# FINANCIALS AND METRICS
# Q2 2021

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**NOTES ON FORWARD-LOOKING STATEMENTS**

Comments in this presentation other than statements of historical fact may constitute forward-looking statements. Words such as “believe,” “estimate,” “will be,” “will,” “would,” “expect,” “anticipate,” “plan,” “project,” “intend,” “could,” “should” or other similar words or expressions often identify forward-looking statements. Such statements are based on current expectations only, and are subject to certain risks, uncertainties and assumptions, many of which are beyond our control. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results, performance or achievements may vary materially from those anticipated, estimated or projected. Factors that could cause actual results to materially differ are described in our filings with the U.S. Securities and Exchange Commission, including our annual reports on Form 10-K and quarterly reports on Form 10-Q, specifically in the sections titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Risk Factors .” The Company undertakes no obligation to update any forward-looking statements.

**NON-GAAP FINANCIAL MEASURES**

Management uses measures which are not recognized in accordance with U.S. generally accepted accounting principles (“GAAP”) to evaluate its business, and may refer to such measures in this presentation. These measures are considered “non-GAAP financial measures” under the U.S. Securities and Exchange Commission rules. These non-GAAP financial measures are intended to supplement our GAAP measures of performance and liquidity. These non-GAAP measures may include: adjusted net earnings, adjusted gross margin, adjusted operating margin, adjusted earnings per share, free cash, cash available to enhance stockholder value, EBITDA, Adjusted EBITDA, EBITDA margin, breakeven point, contribution margin, and various measures and metrics “excluding VPG”.

**“Adjusted net earnings**” is net earnings (loss) determined in accordance with GAAP, adjusted for various items that Management believes are not indicative of the intrinsic operating performance of the Company, such as restructuring and severance costs, asset write-downs, impairment of goodwill, the direct impact of the COVID-19 outbreak, and other significant charges or credits that are important to understanding our intrinsic operations. The measurement is used by Management to evaluate our performance, and also is a key performance metric for executive compensation. Reconciling items to arrive at adjusted net earnings are more fully described in the Company’s annual report on Form 10-K and its quarterly reports on Forms 10-Q.

“**Adjusted gross margin**” is gross margin determined in accordance with GAAP (net revenue less costs of products sold and certain other period costs), adjusted to exclude items that Management believes are not indicative of the intrinsic operating performance of the Company, such as losses on purchase commitments, the direct impact of the COVID-19 outbreak, and unusual inventory write-downs. It may be expressed in dollars or as a percentage of net revenue. The measurement is used by Management to evaluate the performance of our business segments, as well the business as a whole. Reconciling items to arrive at adjusted gross margin are also considered in the calculation of adjusted operating margin and adjusted net earnings. Such reconciling items are more fully described in the Company’s annual report on Form 10-K and its quarterly reports on Forms 10-Q.

**“Adjusted operating margin”** is operating income determined in accordance with GAAP, adjusted for items that Management believes are not indicative of the intrinsic operating performance of the Company. It may be expressed in dollars or as a percentage of net revenue. The measurement is used by Management to evaluate our performance. Reconciling items to arrive at adjusted gross margin are also considered in the calculation of adjusted operating margin; and reconciling items to arrive at adjusted operating margin are also considered in the calculation of adjusted net earnings. Such reconciling items are more fully described in the Company’s annual report on Form 10-K and its quarterly reports on Forms 10-Q.

**“Adjusted earnings per share”** is “adjusted net earnings” divided by the weighted average diluted shares outstanding for a period, adjusted for the effect of reconciling items, if applicable, on the diluted weighted average shares outstanding. For example, some potential common shares which are anti-dilutive to the computation of GAAP earnings per share may be dilutive after considering reconciling items.

**“Free cash**” is cash generated from operations in excess of our capital expenditure needs and net of proceeds from the sale of assets. Management uses this measure to evaluate our ability to fund acquisitions, repay debt, and otherwise enhance stockholder value through stock buy-backs or dividends.

**“Cash available to enhance stockholder value**” is “free cash” less cash paid for acquisitions (including acquisition-related restructuring) and less debt principal payments. While internal growth and targeted acquisitions also enhance stockholder value through the generation of “free cash”, Management uses this measure to evaluate our ability to fund further enhancements to stockholder value, such as stock buy-backs or dividends.

**“EBITDA”** is earnings before interest income and expense, provision for income taxes, depreciation expense, and amortization expense. Management believes that EBITDA provides additional information with respect to a company’s performance and ability to meet its future capital expenditures and working capital requirements, particularly when evaluating acquisition targets.

**“Adjusted EBITDA**” is EBITDA adjusted for relevant reconciling items used to calculate adjusted net earnings (described above). Adjusted EBITDA is substantially similar to, but not identical to, a measure used in the calculation of financial ratios required for covenant compliance under Vishay’s revolving credit facility.

**“EBITDA Margin**” is “adjusted EBITDA” divided by net revenues.

**“Breakeven point”** represents the quantity of output where total revenues and total operating costs are equal (in other words, where the operating income is zero). Management uses this measurement in evaluating our cost structure.

**“Contribution margin,”** sometimes referred to as “variable margin,” is calculated as net revenue less costs that vary with respect to quantity produced (or another output-related driver). It may be expressed in dollars or as a percentage of net revenue. Management uses this measure to determine the amount of profit to be expected for any increase in revenues in excess of the break-even point.

**Measurements “excluding VPG”** reflect the historical businesses which are still part of Vishay today. The Company spun-off VPG on July 6, 2010. While VPG does not qualify as a “discontinued operation” under GAAP, Management believes that certain evaluations “excluding VPG” are meaningful, particularly when evaluating growth and other performance metrics. Historical VPG data is reported as a separate operating segment in Vishay’s annual report on Form 10-K and its quarterly reports on Forms 10-Q during the periods it was included in Vishay’s consolidated financial statements: This discrete data is the basis to calculate any measurements “excluding VPG”. These measures do not have uniform definitions and accordingly, these measures, as calculated by Vishay, may not be comparable to similarly titled measures used by other companies. Such measures should not be viewed as alternatives to GAAP measures of performance or liquidity. However, Management believes such measures are meaningful to an evaluation of our business, as described above.

# Highlights Q2 2021

- Revenues Q2 of $819 million.
- Gross margin Q2 of 28.0%.
- Operating margin Q2 of 15.3%.
- EPS Q2 of $0.64; adjusted EPS of $0.61.
- Free Cash for the trailing 12 months Q2 of $230 million.
- Guidance Q3 2021 for revenues of $810 to $850 million and at a gross margin of 28.3% plus/minus 50 basis points at Q2 exchange rates.

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# Quarterly Financials Results

| in millions, except per share amounts | Q2 2021 | Q1 2021 | Q2 2020 |
|---|---|---|---|
| Net revenues | $819 | $765 | $582 |
| Gross profit | $229 | $203 | $131 |
| | *28.0%* | *26.5%* | *22.5%* |
| Operating income | $125 | $97 | $41 |
| | *15.3%* | *12.7%* | *7.0%* |
| Net earnings attributable to Vishay stockholders | $93 | $71 | $25 |
| Weighted average shares outstanding for EPS | 145 | 145 | 145 |
| EPS | $0.64 | $0.49 | $0.17 |
| EBITDA | $163 | $133 | $78 |
| | *19.9%* | *17.4%* | *13.4%* |

# Adjusted Quarterly Financials Results

| in millions, except per share amounts | Q2 2021 | Q1 2021 | Q2 2020 |
|---|---|---|---|
| Net revenues | $819 | $765 | $582 |
| Gross profit | $229<br>*28.0%* | $203<br>*26.5%* | $132<br>*22.6%* |
| Operating income | $125<br>*15.3%* | $97<br>*12.7%* | $42<br>*7.2%* |
| Net earnings attributable to Vishay stockholders | $89 | $67 | $26 |
| Weighted average shares outstanding for EPS | 145 | 145 | 145 |
| EPS | $0.61 | $0.46 | $0.18 |
| EBITDA | $163<br>*19.9%* | $133<br>*17.4%* | $80<br>*13.7%* |

# Reconciliation of GAAP to Adjusted

| Change in deferred taxes due to early extinguishment of debt | Q2 2021 | Q1 2020 | Q2 2020 |
|---|---|---|---|
| GAAP net earnings attributable to Vishay stockholders | $93 | $71 | $25 |
| Reconciling items affecting gross profit | | | |
| Impact of the COVID-19 pandemic | - | - | $1 |
| Other reconciling items affecting operating income | | | |
| Restructuring and severance costs | - | - | $1 |
| Impact of the COVID-19 pandemic | - | - | ($1) |
| Reconciling items affecting other income (expense) | | | |
| Loss on early extinguishment of debt | - | - | $1 |
| Reconciling items affecting tax expense (benefit): | | | |
| Change in tax regulation | ($4) | ($4) | - |
| Change in deferred taxes due to early extinguishment of debt | - | - | - |
| Effects of cash repatriation program | - | - | ($0) |
| Tax effects of pre-tax items above | - | - | ($1) |
| Adjusted net earnings | $89 | $67 | $26 |





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# Book-to-Bill Detail

| | Q2 2021 | Q1 2021 | Q4 2020 | Q3 2020 | Q2 2020 |
|---|---|---|---|---|---|
| Book-to-bill Vishay | 1.38 | 1.67 | 1.44 | 0.99 | 0.82 |
| Book-to-bill distribution | 1.41 | 1.89 | 1.89 | 0.99 | 0.75 |
| Book-to-bill OEMs | 1.34 | 1.41 | 0.96 | 1.01 | 0.93 |
| Book-to-bill semiconductors | 1.41 | 1.86 | 1.61 | 0.98 | 0.81 |
| Book-to-bill passive components | 1.35 | 1.50 | 1.27 | 1.00 | 0.83 |
| Book-to-bill Americas | 1.33 | 1.42 | 1.15 | 0.92 | 0.81 |
| Book-to-bill Asia | 1.29 | 1.86 | 1.75 | 1.04 | 0.86 |
| Book-to-bill Europe | 1.54 | 1.62 | 1.27 | 1.01 | 0.78 |

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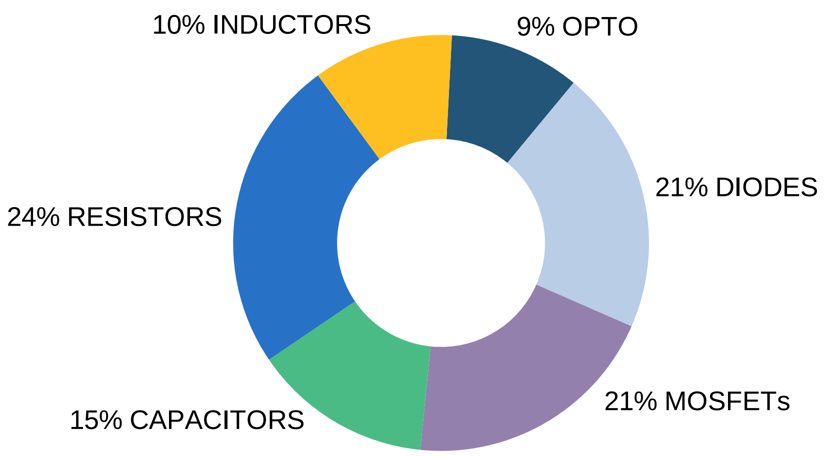
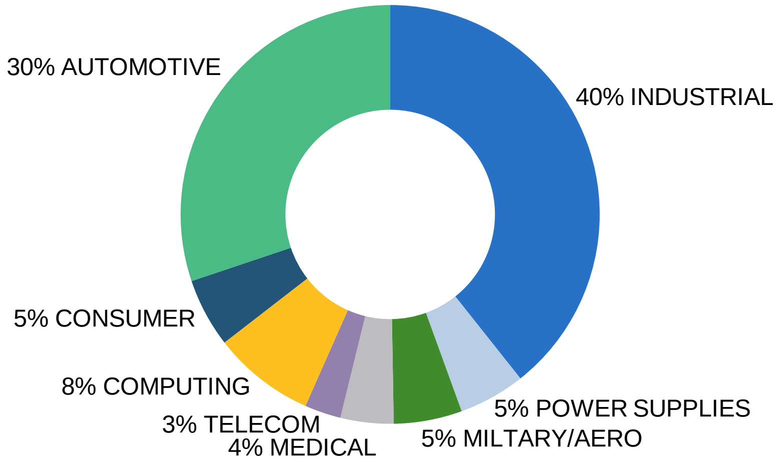
# Operational Metrics

| | | Q2 2021 | Q1 2021 | Q4 2020 | Q3 2020 | Q2 2020 |
|---|---|---|---|---|---|---|
| Change in ASP Vishay | vs. prior quarter | 1.0 | (0.5) | (0.3) | (1.1) | 0.1 |
| | vs. prior year | (0.3) | (1.4) | (2.8) | (2.7) | (2.7) |
| Change in ASP semiconductors | vs. prior quarter | 1.5 | (1.0) | (0.2) | (1.2) | (0.2) |
| | vs. prior year | (0.7) | (2.1) | (3.9) | (4.1) | (4.5) |
| Change in ASP passive components | vs. prior quarter | 0.4 | (0.1) | (0.5) | (0.9) | 0.3 |
| | vs. prior year | 0.1 | (0.7) | (1.7) | (1.3) | (0.9) |
| FX effect on revenues | vs. prior quarter | ($0) | $3 | $4 | $11 | ($0) |
| | vs. prior year | $22 | $21 | $14 | $9 | ($3) |
| Backlog | at quarter end | $2,050 | $1,731 | $1,240 | $928 | $914 |
| | in months | 7.5 | 6.8 | 5.6 | 4.3 | 4.7 |

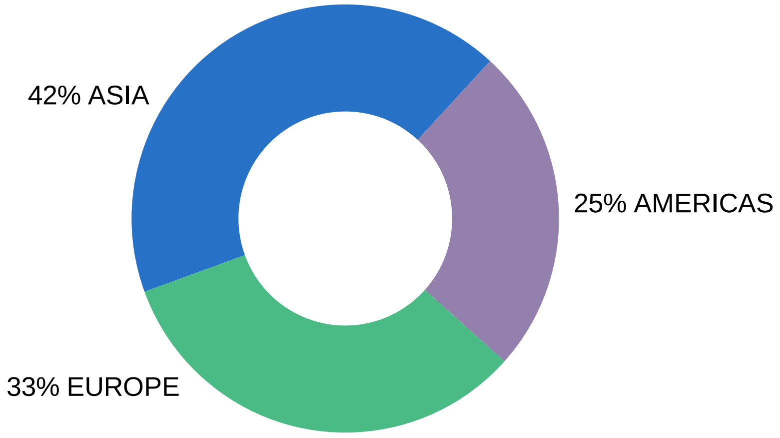
# Revenues Q2 2021: $819 million



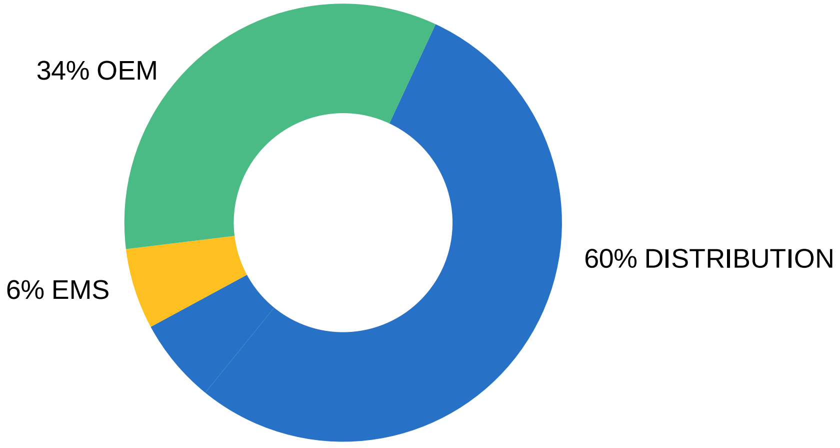

BUSINESS SEGMENTS




END MARKETS




REGIONS




SALES CHANNELS

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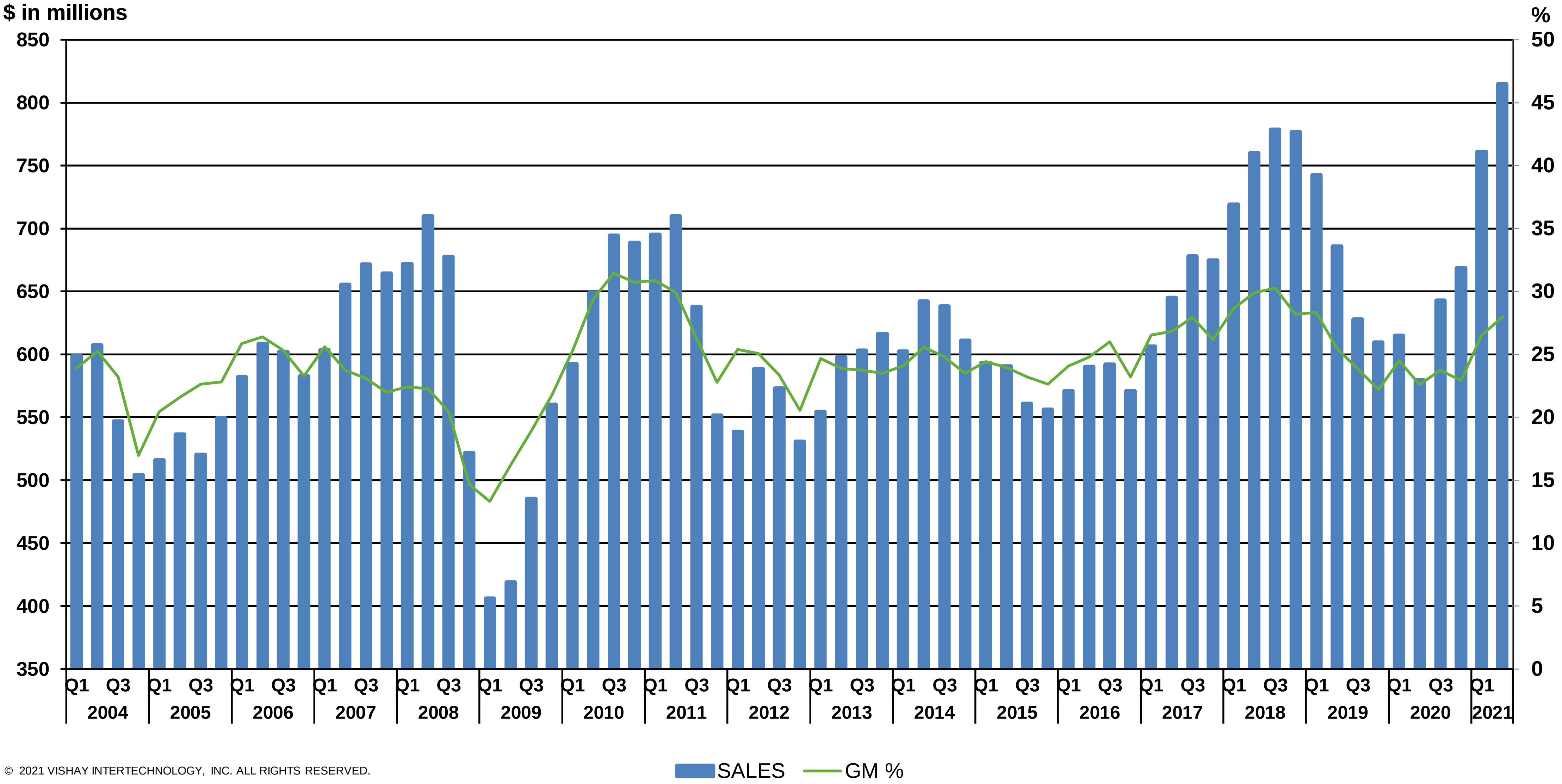
# Vishay Revenues and Gross Margin % Quarterly

excl. Spin-Off Vishay Precision Group in 2010

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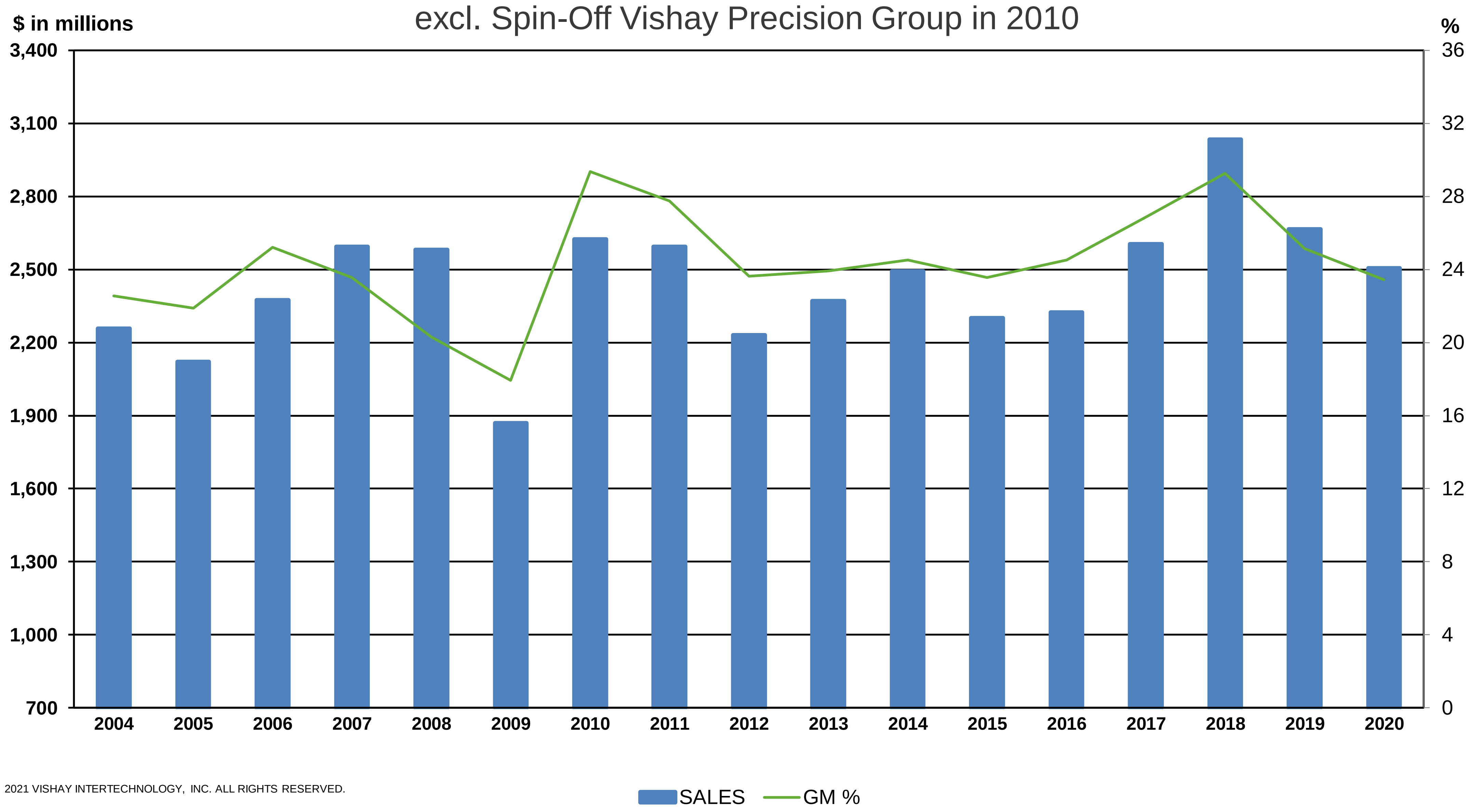
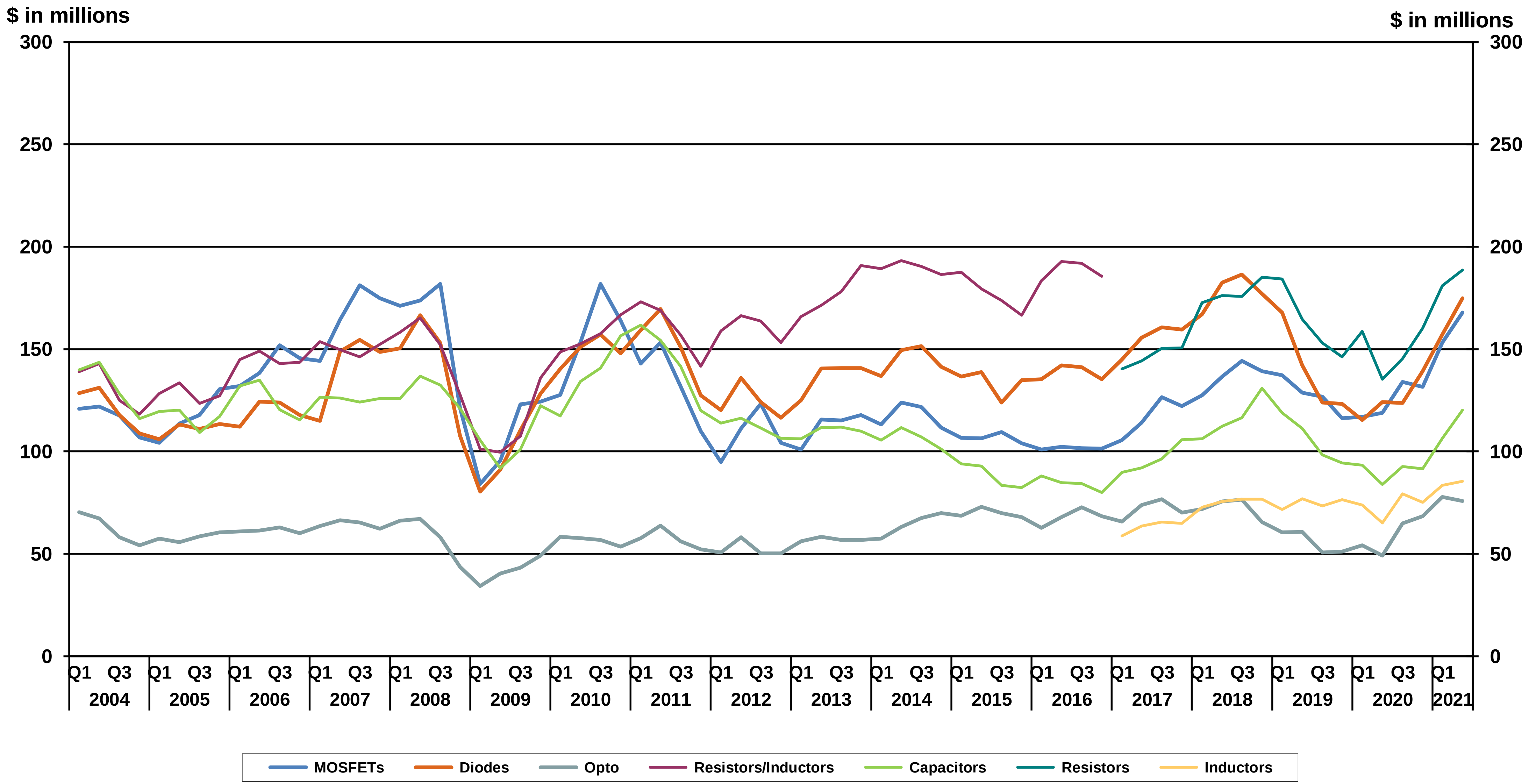
# Vishay Revenues and Gross Margin % Yearly



# Vishay Revenues Quarterly by Product Segment

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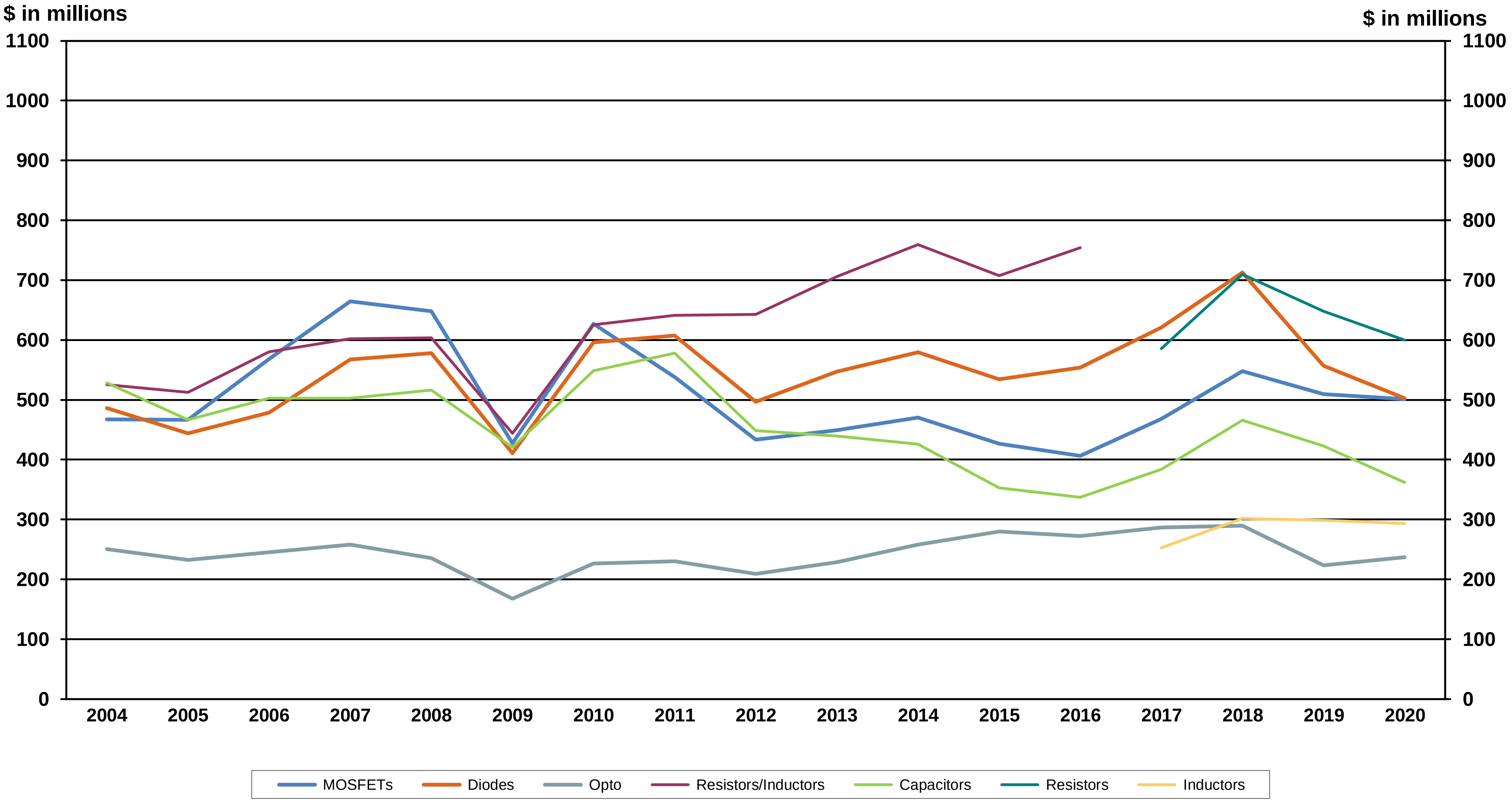
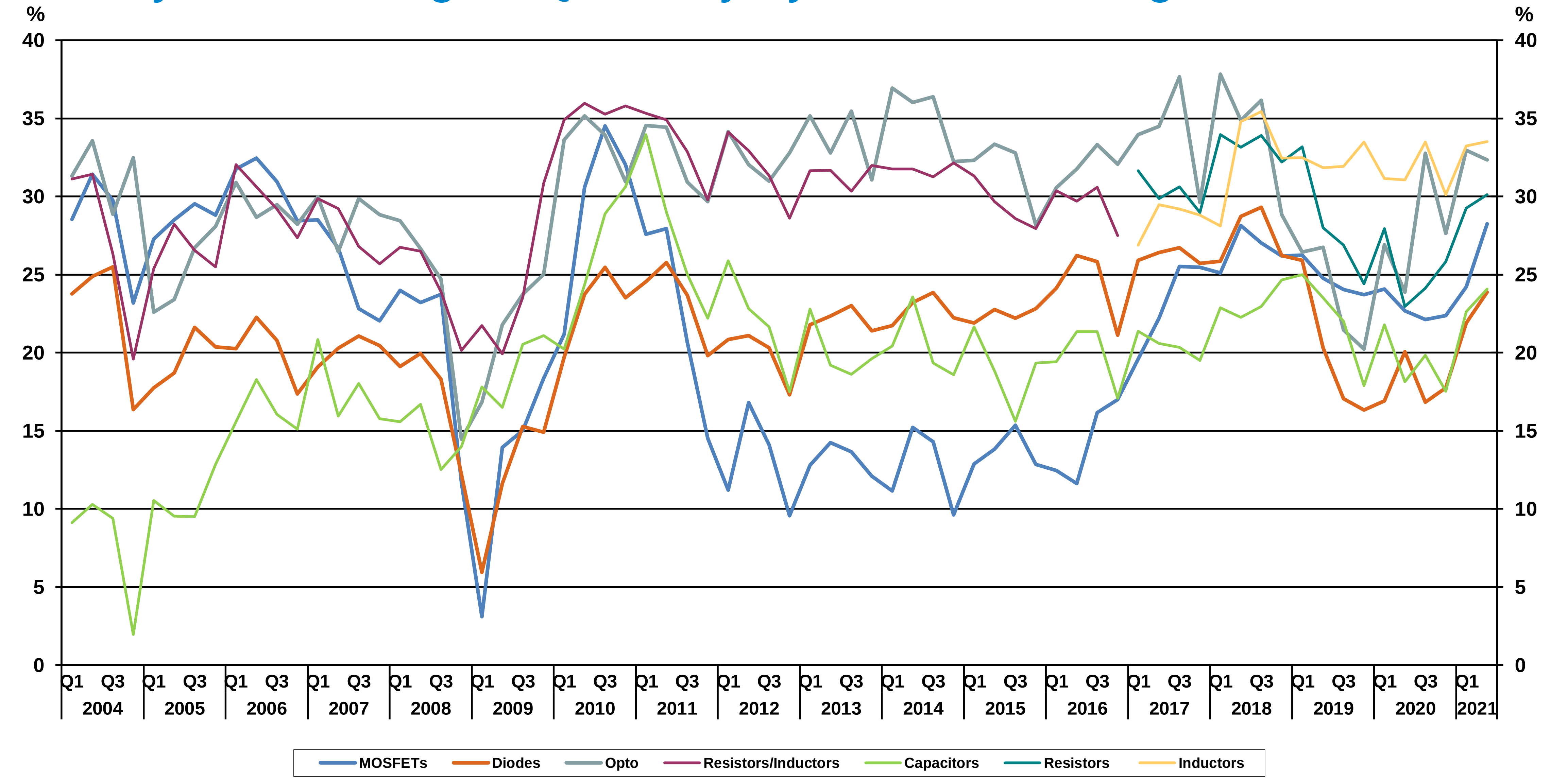
# Vishay Revenues Yearly by Product Segment



# Vishay Gross Margins Quarterly by Production Segment

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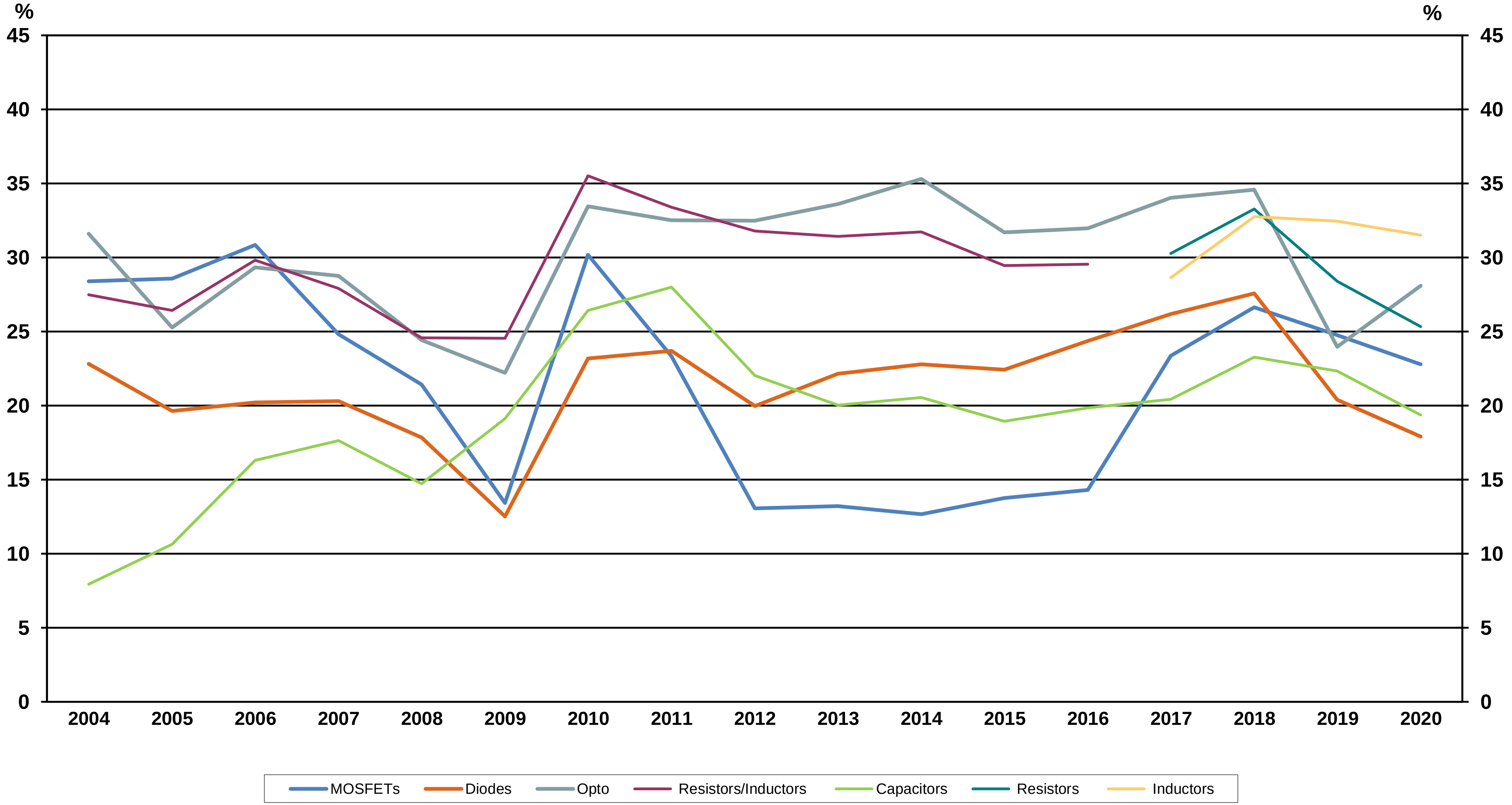
# Vishay Gross Margins Yearly by Product Segment

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