



First Quarter 2025 Earnings Presentation

April 30, 2025



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, free cash flow and free cash flow conversion. 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.

First Quarter 2025 Business Update

Delivered Solid Operating Performance to Start 2025

DRIVEN BY OUR PURPOSE

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

OUR VISION

To be the world's leading provider of safety solutions that protect workers when life is on the line

We pursue this vision with an unsurpassed commitment to integrity, customer service, and product innovation that creates exceptional value for all MSA stakeholders

OUR VALUES

Embracing change and encouraging innovation in a culture of safety

FIRST QUARTER BUSINESS UPDATE

- Generated solid operating results against backdrop of dynamic environment, enabled by MSA Business System:
 - Net sales of \$421MM (+2% reported, +4% organic YoY); Adj. EPS \$1.68, +4% YoY
 - Gross margin contraction partially offset by SG&A leverage
 - Healthy order pace, stable start to second quarter
 - Backlog levels remain normalized as a percentage of trailing twelve-month sales
- Secured \$10MM Breathing Apparatus contract from Orange County Fire Authority in California

\$421MM
+2%

Net Sales

\$88MM
-1%

Adjusted Operating Income

20.8%
-50 bps

Adjusted Operating Margin

\$1.68
+4%

Adjusted EPS

\$51MM
86%

Free Cash Flow & Conversion

First Quarter 2025 Strategic Actions

MSA Business System Enabled Continued Focus on Strategic Execution in a Dynamic Environment



CONTINUED SAFETY LEADERSHIP AND GROWTH FOCUS

Delivered mission-driven innovation in fire service aligned with 2025 NFPA¹ standard and excellent growth in detection

- Announced enhancements to G1™ SCBA Platform and Globe turnout jacket at FDIC² in April
- Delivered mid-teens growth in detection, continued momentum in connected portables under MSA+ solutions as we continue meeting customers on their connected journeys

COMMERCIAL AND OPERATIONAL EXCELLENCE

Active tariff mitigation including pricing and productivity measures; prepared for wide range of scenarios

- Selective price increase effective in April to mitigate impact of tariffs announced through March; continue to evaluate further pricing actions
- Leveraging the MSA Business System to action productivity measures including sourcing initiatives, supply chain diversification, value engineering, and other cost saving actions to mitigate the impact of higher input costs

CAPITAL ALLOCATION

Amended and resized Revolving Credit Facility

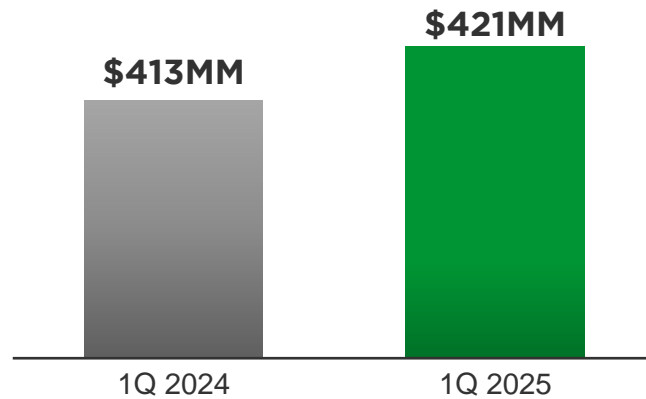
- Increased Revolving Credit Facility to \$1.3 billion in April, providing ample liquidity levels for future growth initiatives aligned with achieving 2028 financial targets
- Actionable M&A pipeline

ACCELERATE
Driving future growth

First Quarter 2025 Financial Summary

Mid-Single Digit Organic Sales and Adjusted Earnings Growth

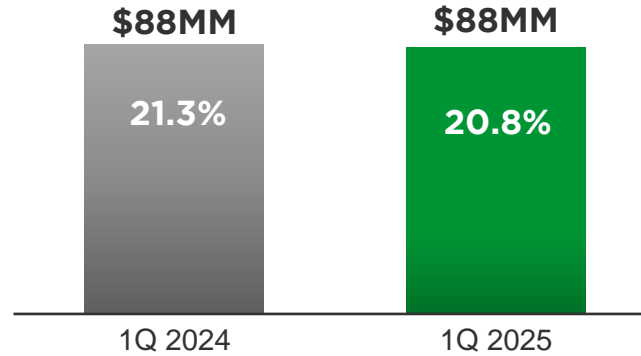
Net Sales



2% REPORTED NET SALES GROWTH

- Net sales growth +4% organic, -2% currency
 - Americas: -1% reported (+1% organic)
 - International: +9% reported (+11% organic)
- Positive contributions from volume and price partially offset by FX pressure
- Mid-teens organic growth in detection and LSD growth in industrial PP&E was partially offset by a HSD contraction in fire service
- Fire service excluding U.S. Air Force comp was up LSD organic

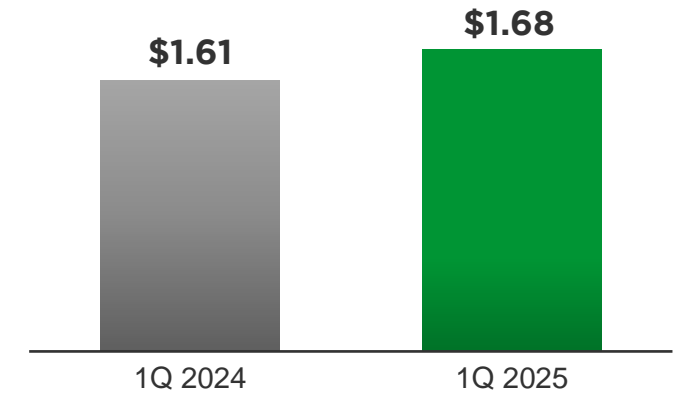
Adjusted Operating Income and Margin



20.8% ADJUSTED OPERATING MARGIN

- Adjusted operating margin performance reflects higher volumes, positive price, and lower SG&A, offset by inflation and transactional FX headwinds
 - Americas: 26.8%
 - International: 14.6%
- Adjusted EBITDA margin of 24.1%, down 40 bps YoY

Adjusted EPS



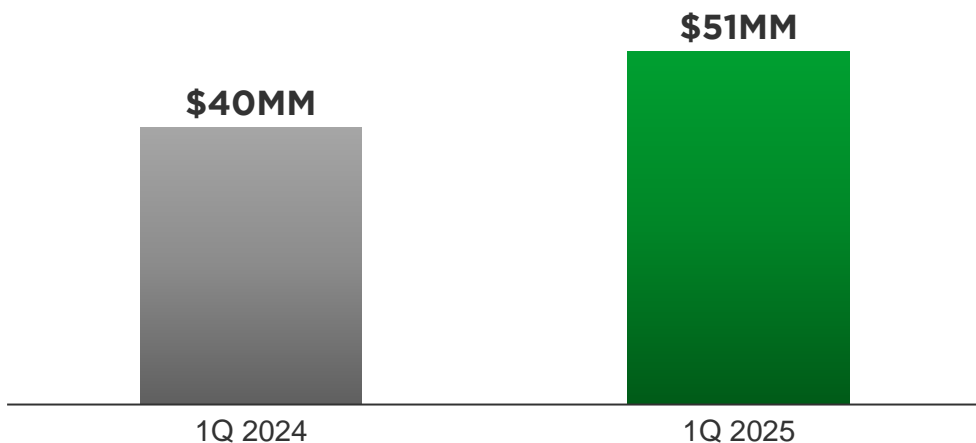
4% ADJUSTED EPS GROWTH

- Benefitted from stronger revenue growth, driven by higher demand and partnering with customers to accelerate order deliveries to mitigate tariff impact
- Lower interest expense due to debt reduction and lower weighted average interest rate
- YoY share count relatively flat; repurchases offset dilution from employee stock awards

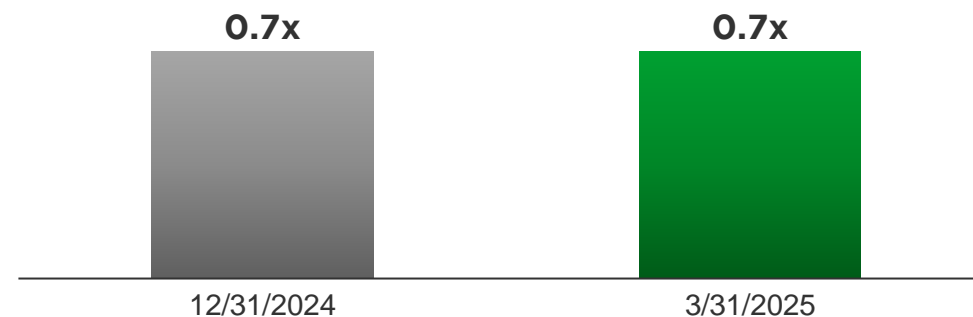
First Quarter 2025 Free Cash Flow and Financial Leverage

Strong Balance Sheet Provides Capital Deployment Optionality

Free Cash Flow



Net Leverage



CASH FLOW GENERATION AND CAPITAL ALLOCATION

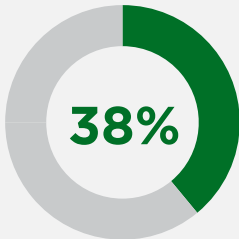
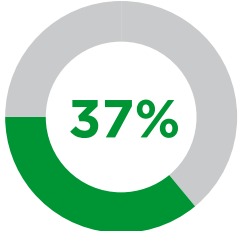
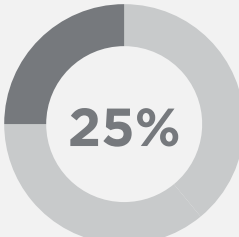
- Free cash flow conversion rate of 86%
- Dividends to shareholders totaled \$20MM
- Share repurchases totaled \$10MM
- Capital expenditures totaled \$11MM

ROBUST BALANCE SHEET WITH 0.7X NET LEVERAGE AND AMPLE LIQUIDITY

- Cash balance of \$171MM
- \$331MM of net debt
- Debt repayment totaled \$7MM
- Amended and increased Revolving Credit Facility to \$1.3 billion in April; additional liquidity to provide support for investment in future growth initiatives

2025 Outlook

Maintaining Low-Single Digit Organic Sales Growth Outlook; Increased Risk Due to Macroeconomic and Policy Uncertainty

	% NET SALES ¹	DIVERSE END MARKETS
FIRE SERVICE <ul style="list-style-type: none"> • SCBA • Helmets • Protective apparel 	 <p>38%</p>	<ul style="list-style-type: none"> • Government fire service • Municipal fire service • First responder
DETECTION <ul style="list-style-type: none"> • Fixed gas and flame detection • Refrigerant detection and identification • Portable gas detection 	 <p>37%</p>	<ul style="list-style-type: none"> • Energy and utilities • HVAC-R • Water and wastewater • Food retail • Industrial
INDUSTRIAL PPE AND OTHER <ul style="list-style-type: none"> • Industrial head protection • Fall protection • APR and other PPE 	 <p>25%</p>	<ul style="list-style-type: none"> • Energy and utilities • Construction • Manufacturing • Industrial • Healthcare and pharma

OPERATING ENVIRONMENT UPDATE

POSITIVES

- + Diverse end market demand supportive of healthy order momentum in 2025
- + Growing global demand for safety products and solutions
- + Favorable growth environment for fixed and portable detection, and MSA+ solutions categories
- + Assistance to Firefighters Grants (AFG) funding approved for 2025
- + Leveraging MSA Business System to support strong operating performance and resilient margins

CHALLENGES

- Heightened macroeconomic, tariff and geopolitical policy uncertainty
- Non-recurrence of U.S. Air Force order; ~\$40 million prior year backlog conversion headwind in the second quarter
- 2025 North American Fire Protection Association (NFA) standard change
- Dynamic regulatory environment in the U.S.
- Mixed industrial end market demand globally
- Foreign exchange headwinds to sales and earnings

ADDITIONAL MODELING CONSIDERATIONS

- **Foreign Exchange:** FX translation flat to 1% revenue headwind based on current rates
- **Interest Expense:** \$24-\$27MM / **Tax Rate:** 24%-25%
- **Pension and Other Non-Operating Income:** Increase of ~\$4-\$5MM over 2024 levels

10-Year Operating Performance Summary

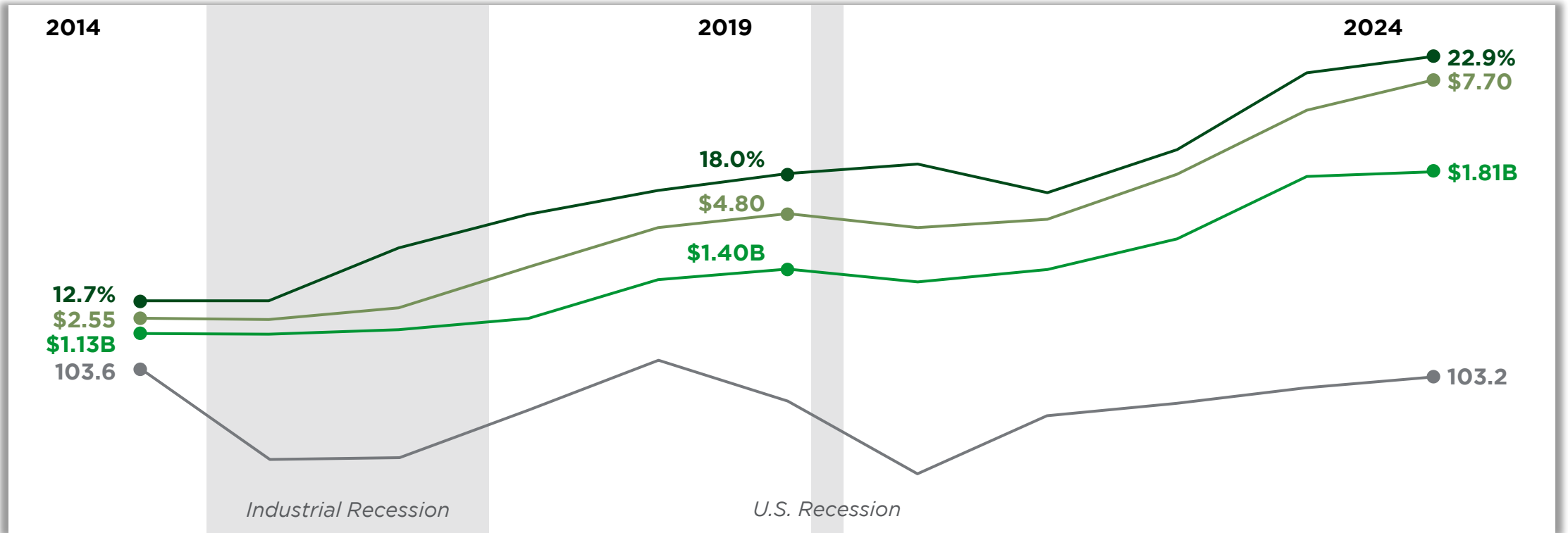
Diversified Business Model with History of Resilient Operating Performance

— MSA Annual Net Sales¹

— MSA Adj. Op. Margin

— MSA Adj. EPS

— Industrial Production²



Annual	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Growth
Net Sales YoY Growth (%)	-	-0.3%	+1.7%	+4.1%	+13.5%	+3.2%	-3.9%	+3.9%	+9.1%	+17.0%	+1.1%	+5% Net Sales CAGR
Adj. Op. Margin YoY Change	-	Flat	+220 bps	+140 bps	+100 bps	+70 bps	+40 bps	-120 bps	+180 bps	+320 bps	+70 bps	+100 bps Avg. Margin Expansion
Adj. Diluted EPS YoY Growth (%)	-	-0.9%	+9.5%	+31.9%	+24.6%	+7.3%	-4.9%	+1.9%	+20.6%	+24.5%	+9.5%	+12% Adj. Diluted EPS CAGR



(1) MSA net sales in tens of billions of U.S. dollars.

(2) Industrial Production data is indexed: 2017=100, seasonally adjusted.

A Leader in Industrial Safety Technology

Focused on Delivering Profitable Growth and Value Creation Over the Long-Term

1

Delivered solid operating performance in 1Q and continued **advancement of Accelerate strategy**

2

Mission-driven culture and unwavering commitment to the safety of our customers and our employees

3

Reliable, diversified base business drives organic growth and margin expansion opportunities across economic cycles

4

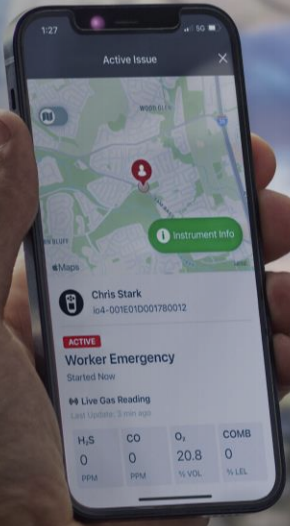
Reinvestment in innovation and technology, including strategic M&A, enables **leading positions in attractive end markets**

5

Strong balance sheet supports growth investments and returns of capital to shareholders while navigating dynamic operating environment

ACCELERATE
Driving future growth

Q&A



Live Gas Reading

H ₂ S	CO	O ₂	COMB
0	0	20.8	0
PPM	PPM	% VOL	% LEL

Appendix



MSA Safety (NYSE: MSA) Snapshot

\$1.8B Net Sales¹

4.4% R&D Investment^{1,2}

37% Product Vitality³

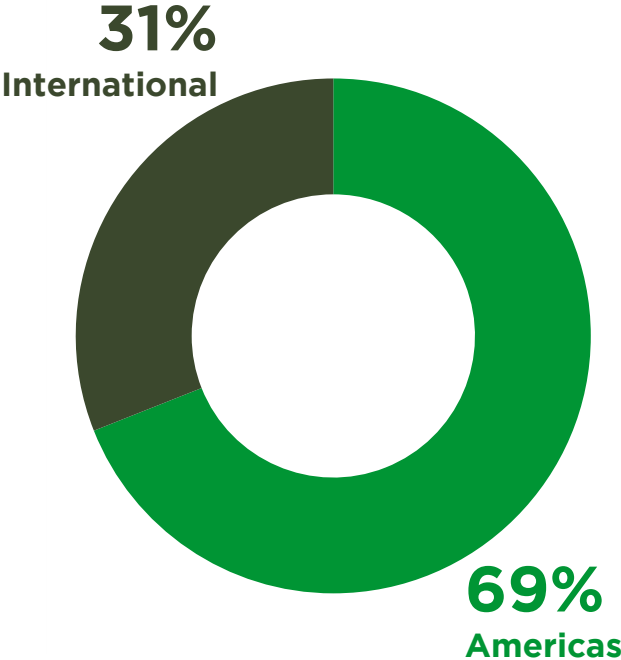
47.3% Gross Profit Margin¹

22.8% Adj. Operating Margin¹

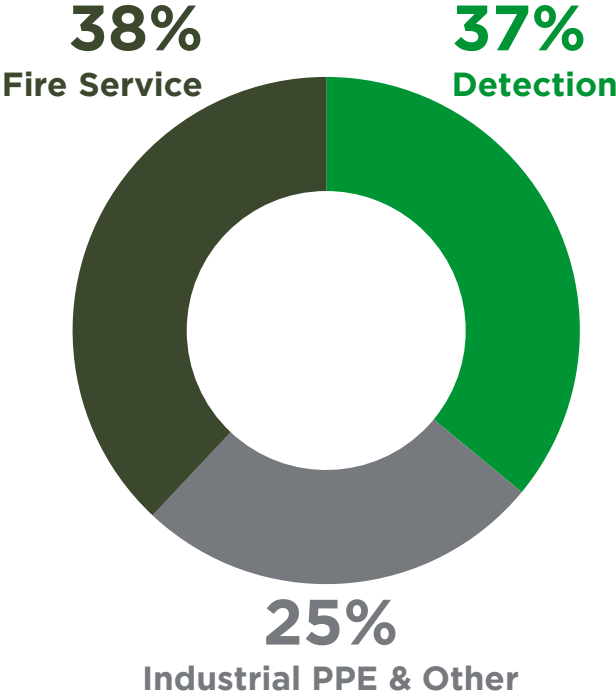
0.7x Net Leverage¹

54 Years Consecutive Dividend Increases

Net Sales by Segment¹



Net Sales by Product Category^{1,4}



MSA Safety | Diverse End Markets



Fire Service



Energy



Utilities



Construction



Food & Beverage



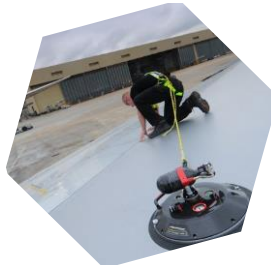
Industrial



Government



Water



Transportation



Mining



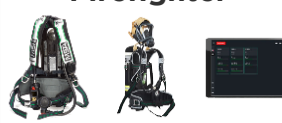





40+
Million Workers
Protected⁽¹⁾

PROTECTING WORKERS AROUND THE WORLD ACROSS WIDE VARIETY OF END MARKETS

(1) As of December 31, 2023. "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.

MSA Safety | Product Categories and Markets

	DETECTION		FIRE SERVICE		INDUSTRIAL PPE AND OTHER	
PRODUCT CATEGORY	Fixed Gas & Flame Detection 	Portable Gas Detection 	SCBA & Connected Firefighter 	Protective Apparel & Helmets 	Industrial Head Protection 	Fall Protection 
GLOBAL TAM ⁽¹⁾	~\$4.0B		~\$2.5B		~\$3.5B⁴	
MARKET CAGR ^(1,2)	4% - 5%		2% - 3%		3% - 4%⁴	
MSA % OF NET SALES ⁽³⁾	37%		38%		25%	
EXPECTED MSA CAGR ⁽²⁾	5% - 7%		3% - 5%		2% - 4%	
SECULAR TRENDS	Focus on Regulatory & Compliance	Energy Transition & Decarbonization	Evolving Safety Standards	Resilient Funding for Firefighter Safety	Increased Focus on Proactive Prevention	Sustainability & ESG
	Global Infrastructure Spend	Digital Transformation	Adoption of Connected Solutions	Increasing Turnout Gear Demand	Nearshoring & Infrastructure Spend	Higher Standards in Emerging Economies

TARGETING 3% - 5% LONG-TERM ORGANIC REVENUE GROWTH⁽²⁾ + CAPITAL DEPLOYMENT OPTIONALITY

1) Internal estimates and third-party data. (2) 5-year period from 2023 – 2028. (3) Net sales for the trailing twelve-months ended March 31, 2025. Fire Service includes Self-Contained Breathing Apparatus (SCBA) and Firefighter Helmets & Protective Apparel. Detection includes Fixed Gas & Flame Detection and Portable Gas Detection. Industrial PPE & Other includes Industrial Head Protection, Fall Protection, and Other PPE Sales. (4) Excluding "Other PPE", global TAM is ~\$2.5B and market CAGR is 4% - 5%.

MSA Safety | Our 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 and 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

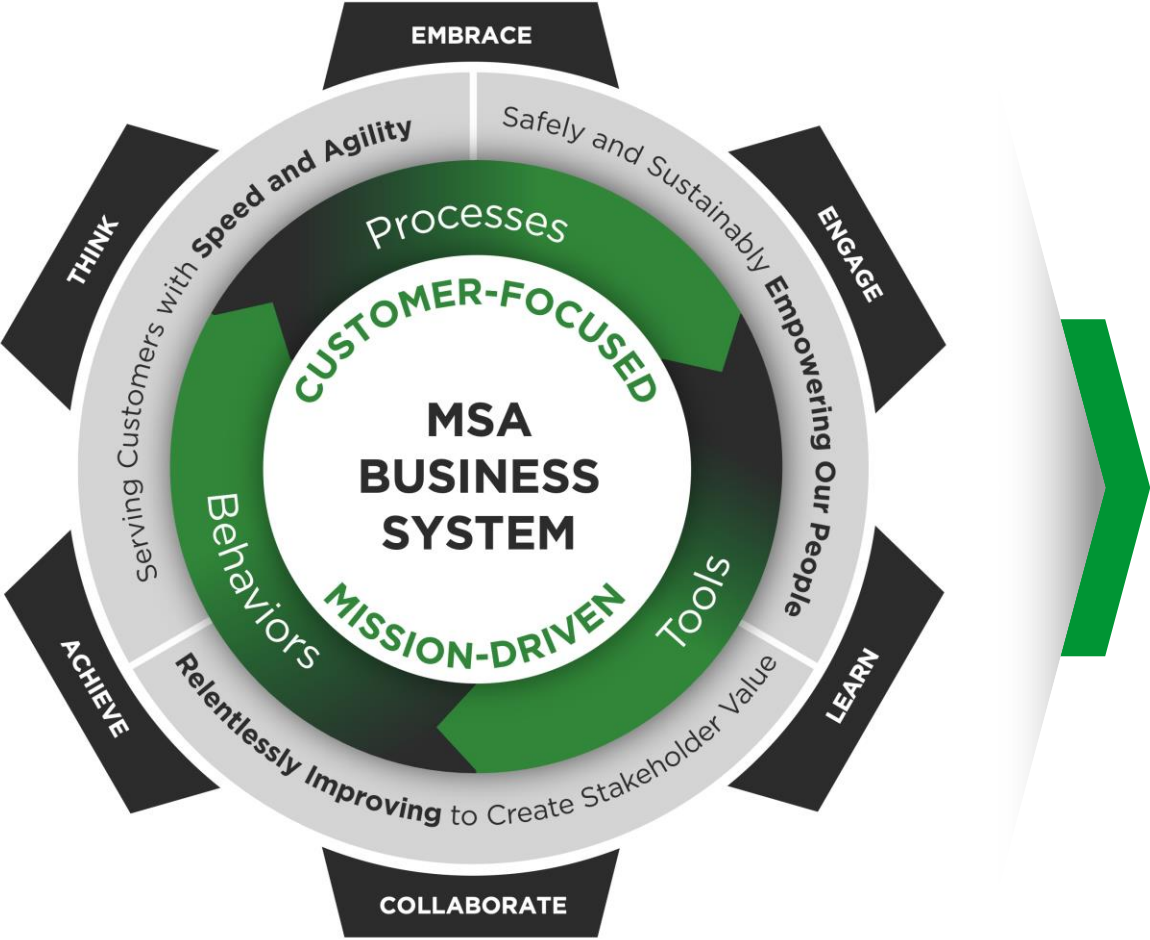
ALLOCATE CAPITAL EFFECTIVELY



- Leverage premier financial profile to deliver sustainable long-term growth
- Maintain disciplined approach with growth bias
- Return value to shareholders through an increasing dividend, share repurchases to offset dilution, and opportunistic reinvestment

ACCELERATE
Driving future growth

MSA Safety | Our 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

(1) Sales, Inventory, and Operations Planning.

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%+ Adj. ROCE⁽³⁾

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 March 31, 2025			
	Fire Service ^(a)	Detection ^(b)	Industrial PPE and Other ^(c)	Net Sales
GAAP reported sales change	(8%)	16%	(1%)	2%
Currency translation effects	1%	1%	4%	2%
Organic sales change	(7%)	17%	3%	4%
Americas				
	Fire Service ^(a)	Detection ^(b)	Industrial PPE and Other ^(c)	Net Sales
GAAP reported sales change	(13%)	14%	0%	(1%)
Currency translation effects	0%	2%	5%	2%
Organic sales change	(13%)	16%	5%	1%
International				
	Fire Service ^(a)	Detection ^(b)	Industrial PPE and Other ^(c)	Net Sales
GAAP reported sales change	8%	19%	(3%)	9%
Currency translation effects	2%	2%	2%	2%
Organic sales change	10%	21%	(1%)	11%

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

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

(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 March 31,		Trailing Twelve Months Ended March 31,	Twelve Months Ended December 31,
	2025	2024	2025	2024
(In thousands)				
Adjusted EBITDA	\$ 101,467	\$ 101,254	\$ 469,644	\$ 469,431
Less:				
Depreciation and amortization	13,965	13,245	55,879	55,159
Adjusted operating income	87,502	88,009	413,765	414,272
Less:				
Restructuring charges	1,924	3,017	5,304	6,397
Currency exchange losses, net	4,076	2,333	5,381	3,638
Amortization of acquisition-related intangible assets	2,286	2,314	9,146	9,174
Transaction costs ^(a)	1,455	233	2,108	886
Net cost for product-related legal matter	-	-	5,000	5,000
GAAP operating income	\$ 77,761	\$ 80,112	\$ 386,826	\$ 389,177
Less:				
Interest expense	6,835	10,740	32,984	36,889
Other income, net	(7,023)	(6,235)	(23,506)	(22,718)
Income before income taxes	77,949	75,607	377,348	375,006
Provision for income taxes	18,344	17,468	90,915	90,039
Net income	\$ 59,605	\$ 58,139	\$ 286,433	\$ 284,967
Net Sales			\$ 1,816,178	
Adjusted Operating Income			413,765	
Adjusted Operating Margin %			22.8%	

(a) Transaction costs include advisory, legal, accounting, valuation, and other professional or consulting fees incurred in connection with acquisitions and divestitures.

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 March 31,		% Change
	2025	2024	
Net income attributable to MSA Safety Incorporated	\$ 59,605	\$ 58,139	3%
Restructuring charges	1,924	3,017	
Currency exchange losses, net	4,076	2,333	
Amortization of acquisition-related intangible assets	2,286	2,314	
Asset related losses and other	8	51	
Transaction costs ^(a)	1,455	233	
Income tax expense on adjustments	(2,916)	(2,590)	
Adjusted earnings	\$ 66,438	\$ 63,497	5%
Adjusted earnings per diluted share	\$ 1.68	\$ 1.61	4%

(a) Transaction costs include advisory, legal, accounting, valuation, and other professional or consulting fees incurred in connection with acquisitions and divestitures.

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

Free Cash Flow (Unaudited)

	Three Months Ended	
	March 31,	
(In thousands, except percentage amounts)	2025	2024
Cash flow from operating activities	\$ 61,833	\$ 50,886
Capital expenditures	(10,784)	(11,219)
Free cash flow	<u>\$ 51,049</u>	<u>\$ 39,667</u>
Net Income	59,605	58,139
Free cash flow conversion	86%	68%

Management believes that free cash flow and free cash flow conversion are meaningful measures 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

Historic Adjusted Earnings and Adjusted Earnings per Diluted Share (Unaudited)

(In thousands, except per share amounts)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net income attributable to MSA Safety Incorporated ^(a)	\$ 87,310	\$ 69,069	\$ 91,461	\$ 24,640	\$ 124,308	\$ 137,998	\$ 124,077	\$ 21,340	\$ 179,630	\$ 58,583	\$ 284,967
Tax charges associated with reorganization		7,605	6,473	(2,504)	1,794	584	1,119	2,468	-	(992)	-
Loss on divestiture of MSA LLC		-	-	-	-	-	-	-	-	129,211	-
Deferred tax asset write-off related to divestiture of MSA LLC		-	-	-	-	-	-	-	-	70,366	-
Product liability expense	3,893	982	341	126,432	45,327	26,619	39,036	185,264	20,590	3	-
Restructuring charges	8,515	12,258	5,694	17,632	13,247	13,846	27,381	16,433	7,965	9,892	6,397
Transaction costs ^(b)		7,462	2,531	4,225	421	4,400	717	7,120	3,233	965	886
Amortization of acquisition-related intangible assets		-	-	-	-	-	-	8,764	9,207	9,246	9,174
Currency exchange losses, net	1,509	2,204	766	5,127	2,330	19,814	8,578	216	10,255	17,079	3,638
Loss on extinguishment of debt		-	-	-	1,494	-	-	-	-	-	-
Asset related (gains) losses and other	(2,116)	1,636	32	678	484	371	993	788	6,290	173	819
Income tax expense on adjustments	(3,812)	(6,792)	(3,161)	(56,133)	(16,331)	(14,104)	(21,295)	(57,648)	(14,662)	(11,665)	-
Pension settlement		-	-	-	-	-	-	-	-	-	1,308
Net cost for product related legal matter		-	-	-	-	-	-	-	-	-	5,000
Tax charges (benefit) associated with tax reform		-	-	19,817	2,518	-	-	-	-	(5,313)	(7,689)
Adjusted earnings	<u>\$ 95,299</u>	<u>\$ 94,424</u>	<u>\$ 104,137</u>	<u>\$ 139,914</u>	<u>\$ 175,592</u>	<u>\$ 189,528</u>	<u>\$ 180,606</u>	<u>\$ 184,745</u>	<u>\$ 222,508</u>	<u>\$ 277,548</u>	<u>\$ 304,500</u>
Diluted shares outstanding	<u>37,728</u>	<u>37,710</u>	<u>37,986</u>	<u>38,697</u>	<u>38,961</u>	<u>39,189</u>	<u>39,286</u>	<u>39,449</u>	<u>39,407</u>	<u>39,473</u>	<u>39,535</u>
Adjusted earnings per share	<u>\$ 2.53</u>	<u>\$ 2.50</u>	<u>\$ 2.74</u>	<u>\$ 3.62</u>	<u>\$ 4.51</u>	<u>\$ 4.84</u>	<u>\$ 4.60</u>	<u>\$ 4.68</u>	<u>\$ 5.65</u>	<u>\$ 7.03</u>	<u>\$ 7.70</u>

(a) During 2021, the Company changed its method of accounting for certain inventory in the United States from the last-in, first-out method to the first-in, first-out method. All prior periods presented have been retrospectively adjusted to apply the new method of accounting. For the period of 2014 - 2016 this represents income from continuing operations.

(b) Transaction costs include advisory, legal, accounting, valuation, and other professional or consulting fees incurred in connection with acquisitions and divestitures.

Reconciliation of Non-GAAP Financial Measures

Historic Adjusted Operating Income and Adjusted Operating Margin (Unaudited)

(In thousands, except percentage amounts)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net sales	\$ 1,133,885	\$ 1,130,783	\$ 1,149,530	\$ 1,196,809	\$ 1,358,104	\$ 1,401,981	\$ 1,348,223	\$ 1,400,182	\$ 1,527,953	\$ 1,787,647	\$ 1,808,140
Operating income ^(a)	134,079	121,975	162,383	41,306	173,711	188,247	171,895	22,780	239,137	231,320	389,177
Operating margin	11.8%	10.8%	14.1%	3.5%	12.8%	13.4%	12.7%	1.6%	15.7%	12.9%	21.5%
Restructuring charges	8,515	12,258	5,694	17,632	13,247	13,846	27,381	16,433	7,965	9,892	6,397
Currency exchange losses, net	1,509	2,204	766	5,127	2,330	19,814	8,578	216	10,255	17,079	3,638
Loss on divestiture of MSA LLC	-	-	-	-	-	-	-	-	-	129,211	-
Product liability expense	-	-	-	126,432	45,327	26,619	39,036	185,264	20,590	3	-
Transaction costs ^(b)	-	7,462	2,531	4,225	421	4,400	717	7,120	3,233	965	886
Amortization of acquisition-related intangible assets	-	-	-	-	-	-	-	8,764	9,207	9,246	9,174
Net cost for product related legal matter	-	-	-	-	-	-	-	-	-	-	5,000
COVID-19 related costs	-	-	-	-	-	-	757	-	-	-	-
Adjusted operating income	<u>\$ 144,103</u>	<u>\$ 143,899</u>	<u>\$ 171,374</u>	<u>\$ 194,722</u>	<u>\$ 235,036</u>	<u>\$ 252,926</u>	<u>\$ 248,364</u>	<u>\$ 240,577</u>	<u>\$ 290,387</u>	<u>\$ 397,716</u>	<u>\$ 414,272</u>
Adjusted operating margin (%)	12.7%	12.7%	14.9%	16.3%	17.3%	18.0%	18.4%	17.2%	19.0%	22.2%	22.9%

(a) During 2021, the Company changed its method of accounting for certain inventory in the United States from the last-in, first-out method to the first-in, first-out method. All prior periods presented have been retrospectively adjusted to apply the new method of accounting.

(b) Transaction costs include advisory, legal, accounting, valuation, and other professional or consulting fees incurred in connection with acquisitions and divestitures.

Reconciliation of Non-GAAP Financial Measures

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

(In thousands)	Twelve Months Ended March 31, 2025
Operating income	\$ 386,826
Depreciation and amortization	55,879
Restructuring charges	5,304
Currency exchange losses, net	5,381
Amortization of acquisition-related intangible assets	9,146
Net cost for product related legal matter	5,000
Transaction costs ^(a)	2,108
Adjusted EBITDA	<u>\$ 469,644</u>
Total end-of-period debt	502,057
Debt to adjusted EBITDA	<u>1.1</u>
Total end-of-period debt	\$ 502,057
Total end-of-period cash and cash equivalents	170,617
Net debt	<u>\$ 331,440</u>
Net debt to adjusted EBITDA	<u>0.7</u>

(a) Transaction costs include advisory, legal, accounting, valuation, and other professional or consulting fees incurred in connection with acquisitions and divestitures.

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)	Three Months Ended March 31		Trailing Twelve Months	Twelve Months
			Ended March 31	Ended December 31,
	2025	2024	2025	2024
Research and development expense	\$ 15,669	\$ 15,919	\$ 66,276	\$ 66,526
Capitalized software development costs	3,300	3,400	\$ 12,893	12,993
Total R&D investment	\$ 18,969	\$ 19,319	\$ 79,169	\$ 79,519
Net sales	\$ 421,340	\$ 413,302	\$ 1,816,178	\$ 1,808,140
R&D investment (% net sales)	4.5%	4.7%	4.4%	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