



Vishay Reports Results for Second Quarter 2018

August 7, 2018

- Revenues for Q2 2018 of \$761 million
- Gross Margin Q2 of 29.9%
- Operating Margin Q2 of 16.2%
- EPS Q2 of \$0.65
- Adjusted EPS Q2 of \$0.54
- Guidance for Q3 2018 for revenues of \$755 to \$795 million and gross margins of 29.0% to 30.0% at Q2 exchange rates
- Distribution: point of sales Q2 14% over prior year and inventory turns of 3.7
- Repatriated \$274 million and paid \$92 million of related foreign taxes
- Cash from operations for trailing twelve months Q2 of \$279 million and capital expenditures of \$198 million
- Both Q2 and trailing twelve months Q2 cash from operations include \$106 million of cash taxes paid related to US Tax Reform and cash repatriation

MALVERN, PENNSYLVANIA – August 7, Vishay Intertechnology, Inc. (NYSE: VSH), one of the world's largest manufacturers of discrete semiconductors and passive components, today announced its results for the fiscal quarter and six fiscal months ended June 30, 2018.

Revenues for the fiscal quarter ended June 30, 2018 were \$761.0 million, compared to \$716.8 million for the fiscal quarter ended March 31, 2018, and \$643.2 million for the fiscal quarter ended July 1, 2017. Net earnings attributable to Vishay stockholders for the fiscal quarter ended June 30, 2018 were \$103.1 million, or \$0.65 per diluted share, compared to \$62.4 million, or \$0.39 per diluted share for the fiscal quarter ended March 31, 2018, and \$56.2 million, or \$0.36 per diluted share for the fiscal quarter ended July 1, 2017.

As summarized on the attached reconciliation schedule, all periods presented include items affecting comparability. Net earnings for the fiscal quarter ended June 30, 2018 have been favorably impacted by such items, primarily a change in deferred taxes related to special tax attributes of debt instruments which were repurchased during the quarter. Adjusted earnings per diluted share, which exclude these items net of tax and the unusual tax items, were \$0.54, \$0.40, and \$0.36 for the fiscal quarters ended June 30, 2018, March 31, 2018, and July 1, 2017, respectively.

Commenting on the results for the second quarter 2018, Dr. Gerald Paul, President and Chief Executive Officer, stated, "In the second quarter, Vishay again continued to enjoy excellent business conditions in virtually all markets and, again, Vishay's key markets of automotive and industrial show unbroken strength."

"As we announced earlier, we trust in an accelerated growth trend of our markets—in particular, the automotive and industrial end markets—for the years to come. We prepare ourselves by continuing to expand manufacturing capacities for our constrained key product lines while remaining careful in adding operational fixed costs."

Commenting on the outlook Dr. Paul stated, "Based on our ongoing capacity expansion and the number of working days in the quarter, we guide for the third quarter for revenues of \$755 to \$795 million and gross margins of 29.0% to 30.0% at the exchange rates for the second quarter."

A conference call to discuss Vishay's second quarter financial results is scheduled for Tuesday, August 7, 2018 at 9:00 a.m. 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 2279867.

There will be a replay of the conference call from 12:00 p.m. ET on Tuesday, August 7, 2018 through 11:59 p.m. ET on Tuesday, August 14, 2018. The telephone number for the replay is 800-585-8367 (+1 855-859-2056 or 404-537-3406 if calling from outside the United States or Canada) and the access code is 2279867.

A live audio webcast of the conference call and a PDF copy of the press release and the quarterly presentation will be accessible directly from the Investor Relations section of the Vishay website at <http://ir.vishay.com>.

About Vishay

Vishay Intertechnology, Inc., a Fortune 1000 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 U.S. generally accepted accounting principles ("GAAP"), including adjusted net earnings; adjusted earnings per share; adjusted operating margin; free cash; earnings before interest, taxes, depreciation and amortization ("EBITDA"); adjusted EBITDA; and adjusted EBITDA margin; which are considered "non-GAAP financial measures" under the U.S. Securities and Exchange Commission rules. These non-GAAP measures supplement our GAAP measures of performance or liquidity

and should not be viewed as an alternative to GAAP measures of performance or liquidity. Non-GAAP measures such as adjusted net earnings, adjusted earnings per share, adjusted operating margin, free cash, EBITDA, adjusted EBITDA, and adjusted EBITDA margin 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 such measures are meaningful to investors because they provide insight with respect to intrinsic operating results of the Company. Although the terms "free cash" and "EBITDA" are not defined in GAAP, the measures are derived using various line items measured in accordance with GAAP. Reconciling items to arrive at adjusted net earnings represent significant charges or credits that are important to understanding the Company's intrinsic operations. Reconciling items to calculate adjusted operating margin and adjusted EBITDA represent those same items used in computing adjusted net earnings, as relevant. Furthermore, the presented calculation of 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. These reconciling items are indicated on the accompanying reconciliation schedules 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, manufacturing capacities, customer confidence, anticipated growth areas for the company, global growth markets generally and the performance of the economy in general, are forward-looking statements within the safe harbor provisions of Private Securities Litigation Reform Act of 1995. 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. Among the factors that could cause actual results to materially differ include: general business and economic conditions; delays or difficulties in implementing our cost reduction strategies; delays or difficulties in expanding our manufacturing capacities; an inability to attract and retain highly qualified personnel; changes in foreign currency exchange rates; uncertainty related to the effects of changes in foreign currency exchange rates; competition and technological changes in our industries; difficulties in new product development; difficulties in identifying suitable acquisition candidates, consummating a transaction on terms which we consider acceptable, and integration and performance of acquired businesses; changes in U.S. and foreign trade regulations and tariffs, and uncertainty regarding the same; changes in applicable domestic and foreign tax regulations, and uncertainty regarding the same; changes in applicable accounting standards and other factors affecting our operations that are set forth in our filings with the Securities and Exchange Commission, including our annual reports on Form 10-K and our quarterly reports on Form 10-Q. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

[View the financial table PDF file.](#)

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