

## MSA Safety Announces Second Quarter Results

### Revenue returns to growth and incoming order book gains strong momentum

PITTSBURGH, July 28, 2021 /PRNewswire/ -- Global safety equipment manufacturer MSA Safety Incorporated (NYSE: MSA) today reported results for the second quarter of 2021.

#### Quarterly Highlights

- Revenue was \$341 million, increasing 9 percent from a year ago on a reported basis and 5 percent on a constant currency basis.
- GAAP operating income was \$35 million or 10.3 percent of sales, compared to \$48 million or 15.4 percent of sales in the same period a year ago. Adjusted operating income was \$59 million or 17.2 percent of sales, compared to \$59 million or 18.7 percent of sales in the same period a year ago.
- GAAP earnings were \$25 million or \$0.64 per diluted share, compared to \$36 million or \$0.92 per diluted share in the same period a year ago. Adjusted earnings were \$42 million or \$1.06 per diluted share, compared to \$44 million or \$1.11 per diluted share in the same period a year ago. GAAP and adjusted operating income and earnings reflect \$4 million of incremental stock compensation expense driven by the acquisition of Bacharach, Inc. and its expected revenue and profitability contributions in the coming years.
- On July 1, 2021, MSA completed the acquisition of Bacharach, Inc. in a transaction valued at \$337 million. Based in New Kensington, Pa., Bacharach is a leader in gas detection technologies used in the heating, ventilation, air conditioning and refrigeration (HVAC-R) markets, with annual revenue of approximately \$70 million. The transaction was financed through a combination of fixed and variable incremental borrowings with an after-tax cost of less than 2 percent.

#### Comments from Management

"MSA delivered strong quarterly revenue growth and reached exciting milestones on key strategic programs, including completing the acquisition of Bacharach," said Nish Vartanian, MSA Chairman, President and CEO. Mr. Vartanian added that MSA's second quarter incoming order activity exceeded both 2020 and 2019 comparable periods. "The uptick in incoming orders against the backdrop of ongoing supply chain constraints drove a significant increase in backlog."

MSA completed the acquisition of Bacharach on July 1, 2021. "Many industries today are placing significant focus on monitoring and managing the usage of refrigerants for safety, environmental and efficiency purposes. That's one of many reasons we're thrilled to have Bacharach under the MSA umbrella," Mr. Vartanian said. "The acquisition also provides us with access to attractive end markets, and it's a natural fit with our product and manufacturing expertise."

"Throughout the pandemic and recession, we've been laser focused on improving our business model, building further resilience in our portfolio, and investing in new product development to fuel our growth engine for years to come," Mr. Vartanian commented. MSA has deployed approximately \$400 million of capital in 2021 for the acquisitions of Bacharach and U.K. firefighter turnout gear manufacturer Bristol Uniforms. "We've added more elements of defensiveness to the portfolio through these acquisitions in strategic end markets. At the same time, we continue to invest heavily in our R&D programs to bring the most advanced safety technologies to our customers."

"The recent acquisitions, ongoing new product development investments, and the uptick in our order book position us well for the second half of 2021. I remain very confident in our ability to strengthen our market positions as business conditions continue to improve," Mr. Vartanian concluded.

MSA Safety Incorporated  
Condensed Consolidated Statement of Income (Unaudited)  
(In thousands, except per share amounts)

|   | Three Months Ended June 30, |            | Six Months Ended June 30, |            |
|---|-----------------------------|------------|---------------------------|------------|
|   | 2021                        | 2020       | 2021                      | 2020       |
| Net sales   | \$ 341,289                  | \$ 314,438 | \$ 649,717                | \$ 655,583 |
| Cost of products sold   | 188,374                     | 172,841    | 362,063                   | 356,627    |
| Gross profit  | 152,915                     | 141,597    | 287,654                   | 298,956    |
| Selling, general and administrative   | 83,426                      | 69,034     | 158,889                   | 149,271    |
| Research and development  | 13,970                      | 13,760     | 27,204                    | 27,872     |
| Restructuring charges   | 7,078                       | 8,865      | 8,385                     | 10,872     |
| Currency exchange losses (gains), net   | 1,640                       | 793        | (459)                     | 1,063      |
| Product liability expense   | 11,751                      | 851        | 14,547                    | 2,802      |
| Operating income  | 35,050                      | 48,294     | 79,088                    | 107,076    |
| Interest expense  | 2,172                       | 2,459      | 4,082                     | 5,602      |
| Other income, net   | (2,293)                     | (2,000)    | (6,506)                   | (3,258)    |
| Total other (income) expense, net   | (121)                       | 459        | (2,424)                   | 2,344      |
| Income before income taxes  | 35,171                      | 47,835     | 81,512                    | 104,732    |
| Provision for income taxes  | 9,784                       | 11,429     | 19,525                    | 24,523     |
| Net income  | 25,387                      | 36,406     | 61,987                    | 80,209     |
| Net income attributable to noncontrolling interests                             | (262)                       | (340)      | (448)                     | (468)      |
| Net income attributable to MSA Safety Incorporated                              | \$ 25,125                   | \$ 36,066  | \$ 61,539                 | \$ 79,741  |
| Earnings per share attributable to MSA Safety Incorporated common shareholders: |                             |            |                           |            |
| Basic   | \$ 0.64                     | \$ 0.93    | \$ 1.57                   | \$ 2.05    |
| Diluted   | \$ 0.64                     | \$ 0.92    | \$ 1.56                   | \$ 2.03    |
| Basic shares outstanding  | 39,167                      | 38,830     | 39,131                    | 38,826     |
| Diluted shares outstanding  | 39,420                      | 39,195     | 39,421                    | 39,273     |

MSA Safety Incorporated  
Condensed Consolidated Balance Sheet (Unaudited)  
(In thousands)

|                                       | June 30, 2021 | December 31, 2020 |
|---------------------------------------|---------------|-------------------|
| Assets                                |               |                   |
| Cash and cash equivalents             | \$ 174,078    | \$ 160,672        |
| Trade receivables, net                | 226,575       | 252,283           |
| Inventories                           | 232,658       | 197,819           |
| Notes receivable, insurance companies | 3,855         | 3,796             |
| Other current assets                  | 132,816       | 139,708           |
| Total current assets                  | 769,982       | 754,278           |
| Property, net                         | 201,163       | 189,620           |

|  |                     |                     |
|--|---------------------|---------------------|
| Prepaid pension cost                                     | 105,078             | 97,545              |
| Operating lease assets, net                              | 67,383              | 53,451              |
| Goodwill   | 447,267             | 443,272             |
| Notes receivable, insurance companies, noncurrent        | 49,133              | 48,540              |
| Insurance receivable, noncurrent                         | 91,185              | 85,077              |
| Other noncurrent assets                                  | 232,042             | 200,701             |
| Total assets   | <u>\$ 1,963,233</u> | <u>\$ 1,872,484</u> |
| Liabilities and shareholders' equity                     |                     |                     |
| Notes payable and current portion of long-term debt, net | \$ 20,000           | \$ 20,000           |
| Accounts payable   | 89,086              | 86,854              |
| Other current liabilities                                | 208,755             | 203,691             |
| Total current liabilities                                | <u>317,841</u>      | <u>310,545</u>      |
| Long-term debt, net                                      | 314,587             | 287,157             |
| Pensions and other employee benefits                     | 201,311             | 208,068             |
| Noncurrent operating lease liabilities                   | 58,877              | 44,639              |
| Deferred tax liabilities                                 | 13,017              | 10,916              |
| Product liability and other noncurrent liabilities       | 208,832             | 201,268             |
| Total shareholders' equity                               | 848,768             | 809,891             |
| Total liabilities and shareholders' equity               | <u>\$ 1,963,233</u> | <u>\$ 1,872,484</u> |

MSA Safety Incorporated  
Condensed Consolidated Statement of Cash Flows (Unaudited)  
(In thousands)

|  | Three Months Ended June 30, |                  | Six Months Ended June 30, |                    |
|--|-----------------------------|------------------|---------------------------|--------------------|
|  | 2021                        | 2020             | 2021                      | 2020               |
| Net income   | \$ 25,387                   | \$ 36,406        | \$ 61,987                 | \$ 80,209          |
| Depreciation and amortization  | 11,584                      | 9,786            | 22,088                    | 19,428             |
| Change in working capital and other operating                                    | 1,327                       | 23,232           | (161)                     | (16,606)           |
| Cash flow from operating activities  | <u>38,298</u>               | <u>69,424</u>    | <u>83,914</u>             | <u>83,031</u>      |
| Capital expenditures   | (10,706)                    | (13,272)         | (20,288)                  | (19,834)           |
| Acquisition, net of cash acquired  | —                           | —                | (62,992)                  | —                  |
| Change in short-term investments   | 5,015                       | 10,210           | 25,045                    | (9,402)            |
| Property disposals   | 25                          | (9)              | 60                        | 83                 |
| Cash flow used in investing activities   | <u>(5,666)</u>              | <u>(3,071)</u>   | <u>(58,175)</u>           | <u>(29,153)</u>    |
| Change in debt   | (25,013)                    | (37,000)         | 27,004                    | (9,000)            |
| Cash dividends paid  | (17,247)                    | (16,721)         | (34,067)                  | (33,052)           |
| Other financing  | (834)                       | 873              | (4,392)                   | (24,124)           |
| Cash flow used in financing activities   | <u>(43,094)</u>             | <u>(52,848)</u>  | <u>(11,455)</u>           | <u>(66,176)</u>    |
| Effect of exchange rate changes on cash,<br>cash equivalents and restricted cash | <u>(187)</u>                | <u>102</u>       | <u>(907)</u>              | <u>(3,654)</u>     |
| (Decrease) increase in cash, cash equivalents and<br>restricted cash             | <u>\$ (10,649)</u>          | <u>\$ 13,607</u> | <u>\$ 13,377</u>          | <u>\$ (15,952)</u> |

MSA Safety Incorporated  
Segment Information (Unaudited)  
(In thousands, except percentage amounts)

|                                  | Americas   | International | Corporate | Consolidated |
|----------------------------------|------------|---------------|-----------|--------------|
| Three Months Ended June 30, 2021 |            |               |           |              |
| Sales to external customers      | \$ 217,707 | \$ 123,582    | \$ —      | \$ 341,289   |
| Operating income                 |            |               |           | 35,050       |
| Operating margin %               |            |               |           | 10.3 %       |
| Restructuring charges            |            |               |           | 7,078        |
| Currency exchange losses, net    |            |               |           | 1,640        |
| Product liability expense        |            |               |           | 11,751       |
| Acquisition related costs        |            |               |           | 3,168        |
| Adjusted operating income (loss) | 49,238     | 20,440        | (10,991)  | 58,687       |
| Adjusted operating margin %      | 22.6 %     | 16.5 %        |           | 17.2 %       |
| Depreciation and amortization    |            |               |           | 11,584       |
| Adjusted EBITDA                  | 57,137     | 24,020        | (10,886)  | 70,271       |
| Adjusted EBITDA %                | 26.2 %     | 19.4 %        |           | 20.6 %       |
| Three Months Ended June 30, 2020 |            |               |           |              |
| Sales to external customers      | \$ 204,231 | \$ 110,207    | \$ —      | \$ 314,438   |
| Operating income                 |            |               |           | 48,294       |
| Operating margin %               |            |               |           | 15.4 %       |
| Restructuring charges            |            |               |           | 8,865        |
| Currency exchange losses, net    |            |               |           | 793          |
| Product liability expense        |            |               |           | 851          |
| Acquisition related costs        |            |               |           | 64           |
| Adjusted operating income (loss) | 49,003     | 17,402        | (7,538)   | 58,867       |
| Adjusted operating margin %      | 24.0 %     | 15.8 %        |           | 18.7 %       |
| Depreciation and amortization    |            |               |           | 9,786        |
| Adjusted EBITDA                  | 55,620     | 20,474        | (7,441)   | 68,653       |
| Adjusted EBITDA %                | 27.2 %     | 18.6 %        |           | 21.8 %       |

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.

|                                  | Americas   | International | Corporate | Consolidated |
|----------------------------------|------------|---------------|-----------|--------------|
| Six Months Ended June 30, 2021   |            |               |           |              |
| Sales to external customers      | \$ 426,046 | \$ 223,671    | \$ —      | \$ 649,717   |
| Operating income                 |            |               |           | 79,088       |
| Operating margin %               |            |               |           | 12.2 %       |
| Restructuring charges            |            |               |           | 8,385        |
| Currency exchange gains, net     |            |               |           | (459)        |
| Product liability expense        |            |               |           | 14,547       |
| Acquisition related costs        |            |               |           | 4,541        |
| Adjusted operating income (loss) | 94,390     | 29,194        | (17,482)  | 106,102      |
| Adjusted operating margin %      | 22.2 %     | 13.1 %        |           | 16.3 %       |
| Depreciation and amortization    |            |               |           | 22,088       |
| Adjusted EBITDA                  | 109,322    | 36,147        | (17,279)  | 128,190      |
| Adjusted EBITDA %                | 25.7 %     | 16.2 %        |           | 19.7 %       |
| Six Months Ended June 30, 2020   |            |               |           |              |
| Sales to external customers      | \$ 435,484 | \$ 220,099    | \$ —      | \$ 655,583   |
| Operating income                 |            |               |           | 107,076      |
| Operating margin %               |            |               |           | 16.3 %       |
| Restructuring charges            |            |               |           | 10,872       |
| Currency exchange losses, net    |            |               |           | 1,063        |
| Product liability expense        |            |               |           | 2,802        |
| Acquisition related costs        |            |               |           | 161          |
| COVID-19 related costs           |            |               |           | 757          |
| Adjusted operating income (loss) | 108,811    | 30,073        | (16,153)  | 122,731      |
| Adjusted operating margin %      | 25.0 %     | 13.7 %        |           | 18.7 %       |
| Depreciation and amortization    |            |               |           | 19,428       |
| Adjusted EBITDA                  | 121,878    | 36,239        | (15,958)  | 142,159      |
| Adjusted EBITDA %                | 28.0 %     | 16.5 %        |           | 21.7 %       |

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  
Constant currency revenue growth (Unaudited)

Consolidated

| Three Months Ended June 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 |
| GAAP reported sales change         | 1 %                 | 32 %                                       | 25 %                       | 37 %                   | (1) %                         | 42 %            | 15 %       | (26) %         |
| Plus: Currency translation effects | (3) %               | (4) %                                      | (5) %                      | (5) %                  | (3) %                         | (8) %           | (3) %      | (4) %          |
| Constant currency sales change     | (2) %               | 28 %                                       | 20 %                       | 32 %                   | (4) %                         | 34 %            | 12 %       | (30) %         |
|                                    |                     |  |                            |                        |                               |                 |            | 5 %            |
| Six Months Ended June 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 |
| GAAP reported sales change         | (4) %               | 20 %                                       | 7 %                        | 10 %                   | (8) %                         | 16 %            | 4 %        | (26) %         |
| Plus: Currency translation effects | (2) %               | (3) %                                      | (1) %                      | (3) %                  | (2) %                         | (5) %           | (3) %      | (3) %          |
| Constant currency sales change     | (6) %               | 17 %                                       | 6 %                        | 7 %                    | (10) %                        | 11 %            | 1 %        | (29) %         |
|                                    |                     |  |                            |                        |                               |                 |            | (4) %          |

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

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

## Americas Segment

|                                    | Three Months Ended June 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 %                              | 8 %  | 41 %                       | 48 %                   | 1 %                           | 55 %            | 16 %       | (39) %         | 7 %       |
| Plus: Currency translation effects | — %                              | — %  | (3) %                      | (2) %                  | (1) %                         | (3) %           | (1) %      | (1) %          | (1) %     |
| Constant currency sales change     | 2 %                              | 8 %  | 38 %                       | 46 %                   | — %                           | 52 %            | 15 %       | (40) %         | 6 %       |

| Six Months Ended June 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  | % | 12                         | % | 14                     | % | (6)                           | % | 15              | % | 3          | % | (33)           | % | (2)       | % |
| Plus: Currency translation effects | —                   | % | —  | % | 1                          | % | —                      | % | —                             | % | (1)             | % | —          | % | —              | % | —         | % |
| Constant currency sales change     | (3)                 | % | 4  | % | 13                         | % | 14                     | % | (6)                           | % | 14              | % | 3          | % | (33)           | % | (2)       | % |

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

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

## International Segment

| Three Months Ended June 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) %               | 153 %                                      | (8) %                      | 20 %                   | (2) %                         | 28 %            | 14 %       | — %            | 12 %      |
| Plus: Currency translation effects | (8) %               | (24) %                                     | (7) %                      | (9) %                  | (7) %                         | (13) %          | (9) %      | (9) %          | (9) %     |
| Constant currency sales change     | (9) %               | 129 %                                      | (15) %                     | 11 %                   | (9) %                         | 15 %            | 5 %        | (9) %          | 3 %       |

| Six Months Ended June 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) %               | 98 %                                       | (5) %                      | 2 %                    | (10) %                        | 18 %            | 5 %        | (14) %         | 2 %       |
| Plus: Currency translation effects | (8) %               | (19) %                                     | (8) %                      | (7) %                  | (5) %                         | (11) %          | (8) %      | (7) %          | (8) %     |
| Constant currency sales change     | (13) %              | 79 %                                       | (13) %                     | (5) %                  | (15) %                        | 7 %             | (3) %      | (21) %         | (6) %     |

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

MSA Safety Incorporated  
Supplemental Segment Information (Unaudited)  
Summary of constant currency revenue growth by segment and product group

| Three Months Ended June 30, 2021           |              |          |               |
|--|--------------|----------|---------------|
|  | Consolidated | Americas | International |
| Fall Protection                            | 34 %         | 52 %     | 15 %          |
| Portable Gas Detection                     | 32 %         | 46 %     | 11 %          |
| Firefighter Helmets and Protective Apparel | 28 %         | 8 %      | 129 %         |
| Industrial Head Protection                 | 20 %         | 38 %     | (15) %        |
| Breathing Apparatus                        | (2) %        | 2 %      | (9) %         |
| Fixed Gas and Flame Detection              | (4) %        | — %      | (9) %         |
| Core Sales                                 | 12 %         | 15 %     | 5 %           |
| Non-Core Sales                             | (30) %       | (40) %   | (9) %         |
| Net Sales                                  | 5 %          | 6 %      | 3 %           |

| Six Months Ended June 30, 2021             |              |          |               |
|--|--------------|----------|---------------|
|  | Consolidated | Americas | International |
| Firefighter Helmets and Protective Apparel | 17 %         | 4 %      | 79 %          |
| Fall Protection                            | 11 %         | 14 %     | 7 %           |
| Portable Gas Detection                     | 7 %          | 14 %     | (5) %         |
| Industrial Head Protection                 | 6 %          | 13 %     | (13) %        |
| Breathing Apparatus                        | (6) %        | (3) %    | (13) %        |
| Fixed Gas and Flame Detection              | (10) %       | (6) %    | (15) %        |
| Core Sales                                 | 1 %          | 3 %      | (3) %         |
| Non-Core Sales                             | (29) %       | (33) %   | (21) %        |
| Net Sales                                  | (4) %        | (2) %    | (6) %         |

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 June 30, |           | %<br>Change | Six Months Ended June 30, |           | %<br>Change |
|--|-----------------------------|-----------|-------------|---------------------------|-----------|-------------|
|  | 2021                        | 2020      |             | 2021                      | 2020      |             |
| Net income attributable to MSA Safety Incorporated   | \$ 25,125                   | \$ 36,066 | (30)%       | \$ 61,539                 | \$ 79,741 | (23)%       |
| Tax benefit associated with ASU 2016-09: Improvements to employee share-based payment accounting | (545)                       | (348)     |             | (2,079)                   | (1,619)   |             |
| Subtotal   | 24,580                      | 35,718    | (31)%       | 59,460                    | 78,122    | (24)%       |
| Product liability expense  | 11,751                      | 851       |             | 14,547                    | 2,802     |             |
| Acquisition related costs  | 3,168                       | 64        |             | 4,541                     | 161       |             |
| Restructuring charges  | 7,078                       | 8,865     |             | 8,385                     | 10,872    |             |
| Asset related losses, net  | 29                          | 5         |             | 48                        | 127       |             |
| COVID-19 related costs   | —                           | —         |             | —                         | 757       |             |
| Currency exchange losses (gains), net  | 1,640                       | 793       |             | (459)                     | 1,063     |             |
| Income tax expense on adjustments  | (6,484)                     | (2,613)   |             | (7,320)                   | (3,914)   |             |
| Adjusted earnings  | \$ 41,762                   | \$ 43,683 | (4)%        | \$ 79,202                 | \$ 89,990 | (12)%       |
| Adjusted earnings per diluted share  | \$ 1.06                     | \$ 1.11   | (5)%        | \$ 2.01                   | \$ 2.29   | (12)%       |

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.

**About MSA:**

Established in 1914, MSA Safety Incorporated is the global leader in the development, manufacture and supply of safety products that protect people and facility infrastructures. Many MSA products integrate a combination of electronics, mechanical systems and advanced materials to protect users against hazardous or life-threatening situations. The company's comprehensive product line is used by workers around the world in a broad range of markets, including the oil, gas and petrochemical industry, the fire service, the construction industry, mining and the military. MSA's core products include self-contained breathing apparatus, fixed gas and flame detection systems, portable gas detection instruments, industrial head protection products, firefighter helmets and protective apparel, and fall protection devices. With 2020 revenues of \$1.35 billion, MSA employs approximately 5,200 people worldwide. The company is headquartered north of Pittsburgh in Cranberry Township, Pa., and has manufacturing operations in the United States, Europe, Asia and Latin America. With more than 40 international locations, MSA realizes approximately half of its revenue from outside North America. For more information visit MSA's web site at [www.MSAafety.com](http://www.MSAafety.com).

**Cautionary Statement Regarding Forward-Looking Statements:**

Except for historical information, certain matters discussed in this press release may be forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include but are not limited to all projections and anticipated levels of future performance. Forward-looking statements involve risks, uncertainties and other factors that may cause our actual results to differ materially from those discussed herein. Any number of factors could cause actual results to differ materially from projections or forward-looking statements, including without limitation global economic conditions, spending patterns of government agencies, competitive pressures, the impact of acquisitions and related integration activities, product liability claims, the success of new product introductions, currency exchange rate fluctuations and the risks of doing business in foreign countries. A full listing of these risks, uncertainties and other factors are detailed from time-to-time in our filings with the United States Securities and Exchange Commission ("SEC"), including our most recent Form 10-K filed on February 19, 2021. You are strongly urged to review all such filings for a more detailed discussion of such risks and uncertainties. MSA's SEC filings are readily obtainable at no charge at [www.sec.gov](http://www.sec.gov), as well as on its own investor relations website at <http://investors.MSAafety.com>. MSA undertakes no duty to publicly update any forward-looking statements contained herein, except as required by law.

**Non-GAAP Financial Measures:**

This press release includes certain non-GAAP financial measures. These financial measures include constant currency revenue growth, adjusted operating income, adjusted operating margin, adjusted EBITDA, adjusted EBITDA margin, adjusted earnings, and adjusted earnings per diluted share. The presentation of these financial measures does not comply with U.S. generally accepted accounting principles ("GAAP"). For an explanation of these measures, together with a reconciliation to the most directly comparable GAAP financial measure, see the Reconciliation of As Reported Financial Measures to Non-GAAP Financial Measures in the financial tables section above.

View original content to download multimedia: <https://www.prnewswire.com/news-releases/msa-safety-announces-second-quarter-results-301343699.html>

SOURCE MSA Safety

For further information: Media Relations Contact: Mark Deasy (412) 559 - 8154; Investor Relations Contact: Elyse Lorenzato (412) 352 -1423

<https://news.msafety.com/2021-07-28-MSA-Safety-Announces-Second-Quarter-Results>