

Q3 2021 EARNINGS RELEASE

October 26, 2021

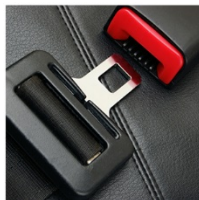
 **Littelfuse®**
Expertise Applied | Answers Delivered

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Non-GAAP Financial Measures. The information included in this presentation includes the non-GAAP financial measures of organic net sales growth, adjusted operating margin, adjusted diluted earnings per share, adjusted effective tax rate, and free cash flow. A reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures are set forth in the appendix. The company believes that these non-GAAP financial measures provide useful information to investors regarding its operational performance and ability to generate cash enhancing an investor's overall understanding of its core financial performance. The company believes that these non-GAAP financial measures are commonly used by financial analysts and provide useful information to analysts. Management uses these measures when assessing the performance of the business and for business planning purposes. Note that the definitions of these non-GAAP financial measures may differ from those terms as defined or used by other companies.



BUSINESS UPDATE

Dave Heinzmann, President & CEO

Q3-21 KEY THEMES

- Record revenue & earnings for the quarter
- Outstanding performance within challenging supply chain environment
- Ongoing, effective operational execution
 - Continuous improvements to support customers
 - Reflects global teams' commitment & hard work
- Broad-based strength across electronics segment end-markets, tempered by supply constraints in passenger car markets

ANNOUNCEMENT TO ACQUIRE CARLING TECHNOLOGIES



Accelerate Success
in Higher Growth
Applications &
Markets

- eMobility
- Renewables
- Energy Storage
- Power Conversion ✓
- HVAC
- Commercial Vehicles ✓



Expand Geographic
Penetration

- Japan
- Korea
- India



Leverage Core
Competencies

- Go-to-Market Strength ✓
- Technical & Engineering Expertise ✓
- Global Footprint ✓

Consistent with strategic M&A priorities



Carling Technologies®
Innovative Designs. Powerful Solutions.



Switches



Circuit Breakers



Power Distribution Units

INDUSTRIAL END MARKETS POSITIONED FOR CONTINUED GROWTH

Q3-21 Highlights

- Alternative energy, smart industry & safety continues to expand opportunities
 - Strength across core markets
- Leveraging Hartland Controls product portfolio to capture design wins
- New business across Asia, Europe & North America

Q3-21 Key Design Wins



- HVAC (Industrial Refrigeration)
- Renewable Energy & Energy Storage
- Industrial Safety

TRANSPORTATION END MARKETS

EXTENDING OUR LEADERSHIP POSITION

Q3-21 Highlights

- Sustainability & safety increasing product content opportunities
- Electric vehicle ramp driving robust design activity & several strategic gains
- Content outgrowth with wide range of passenger car wins
- Captured commercial vehicle business across China, Europe & North America

Q3-21 Key Design Wins



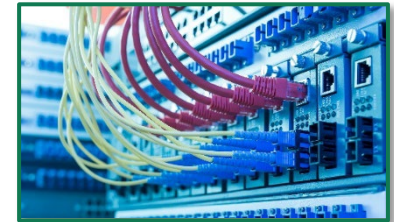
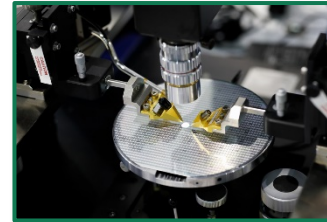
- xEV & EV Charging Applications
- EV Bus
- High-Current modules for passenger vehicles
- Automotive Electronics

ELECTRONICS END MARKETS LEVERAGING OUR LEADERSHIP

Q3-21 Highlights

- Ongoing trend towards a more connected & electrified world expands new business pipeline
- Rapid technical support driving design wins
 - Speed of service is differentiator, especially in current landscape
- Increasing presence across a wide spectrum of applications... from renewables to factory & building automation to manufacturing tools

Q3-21 Key Design Wins



- Data Center
- Appliances & Building Solutions
- Lawn & Garden Tools
- Manufacturing Tools



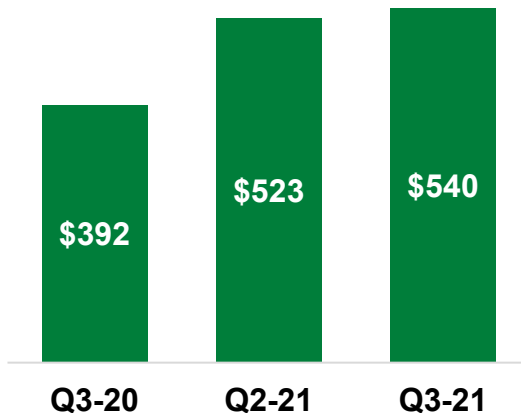
FINANCIAL UPDATE

Meenal Sethna, EVP & CFO

Q3-21 FINANCIAL PERFORMANCE

(in millions)

Revenue & EPS



	Q3-20	Q2-21	Q3-21
GAAP EPS	\$2.25	\$3.30	\$3.69
Adj. EPS	\$2.16	\$3.41	\$3.95

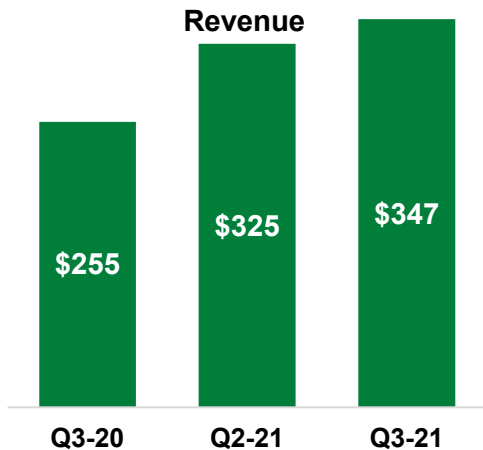
Highlights

- Revenue +38% vs. prior year, +3% sequentially
 - +29% organic vs. prior year
- GAAP operating margin 22.3%; adjusted operating margin 22.8%, +330 bps sequential
- Strength in sales / margins led by Electronics segment
- Adjusted EPS +83% vs prior year, +16% sequentially
- Effective tax rate: GAAP 19.0%; adjusted 17.6%
- Free cash flow \$89m; \$183m YTD
 - 79% conversion YTD

Q3-21 SEGMENT PERFORMANCE


(in millions)

Electronics Segment



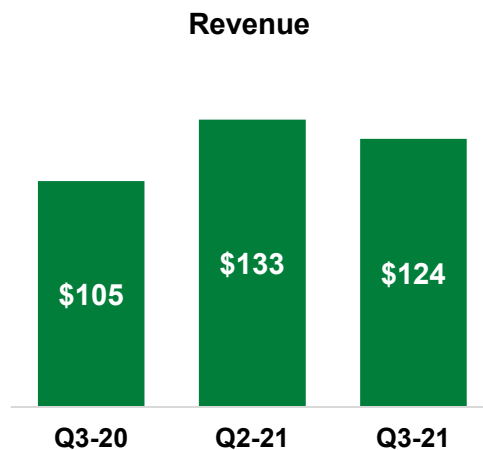
Op Margin	Q3-20	Q2-21	Q3-21
	18.0%	22.8%	28.9%

- Revenue +36%, +7% sequential
- Sales stronger than expected, working through backlog and content growth
- Record operating margins from favorable geographic/product mix, record volumes

 & price realization

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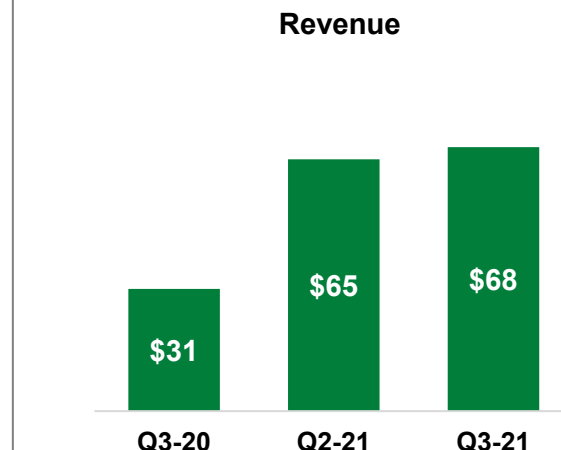
Automotive Segment



Op Margin	Q3-20	Q2-21	Q3-21
	14.7%	14.4%	12.7%

- Revenue +19%, (-7%) sequential; Versus prior year: comm. vehicle +38%, pass. vehicle +13%
- Chip shortages impacting passenger car build / customer production
- Segment affected most by higher commodity prices

Industrial Segment



Op Margin	Q3-20	Q2-21	Q3-21
	15.6%	12.9%	9.7%

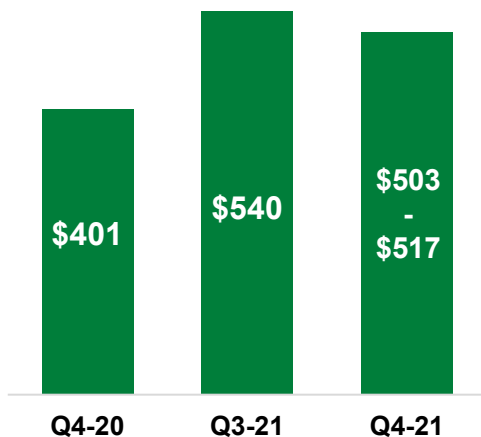
- Revenue +116%, +5% sequential
- Continued strength across HVAC, renewables, energy storage
- Segment margins impacted by supply disruptions and lower Hartland (acquisition) margins

See appendix for GAAP to non-GAAP reconciliation
Littelfuse, Inc. © 2021

Q4-21 GUIDANCE

(in millions)

Revenue & EPS



GAAP EPS	\$2.39	\$3.69	*
Adj. EPS	\$2.23	\$3.95	\$2.80 - \$2.96

See appendix for GAAP to non-GAAP reconciliation

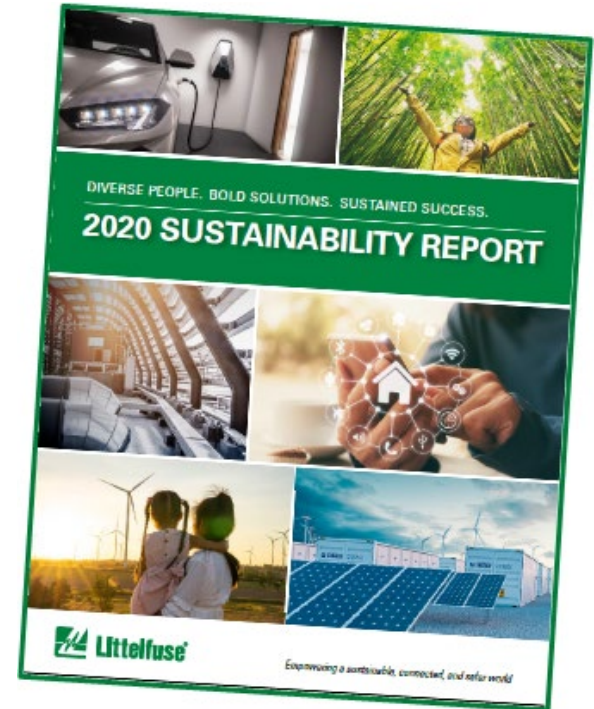
Highlights

- Key assumptions
 - Incorporates currently known manufacturing/supply chain impacts
 - No new material COVID disruptions
- Revenue +27% vs. prior year, (-5)% sequentially at midpoint
 - Closer to typical seasonality
- Adjusted EPS +29% vs. prior year, (-27)% sequentially at midpoint
 - Reduced volumes and more typical product/geographical mix across Electronics segment
- Q4 guidance includes ‘14th week’
 - During holidays; lower than typical sales and profitability
- Excludes any impact from Carling Technologies; expect immaterial impact in Q4 results

**Littelfuse provides guidance on a non-GAAP (adjusted) basis. GAAP items excluded from guidance may include the after-tax impact of items including acquisition and integration costs, restructuring, impairment and other charges, certain purchase accounting adjustments, non-operating foreign exchange adjustments and significant and unusual items. These items are uncertain, depend on various factors, and could be material to results computed in accordance with GAAP. Littelfuse is not able to forecast the excluded items in order to provide the most directly comparable GAAP financial measure without unreasonable efforts.*

2020 SUSTAINABILITY REPORT

- Highlights commitment to environmental, social, and governance (ESG) initiatives
- Focused on creating a solid foundation for sustainability program to ensure future success
- Communicates progress towards goals on sustainability journey
- To learn more, read the 2020 Sustainability Report and visit new Sustainability pages on corporate website



KEY TAKEAWAYS

- Year-to-date, exceptional performance within ongoing challenging environment
- Continue to closely monitor supply chain challenges across suppliers & customers
- Proven sound business fundamentals
- Poised to achieve significant sales and earnings growth this year
- Remain well-positioned to deliver ongoing superior value for all stakeholders

Q&A



APPENDIX



SUPPLEMENTAL FINANCIAL INFORMATION

LITTELFUSE, INC.

SUPPLEMENTAL FINANCIAL INFORMATION

(In millions of USD except per share amounts - unaudited)

Non-GAAP EPS reconciliation

	Q3-21	Q3-20
GAAP diluted EPS	\$ 3.69	\$ 2.25
EPS impact of Non-GAAP adjustments (below)	0.26	(0.09)
Adjusted diluted EPS	\$ 3.95	\$ 2.16

Non-GAAP adjustments - (income) / expense

	Q3-21	Q3-20
Acquisition-related and integration costs (a)	\$ 2.0	\$ 0.3
Purchase accounting inventory adjustments (b)	—	—
Restructuring, impairment and other charges (c)	0.8	1.3
Gain on sale of fixed assets (d)	—	—
Non-GAAP adjustments to operating income	2.8	1.6
Other expense, net (e)	0.1	0.1
Non-operating foreign exchange loss (gain)	3.2	(6.2)
Non-GAAP adjustments to income before income taxes	6.1	(4.5)
Income taxes (f)	(0.4)	(2.2)
Non-GAAP adjustments to net income	\$ 6.5	\$ (2.3)
Total EPS impact	\$ 0.26	\$ (0.09)

Adjusted operating margin / Adjusted EBITDA reconciliation

	Q3-21	Q3-20
Net sales	\$ 539.6	\$ 391.6
GAAP operating income	120.1	\$ 64.6
Add back non-GAAP adjustments	2.8	1.6
Adjusted operating income	\$ 122.9	\$ 66.2
Adjusted operating margin	22.8 %	16.9 %
Add back amortization	10.4	10.1
Add back depreciation	14.2	14.2
Adjusted EBITDA	\$ 147.5	\$ 90.5
Adjusted EBITDA margin	27.3 %	23.1 %

Net sales reconciliation

	Q3-21 vs. Q3-20			
	Electronics	Automotive	Industrial	Total
Net sales growth	36 %	19 %	116 %	38 %
Less:				
Acquisitions	—	—	93 %	8 %
Transfer a product line between segments	— %	— %	— %	— %
FX impact	1 %	2 %	1 %	1 %
Organic net sales growth	35 %	17 %	22 %	29 %

(a) reflected in selling, general and administrative expenses ("SG&A").

(b) reflected in cost of sales.

(c) For the fiscal year ended December 26, 2020, the Company presented restructuring, impairment and other charges as a separate caption in the Consolidated Statements of Net Income. Certain amounts in the prior period financial statements have been reclassified to conform to the presentation of the current period financial statements.

(d) reflected in SG&A, a year-to-date gain of \$0.9 million from the sale of a building within the Electronics segment during 2021.

(e) Q3 2021 included a \$0.1 million charge for an asset retirement obligation related to the disposal of a business in 2019. 2021 year-to-date amount included \$0.5 million of impairment charges on certain other investments. Q3 2020 amount included \$0.1 million of impairment charges on certain other investments. 2020 year-to-date amount included \$1.8 million increase in coal mining reserves and \$0.2 million charge for an asset retirement obligation related to the disposal of a business in 2019.

(f) reflected the tax impact associated with the non-GAAP adjustments.

SUPPLEMENTAL FINANCIAL INFORMATION CONT'D

LITTELFUSE, INC.

SUPPLEMENTAL FINANCIAL INFORMATION

(In millions of USD except per share amounts - unaudited)

Income tax reconciliation

	<u>Q3-21</u>
Income taxes	\$ 21.5
Effective rate	19.0 %
Non-GAAP adjustments - income taxes	(0.4)
Adjusted income taxes	<u>\$ 21.1</u>
Adjusted effective rate	<u>17.6 %</u>

Free cash flow reconciliation

	<u>Q3-21</u>	<u>YTD-21</u>
Net cash provided by operating activities	\$ 114.3	\$ 240.7
Less: Purchases of property, plant and equipment	(24.9)	(57.5)
Free cash flow	<u>\$ 89.4</u>	<u>\$ 183.2</u>

SUPPLEMENTAL FINANCIAL INFORMATION CONT'D

LITTELFUSE, INC.

SUPPLEMENTAL FINANCIAL INFORMATION

(In millions of USD except per share amounts - unaudited)

Non-GAAP EPS reconciliation

	Q2-21
GAAP diluted EPS	\$ 3.30
EPS impact of Non-GAAP adjustments (below)	0.11
Adjusted diluted EPS	<u>\$ 3.41</u>

Non-GAAP adjustments - (income)/expense

	Q2-21
Acquisition-related and integration costs (a)	\$ 0.5
Purchase accounting inventory adjustments (b)	3.3
Restructuring, impairment and other charges (c)	0.8
Loss (gain) on on sale of fixed assets (d)	1.0
Non-GAAP adjustments to operating income	5.6
Other expense, net (e)	0.5
Non-operating foreign exchange (gain) loss	(1.7)
Non-GAAP adjustments to income before income taxes	4.4
Income taxes (f)	1.7
Non-GAAP adjustments to net income	<u>\$ 2.7</u>
Total EPS impact	<u>\$ 0.11</u>

Adjusted operating margin / Adjusted EBITDA reconciliation

	Q2-21
Net sales	\$ 523.5
GAAP operating income (loss)	96.3
Add back non-GAAP adjustments	5.6
Adjusted operating income	\$ 101.9
Adjusted operating margin	19.5 %
Add back amortization	10.7
Add back depreciation	13.6
Adjusted EBITDA	<u>\$ 126.2</u>
Adjusted EBITDA margin	<u>24.1 %</u>

(a) reflected in selling, general and administrative expenses ("SG&A").

(b) reflected in cost of sales.

(c) For the fiscal year ended December 26, 2020, the Company presented restructuring, impairment and other charges as a separate caption in the Consolidated Statements of Net Income. Certain amounts in the prior period financial statements have been reclassified to conform to the presentation of the current period financial statements.

(d) reflected in SG&A, a loss of \$1.0 million recorded during the second quarter of 2021 for a total year-to-date gain of \$0.9 million from the sale of a building within the Electronics segment 2021.

(e) 2021 amount included \$0.5 million of impairment charges on certain other investments. 2020 amount included \$1.8 million increase in coal mining reserves and \$0.2 million charge for an asset retirement obligation related to the disposal of a business in 2019.

(f) reflected the tax impact associated with the non-GAAP adjustments.

SUPPLEMENTAL FINANCIAL INFORMATION CONT'D

LITTELFUSE, INC.

SUPPLEMENTAL FINANCIAL INFORMATION

(In millions of USD except per share amounts - unaudited)

Non-GAAP EPS reconciliation

	Q4-20
GAAP diluted EPS	\$ 2.39
EPS impact of Non-GAAP adjustments (below)	(0.16)
Adjusted diluted EPS	<u>\$ 2.23</u>

(a) reflected in selling, general and administrative expenses ("SG&A").

Non-GAAP adjustments - (income)/expense

	Q4-20
Acquisition-related and integration costs (a)	\$ 0.7
Restructuring, impairment and other charges (d)	0.8
Non-GAAP adjustments to operating income	1.5
Other expense, net (b)	—
Non-operating foreign exchange (gain) loss	(5.3)
Non-GAAP adjustments to income before income taxes	(3.8)
Income taxes (c)	—
Non-GAAP adjustments to net income	<u>\$ (3.8)</u>
Total EPS impact	<u>\$ (0.16)</u>

(b) 2020 year-to-date amount included a \$1.8 million increase in coal mining reserves, a \$0.2 million charge for an asset retirement obligation related to the disposal of a business in 2019, and \$0.1 million of impairment charges on certain other investments. 2019 quarter-to-date amount included \$4.2 million of impairment charges related to certain other investments. 2019 year-to-date primarily consisted of \$7.3 million of impairment charges related to certain other investments and a \$2.6 million loss on the disposal of a business.

(c) reflected the tax impact associated with the non-GAAP adjustments. The three and twelve months ended December 28, 2019 reflected a \$3.3 million reversal for previously unrecognized tax benefits as the statute of limitations expired.

(d) for fiscal year ended December 26, 2020, the Company began presenting restructuring, impairment and other charges as a separate caption in the Consolidated Statements of Net Income. Certain amounts in the prior period financial statements have been reclassified to conform to the presentation of the current period financial statements.