

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) August 3, 2010

Vishay Intertechnology, Inc.

(Exact name of registrant as specified in its charter)

Delaware

1-7416

38-1686453

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(I.R.S. Employer
Identification No.)

63 Lancaster Avenue
Malvern, PA 19355

19355-2143

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code 610-644-1300

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02 – Results of Operations and Financial Condition

On August 3, 2010, Vishay Intertechnology, Inc. (“the Company”) issued a press release announcing its financial results for the fiscal quarter and six fiscal months ended July 3, 2010. A copy of the press release is attached as Exhibit 99.1 to this report.

Item 7.01 – Regulation FD Disclosure

Computational Guidance on Earnings Per Share Estimates

The Company frequently receives questions from analysts and shareholders regarding its diluted earnings per share (“EPS”) computation. The information furnished in this Form 8-K provides additional information on the impact of key variables on the EPS computation, particularly as they relate to the third fiscal quarter of 2010.

Accounting principles require that EPS be computed based on the weighted average shares outstanding (“basic”), and also assuming the issuance of potentially issuable shares (such as those subject to stock options, warrants, convertible notes, etc.) if those potentially issuable shares would reduce EPS (“diluted”).

The number of shares related to options, warrants, and similar instruments included in diluted EPS is based on the “Treasury Stock Method” prescribed in Financial Accounting Standards Board (“FASB”) ASC Topic 260, *Earnings Per Share* (“FASB ASC Topic 260”). This method assumes a theoretical repurchase of shares using the proceeds of the respective stock option or warrant exercise at a price equal to the issuer’s average stock price during the related earnings period. Accordingly, the number of shares includable in the calculation of diluted EPS in respect of stock options, warrants and similar instruments is dependent on this average stock price and will increase as the average stock price increases. This method is also utilized for net share settlement debt.

The number of shares includable in the calculation of diluted EPS in respect of conventional convertible or exchangeable securities is based on the “If Converted” method prescribed in FASB ASC Topic 260. This method assumes the conversion or exchange of these securities for shares of common stock. In determining if convertible or exchangeable securities are dilutive, the interest savings (net of tax) subsequent to an assumed conversion are added back to net earnings. The shares related to a convertible or exchangeable security are included in diluted EPS only if EPS as otherwise calculated is greater than the interest savings, net of tax, divided by the shares issuable upon exercise or conversion of the instrument (“incremental earnings per share”). Accordingly, the calculation of diluted EPS for these instruments is dependent on the level of net earnings. Each series of convertible or exchangeable securities is considered individually and in sequence, starting with the series having the lowest incremental earnings per share, to determine if its effect is dilutive or anti-dilutive.

The following estimates of shares expected to be used in the calculation of diluted EPS consider the number of the Company’s shares currently outstanding and the Company’s stock options, warrants and convertible or exchangeable securities currently outstanding and their exercise and conversion features currently in effect. Changes in these parameters could have a material impact on the calculation of diluted EPS.

The following estimates of shares expected to be used in the calculation of diluted EPS should be read in conjunction with the information on earnings per share in the Company's filings on Form 10-Q and Form 10-K. These estimates are unaudited and are not necessarily indicative of the shares to be used in the diluted EPS computation for any prior period. The estimates below are not necessarily indicative of the shares to be used in the quarterly diluted EPS computation for any period subsequent to the third fiscal quarter of 2010. The Company assumes no duty to revise these estimates as a result of changes in the parameters on which they are based or any changes in accounting principles. Also, the presentation is not intended as a forecast of EPS values or share prices of the Company's common stock for any period.

For the third fiscal quarter of 2010:

- The Company has approximately 187 million shares issued and outstanding, including shares of common stock and class B common stock.
- The number of shares included in diluted EPS related to options, warrants, and similar instruments does not vary significantly and is generally less than 1 million incremental shares.
- The Company's exchangeable unsecured notes due 2102 are dilutive at quarterly earnings levels in excess of approximately \$3 million. The exchangeable unsecured notes are exchangeable for approximately 6 million shares. Quarterly interest, net of tax, is approximately \$0.1 million.

Item 8.01 – Other Events

In preparation for the spin-off of Vishay Precision Group, Inc., ("VPG") which was completed in the third fiscal quarter on July 6, 2010, the Company realigned its reportable business segments structure to be consistent with changes made to its management reporting. The changes made to management reporting included separating the former Semiconductors reporting segment into MOSFETs, Diodes, and Optoelectronic Components and separating the former Passive Components reporting segment into Resistors and Inductors, Capacitors, and Vishay Precision Group. The changes were necessary due to the former Passive Components segment no longer being comparable after the completion of the spin-off of VPG, the need for discrete information regarding VPG, and due to the increased interest of management and outside investors in more discrete financial information. Effective beginning in the second fiscal quarter of 2010, the chief operating decision maker began making strategic and operating decisions with regards to assessing performance and allocating resources based on this new segment structure. Following the completion of the spin-off in the third fiscal quarter, we will have five reporting segments.

The Company evaluates business segment performance on operating income, exclusive of certain items (“segment operating income”). Beginning in the second fiscal quarter of 2010, the Company changed its definition of segment operating income to exclude such costs as global operations, sales and marketing, information systems, finance and administration groups. These costs are managed by executives that report to the chief operating decision maker and were formerly included in segment operating income. Only dedicated, direct selling, general, and administrative expenses of the segments are included in the calculation of segment operating income. Additionally, management has always evaluated segment performance excluding items such as restructuring and severance costs, asset write-downs, goodwill and indefinite-lived intangible asset impairments, inventory write-downs, gains or losses on purchase commitments, and other items.

The Company has prepared the selected financial data presented in Exhibit 99.2 to provide certain historical business segment financial information for comparative purposes, reflecting the segment realignment executed in the second fiscal quarter of 2010. The business segment realignment had no effect on our previously reported consolidated financial position, results of operations, or liquidity.

Item 9.01 – Financial Statements and Exhibits

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release dated August 3, 2010
99.2	Selected Financial Data reflecting the business segment realignment

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: August 3, 2010

VISHAY INTERTECHNOLOGY, INC.

By: /s/ Lior E. Yahalomi

Name: Dr. Lior E. Yahalomi
Title: Executive Vice President and
Chief Financial Officer

VISHAY REPORTS RESULTS FOR SECOND QUARTER 2010

- Revenues for Q2 2010 were \$701.7 million, 9.6% higher than for Q1 2010
- EPS of \$0.40 for Vishay including VPG compared to EPS of \$0.24 for the previous quarter
- Board decision to limit any post-acquisition debt/EBITDA ratio to 2.5x
- Cash from operations YTD was \$177.6 million and capital expenditures were \$49.2 million

MALVERN, PENNSYLVANIA – August 3, 2010 – Dr. Felix Zandman, Executive Chairman of the Board, and Dr. Gerald Paul, President and Chief Executive Officer of Vishay Intertechnology, Inc. (NYSE: VSH), announced today that revenues for the fiscal quarter ended July 3, 2010 were \$701.7 million, compared to \$460.3 million for the fiscal quarter ended June 27, 2009. The net income attributable to Vishay stockholders for the fiscal quarter ended July 3, 2010 was \$76.7 million, or \$0.40 per diluted share, compared to a net loss attributable to Vishay stockholders of \$(58.9) million, or \$(0.32) per share for the fiscal quarter ended June 27, 2009.

Revenues for the six fiscal months ended July 3, 2010 were \$1,342.1 million, compared to \$909.8 million for the six fiscal months ended June 27, 2009. The net income attributable to Vishay stockholders for the six fiscal months ended July 3, 2010 was \$122.1 million, or \$0.63 per diluted share, compared to a net loss attributable to Vishay stockholders of \$(88.0) million, or \$(0.47) per share for the six fiscal months ended June 27, 2009.

Net earnings (loss) from continuing operations attributable to Vishay stockholders include various items affecting comparability, as listed on the attached reconciliation schedule. There were no such reconciling items for the fiscal quarter or six fiscal months ended July 3, 2010. Adjusted net earnings (loss) per share, which excludes these items, was \$(0.10) and \$(0.18) respectively for the fiscal quarter and six fiscal months ended June 27, 2009.

On July 6, 2010, Vishay Intertechnology successfully completed the spin-off of Vishay Precision Group, Inc. (“VPG”) to its stockholders as an independently, publicly-traded company. Until July 6, 2010, VPG was part of Vishay Intertechnology and its assets, liabilities, results of operations, and cash flows are included in the amounts reported in the consolidated financial statements through the date of the spin-off, including as of and for the fiscal periods ending July 3, 2010, discussed above and presented on the accompanying tables. Net earnings of VPG, included in the results of Vishay Intertechnology, were \$4.0 million for the second quarter of 2010.

Commenting on the results for the second quarter 2010, Dr. Paul stated, "In the second quarter 2010, our sales reached close to pre-crisis levels while orders stabilized on higher than pre-crisis levels. Inventories in the supply chain are still very low. Inventory turns at distribution reached record levels. In the quarter, all regions and all end markets remained strong to over-heated, in particular netbook, consumer and fixed telecom. Automotive showed a strong recovery."

Dr. Paul continued, "The second quarter 2010 demonstrated that Vishay has fundamentally improved its earnings power: at close to pre-crisis levels of sales our operating margin and EPS have more than doubled. While we are currently enjoying excellent market conditions, we believe in ongoing and lasting measures for expansion and cost reduction. Thinking long-term we will not invest in manufacturing capacities in order to follow every spike of demand."

Dr. Paul concluded, "The results of the second quarter 2010 and the previous quarter demonstrate that Vishay has, after three challenging years, successfully re-focused on profitability. We are positioned to reach new levels of profitability as sales return to pre-crisis levels."

Commenting on the outlook for the third quarter 2010 Dr. Paul stated, "Based on our backlog and increasing manufacturing capacities, we anticipate revenues of between \$650 to \$690 million at slightly improved results. Our guidance obviously excludes revenues of VPG subsequent to the spin-off."

Commenting on the Company's spin-off, R&D and acquisition activities, Dr. Felix Zandman, Executive Chairman of the Board and Chief Technical and Business Development Officer, stated, "I believe that our successful completion of the spin-off of Vishay Precision Group as an independent company is a natural evolution, which will enable each company to more effectively execute strategies and allocate resources and that will create value for stockholders of both companies. Already, as of today, the combined market capitalization of both companies is significantly in excess of the market capitalization of Vishay Intertechnology prior to the spinoff."

Dr. Zandman continued, "Our R&D activities progress as planned. We are working closely with our customers to support them with the components required for their new products."

Dr. Zandman concluded, "Based on our strong generation of free cash and the resulting continuous strengthening of our balance sheet, we are now again actively pursuing acquisitions. As previously announced, we are targeting small to mid-size companies. At the same time in order to limit our financial exposure, the Board has refined the Company's acquisition policy. We will not pursue acquisitions if our post-acquisition debt would exceed 2.5x our pro forma EBITDA. For these purposes, we will calculate pro forma EBITDA to be Vishay's EBITDA for the four quarters preceding the acquisition plus the adjusted EBITDA of the target for the same quarters. The adjustment is for the expected savings, predominantly through synergies. At this point, we have no concrete targets for a larger acquisition."

Following the spin-off, Vishay Intertechnology retains no ownership interest in VPG; however, Vishay Intertechnology will not restate prior financial statements to present VPG as a "discontinued operation" for US GAAP purposes because of continuing involvement, such as common board members and trademark licenses.

Additionally, the Company has realigned its US GAAP reportable segments, segregating VPG into its own segment, as detailed in a current report on Form 8-K to be filed with the U.S. Securities and Exchange Commission this morning. This Form 8-K should assist users of financial data in the analysis of Vishay Intertechnology including and excluding VPG, and will be available on the SEC EDGAR website and the Investor Relations section of the Vishay website at <http://ir.vishay.com>.

A conference call to discuss second quarter financial results is scheduled for Tuesday, August 3, 2010 at 9:00 AM ET. The dial-in number for the conference call is 877-589-6174 (+1 706-643-1406 if calling from outside the United States or Canada) and the conference ID is #87060805.

There will be a replay of the conference call from 10:30 AM ET on Tuesday, August 3, 2010 through 11:59 PM ET on Sunday, August 8, 2010. The telephone number for the replay is 800-642-1687 (+1 706-645-9291 if calling from outside the United States or Canada) and the access code is #87060805.

There will also be a live audio webcast of the conference call. This can be accessed directly from the Investor Relations section of the Vishay website at <http://ir.vishay.com>.

Vishay Intertechnology, Inc., a Fortune 1,000 Company listed on the NYSE (VSH), is one of the world's largest manufacturers of discrete semiconductors (diodes, MOSFETs, and infrared optoelectronics) and passive electronic components (resistors, inductors, and capacitors). These components are used in virtually all types of electronic devices and equipment, in the industrial, computing, automotive, consumer, telecommunications, military, aerospace, power supplies, and medical markets. Vishay's product innovations, successful acquisition strategy, and "one-stop shop" service have made it a global industry leader. Vishay can be found on the Internet at www.vishay.com.

This press release includes certain financial measures which are not recognized in accordance with generally accepted accounting principles (“GAAP”), including adjusted net earnings (loss) and adjusted net earnings (loss) per share. These non-GAAP measures should not be viewed as an alternative to GAAP measures of performance. Non-GAAP measures such as adjusted net earnings (loss) and adjusted net earnings (loss) per share do not have uniform definitions. These measures, as calculated by Vishay, may not be comparable to similarly titled measures used by other companies. Management believes that these measures are meaningful to investors because they provide insight with respect to intrinsic operating results of the Company. Reconciling items to arrive at adjusted net earnings represent significant charges or credits that are important to an understanding to the Company’s intrinsic operations. These reconciling items are indicated on the accompanying reconciliation schedule and are more fully described in the Company’s financial statements presented in its annual report on Form 10-K and its quarterly reports presented on Forms 10-Q.

Statements contained herein that relate to the Company's future performance, including statements with respect to forecasted revenues, margins, cash generation and acquisition activity, and the general state of the Company, are forward-looking statements within the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such statements involve a number of risks, uncertainties and contingencies, many of which are beyond our control, which may cause actual results, performance or achievements to differ materially from those anticipated. Such statements are based on current expectations only, and are subject to certain risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated or projected. Among the factors that could cause actual results to materially differ include: general business and economic conditions, particularly the pace and continuation of recovery in the worldwide economy; difficulties in implementing our cost reduction strategies; changes in foreign currency exchange rates; competition and technological changes in our industries; difficulties in new product development; difficulties in identifying suitable acquisition candidates and consummating a transaction on terms which we consider acceptable; and other factors affecting our operations that are set forth in our Annual Report on Form 10-K for the year ended December 31, 2009 filed with the Securities and Exchange Commission. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

CONTACT: Dr. Lior E. Yahalomi, Executive Vice President and Chief Financial Officer, or Peter G. Henrici, Senior Vice President Corporate Communications, both of Vishay Intertechnology, Inc., +1-610-644-1300.

VISHAY INTERTECHNOLOGY, INC.
Summary of Operations
(Unaudited - In thousands except earnings per share)

	Fiscal quarters ended		
	July 3, 2010	April 3, 2010	June 27, 2009
Net revenues	\$ 701,655	\$ 640,460	\$ 460,258
Costs of products sold	491,062	473,447	381,484
Gross profit	210,593	167,013	78,774
Gross margin	30.0%	26.1%	17.1%
Selling, general, and administrative expenses	109,266	101,888	83,752
Restructuring and severance costs	-	-	12,090
Settlement agreement gain	-	-	(28,195)
Executive employment agreement charge	-	-	57,824
Operating income (loss)	101,327	65,125	(46,697)
Operating margin	14.4%	10.2%	-10.1%
Other income (expense):			
Interest expense	(2,400)	(2,434)	(2,787)
Other	5,956	44	(5,510)
Total other income (expense) - net	3,556	(2,390)	(8,297)
Income (loss) before taxes	104,883	62,735	(54,994)
Income taxes	27,918	17,096	3,715
Net earnings (loss)	76,965	45,639	(58,709)
Less: net earnings attributable to noncontrolling interests	306	219	156
Net earnings (loss) attributable to Vishay stockholders	\$ 76,659	\$ 45,420	\$ (58,865)
Basic earnings (loss) per share attributable to Vishay stockholders	\$ 0.41	\$ 0.24	\$ (0.32)
Diluted earnings (loss) per share attributable to Vishay stockholders	\$ 0.40	\$ 0.24	\$ (0.32)
Weighted average shares outstanding - basic	186,667	186,641	186,586
Weighted average shares outstanding - diluted	193,084	193,067	186,586

VISHAY INTERTECHNOLOGY, INC.
Summary of Operations
(Unaudited - In thousands except earnings per share)

	Six fiscal months ended	
	July 3, 2010	June 27, 2009
Net revenues	\$ 1,342,115	\$ 909,769
Costs of products sold	964,509	762,971
Gross profit	377,606	146,798
Gross margin	28.1%	16.1%
Selling, general, and administrative expenses	211,154	171,206
Restructuring and severance costs	-	31,023
Settlement agreement gain	-	(28,195)
Executive employment agreement charge	-	57,824
Operating income (loss)	166,452	(85,060)
Operating margin	12.4%	-9.3%
Other income (expense):		
Interest expense	(4,834)	(5,651)
Other	6,000	7,373
Total other income (expense) - net	1,166	1,722
Income (loss) before taxes	167,618	(83,338)
Income taxes	45,014	4,425
Net earnings (loss)	122,604	(87,763)
Less: net earnings attributable to noncontrolling interests	525	229
Net earnings (loss) attributable to Vishay stockholders	\$ 122,079	\$ (87,992)
Basic earnings (loss) per share attributable to Vishay stockholders	\$ 0.65	\$ (0.47)
Diluted earnings (loss) per share attributable to Vishay stockholders	\$ 0.63	\$ (0.47)
Weighted average shares outstanding - basic	186,654	186,572
Weighted average shares outstanding - diluted	193,076	186,572

VISHAY INTERTECHNOLOGY, INC.
Consolidated Condensed Balance Sheets
(In thousands)

	July 3, 2010 <u>(unaudited)</u>	December 31, 2009 <u></u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 674,581	\$ 579,189
Accounts receivable, net	359,588	284,295
Inventories:		
Finished goods	116,922	119,723
Work in process	197,051	192,206
Raw materials	135,753	122,940
Total inventories	<u>449,726</u>	<u>434,869</u>
Deferred income taxes	16,935	16,781
Prepaid expenses and other current assets	103,166	92,409
Total current assets	<u>1,603,996</u>	<u>1,407,543</u>
Property and equipment, at cost:		
Land	94,834	98,623
Buildings and improvements	503,178	528,438
Machinery and equipment	2,044,985	2,126,226
Construction in progress	47,030	36,193
Allowance for depreciation	<u>(1,762,766)</u>	<u>(1,779,224)</u>
	927,261	1,010,256
Intangible assets, net	138,301	153,623
Other assets	111,544	148,124
Total assets	<u>\$ 2,781,102</u>	<u>\$ 2,719,546</u>

VISHAY INTERTECHNOLOGY, INC.
Consolidated Condensed Balance Sheets (continued)
(In thousands)

	July 3, 2010 (unaudited)	December 31, 2009
Liabilities and stockholders' equity		
Current liabilities:		
Notes payable to banks	\$ 572	\$ 24
Trade accounts payable	134,001	118,216
Payroll and related expenses	109,535	87,566
Other accrued expenses	185,469	162,083
Income taxes	37,087	23,558
Current portion of long-term debt	78,370	16,054
Total current liabilities	545,034	407,501
Long-term debt less current portion	243,607	320,052
Deferred income taxes	18,281	13,062
Deferred grant income	2,296	2,526
Other liabilities	134,226	152,874
Accrued pension and other postretirement costs	277,255	301,930
Total liabilities	1,220,699	1,197,945
Equity:		
Vishay stockholders' equity		
Common stock	17,229	17,228
Class B convertible common stock	1,435	1,435
Capital in excess of par value	2,318,953	2,317,613
Retained earnings (accumulated deficit)	(800,726)	(922,805)
Accumulated other comprehensive income	18,348	102,975
Total Vishay stockholders' equity	1,555,239	1,516,446
Noncontrolling interests	5,164	5,155
Total equity	1,560,403	1,521,601
Total liabilities and equity	\$ 2,781,102	\$ 2,719,546

VISHAY INTERTECHNOLOGY, INC.
Consolidated Condensed Statements of Cash Flows
(Unaudited - In thousands)

	Six fiscal months ended	
	July 3, 2010	June 27, 2009
Continuing operating activities		
Net earnings (loss)	\$ 122,604	\$ (87,763)
Adjustments to reconcile net earnings (loss) to net cash provided by continuing operating activities:		
Depreciation and amortization	99,262	110,416
(Gain) loss on disposal of property and equipment	(92)	239
Inventory write-offs for obsolescence	10,853	14,089
Deferred grant income	(313)	(367)
Other	13,436	(8,980)
Changes in operating assets and liabilities, net of effects of businesses acquired	(68,199)	41,307
Net cash provided by continuing operating activities	177,551	68,941
Continuing investing activities		
Purchase of property and equipment	(49,193)	(18,266)
Proceeds from sale of property and equipment	590	512
Purchase of businesses, net of cash acquired or refunded	-	28,195
Proceeds from loans receivable	15,000	-
Other investing activities	-	150
Net cash (used in) provided by continuing investing activities	(33,603)	10,591
Continuing financing activities		
Principal payments on long-term debt and capital lease obligations	(14,129)	(15,069)
Proceeds of long-term debt	-	15,000
Debt issuance costs	(456)	-
Net changes in short-term borrowings	554	(10,660)
Distributions to noncontrolling interests	(516)	(116)
Net cash used in continuing financing activities	(14,547)	(10,845)
Effect of exchange rate changes on cash and cash equivalents	(33,927)	4,077
Net increase in cash and cash equivalents from continuing activities	95,474	72,764
Net cash used by discontinued operating activities	(82)	(3,187)
Net cash provided by discontinued investing activities	-	-
Net cash used by discontinued financing activities	-	-
Net cash used by discontinued operations	(82)	(3,187)
Net increase in cash and cash equivalents	95,392	69,577
Cash and cash equivalents at beginning of period	579,189	324,164
Cash and cash equivalents at end of period	\$ 674,581	\$ 393,741

VISHAY INTERTECHNOLOGY, INC.
Reconciliation of Adjusted Earnings (Loss) Per Share
(Unaudited - In thousands except earnings per share)

	Fiscal quarters ended			Six fiscal months ended	
	July 3, 2010	April 3, 2010	June 27, 2009	July 3, 2010	June 27, 2009
GAAP net earnings (loss) attributable to Vishay stockholders	\$ 76,659	\$ 45,420	\$ (58,865)	\$ 122,079	\$ (87,992)
<u>Reconciling items affecting operating margin:</u>					
Restructuring and severance costs	\$ -	\$ -	\$ 12,090	\$ -	\$ 31,023
Settlement agreement gain	-	-	(28,195)	-	(28,195)
Executive employment agreement charge	-	-	57,824	-	57,824
<u>Reconciling items affecting tax expense (benefit):</u>					
Tax effects of items above and other one-time tax expense (benefit)	\$ -	\$ -	\$ (1,303)	\$ -	\$ (5,737)
Adjusted net earnings (loss)	\$ 76,659	\$ 45,420	\$ (18,449)	\$ 122,079	\$ (33,077)
Adjusted weighted average diluted shares outstanding	193,084	193,067	186,586	193,076	186,572
Adjusted earnings (loss) per diluted share *	\$ 0.40	\$ 0.24	\$ (0.10)	\$ 0.63	\$ (0.18)

* Includes add-back of interest on exchangeable notes in periods where the notes are dilutive.

Vishay Intertechnology, Inc.

Introduction

In preparation for the spin-off of Vishay Precision Group, Inc., (“VPG”) which was completed in the third fiscal quarter on July 6, 2010, the Company realigned its reportable business segments structure to be consistent with changes made to its management reporting. The changes made to management reporting included separating the former Semiconductors reporting segment into MOSFETs, Diodes, and Optoelectronic Components and separating the former Passive Components reporting segment into Resistors and Inductors, Capacitors, and Vishay Precision Group. The changes were necessary due to the former Passive Components segment no longer being comparable after the completion of the spin-off of VPG, the need for discrete information regarding VPG, and due to the increased interest of management and outside investors in more discrete financial information. Effective beginning in the second fiscal quarter of 2010, the chief operating decision maker began making strategic and operating decisions with regards to assessing performance and allocating resources based on this new segment structure. Following the completion of the spin-off in the third fiscal quarter, we will have five reporting segments.

The Company evaluates business segment performance on operating income, exclusive of certain items (“segment operating income”). Beginning in the second fiscal quarter of 2010, the Company changed its definition of segment operating income to exclude such costs as global operations, sales and marketing, information systems, finance and administration groups. These costs are managed by executives that report to the chief operating decision maker and were formerly included in segment operating income. Only dedicated, direct selling, general, and administrative expenses of the segments are included in the calculation of segment operating income. Additionally, management has always evaluated segment performance excluding items such as restructuring and severance costs, asset write-downs, goodwill and indefinite-lived intangible asset impairments, inventory write-downs, gains or losses on purchase commitments, and other items. Management believes that evaluating segment performance excluding such items is meaningful because it provides insight with respect to intrinsic operating results of the Company. These items represent reconciling items between segment operating income and consolidated operating income. Business segment assets are the owned or allocated assets used by each business.

The accompanying selected financial data are unaudited and do not include all information and footnotes necessary for presentation of financial position, results of operations, and cash flows required by accounting principles generally accepted in the United States for complete financial statements. The selected financial data should be read in conjunction with the consolidated financial statements and notes thereto filed with the Company’s Annual Report on Form 10-K for the year ended December 31, 2009 and the Company’s Quarterly Reports on Form 10-Q for the fiscal quarters ended March 28, 2009, June 27, 2009, September 26, 2009, and April 3, 2010.

VISHAY INTERTECHNOLOGY, INC.

Selected Segment Information

as recast to reflect the business segment realignment

(Unaudited - in thousands)

	MOSFETs	Diodes	Optoelectronic Components	Resistors & Inductors	Capacitors	Vishay Precision Group	Total
Fiscal quarter ended July 3, 2010:							
Product sales	\$ 153,207	\$ 151,026	\$ 57,657	\$ 151,941	\$ 133,346	\$ 52,914	\$ 700,091
Royalty revenues	48	-	27	1,489	-	-	\$ 1,564
Total revenue	\$ 153,255	\$ 151,026	\$ 57,684	\$ 153,430	\$ 133,346	\$ 52,914	\$ 701,655
Gross Margin	\$ 46,887	\$ 35,865	\$ 20,288	\$ 54,886	\$ 32,685	\$ 19,982	\$ 210,593
Six fiscal months ended July 3, 2010:							
Product Sales	\$ 280,831	\$ 291,272	\$ 116,053	\$ 299,398	\$ 250,677	\$ 101,089	\$ 1,339,320
Royalty Revenues	48	-	60	2,687	-	-	\$ 2,795
Total Revenue	\$ 280,879	\$ 291,272	\$ 116,113	\$ 302,085	\$ 250,677	\$ 101,089	\$ 1,342,115
Gross Margin	\$ 73,905	\$ 63,511	\$ 39,944	\$ 106,806	\$ 56,410	\$ 37,030	\$ 377,606

	Fiscal quarter ended July 3, 2010	Six fiscal months ended July 3, 2010
Operating margin reconciliation:		
MOSFETs	\$ 37,864	\$ 56,154
Diodes	30,121	51,956
Optoelectronic Components	17,454	34,115
Resistors & Inductors	48,497	93,737
Capacitors	27,111	44,873
Vishay Precision Group	10,871	18,949
Unallocated Selling, General, and Administrative Expenses	(70,591)	(133,332)
Consolidated Operating Income (Loss)	\$ 101,327	\$ 166,452

VISHAY INTERTECHNOLOGY, INC.

Selected Segment Information

as recast to reflect the business segment realignment

(Unaudited - in thousands)

	MOSFETs	Diodes	Optoelectronic Components	Resistors & Inductors	Capacitors	Vishay Precision Group	Total
Fiscal quarter ended April 3, 2010:							
Product sales	\$ 127,624	\$ 140,246	\$ 58,396	\$ 147,457	\$ 117,331	\$ 48,175	\$ 639,229
Royalty revenues	-	-	33	1,198	-	-	\$ 1,231
Total revenue	\$ 127,624	\$ 140,246	\$ 58,429	\$ 148,655	\$ 117,331	\$ 48,175	\$ 640,460
Gross Margin	\$ 27,018	\$ 27,646	\$ 19,656	\$ 51,920	\$ 23,725	\$ 17,048	\$ 167,013

**Fiscal quarter ended
April 3, 2010**

Operating margin reconciliation:

MOSFETs	\$ 18,290
Diodes	21,835
Optoelectronic Components	16,661
Resistors & Inductors	45,240
Capacitors	17,762
Vishay Precision Group	8,078
Unallocated Selling, General, and Administrative Expenses	(62,741)
Consolidated Operating Income (Loss)	\$ 65,125

VISHAY INTERTECHNOLOGY, INC.

Selected Segment Information

as recast to reflect the business segment realignment

(Unaudited - in thousands)

	MOSFETs	Diodes	Optoelectronic Components	Resistors & Inductors	Capacitors	Vishay Precision Group	Corporate / Other	Total
Year ended December 31, 2009:								
Product sales	\$ 427,110	\$ 410,415	\$ 167,317	\$ 438,600	\$ 420,890	\$ 171,991	\$ -	\$ 2,036,323
Royalty revenues	71	-	13	5,626	-	-	-	\$ 5,710
Total revenue	\$ 427,181	\$ 410,415	\$ 167,330	\$ 444,226	\$ 420,890	\$ 171,991	\$ -	\$ 2,042,033
Gross Margin	\$ 57,280	\$ 51,361	\$ 37,180	\$ 109,093	\$ 80,533	\$ 52,714	\$ -	\$ 388,161
Depreciation expense	58,762	38,638	14,757	38,392	46,684	8,446	330	\$ 206,009
Interest expense (income)	23	93	172	(27)	934	69	9,057	\$ 10,321
Capital expenditures	10,309	12,474	3,453	11,126	10,567	2,181	230	\$ 50,340
Total Assets as of December 31, 2009:	566,952	522,080	132,065	572,076	668,271	209,779	48,323	\$ 2,719,546

Year ended
December 31, 2009

Operating margin reconciliation:	
MOSFETs	\$ 25,434
Diodes	31,275
Optoelectronic Components	24,441
Resistors & Inductors	85,406
Capacitors	60,480
Vishay Precision Group	22,510
Unallocated Selling, General, and Administrative Expenses	(220,547)
Restructuring and severance Costs	(37,874)
Asset write-downs	(681)
Settlement agreement gain	28,195
Executive employment agreement charge	(57,824)
Consolidated Operating Income (Loss)	<u>\$ (39,185)</u>

Restructuring and severance costs:	
MOSFETs	\$ 8,017
Diodes	4,707
Optoelectronic Components	2,755
Resistors & Inductors	9,374
Capacitors	5,353
Vishay Precision Group	2,048
Unallocated Selling, General, and Administrative Expenses	5,620
	<u>\$ 37,874</u>

Asset write-downs:	
MOSFETs	\$ -
Diodes	681
Optoelectronic Components	-
Resistors & Inductors	-
Capacitors	-
Vishay Precision Group	-
	<u>\$ 681</u>

VISHAY INTERTECHNOLOGY, INC.

Selected Segment Information

as recast to reflect the business segment realignment

(Unaudited - in thousands)

	MOSFETs	Diodes	Optoelectronic Components	Resistors & Inductors	Capacitors	Vishay Precision Group	Total
Fiscal quarter ended September 26, 2009:							
Product sales	\$ 123,003	\$ 110,408	\$ 43,320	\$ 106,768	\$ 100,973	\$ 40,105	\$ 524,577
Royalty revenues	14	-	-	713	-	-	\$ 727
Total revenue	\$ 123,017	\$ 110,408	\$ 43,320	\$ 107,481	\$ 100,973	\$ 40,105	\$ 525,304
Gross Margin	\$ 18,485	\$ 16,860	\$ 10,281	\$ 25,316	\$ 20,745	\$ 12,680	\$ 104,367
Nine fiscal months ended September 26, 2009:							
Product sales	\$ 302,762	\$ 282,041	\$ 118,200	\$ 305,030	\$ 298,483	\$ 125,143	\$ 1,431,659
Royalty revenues	71	-	13	3,330	-	-	\$ 3,414
Total revenue	\$ 302,833	\$ 282,041	\$ 118,213	\$ 308,360	\$ 298,483	\$ 125,143	\$ 1,435,073
Gross Margin	\$ 34,439	\$ 32,232	\$ 24,894	\$ 67,171	\$ 54,719	\$ 37,710	\$ 251,165

	Fiscal quarter ended September 26, 2009	Nine fiscal months ended September 26, 2009
Operating margin reconciliation:		
MOSFETs	\$ 10,331	\$ 10,793
Diodes	11,920	17,588
Optoelectronic Components	5,504	14,370
Resistors & Inductors	19,758	50,288
Capacitors	15,641	39,754
Vishay Precision Group	5,189	15,187
Unallocated Selling, General, and Administrative Expenses	(53,643)	(157,688)
Restructuring and severance Costs	(3,478)	(34,501)
Settlement agreement gain	-	28,195
Executive employment agreement charge	-	(57,824)
Consolidated Operating Income (Loss)	\$ 11,222	\$ (73,838)

Restructuring and severance costs:		
MOSFETs	\$ 680	\$ 8,305
Diodes	253	4,814
Optoelectronic Components	33	2,936
Resistors & Inductors	857	8,058
Capacitors	824	4,666
Vishay Precision Group	175	2,044
Unallocated Selling, General, and Administrative Expenses	656	3,678
	\$ 3,478	\$ 34,501

VISHAY INTERTECHNOLOGY, INC.

Selected Segment Information

as recast to reflect the business segment realignment

(Unaudited - in thousands)

	MOSFETs		Diodes		Optoelectronic Components		Resistors & Inductors		Capacitors		Vishay Precision Group		Total
Fiscal quarter ended June 27, 2009:													
Product sales	\$	95,622	\$	91,240	\$	40,485	\$	99,148	\$	91,893	\$	41,333	\$ 459,721
Royalty revenues		-		-		-		537		-		-	\$ 537
Total revenue	\$	95,622	\$	91,240	\$	40,485	\$	99,685	\$	91,893	\$	41,333	\$ 460,258
Gross Margin	\$	13,334	\$	10,607	\$	8,824	\$	19,863	\$	15,167	\$	10,979	\$ 78,774
Six fiscal months ended June 27, 2009:													
Product sales	\$	179,759	\$	171,633	\$	74,880	\$	198,262	\$	197,510	\$	85,038	\$ 907,082
Royalty revenues		57		-		13		2,617		-		-	\$ 2,687
Total revenue	\$	179,816	\$	171,633	\$	74,893	\$	200,879	\$	197,510	\$	85,038	\$ 909,769
Gross Margin	\$	15,954	\$	15,372	\$	14,613	\$	41,855	\$	33,974	\$	25,030	\$ 146,798

	Fiscal quarter ended June 27, 2009		Six fiscal months ended June 27, 2009	
Operating margin reconciliation:				
MOSFETs	\$	5,724	\$	462
Diodes		5,684		5,668
Optoelectronic Components		6,325		8,866
Resistors & Inductors		14,454		30,530
Capacitors		10,510		24,113
Vishay Precision Group		3,684		9,998
Unallocated Selling, General, and Administrative Expenses		(51,359)		(104,045)
Restructuring and severance Costs		(12,090)		(31,023)
Settlement agreement gain		28,195		28,195
Executive employment agreement charge		(57,824)		(57,824)
Consolidated Operating Income (Loss)	\$	(46,697)	\$	(85,060)

Restructuring and severance costs:				
MOSFETs	\$	4,488	\$	7,625
Diodes		2,239		4,561
Optoelectronic Components		1,154		2,903
Resistors & Inductors		118		7,201
Capacitors		612		3,842
Vishay Precision Group		1,390		1,869
Unallocated Selling, General, and Administrative Expenses		2,089		3,022
	\$	12,090	\$	31,023

VISHAY INTERTECHNOLOGY, INC.

Selected Segment Information

as recast to reflect the business segment realignment

(Unaudited - in thousands)

	MOSFETs	Diodes	Optoelectronic Components	Resistors & Inductors	Capacitors	Vishay Precision Group	Total
Fiscal quarter ended March 28, 2009:							
Product sales	\$ 84,137	\$ 80,393	\$ 34,395	\$ 99,114	\$ 105,617	\$ 43,705	\$ 447,361
Royalty revenues	57	-	13	2,080	-	-	\$ 2,150
Total revenue	\$ 84,194	\$ 80,393	\$ 34,408	\$ 101,194	\$ 105,617	\$ 43,705	\$ 449,511
Gross Margin	\$ 2,620	\$ 4,765	\$ 5,789	\$ 21,992	\$ 18,807	\$ 14,051	\$ 68,024

**Fiscal quarter ended
March 28, 2009**

Operating margin reconciliation:

MOSFETs	\$ (5,262)
Diodes	(16)
Optoelectronic Components	2,541
Resistors & Inductors	16,077
Capacitors	13,602
Vishay Precision Group	6,314
Unallocated Selling, General, and Administrative Expenses	(52,686)
Restructuring and severance Costs	(18,933)
Consolidated Operating Income (Loss)	<u>\$ (38,363)</u>

Restructuring and severance costs:

MOSFETs	\$ 3,137
Diodes	2,322
Optoelectronic Components	1,749
Resistors & Inductors	7,083
Capacitors	3,230
Vishay Precision Group	479
Unallocated Selling, General, and Administrative Expenses	933
	<u>\$ 18,933</u>

VISHAY INTERTECHNOLOGY, INC.

Selected Segment Information

as recast to reflect the business segment realignment

(Unaudited - in thousands)

			Optoelectronic	Resistors &	Vishay Precision			
	MOSFETs	Diodes	Components	Inductors	Capacitors	Group	Corporate / Other	Total
Year ended December 31, 2008:								
Product sales	\$ 645,712	\$ 577,614	\$ 235,317	\$ 602,665	\$ 516,207	\$ 241,700	\$ -	\$ 2,819,215
Royalty revenues	2,162	-	21	813	-	-	-	\$ 2,996
Total revenue	\$ 647,874	\$ 577,614	\$ 235,338	\$ 603,478	\$ 516,207	\$ 241,700	\$ -	\$ 2,822,211
Gross Margin	\$ 137,931	\$ 100,390	\$ 57,317	\$ 146,999	\$ 74,421	\$ 79,909	\$ -	\$ 596,967
Depreciation expense	55,344	37,871	16,238	38,612	43,025	8,410	347	\$ 199,847
Interest expense	79	218	265	103	1,516	57	36,430	\$ 38,668
Capital expenditures	45,653	33,185	13,719	28,559	23,425	7,391	62	\$ 151,994
Total Assets as of December 31, 2008:	605,335	550,196	146,432	545,247	665,756	254,863	48,131	\$ 2,815,960

Year ended
December 31, 2008

Operating margin reconciliation:	
MOSFETs	\$ 88,310
Diodes	72,162
Optoelectronic Components	41,927
Resistors & Inductors	119,649
Capacitors	46,307
Vishay Precision Group	40,570
Unallocated Selling, General, and Administrative Expenses	(261,323)
Restructuring and severance Costs	(62,537)
Asset write-downs	(5,073)
Goodwill impairment	(1,696,174)
Indefinite-lived intangible impairment	(27,000)
Loss on purchase commitments	(6,024)
Gain on sale of building	4,510
Terminated tender offer costs	(4,000)
Consolidated Operating Income (Loss)	\$ (1,648,696)

Restructuring and severance costs:	
MOSFETs	\$ 9,879
Diodes	7,866
Optoelectronic Components	6,360
Resistors & Inductors	18,803
Capacitors	7,546
Vishay Precision Group	6,349
Unallocated Selling, General, and Administrative Expenses	5,734
	\$ 62,537

Asset write-downs:	
MOSFETs	\$ -
Diodes	613
Optoelectronic Components	-
Resistors & Inductors	4,460
Capacitors	-
Vishay Precision Group	-
	\$ 5,073

Goodwill impairment:	
MOSFETs	\$ 594,951
Diodes	295,738
Optoelectronic Components	153,263
Resistors & Inductors	178,056
Capacitors	380,701
Vishay Precision Group	93,465
	\$ 1,696,174

Indefinite-lived intangible impairment:	
MOSFETs	\$ -
Diodes	15,000
Optoelectronic Components	-
Resistors & Inductors	3,824
Capacitors	8,176
Vishay Precision Group	-
	\$ 27,000