

# 1Q 2025 Earnings Conference Call

May 7, 2025

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## NOTES ON FORWARD-LOOKING STATEMENTS

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

## NON-GAAP FINANCIAL MEASURES

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

**“Adjusted net earnings”** is net earnings (loss) determined in accordance with GAAP, adjusted for various items that Management believes are not indicative of the intrinsic operating performance of the Company, such as goodwill impairment charges, restructuring and severance costs, losses on early extinguishment of debt, and other significant charges or credits that are important to understanding our intrinsic operations. The measurement is used by Management to evaluate our performance,

and also is a key performance metric for executive compensation. Reconciling items to arrive at adjusted net earnings are more fully described in the Company’s annual report on Form 10-K and its quarterly reports on Forms 10-Q.

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

**“Adjusted gross margin”** is “adjusted gross profit” expressed as a percentage of net revenues.

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

**“Adjusted operating margin”** is “adjusted operating income” expressed as a percentage of net revenues.

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

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

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

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

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

These measures do not have uniform definitions and accordingly, these measures, as calculated by Vishay, may not be comparable to similarly titled measures used by other companies. Such measures should not be viewed as alternatives to GAAP measures of performance or liquidity. However, Management believes such measures are meaningful to an evaluation of our business, as described above.

# Revenue Mix By End Market

## INDUSTRIAL + 3% QoQ - 1% YoY

- ▶ Led by Europe which was better than forecasted, resulting in positive B2B
- ▶ Continued strong demand for smart grid infrastructure projects in Europe and Asia
  - ▶ Won new programs including 1<sup>st</sup> in US

## AUTOMOTIVE - 2% QoQ - 11% YoY

- ▶ Lower ASP reflecting 2025 OEM contracts
- ▶ Tier1 suppliers in Europe and Americas pulled at normal/accelerating rates
- ▶ Design activity shifting toward hybrid powertrains

## OTHER + 4% QoQ + 8% YoY

- ▶ 5<sup>th</sup> consecutive quarter of QoQ growth
- ▶ Increased volume to support demand for A.I. servers and server projects in Asia
- ▶ Design activity expanded to include AI workstations, edge servers and AI optical modules

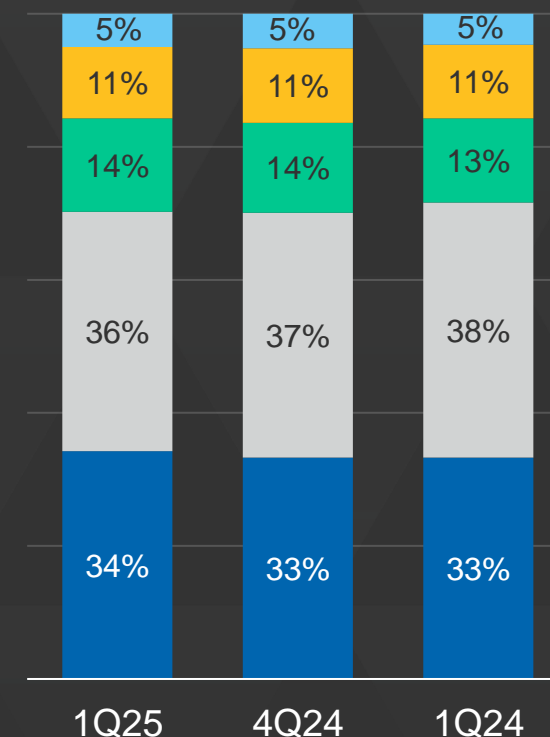
## AERO/DEFENSE - 5% QoQ - 8% YoY

- ▶ Distribution partners managing inventory
- ▶ Positive B2B in the Americas and Europe
- ▶ Design activity across a broad array of next generation programs

## MEDICAL

- 1% QoQ + 6% YoY

- ▶ Mixed results reflecting fluctuations in timing of orders
- ▶ Seeing results from strategy to more fully leverage breadth of portfolio



■ INDUSTRIAL      ■ AUTOMOTIVE  
 ■ OTHER\*          ■ AERO/DEFENSE  
 ■ MEDICAL

\* Power Supplies, Telecom, Consumers, Computing

# Revenue Mix By Sales Channel

## DISTRIBUTION + 3% QoQ + 2% YoY

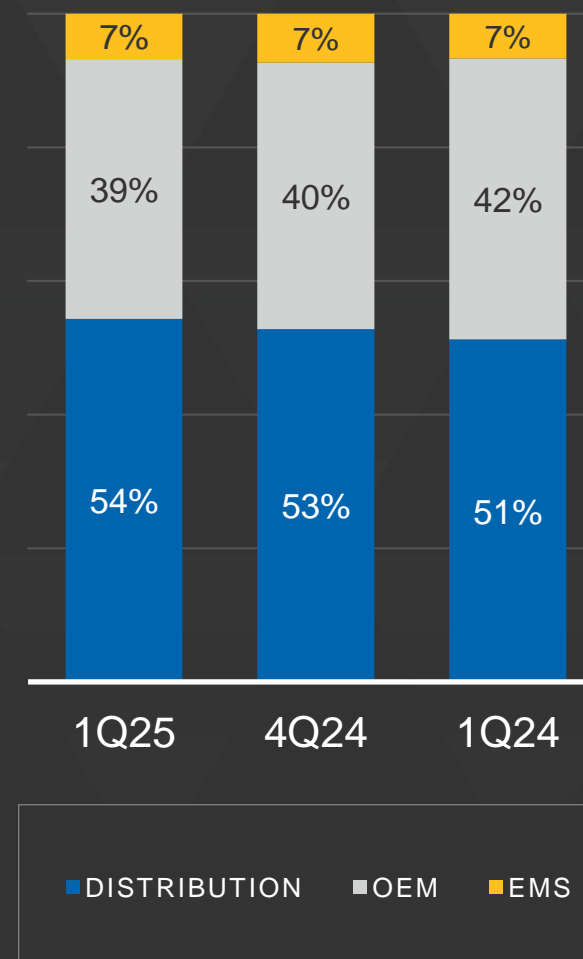
- ▶ Worldwide POS grew 4% QoQ, reflecting 4% increase in the Americas, 10% in Europe and flat Asia
- ▶ Americas: higher intake from multiple POS segments
- ▶ Europe: orders higher than 2H 2024 supporting improved POS

## OEM - 2% QoQ - 11% YoY

- ▶ Revenue QoQ impacted by ASP reduction as 2025 contracts went into effect
- ▶ Order intake positive by industrial OEMs in each region including strong demand for smart grid infrastructure projects

## EMS - 7% QoQ - 3% YoY

- ▶ Declined QoQ on market softness in non-AI related business
- ▶ Inventory levels nearly normalized
  - ▶ European EMS still holding high inventory levels



# Revenue Mix By Region

## EUROPE

+ 8% QoQ

- 6% YoY

- Overcorrection of inventory in industrial end markets

## ASIA

- 3% QoQ

0% YoY

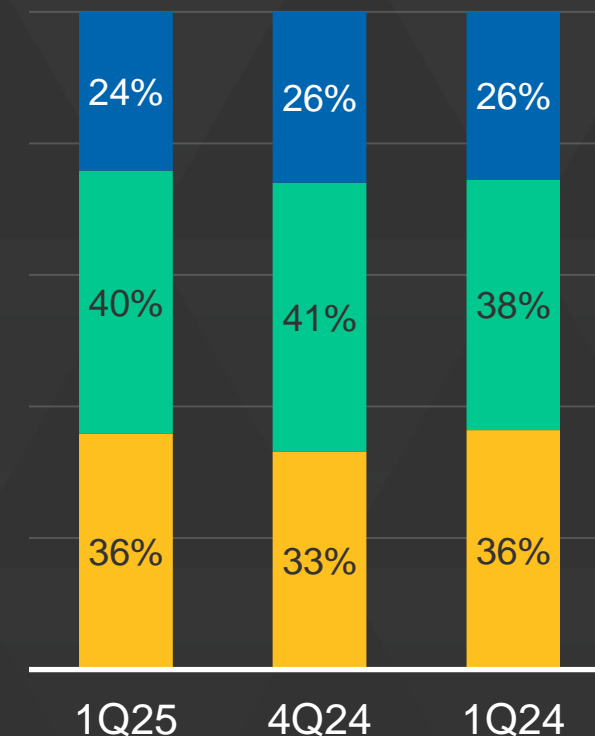
- Seasonally soft quarter due to Chinese New Year

## AMERICAS

- 6% QoQ

- 8% YoY

- Soft industrial sales



■ EUROPE ■ ASIA ■ AMERICAS

# 1Q 2025 Highlights

1Q 2025 REVENUES

**\$715.2 M**

GROSS MARGIN

**19.0%**

including negative impact of approximately 200 bps related to Newport

**\$(0.03)** EPS

**\$(0.03)** Adjusted EPS

1Q 2025 BOOK-TO-BILL

**1.08**

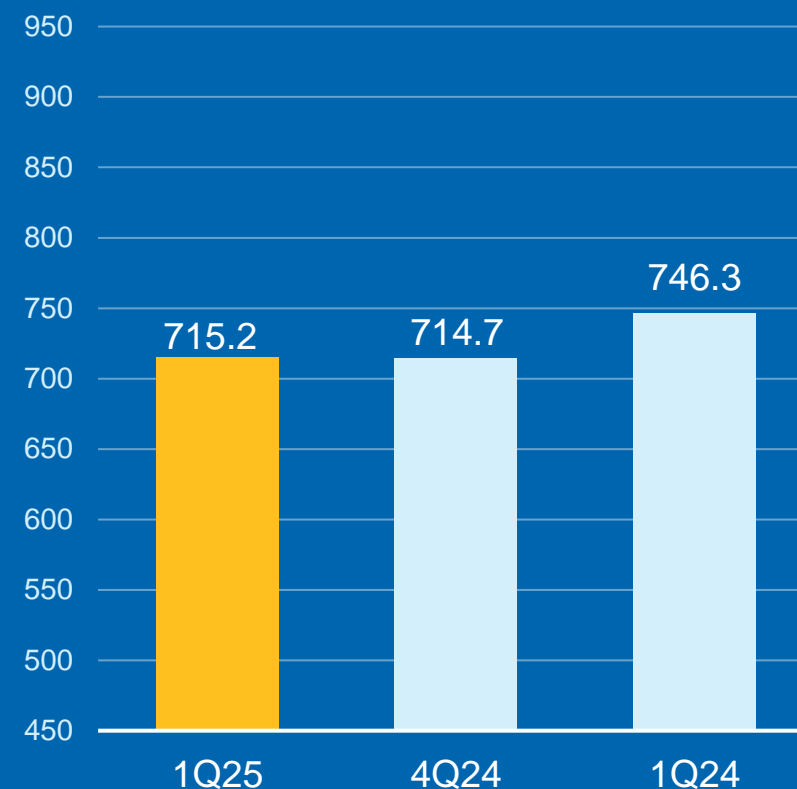
1.12 FOR SEMICONDUCTORS

1.04 FOR PASSIVE COMPONENTS

BACKLOG AT  
QUARTER END

**4.7 months**

TOTAL REVENUES (\$M)



1Q 2025

7



# Income Statement Highlights

## Gross Margin

**19.0%**

Including ~200 basis  
impact of Newport

## SG&A Expenses

**\$134.7 M**

## Operating Margin

**0.1%**

## EBITDA Margin

**7.6%**

## Effective Tax Rate

**3.2%**

## EPS

**\$(0.03)**

## Adjusted Operating Margin

**0.1%**

## Adjusted EBITDA Margin

**7.6%**

## Normalized Effective Tax Rate

**3.2%**

## Adjusted EPS

**\$(0.03)**

# Segment Results (\$M)

MOSFETs			
	REVENUES	GROSS MARGIN	BOOK TO BILL
1Q 2025	\$142.1	8.2%	1.32
4Q 2024	\$146.6	15.6%	0.98
1Q 2024	\$153.2	16.6%	0.68

DIODES			
	REVENUES	GROSS MARGIN	BOOK TO BILL
1Q 2025	\$141.0	19.9%	0.99
4Q 2024	\$141.4	20.2%	1.00
1Q 2024	\$149.1	21.7%	0.72

OPTO			
	REVENUES	GROSS MARGIN	BOOK TO BILL
1Q 2025	\$51.2	20.9%	0.90
4Q 2024	\$46.9	11.7%	1.00
1Q 2024	\$49.2	14.2%	0.89

RESISTORS			
	REVENUES	GROSS MARGIN	BOOK TO BILL
1Q 2025	\$179.5	22.5%	1.00
4Q 2024	\$177.0	17.3%	0.91
1Q 2024	\$188.2	24.7%	0.79

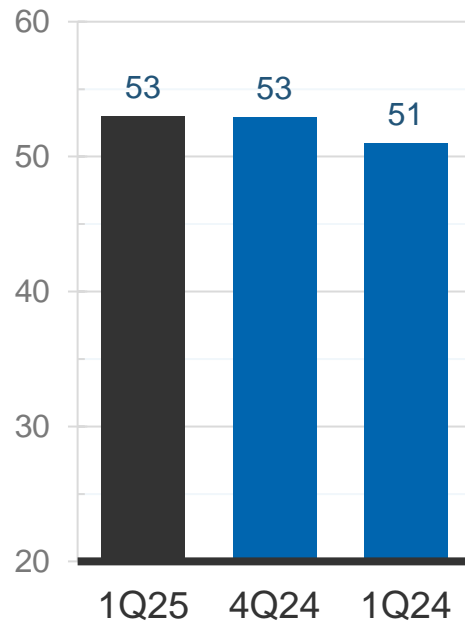
INDUCTORS			
	REVENUES	GROSS MARGIN	BOOK TO BILL
1Q 2025	\$84.1	20.9%	1.02
4Q 2024	\$83.4	29.6%	1.01
1Q 2024	\$88.7	30.2%	0.96

CAPACITORS			
	REVENUES	GROSS MARGIN	BOOK TO BILL
1Q 2025	\$117.4	23.2%	1.13
4Q 2024	\$119.3	25.1%	1.21
1Q 2024	\$117.9	27.4%	1.03

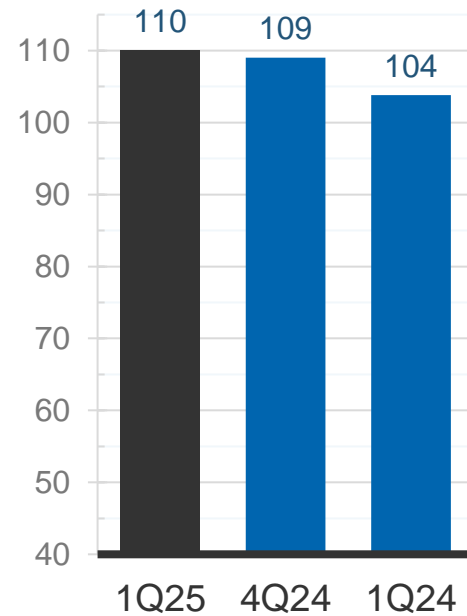


# Cash Conversion Cycle

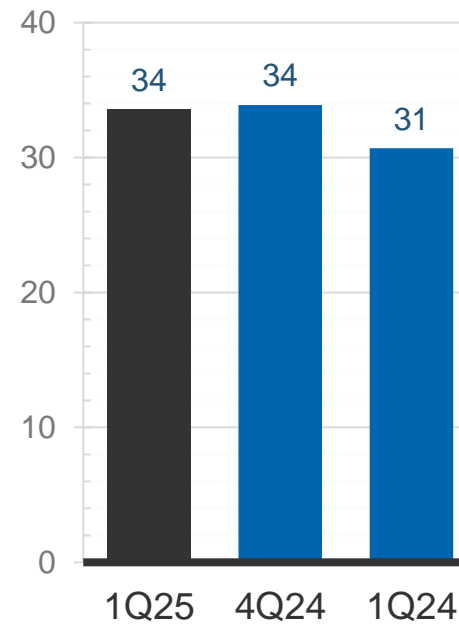
## DSO



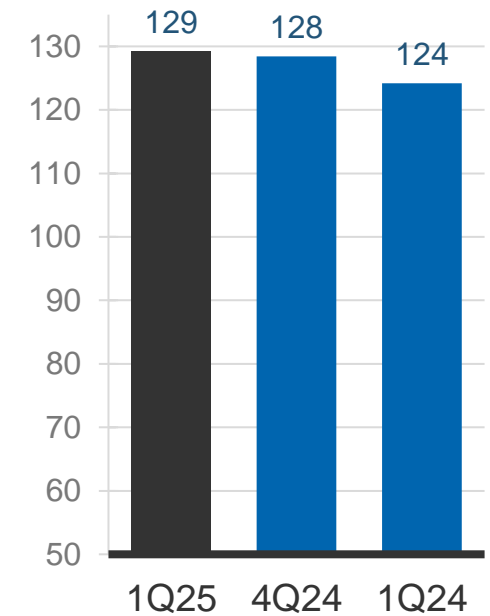
## DIO



## DPO



## CASH CONVERSION CYCLE

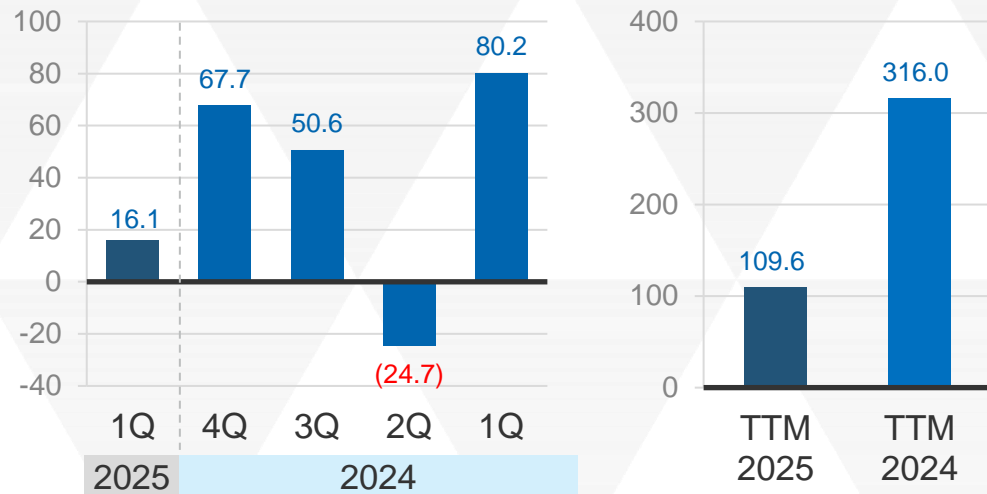


# Cash Flow Generation

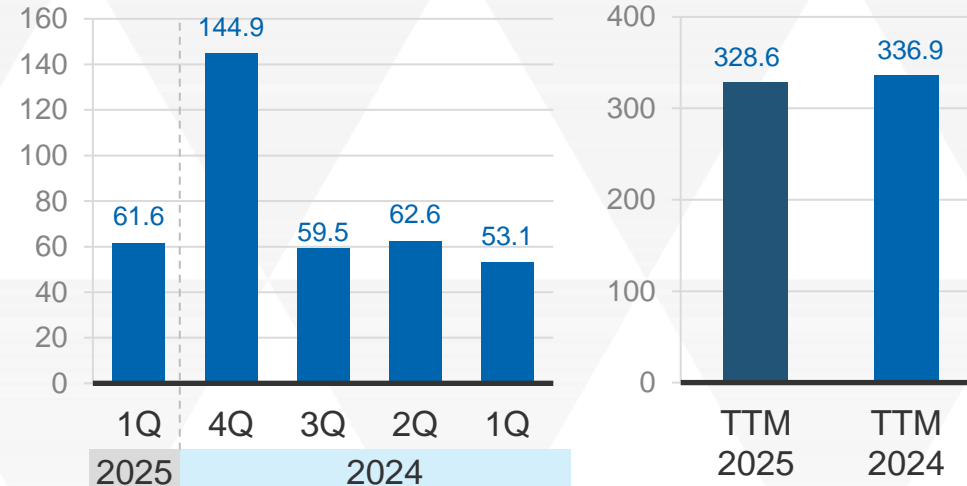
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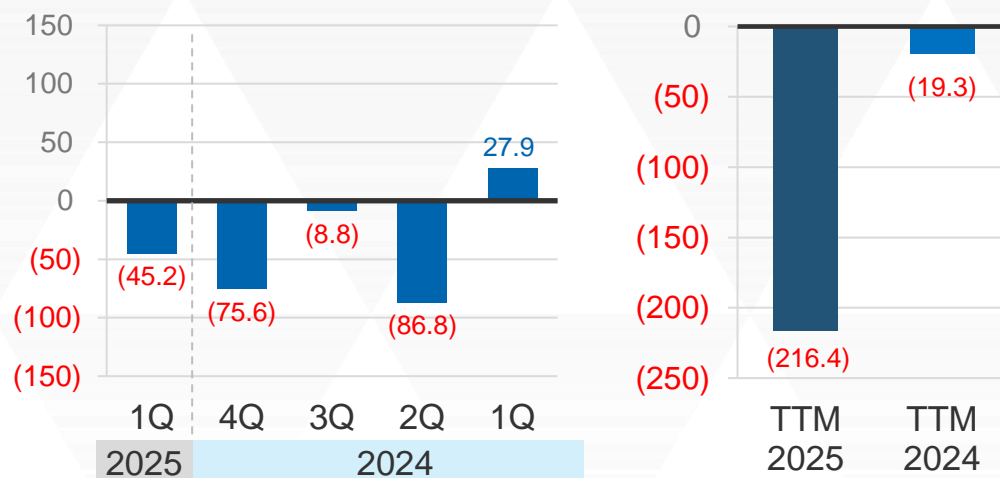
## CASH FLOW FROM OPERATIONS (\$/M)



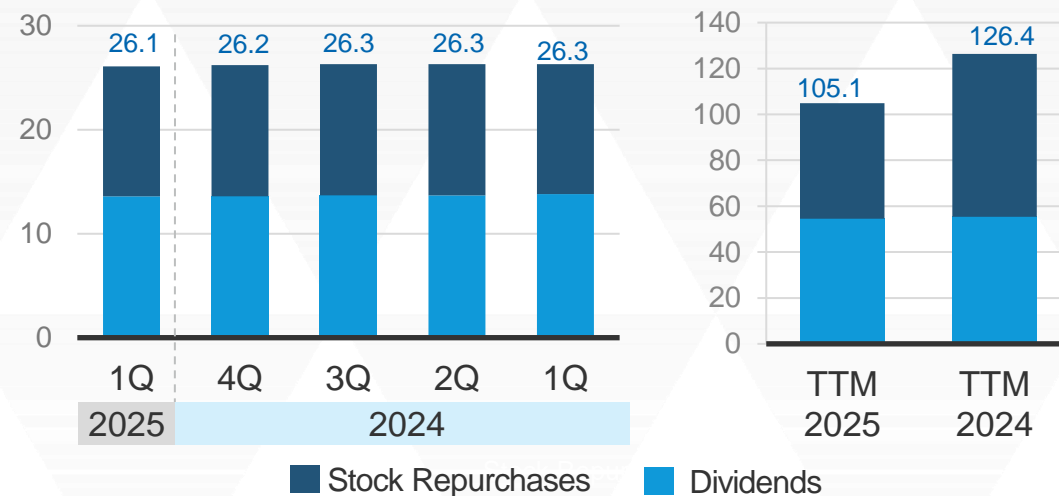
## CAPEX (\$/M)



## FREE CASH FLOW (\$/M)



## STOCKHOLDER RETURNS (\$/M)



# U.S. Tariff Summary

(As of April 9, 2025)

## Semiconductors

- Products manufactured in China and sold in the U.S. – 70% tariff
- Products manufactured in all other countries and sold in the U.S. – generally not subject to tariff

## Passive Components

- Products manufactured in China and sold in the U.S. – 170% tariff
  - Products manufactured in Mexico and sold in the U.S. – generally not subject to tariff under USMCA
  - Products manufactured in all other countries and sold in the U.S. – generally 10% tariff, with certain exceptions
- 
- Country-of-origin China products to customers in the U.S – less than 4% of consolidated sales of Vishay
  - U.S. manufactured goods sold in China – less than 2% of consolidated sales of Vishay

## Estimated Impact 2Q 2025, assumed in guidance:

- Revenue: ~1% to 2% increase versus 1Q
- Gross profit: ~\$0
- Gross margin %: ~**(30)** bps

# Guidance 2Q 2025

## REVENUE

**\$760 M**  
+/- \$20 M

## GROSS MARGIN

**19.0%**  
+/- 50 bps

Newport Impact  
Negative  
175-200 bps

## SG&A

2Q 2025

**\$136 M**  
+/- \$2 M

FY 2025

**\$530 -  
560 M**

## NORMALIZED EFFECTIVE TAX RATE

**~30-32%**

## CAPEX 2025

**\$300-350 M**

# Strategic Growth Levers



# Financial Goals 2028

## TOTAL REVENUE

2023

\$3.4B

CAGR

9-11%

## GROSS MARGIN

2023

28.6%

31-33%

## OPERATING MARGIN

2023

14.3%

19-21%

## ADJ. EBITDA MARGIN

2023

19.5%

25-27%

## ROIC

2023

11.2%

 $\geq 14\%$ 

## CAPITAL INTENSITY

2023

9.7%

6-7%

# Appendix



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1Q 2025 Earnings Conference Call

# Product Type 2024

## CERTIFIED PRODUCTS

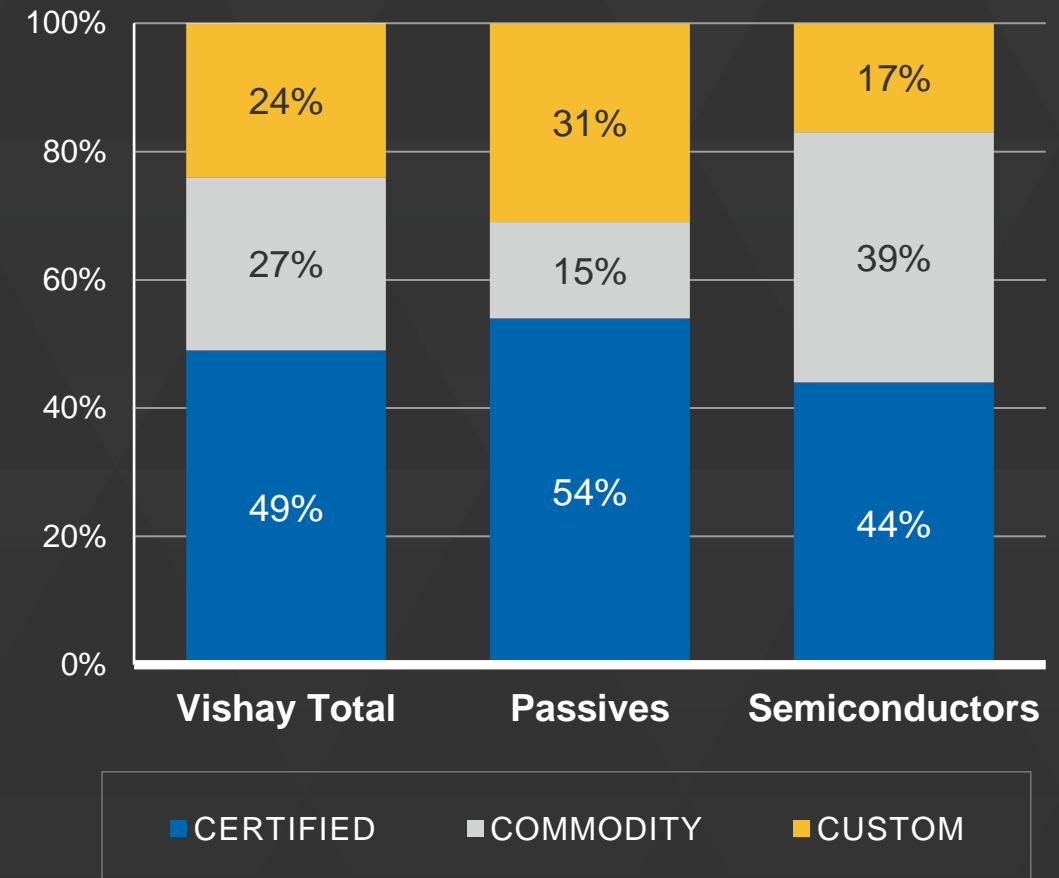
small number of competitors with similar products (qualifications such as automotive, military, UL)

## COMMODITY PRODUCTS

completely interchangeable with competitors' products

## CUSTOM PRODUCTS

designed for and sold to a specific customer





# Trusted by...

## OEM



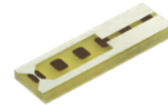
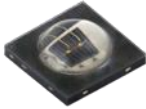
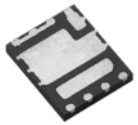
## EMS



## DISTRIBUTION

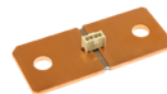


# Broadest Line of Discrete Semiconductors and Passive Components



DISCRETE SEMICONDUCTORS ► PASSIVE COMPONENTS

LOWEST VOLTAGE DIODE ► HIGHEST ENERGY CAPACITOR



**In power applications, we can populate ~80% of our customers' Bill of Material**

# P&L

IN MILLIONS (Except Per Share Amounts)	1Q 2025	4Q 2024	1Q 2024
Net Revenues	\$715.2	\$714.7	\$746.3
Cost of Products Sold	579.7	572.6	575.9
Gross Profit	135.6	142.1	170.4
Gross Margin	19.0%	19.9%	22.8%
SG&A	134.7	132.3	127.7
Impairment of goodwill	-	66.5	-
Operating Income (Loss)	0.8	(56.7)	42.7
Operating Margin	0.1%	(7.9%)	5.7%
Other Income (Expense):			
Interest Expense	(8.8)	(7.7)	(6.5)
Other	3.7	5.6	8.1
Total Other Income (Expense) - Net	(5.0)	(2.2)	1.6
Income (Loss) Before Taxes	(4.2)	(58.9)	44.3
Income Tax Expense (Benefit)	(0.1)	7.2	12.8
Net Earnings (Loss)	(4.1)	(66.1)	31.4
Less: Net Earnings Attributable to Noncontrolling Interests	-	0.2	0.5
Net Earnings (Loss) Attributable to Vishay Stockholders	(4.1)	(66.3)	30.9
Diluted Earnings (Loss) Per Share Attributable To Vishay Stockholders	(0.03)	(0.49)	0.22
Weighted Average Shares Outstanding - Diluted	135.8	136.1	138.5
Cash Dividends Per Share	\$0.10	\$0.10	\$0.10

# Reconciliation of Adjusted Net Earnings

IN MILLIONS (Except Per Share Amounts)	1Q 2025	4Q 2024	1Q 2024
GAAP Net Earnings (Loss) Attributable to Vishay Stockholders	(\$4.1)	(\$66.3)	\$30.9
Reconciling items affecting operating income:			
Impairment of goodwill	-	66.5	-
Adjusted net earnings (loss)	(\$4.1)	\$0.2	\$30.9
Adjusted weighted average diluted shares outstanding	135.8	136.9	138.5
Adjusted earnings (loss) per diluted share	(\$0.03)	\$0.00	\$0.22

# Reconciliation of Free Cash

IN MILLIONS	1Q 2025	4Q 2024	1Q 2024
Net Cash Provided by Operating Activities	\$16.1	\$67.7	\$80.2
Proceeds From Sale of Property and Equipment	0.3	1.6	0.8
Less: Capital Expenditures	(61.6)	(144.9)	(53.1)
Free Cash	(\$45.2)	(\$75.6)	(\$27.9)

# Reconciliation of EBITDA

IN MILLIONS	1Q 2025	4Q 2024	1Q 2024
GAAP Net Earnings (Loss) Attributable to Vishay Stockholders	(\$4.1)	(\$66.3)	\$30.9
Net Earnings Attributable to Noncontrolling Interests	-	0.2	0.5
Net Earnings (Loss)	(\$4.1)	(\$66.1)	\$31.4
Interest Expense	\$8.8	\$7.7	\$6.5
Interest Income	(3.9)	(4.5)	(9.1)
Income Taxes	(0.1)	7.2	12.8
Depreciation and Amortization	53.8	55.4	49.5
EBITDA	\$54.5	(\$0.2)	\$91.2
<u>Reconciling items</u>			
Impairment of Goodwill	-	66.5	-
Adjusted EBITDA	\$54.5	\$66.2	\$91.2
Adjusted EBITDA Margin **	7.6%	9.3%	12.2%

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

# Vishay



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## The DNA of tech®