

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) February 4, 2020

**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 Number)

63 Lancaster Avenue Malvern, PA	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))

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.

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol	Name of exchange on which registered
Common stock, par value \$0.10 per share	VSH	New York Stock Exchange

## Item 2.02 – Results of Operations and Financial Condition

On February 4, 2020, Vishay Intertechnology, Inc. ("the Company") issued a press release announcing its financial results for the fiscal quarter and year ended December 31, 2019. 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 first fiscal quarter of 2020.

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 convertible debt instruments, its 2.25% Convertible Senior Debentures due 2040 and due 2041, and its 2.25% Convertible Senior Notes due 2025, upon any conversion or repurchase of the debentures or notes, in shares of Vishay common stock.

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

If the convertible debt instruments are tendered for repurchase, Vishay will pay the repurchase price in cash, and if the convertible debt instruments 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 debt instruments and will issue shares in respect of the conversion value in excess of the principal amount.

Vishay will consider its convertible debt instruments to be "net share settlement debt." Accordingly, its convertible debt instruments 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 its convertible debt instruments 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 or convertible debt instrument repurchases during the first fiscal quarter of 2020. 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 first fiscal

quarter of 2020. 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.

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For the first fiscal quarter of 2020:

- The Company has approximately 145 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 \$12.50 per \$1,000 principal amount, equivalent to 80.0018 shares per \$1,000 principal amount. There is \$0.3 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:

$$S = \$300,000 / \$1000 * [(P - \$12.50) * 80.0018] / P$$

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 \$12.50, 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 \$17.13 per \$1,000 principal amount, equivalent to 58.3812 shares per \$1,000 principal amount. There is \$16.9 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:

$$S = [\$16,890,000 / \$1000] * [(P - \$17.13) * 58.3812] / P$$

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 \$17.13, no shares will be included in the diluted earnings per share computation.

- The Company's Convertible Senior Notes due 2025 are convertible at a conversion price of \$31.44 per \$1,000 principal amount, equivalent to 31.8083 shares per \$1,000 principal amount. There is \$600 million principal amount of the notes 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:

$$S = [\$600,000,000 / \$1000] * [(P - \$31.44) * 31.8083] / P$$

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 \$31.44, no shares will be included in the diluted earnings per share computation.

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
\$ <25.00	145
\$ 25.00 - 32.00	146
\$ 33.00	147
\$ 34.00	147
\$ 35.00	148



## Segment Realignment

In the fourth fiscal quarter of 2019, the Company realigned its reportable business segments structure. The Company changed its segment reporting to separate the former Resistors & Inductors reporting segment into separate Resistors and Inductors reporting segments. The chief operating decision maker now makes strategic and operating decisions with regards to assessing performance and allocating resources based on this new segment structure.

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 fourth fiscal quarter of 2019. 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>
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<a href="#">99.1</a>	<a href="#">Press release dated February 4, 2020</a>
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<a href="#">99.2</a>	<a href="#">Selected Financial Data reflecting the business segment realignment</a>
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104	Cover Page Interactive Data File (embedded within the Inline XBRL document).
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**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: February 4, 2020

VISHAY INTERTECHNOLOGY, INC.

By: /s/ Lori Lipcaman

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

## VISHAY REPORTS RESULTS FOR FOURTH QUARTER AND YEAR 2019

- Revenues for Q4 2019 of \$610 million and for the year 2019 \$2,668 million
- Gross Margin Q4 of 22.2% and year 2019 of 25.2%
- Operating Margin Q4 of 4.0% and year 2019 of 9.8%
- Adjusted Operating Margin Q4 of 6.7% and year 2019 of 10.7%
- EPS Q4 of \$0.10 and year 2019 of \$1.13
- Adjusted EPS Q4 of \$0.13 and year 2019 of \$1.26
- Free cash for the year 2019 of \$140 million
- Guidance for Q1 2020 for revenues of \$605 to \$645 million and gross margins of 24.0% plus/minus 70 basis points at Q4 exchange rates

MALVERN, Pa. – February 4, 2020 – Vishay Intertechnology, Inc. (NYSE: VSH), one of the world's largest manufacturers of discrete semiconductors and passive components, today announced its results for the year and fiscal quarter ended December 31, 2019.

Revenues for the year ended December 31, 2019 were \$2,668.3 million, compared to \$3,034.7 million for the year ended December 31, 2018. Net earnings attributable to Vishay stockholders for the year ended December 31, 2019 were \$163.9 million, or \$1.13 per diluted share compared to \$345.8 million, or \$2.24 per diluted share for the year ended December 31, 2018.

Revenues for the fiscal quarter ended December 31, 2019 were \$609.6 million, compared to \$628.3 million for the fiscal quarter ended September 28, 2019, and \$775.9 million for the fiscal quarter ended December 31, 2018. Net earnings attributable to Vishay stockholders for the fiscal quarter ended December 31, 2019 were \$14.0 million, or \$0.10 per diluted share, compared to \$30.0 million, or \$0.21 per diluted share for the fiscal quarter ended September 28, 2019, and \$102.4 million, or \$0.69 per diluted share for the fiscal quarter ended December 31, 2018.

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 \$0.13 and \$1.26 for the fiscal quarter and year ended December 31, 2019, respectively, \$0.26 for the fiscal quarter ended September 28, 2019, and \$0.58 and \$2.12 for the fiscal quarter and year ended December 31, 2018, respectively.

Commenting on results for the year 2019, Dr. Gerald Paul, President and Chief Executive Officer stated, “After a prolonged upturn in the prior two years, 2019 has been a year of correction for Vishay and the electronic components industry. The reduction of inflated inventory levels in the supply chain led to drastically reduced manufacturing volumes, which negatively impacted Vishay’s profitability. A further burden has been temporary manufacturing inefficiencies due to the very rapid and substantial adaptation of capacities to the decreased demand.”

Dr. Paul continued, commenting on the results for the fourth quarter 2019, “The performance in the fourth quarter has been disappointing due to a lower than usual contributive margin caused by an unfavorable product mix and various negative singularities impacting variable cost; lower other income; and a higher than assumed tax rate for the year. During the fourth quarter inventories of Vishay’s products at distribution were reduced by a further \$37 million. Based on lower order cancellations and an order uptick from distribution in all regions, we believe that the fourth quarter represented the low point of the inventory correction in the supply chain.”

Commenting on the outlook Dr. Paul stated, “For the first quarter 2020 we expect a further inventory reduction in the supply chain and guide for revenues in the range of \$605 to \$645 million and gross margins of 24.0% plus/minus 70 basis points at the exchange rates of the fourth quarter 2019. The guidance excludes the impact from the rapidly evolving coronavirus crisis.”

A conference call to discuss Vishay’s third quarter financial results is scheduled for Tuesday, February 4, 2020 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 access code is 4395745.

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>.

There will be a replay of the conference call from 12:00 p.m. ET on Tuesday, February 4, 2020, through 11:59 p.m. ET on Tuesday, February 18, 2020. The telephone number for the replay is +1 855-859-2056 (+1 404-537-3406, if calling from outside the United States or Canada) and the access code is 4395745.



## 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>.

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, inventories, product demand, 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; manufacturing or supply chain interruptions or changes in customer demand because of the coronavirus or similar diseases; 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.

### Contact:

Vishay Intertechnology, Inc.

Peter Henrici

Senior Vice President, Corporate Communications

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

	Years ended	
	December 31, 2019 (Unaudited)	December 31, 2018
Net revenues	\$ 2,668,305	\$ 3,034,689
Costs of products sold	1,997,105	2,146,165
Gross profit	671,200	888,524
Gross margin	25.2%	29.3%
Selling, general, and administrative expenses	384,631	403,404
Restructuring and severance costs	24,139	-
Operating income	262,430	485,120
Operating margin	9.8%	16.0%
Other income (expense):		
Interest expense	(33,683)	(36,680)
Other components of net periodic pension cost	(13,959)	(13,118)
Other	13,540	8,037
Loss on early extinguishment of debt	(2,030)	(26,583)
Total other income (expense) - net	(36,132)	(68,344)
Income before taxes	226,298	416,776
Income tax expense	61,508	70,239
Net earnings	164,790	346,537
Less: net earnings attributable to noncontrolling interests	854	779
Net earnings attributable to Vishay stockholders	\$ 163,936	\$ 345,758
Basic earnings per share attributable to Vishay stockholders	\$ 1.13	\$ 2.39
Diluted earnings per share attributable to Vishay stockholders	\$ 1.13	\$ 2.24
Weighted average shares outstanding - basic	144,608	144,370
Weighted average shares outstanding - diluted	145,136	154,622
Cash dividends per share	\$ 0.3700	\$ 0.3225

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

	Fiscal quarters ended		
	December 31, 2019	September 28, 2019	December 31, 2018
Net revenues	\$ 609,577	\$ 628,329	\$ 775,892
Costs of products sold	474,216	478,250	556,202
Gross profit	135,361	150,079	219,690
Gross margin	22.2%	23.9%	28.3%
Selling, general, and administrative expenses	94,299	91,796	100,023
Restructuring and severance costs	16,884	7,255	-
Operating income	24,178	51,028	119,667
Operating margin	4.0%	8.1%	15.4%
Other income (expense):			
Interest expense	(8,523)	(8,564)	(9,818)
Other components of net periodic pension cost	(3,848)	(3,348)	(2,782)
Other	196	5,066	2,597
Loss on early extinguishment of debt	(723)	-	(9,274)
Total other income (expense) - net	(12,898)	(6,846)	(19,277)
Income before taxes	11,280	44,182	100,390
Income tax expense (benefit)	(2,869)	13,917	(2,269)
Net earnings	14,149	30,265	102,659
Less: net earnings attributable to noncontrolling interests	187	227	240
Net earnings attributable to Vishay stockholders	<u>\$ 13,962</u>	<u>\$ 30,038</u>	<u>\$ 102,419</u>
Basic earnings per share attributable to Vishay stockholders	\$ 0.10	\$ 0.21	\$ 0.71
Diluted earnings per share attributable to Vishay stockholders	\$ 0.10	\$ 0.21	\$ 0.69
Weighted average shares outstanding - basic	144,628	144,628	144,384
Weighted average shares outstanding - diluted	145,202	145,027	148,378
Cash dividends per share	\$ 0.095	\$ 0.095	\$ 0.0850

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

	December 31, 2019 <u>(Unaudited)</u>	December 31, 2018 <u></u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 694,133	\$ 686,032
Short-term investments	108,822	78,286
Accounts receivable, net	328,187	397,020
Inventories:		
Finished goods	122,466	138,112
Work in process	187,354	190,982
Raw materials	121,860	150,566
Total inventories	<u>431,680</u>	<u>479,660</u>
Prepaid expenses and other current assets	<u>141,294</u>	<u>142,888</u>
Total current assets	<u>1,704,116</u>	<u>1,783,886</u>
Property and equipment, at cost:		
Land	75,011	87,622
Buildings and improvements	585,064	619,445
Machinery and equipment	2,606,355	2,510,001
Construction in progress	110,722	125,109
Allowance for depreciation	<u>(2,425,627)</u>	<u>(2,373,176)</u>
	951,525	969,001
Right of use assets	93,162	-
Goodwill	150,642	147,480
Other intangible assets, net	60,659	65,688
Other assets	<u>160,671</u>	<u>140,143</u>
Total assets	<u>\$ 3,120,775</u>	<u>\$ 3,106,198</u>

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

	December 31, 2019 <u>(Unaudited)</u>	December 31, 2018 <u></u>
Liabilities, temporary equity, and stockholders' equity		
Current liabilities:		
Notes payable to banks	\$ 2	\$ 18
Trade accounts payable	173,915	218,322
Payroll and related expenses	122,100	141,670
Lease liabilities	20,217	-
Other accrued expenses	186,463	229,660
Income taxes	17,731	54,436
Total current liabilities	<u>520,428</u>	<u>644,106</u>
Long-term debt less current portion	499,147	494,509
U.S. transition tax payable	140,196	154,953
Deferred income taxes	22,021	85,471
Long-term lease liabilities	78,511	-
Other liabilities	100,207	79,489
Accrued pension and other postretirement costs	272,402	260,984
Total liabilities	<u>1,632,912</u>	<u>1,719,512</u>
Redeemable convertible debentures	174	2,016
Equity:		
Vishay stockholders' equity		
Common stock	13,235	13,212
Class B convertible common stock	1,210	1,210
Capital in excess of par value	1,425,170	1,436,011
Retained earnings (accumulated deficit)	72,180	(61,258)
Accumulated other comprehensive income (loss)	(26,646)	(6,791)
Total Vishay stockholders' equity	<u>1,485,149</u>	<u>1,382,384</u>
Noncontrolling interests	2,540	2,286
Total equity	<u>1,487,689</u>	<u>1,384,670</u>
Total liabilities, temporary equity, and equity	<u>\$ 3,120,775</u>	<u>\$ 3,106,198</u>

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

	Years ended	
	December 31, 2019	December 31, 2018
	(Unaudited)	
<b>Operating activities</b>		
Net earnings	\$ 164,790	\$ 346,537
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	164,461	161,863
(Gain) loss on disposal of property and equipment	(157)	(2,216)
Accretion of interest on convertible debt instruments	14,146	10,769
Inventory write-offs for obsolescence	26,494	23,872
Pensions and other postretirement benefits, net of contributions	(552)	(1,549)
Loss on early extinguishment of debt	2,030	26,583
Deferred income taxes	(23,009)	(55,206)
Other	13,341	21,194
Change in U.S. transition tax liability	(14,757)	(14,757)
Change in repatriation tax liability	(38,814)	(156,767)
Changes in operating assets and liabilities, net of effects of businesses acquired	(11,529)	(101,817)
Net cash provided by operating activities	<u>296,444</u>	<u>258,506</u>
<b>Investing activities</b>		
Purchase of property and equipment	(156,641)	(229,899)
Proceeds from sale of property and equipment	577	55,561
Purchase of businesses, net of cash acquired	(11,862)	(14,880)
Purchase of short-term investments	(111,631)	(175,403)
Maturity of short-term investments	81,012	636,108
Other investing activities	3,587	(2,058)
Net cash provided by (used in) investing activities	<u>(194,958)</u>	<u>269,429</u>
<b>Financing activities</b>		
Proceeds from long-term borrowings	-	600,000
Issuance costs	(5,394)	(15,621)
Repurchase of convertible debentures	(27,863)	(960,995)
Net proceeds (payments) on revolving credit lines	-	(150,000)
Net changes in short-term borrowings	(16)	15
Dividends paid to common stockholders	(48,968)	(42,608)
Dividends paid to Class B common stockholders	(4,476)	(3,901)
Distributions to noncontrolling interests	(600)	(525)
Cash withholding taxes paid when shares withheld for vested equity awards	(2,708)	(2,297)
Net cash used in financing activities	<u>(90,025)</u>	<u>(575,932)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(3,360)</u>	<u>(14,003)</u>
Net increase (decrease) in cash and cash equivalents	8,101	(62,000)
Cash and cash equivalents at beginning of period	<u>686,032</u>	<u>748,032</u>
Cash and cash equivalents at end of period	<u>\$ 694,133</u>	<u>\$ 686,032</u>

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

	Fiscal quarters ended			Years ended	
	December 31, 2019	September 28, 2019	December 31, 2018	December 31, 2019	December 31, 2018
GAAP net earnings attributable to Vishay stockholders	\$ 13,962	\$ 30,038	\$ 102,419	\$ 163,936	\$ 345,758
<b>Reconciling items affecting operating income:</b>					
Restructuring and severance costs	\$ 16,884	\$ 7,255	\$ -	\$ 24,139	\$ -
<b>Reconciling items affecting other income (expense):</b>					
Loss on early extinguishment of debt	\$ 723	\$ -	\$ 9,274	\$ 2,030	\$ 26,583
<b>Reconciling items affecting tax expense (benefit):</b>					
Effects of tax-basis foreign exchange gain	\$ -	\$ -	\$ -	\$ 7,554	\$ -
Enactment of TCJA	-	-	-	-	25,496
Effects of cash repatriation program	(11,554)	2,604	(3,037)	(9,583)	(10,047)
Change in deferred taxes due to early extinguishment of debt	(289)	-	(20,914)	(1,601)	(54,877)
Effects of changes in uncertain tax positions	2,831	-	-	2,831	-
Tax effects of pre-tax items above	(4,277)	(1,644)	(2,028)	(6,211)	(5,812)
Adjusted net earnings	<u>\$ 18,280</u>	<u>\$ 38,253</u>	<u>\$ 85,714</u>	<u>\$ 183,095</u>	<u>\$ 327,101</u>
Adjusted weighted average diluted shares outstanding	145,202	145,027	148,378	145,136	154,622
Adjusted earnings per diluted share	\$ 0.13	\$ 0.26	\$ 0.58	\$ 1.26	\$ 2.12

VISHAY INTERTECHNOLOGY, INC.

Reconciliation of Free Cash

(Unaudited - In thousands)

	Fiscal quarters ended			Years ended	
	December 31, 2019	September 28, 2019	December 31, 2018	December 31, 2019	December 31, 2018
Net cash provided by operating activities	\$ 84,423	\$ 76,202	\$ 149,615	\$ 296,444	\$ 258,506
Proceeds from sale of property and equipment	91	22	47,106	577	55,561
Less: Capital expenditures	(56,374)	(30,119)	(103,508)	(156,641)	(229,899)
Free cash	<u>\$ 28,140</u>	<u>\$ 46,105</u>	<u>\$ 93,213</u>	<u>\$ 140,380</u>	<u>\$ 84,168</u>



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

	Fiscal quarters ended			Years ended	
	December 31, 2019	September 28, 2019	December 31, 2018	December 31, 2019	December 31, 2018
GAAP net earnings attributable to Vishay stockholders	\$ 13,962	\$ 30,038	\$ 102,419	\$ 163,936	\$ 345,758
Net earnings attributable to noncontrolling interests	187	227	240	854	779
Net earnings	\$ 14,149	\$ 30,265	\$ 102,659	\$ 164,790	\$ 346,537
Interest expense	\$ 8,523	\$ 8,564	\$ 9,818	\$ 33,683	\$ 36,680
Interest income	(1,734)	(2,365)	(3,638)	(8,445)	(11,940)
Income taxes	(2,869)	13,917	(2,269)	61,508	70,239
Depreciation and amortization	42,159	40,956	39,975	164,461	161,863
EBITDA	\$ 60,228	\$ 91,337	\$ 146,545	\$ 415,997	\$ 603,379
<u>Reconciling items</u>					
Restructuring and severance costs	\$ 16,884	\$ 7,255	\$ -	\$ 24,139	\$ -
Loss on early extinguishment of debt	723	-	9,274	2,030	26,583
Adjusted EBITDA	\$ 77,835	\$ 98,592	\$ 155,819	\$ 442,166	\$ 629,962
Adjusted EBITDA margin**	12.8%	15.7%	20.1%	16.6%	20.8%

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

## Vishay Intertechnology, Inc.

**Introduction**

In the fourth fiscal quarter of 2019, the Company realigned its reportable business segments structure. The Company changed its segment reporting to separate the former Resistors & Inductors reporting segment into separate Resistors and Inductors reporting segments. The chief operating decision maker now makes strategic and operating decisions with regards to assessing performance and allocating resources based on this new segment structure.

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, 2018 and the Company's Quarterly Reports on Form 10-Q for the fiscal quarters ended March 30, 2019, June 29, 2019, and September 28, 2019.

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**VISHAY INTERTECHNOLOGY, INC.**

## Selected Segment Information

as recast to reflect the business segment realignment

(Unaudited - in thousands)

	Years ended					
	December 31, 2017			December 31, 2018		
	Resistors & Inductors	Resistors	Inductors	Resistors & Inductors	Resistors	Inductors
	<i>As Reported</i>	<i>Recast</i>		<i>As Reported</i>	<i>Recast</i>	
Net revenues	\$ 843,529	\$ 590,465	\$ 253,064	\$ 1,018,286	\$ 716,394	\$ 301,892
Gross Profit	251,905	179,443	72,462	337,268	238,356	98,912
Segment Operating Income	222,878	159,812	63,066	303,571	214,347	89,224
Depreciation Expense	34,083	23,853	10,230	37,708	26,416	11,292
Capital Expenditures	67,007	44,214	22,793	80,862	50,978	29,884
Total Assets	\$ 994,639	\$ 664,609	\$ 330,030	\$ 874,835	\$ 587,595	\$ 287,240

	Fiscal quarters ended								
	March 30, 2019			June 29, 2019			September 29, 2019		
	Resistors & Inductors	Resistors	Inductors	Resistors & Inductors	Resistors	Inductors	Resistors & Inductors	Resistors	Inductors
	<i>As Reported</i>	<i>Recast</i>		<i>As Reported</i>	<i>Recast</i>		<i>As Reported</i>	<i>Recast</i>	
Net revenues	\$ 260,471	\$ 188,831	\$ 71,640	\$ 242,383	\$ 165,359	\$ 77,024	\$ 228,577	\$ 155,119	\$ 73,458
Gross Profit	85,869	62,589	23,280	71,415	46,877	24,538	65,894	42,444	23,450
Segment Operating Income	76,987	56,347	20,640	63,443	41,667	21,776	57,697	36,900	20,797