

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) May 7, 2018

**Vishay Intertechnology, Inc.**

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(Exact name of registrant as specified in its charter)

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Delaware	1-7416	38-1686453
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification Number)

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63 Lancaster Avenue Malvern, PA 19355-2143	19355-2143
(Address of Principal Executive Offices)	Zip Code

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

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(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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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## Item 2.02 – Results of Operations and Financial Condition

On May 8, 2018, Vishay Intertechnology, Inc. ("the Company") issued a press release announcing its financial results for the fiscal quarter ended March 31, 2018. 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 stockholders 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 second fiscal quarter of 2018.

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 equity awards and convertible debt) if those potentially issuable shares would reduce EPS ("diluted").

The number of shares related to equity awards 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 unrecognized compensation expense and any other proceeds 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 equity awards 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.

At the direction of its Board of Directors, Vishay intends to waive its rights to settle the principal amount of its 2.25% Convertible Senior Debentures due 2040, due 2041, and due 2042, upon any conversion or repurchase of the debentures, in shares of Vishay common stock.

Pursuant to the indentures governing the respective debentures, Vishay has the right to pay the conversion value or purchase price for the debentures in cash, Vishay common stock, or a combination of both.

If debentures are tendered for repurchase, Vishay will pay the repurchase price in cash, and if debentures are submitted for conversion, Vishay will value the shares issuable upon conversion and will pay in cash an amount equal to the principal amount of the converted debentures and will issue shares in respect of the conversion value in excess of the principal amount.

Vishay will consider the debentures to be "net share settlement debt." Accordingly, the debentures will be included in the diluted earnings per share computation using the "treasury stock method" (similar to options) rather than the "if converted method" otherwise required for convertible debt. Under the "treasury stock method," Vishay will calculate the number of shares issuable under the terms of the debentures based on the average market price of Vishay common stock during the period, and include that number in the total diluted shares figure for the period.

The Company currently has no potentially dilutive instruments included in the diluted EPS calculation using the "if converted method."

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 convertible securities currently outstanding and their exercise and conversion features currently in effect. The Company adjusts its calculation for the estimated effect of expected quarterly activity. The estimates assume no share repurchases during the first fiscal quarter of 2018. Changes in these parameters or estimates 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 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 second fiscal quarter of 2018. 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 second fiscal quarter of 2018:

- The Company has approximately 144 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 restricted stock units does not vary significantly and is generally less than 1 million incremental shares.
- The Company's Convertible Senior Debentures due 2040 are convertible at a conversion price of \$12.91 per \$1,000 principal amount, equivalent to 77.4680 shares per \$1,000 principal amount. There is \$275 million principal amount of the debentures outstanding. The number of shares of common stock that Vishay will include in its diluted earnings per share computation, assuming an average market price for Vishay common stock in excess of the conversion price, will be determined in accordance with the following formula:

$$S = [\$275,000,000 / \$1000] * [(P - \$12.91) * 77.4680] / P$$

where

S = the number of shares to be included in diluted EPS, and  
P = the average market price of Vishay common stock for the quarter.

If the average market price is less than \$12.91, no shares will be included in the diluted earnings per share computation.

- The Company's Convertible Senior Debentures due 2041 are convertible at a conversion price of \$17.69 per \$1,000 principal amount, equivalent to 56.5321 shares per \$1,000 principal amount. There is \$150 million principal amount of the debentures outstanding. The number of shares of common stock that Vishay will include in its diluted earnings per share computation, assuming an average market price for Vishay common stock in excess of the conversion price, will be determined in accordance with the following formula:

$$S = [\$150,000,000 / \$1000] * [(P - \$17.69) * 56.5321] / P$$

where

S = the number of shares to be included in diluted EPS, and  
P = the average market price of Vishay common stock for the quarter.

If the average market price is less than \$17.69, no shares will be included in the diluted earnings per share computation.

- The Company's Convertible Senior Debentures due 2042 are convertible at a conversion price of \$10.98 per \$1,000 principal amount, equivalent to 91.0838 shares per \$1,000 principal amount. There is \$150 million principal amount of the debentures outstanding. The number of shares of common stock that Vishay will include in its diluted earnings per share computation, assuming an average market price for Vishay common stock in excess of the conversion price, will be determined in accordance with the following formula:

$$S = [\$150,000,000 / \$1000] * [(P - \$10.98) * 91.0838] / P$$

where

S = the number of shares to be included in diluted EPS, and  
P = the average market price of Vishay common stock for the quarter.

If the average market price is less than \$10.98, no shares will be included in the diluted earnings per share computation.

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Accordingly, the following table summarizes the approximate number of shares to be included in the denominator of the diluted EPS calculation assuming net earnings attributable to Vishay stockholders for various average stock prices (*number of shares in millions*):

Average Stock Price	Projected Diluted Shares
\$ <11.00	145
\$ 11.00	145
\$ 12.00	146
\$ 13.00	147
\$ 14.00	150
\$ 15.00	152
\$ 16.00	153
\$ 17.00	155
\$ 18.00	157
\$ 19.00	158
\$ 20.00	160
\$ 21.00	161
\$ 22.00	162
\$ 23.00	163
\$ 24.00	165
\$ 25.00	165

#### *Impact of the Adoption of New Accounting Standards*

Effective January 1, 2018, the Company adopted several new accounting standards, including ASU No. 2014-09, "Revenue from Contracts with Customers" and related guidance; ASU No. 2016-01, "Recognition and Measurement of Financial Assets and Liabilities;" and ASU No. 2017-07, "Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost." Where required by the applicable new standards, prior periods have been recast to retrospectively reflect the impact of the standards. Recast statements of operations for each quarter of 2017, and the full years 2017 and 2016, are included in the financial tables in Exhibit 99.1. The impact of these new accounting standards on income (loss) before taxes was not material, though the new standards impacted various individual line items, which slightly changed historical gross margin and operating margin calculations. More detailed discussion of the impact of these new accounting standards will be included in the Company's Quarterly Report on Form 10-Q when it is filed.

#### **Item 8.01 – Other Events**

##### *Cash Dividend Declaration*

On May 7, 2018, Vishay declared a quarterly cash dividend of \$0.085 per share of common stock and Class B common stock outstanding payable on June 28, 2018 to stockholders of record at the close of business on June 13, 2018. A copy of the press release announcing the dividend declaration is attached as Exhibit 99.2 to this report.

#### **Item 9.01 – Financial Statements and Exhibits**

(d) Exhibits

Exhibit No.	Description
<a href="#">99.1</a>	<a href="#">Press release dated May 8, 2018</a>
<a href="#">99.2</a>	<a href="#">Press release dated May 7, 2018</a>

**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: May 8, 2018

VISHAY INTERTECHNOLOGY, INC.

By: /s/ Lori Lipcaman

Name: Lori Lipcaman  
Title: Executive Vice President and  
Chief Financial Officer

**VISHAY REPORTS RESULTS FOR FIRST QUARTER 2018**

- Revenues for Q1 2018 of \$717 million
- Gross Margin Q1 of 28.6%
- Operating Margin Q1 of 14.5%
- EPS Q1 of \$0.39
- Adjusted EPS Q1 of \$0.40
- Cash from operations for trailing twelve months Q1 of \$372 million and capital expenditures of \$182 million
- Guidance for Q2 2018 for revenues of \$740 to \$780 million and gross margins of 28.5% to 29.5% at Q1 exchange rates
- Distribution: point of sales Q1 14% over prior quarter and inventory turns of 3.8

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 ended March 31, 2018.

Revenues for the fiscal quarter ended March 31, 2018 were \$716.8 million, compared to \$673.5 million for the fiscal quarter ended December 31, 2017, and \$604.8 million for the fiscal quarter ended April 1, 2017. Net earnings attributable to Vishay stockholders for the fiscal quarter ended March 31, 2018 were \$62.4 million, or \$0.39 per diluted share, compared to a net loss attributable to Vishay stockholders of \$177.7 million, or \$(1.23) per share for the fiscal quarter ended December 31, 2017, and net earnings attributable to Vishay stockholders of \$36.7 million, or \$0.24 per diluted share for the fiscal quarter ended April 1, 2017.

As summarized on the attached reconciliation schedule, all periods presented include items affecting comparability. Adjusted earnings per diluted share, which exclude these items net of tax and the unusual tax items, were \$0.40, \$0.37, and \$0.28 for the fiscal quarters ended March 31, 2018, December 31, 2017, and April 1, 2017, respectively.

Commenting on the results for the first quarter 2018, Dr. Gerald Paul, President and Chief Executive Officer, stated, "In the first quarter, Vishay continued to enjoy excellent business conditions in virtually all markets; especially, Vishay's key markets of automotive and industrial show unbroken strength. The present favorable market conditions neither represent a spike of demand by a few applications like in 2000 nor a recovery from a general crisis like in 2010. 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, "For the second quarter we guide for revenues of \$740 to \$780 million and gross margins of 28.5% to 29.5% at the exchange rates for the first quarter."

Effective January 1, 2018, the Company adopted several new accounting standards, including ASU 2014-09, "Revenue from Contracts with Customers" and related guidance; ASU 2016-01, "Recognition and Measurement of Financial Assets and Liabilities;" and ASU 2017-07, "Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost." Where required by the applicable new standards, prior periods have been recast to retrospectively reflect the impact of the standards. Recast statements of operations for each quarter of 2017, and the full years 2017 and 2016, are included in the financial tables in this press release. The impact of these new accounting standards on income (loss) before taxes was not material, though the new standards impacted various individual line items, which slightly changed historical gross margin and operating margin calculations. More detailed discussion of the impact of these new accounting standards will be included in the Company's Quarterly Report on Form 10-Q when it is filed.

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A conference call to discuss Vishay's first quarter financial results is scheduled for Tuesday, May 8, 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 1357089.

There will be a replay of the conference call from 12:00 p.m. ET on Tuesday, May 8, 2018 through 11:59 p.m. ET on Tuesday, May 15, 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 1357089.

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](http://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; 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 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.

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

	Fiscal quarters ended		
	March 31, 2018	December 31, 2017*	April 1, 2017*
Net revenues	\$ 716,795	\$ 673,462	\$ 604,801
Costs of products sold	511,495	496,086	443,052
Gross profit	205,300	177,376	161,749
Gross margin	28.6%	26.3%	26.7%
Selling, general, and administrative expenses	101,238	95,291	92,702
Restructuring and severance costs	-	6,079	1,469
Operating income	104,062	76,006	67,578
Operating margin	14.5%	11.3%	11.2%
Other income (expense):			
Interest expense	(7,677)	(7,046)	(6,790)
Other components of net periodic pension cost	(3,519)	(3,470)	(2,890)
Other	(847)	587	(396)
Gain (loss) on disposal of equity affiliate	-	948	(7,060)
Total other income (expense) - net	(12,043)	(8,981)	(17,136)
Income (loss) before taxes	92,019	67,025	50,442
Income taxes	29,474	244,526	13,493
Net earnings (loss)	62,545	(177,501)	36,949
Less: net earnings (loss) attributable to noncontrolling interests	179	156	230
Net earnings (loss) attributable to Vishay stockholders	<u>\$ 62,366</u>	<u>\$ (177,657)</u>	<u>\$ 36,719</u>
Basic earnings (loss) per share attributable to Vishay stockholders	\$ 0.43	\$ (1.23)	\$ 0.25
Diluted earnings (loss) per share attributable to Vishay stockholders	\$ 0.39	\$ (1.23)	\$ 0.24
Weighted average shares outstanding - basic	144,327	144,165	146,274
Weighted average shares outstanding - diluted	159,502	144,165	154,876
Cash dividends per share	\$ 0.0675	\$ 0.0675	\$ 0.0625

\*Recast for the retrospective adoption of ASUs 2014-09 and 2017-07

VISHAY INTERTECHNOLOGY,  
INC.

Summary of Operations

(Unaudited - In thousands, except per share amounts)

	Fiscal quarters ended				Years ended	
	April 1, 2017*	July 1, 2017*	September 30, 2017*	December 31, 2017*	December 31, 2017*	December 31, 2016*
Net revenues	\$ 604,801	\$ 643,164	\$ 677,941	\$ 673,462	\$ 2,599,368	\$ 2,317,328
Costs of products sold	443,052	469,327	487,794	496,086	1,896,259	1,743,506
Gross profit	161,749	173,837	190,147	177,376	703,109	573,822
Gross margin	26.7%	27.0%	28.0%	26.3%	27.0%	24.8%
Selling, general, and administrative expenses	92,702	88,351	91,487	95,291	367,831	356,006
Restructuring and severance costs	1,469	481	3,244	6,079	11,273	19,199
Impairment of intangible assets	-	-	-	-	-	1,559
Operating income	67,578	85,005	95,416	76,006	324,005	197,058
Operating margin	11.2%	13.2%	14.1%	11.3%	12.5%	8.5%
Other income (expense):						
Interest expense	(6,790)	(7,076)	(6,938)	(7,046)	(27,850)	(25,623)
Other components of net periodic pension cost	(2,890)	(2,969)	(3,088)	(3,470)	(12,417)	(16,020)
Other	(396)	749	798	587	1,738	4,716
Gain (loss) on disposal of equity affiliate	(7,060)	-	-	948	(6,112)	4,597
Gain on early extinguishment of debt	-	-	-	-	-	8,809
U.S. pension settlement charges	-	-	-	-	-	(79,321)
Total other income (expense) - net	(17,136)	(9,296)	(9,228)	(8,981)	(44,641)	(102,842)
Income (loss) before taxes	50,442	75,709	86,188	67,025	279,364	94,216
Income taxes	13,493	19,300	21,605	244,526	298,924	44,843
Net earnings (loss)	36,949	56,409	64,583	(177,501)	(19,560)	49,373
Less: net earnings (loss) attributable to noncontrolling interests	230	219	179	156	784	581
Net earnings (loss) attributable to Vishay stockholders	\$ 36,719	\$ 56,190	\$ 64,404	\$ (177,657)	\$ (20,344)	\$ 48,792
Basic earnings (loss) per share attributable to Vishay stockholders	\$ 0.25	\$ 0.38	\$ 0.44	\$ (1.23)	\$ (0.14)	\$ 0.33
Diluted earnings (loss) per share attributable to Vishay stockholders	\$ 0.24	\$ 0.36	\$ 0.41	\$ (1.23)	\$ (0.14)	\$ 0.32
Weighted average shares outstanding - basic	146,274	146,381	145,728	144,165	145,633	147,152
Weighted average shares outstanding - diluted	154,876	155,300	156,701	144,165	145,633	150,697
Cash dividends per share	\$ 0.0625	\$ 0.0625	\$ 0.0625	\$ 0.0675	\$ 0.2550	\$ 0.2500

\*Recast for the retrospective adoption of ASUs 2014-09 and 2017-07



VISHAY INTERTECHNOLOGY, INC.  
Consolidated Condensed Balance Sheets  
(Unaudited - in thousands)

	<u>March 31,</u> <u>2018</u>	<u>December</u> <u>31, 2017*</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 839,591	\$ 748,032
Short-term investments	501,221	547,136
Accounts receivable, net	376,537	340,027
Inventories:		
Finished goods	132,996	127,272
Work in process	184,613	170,319
Raw materials	143,039	132,068
Total inventories	460,648	429,659
Prepaid expenses and other current assets	116,948	130,336
Total current assets	2,294,945	2,195,190
Property and equipment, at cost:		
Land	92,929	92,285
Buildings and improvements	617,071	606,168
Machinery and equipment	2,461,857	2,415,769
Construction in progress	94,027	103,058
Allowance for depreciation	(2,358,549)	(2,311,522)
	907,335	905,758
Goodwill	147,047	142,742
Other intangible assets, net	73,072	69,754
Other assets	148,111	148,645
Total assets	<u>\$ 3,570,510</u>	<u>\$ 3,462,089</u>

\*Recast for the retrospective adoption of ASUs 2014-09 and 2017-07

VISHAY INTERTECHNOLOGY, INC.  
Consolidated Condensed Balance Sheets (continued)  
(Unaudited - in thousands)

	March 31, 2018	December 31, 2017*
Liabilities and stockholders' equity		
Current liabilities:		
Notes payable to banks	\$ 56	\$ 4
Trade accounts payable	191,935	222,373
Payroll and related expenses	136,386	135,702
Other accrued expenses	161,990	154,230
Income taxes	38,676	50,226
Total current liabilities	<u>529,043</u>	<u>562,535</u>
Long-term debt less current portion	406,385	370,470
U.S. transition tax payable	165,600	151,200
Deferred income taxes	342,207	336,465
Other liabilities	77,425	75,249
Accrued pension and other postretirement costs	283,754	281,701
Total liabilities	<u>1,804,414</u>	<u>1,777,620</u>
Redeemable convertible debentures	250,990	252,070
Equity:		
Vishay stockholders' equity		
Common stock	13,212	13,188
Class B convertible common stock	1,210	1,213
Capital in excess of par value	1,753,762	1,752,506
Retained earnings (accumulated deficit)	(307,833)	(362,254)
Accumulated other comprehensive income (loss)	52,544	25,714
Total Vishay stockholders' equity	<u>1,512,895</u>	<u>1,430,367</u>
Noncontrolling interests	2,211	2,032
Total equity	<u>1,515,106</u>	<u>1,432,399</u>
Total liabilities, temporary equity, and equity	<u>\$ 3,570,510</u>	<u>\$ 3,462,089</u>

\*Recast for the retrospective adoption of ASUs 2014-09 and 2017-07

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

	Fiscal quarters ended	
	March 31, 2018	April 1, 2017
<b>Operating activities</b>		
Net earnings	\$ 62,545	\$ 36,949
Adjustments to reconcile net earnings (loss) to net cash provided by operating activities:		
Depreciation and amortization	40,558	40,212
(Gain) loss on disposal of property and equipment	(176)	60
Accretion of interest on convertible debentures	1,309	1,211
Inventory write-offs for obsolescence	5,457	4,834
Loss on disposal of equity affiliate	-	7,060
Deferred income taxes	7,014	4,307
Other	2,908	2,026
Changes in operating assets and liabilities, net of effects of businesses acquired	(72,756)	(52,985)
Net cash provided by operating activities	46,859	43,674
<b>Investing activities</b>		
Purchase of property and equipment	(28,273)	(16,668)
Proceeds from sale of property and equipment	184	943
Purchase of businesses, net of cash acquired	(12,072)	-
Purchase of short-term investments	(39,243)	(151,886)
Maturity of short-term investments	93,194	147,530
Other investing activities	(935)	(5,971)
Net cash provided by (used in) investing activities	12,855	(26,052)
<b>Financing activities</b>		
Net proceeds (payments) on revolving credit lines	34,000	20,000
Net changes in short-term borrowings	52	8
Dividends paid to common stockholders	(8,918)	(8,378)
Dividends paid to Class B common stockholders	(817)	(758)
Cash withholding taxes paid when shares withheld for vested equity awards	(2,297)	(1,971)
Other financing activities	-	(1,255)
Net cash provided by financing activities	22,020	7,646
Effect of exchange rate changes on cash and cash equivalents	9,825	2,337
Net increase in cash and cash equivalents	91,559	27,605
Cash and cash equivalents at beginning of period	748,032	471,781
Cash and cash equivalents at end of period	\$ 839,591	\$ 499,386

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

	Fiscal quarters ended		
	March 31, 2018	December 31, 2017	April 1, 2017
GAAP net earnings (loss) attributable to Vishay stockholders	\$ 62,366	\$ (177,657)	\$ 36,719
<u>Reconciling items affecting operating income:</u>			
Restructuring and severance costs	\$ -	\$ 6,079	\$ 1,469
<u>Reconciling items affecting other income (expense):</u>			
Loss (gain) on disposal of equity affiliate	\$ -	\$ (948)	\$ 7,060
<u>Reconciling items affecting tax expense (benefit):</u>			
Enactment of TCJA	\$ -	\$ 234,855	\$ -
Effects of cash repatriation program	1,316	(2,702)	(968)
Effects of changes in uncertain tax positions	-	2,369	-
Tax effects of pre-tax items above	-	(2,060)	(441)
Adjusted net earnings	<u>\$ 63,682</u>	<u>\$ 59,936</u>	<u>\$ 43,839</u>
Adjusted weighted average diluted shares outstanding	159,502	161,177	154,876
Adjusted earnings per diluted share	\$ 0.40	\$ 0.37	\$ 0.28

VISHAY INTERTECHNOLOGY, INC.  
Reconciliation of Free Cash  
(Unaudited - In thousands)

	Fiscal quarters ended		
	March 31, 2018	December 31, 2017	April 1, 2017
Net cash provided by operating activities	\$ 46,859	\$ 122,932	\$ 43,674
Proceeds from sale of property and equipment	184	201	943
Less: Capital expenditures	(28,273)	(85,642)	(16,668)
Free cash	<u>\$ 18,770</u>	<u>\$ 37,491</u>	<u>\$ 27,949</u>



VISHAY INTERTECHNOLOGY, INC.  
Reconciliation of EBITDA and Adjusted EBITDA  
(Unaudited - In thousands)

	Fiscal quarters ended		
	March 31, 2018	December 31, 2017	April 1, 2017
GAAP net earnings (loss) attributable to Vishay stockholders	\$ 62,366	\$ (177,657)	\$ 36,719
Net earnings (loss) attributable to noncontrolling interests	179	156	230
Net earnings (loss)	\$ 62,545	\$ (177,501)	\$ 36,949
Interest expense	\$ 7,677	\$ 7,046	\$ 6,790
Interest income	(2,036)	(1,883)	(1,263)
Income taxes	29,474	244,526	13,493
Depreciation and amortization	40,558	41,827	40,212
EBITDA	\$ 138,218	\$ 114,015	\$ 96,181
<u>Reconciling items</u>			
Restructuring and severance costs	\$ -	\$ 6,079	\$ 1,469
Loss (gain) on disposal of equity affiliate	-	(948)	7,060
Adjusted EBITDA	\$ 138,218	\$ 119,146	\$ 104,710
Adjusted EBITDA margin**	19.3%	17.7%	17.3%

\*\* Adjusted EBITDA as a percentage of net revenues

Source: Vishay Intertechnology, Inc.  
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**Vishay Intertechnology Increases Quarterly Dividend By 26%**

**MALVERN, PENNSYLVANIA** – May 7, 2018 Vishay Intertechnology, Inc. (NYSE: VSH), announced today that the Company's Board of Directors declared a dividend of \$0.085 per share of common stock and Class B common stock, a 26% increase over the previous quarter's dividend, to be paid on June 28, 2018 to stockholders of record as of the close of business on June 13, 2018. Future dividends will be subject to Board approval.

"We are happy to be in a position to return cash to our stockholders and proud of the financial health of our Company. Our significant dividend increase demonstrates our commitment to return capital to our stockholders and shows confidence in the strength of our ongoing cash flows," said Marc Zandman, Executive Chairman of the Board and Chief Business Development Officer. "Our historically strong cash generation in good times as well as in bad enables us to declare this increase."

**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 <http://www.vishay.com>.

**Forward-Looking Statements**

Statements contained herein that relate to the Company's future performance, including statements with respect to quarterly cash dividends, 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 capabilities; 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 applicable domestic and foreign tax regulations and uncertainty regarding the same; 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.

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