



Q4 / FULL YEAR 2021 EARNINGS RELEASE

February 1, 2022

 **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 (decline), 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

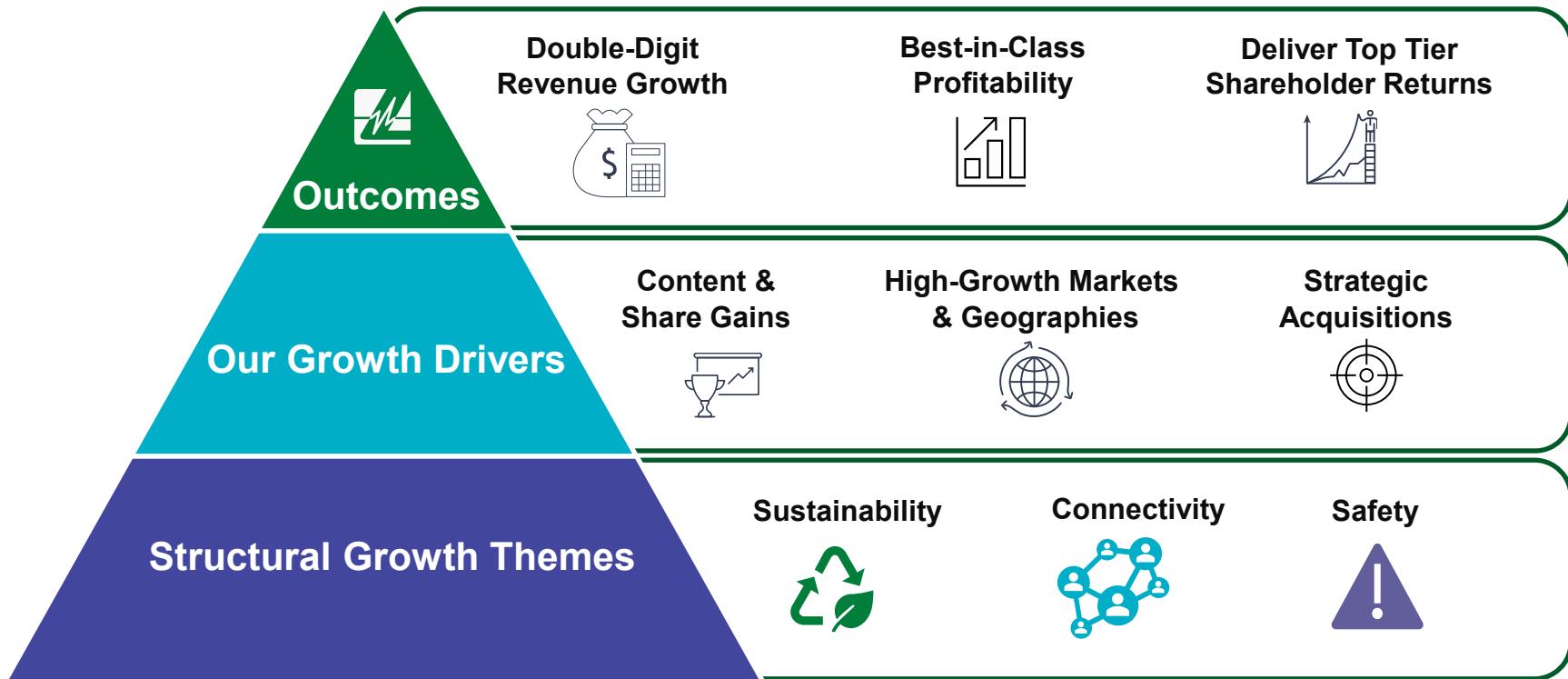
Dave Heinzmann, President & CEO

Q4 / FULL YEAR 2021 HIGHLIGHTS

- Continued momentum to deliver strong fourth quarter performance
- Significant growth driven by content & share gains
 - Broad-based strength across industrial, transportation & electronics end markets
- Completed Hartland Controls & Carling Technologies acquisitions, ~\$300m annualized sales
- Record annual results
 - YoY: Revenue +44%; Adjusted Earnings +106%
 - Adjusted Operating Margin 19.1%

2021 – 2025 **GROWTH STRATEGY**

EMPOWERING A SUSTAINABLE, CONNECTED, AND SAFER WORLD



LITTELFUSE & CARLING TECHNOLOGIES: COMBINATION OF TWO INDUSTRY LEADING BRANDS STRENGTHENS COLLECTIVE MARKET POSITION



Accelerates Growth in Strategic Applications & Markets

- **Significant expansion of in-vehicle electrification in transportation markets:**
 - **Commercial vehicles**
 - Heavy-duty truck
 - Construction
 - Agriculture
 - **Marine**
- **Strengthened position in 5G telecom, data center & cloud communications infrastructure markets**



Expansion of Technologies & Capabilities

- **Expands addressable market with addition of market leading** electromechanical & electronic switching, & circuit breaker **technologies**
- **Strengthens** engineering, design & test **capabilities** in switching, controls & software/firmware applications



Leverages Complementary Customers & Channels

- **Expands** customer penetration through complementary & new **OEM relationships**
- **Significant** overlap in **global distribution partnerships** bolsters position in channel
- **Increased after-market penetration** leveraging Littelfuse relationships



Enables Combined Critical Scale

- **Economies of scale** to leverage technologies & other investments
- **Optimization of customer facing & operational structures**, leveraging respective strengths
- **Added operational infrastructure** aligned with global customer base

INDUSTRIAL END MARKETS POSITIONED FOR CONTINUED GROWTH

2021 Highlights

- Accelerated growth in:
 - Renewables, led by solar & energy storage systems
 - HVAC
 - Data center & cloud computing
- Successful acquisition of Hartland Controls
- New product development to support strategic growth initiatives & enable sustainability ecosystem
 - Electrification
 - Electrical safety
 - Industrial automation
 - General industrials

2021 Key Design Wins



TRANSPORTATION END MARKETS

EXTENDING OUR LEADERSHIP POSITION

2021 Highlights

- Significant passenger vehicle market outgrowth
 - Content growth in EVs, higher-end vehicles, automotive electronics
 - Market share gains
- Completed Carling Technologies acquisition
 - More than doubles size of commercial vehicle business
 - Accelerates growth in strategic markets
 - Heavy-duty truck & bus
 - Material handling
 - Construction equipment
 - Agricultural machinery
- Commercialized new high-voltage products to support eMobility

2021 Key Design Wins



ELECTRONICS END MARKETS LEVERAGING OUR LEADERSHIP

2021 Highlights

- Amplified customer demand driving increased content opportunities across a broad range of applications
 - Data center
 - Telecom infrastructure
 - Factory & building automation
 - Appliances
 - Consumer electronics
- Differentiated go-to-market strategy enables broad design wins
- Advancements in customer-facing digital experience

2021 Key Design Wins



COMMITMENT TO SUSTAINABILITY

DIVERSE PEOPLE. BOLD SOLUTIONS. SUSTAINED SUCCESS.



Environmental

Targeting Greenhouse Gas (GHG) reduction of 38% by 2035

- Core products enable global sustainability



Social

Women hold 54% of all positions, and 20% of leadership positions

- Policies & programs focused on employee health & wellness, safety, diversity, inclusion, & engagement



Greater Suzhou, China
Best Employer 2021



Top Equal Pay Employer
Kaunas, Lithuania



Governance

Board Composition:
22% female
33% underrepresented minorities

- Global ethics & compliance policies & programs; Annual, mandatory global code of conduct training



2020
SUSTAINABILITY
REPORT
available on
[Littelfuse.com](https://www.littelfuse.com)



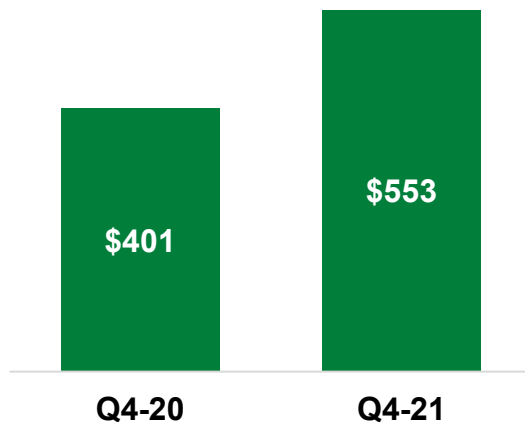
FINANCIAL UPDATE

Meenal Sethna, EVP & CFO

Q4-21 FINANCIAL PERFORMANCE

(in millions)

Revenue & EPS



GAAP EPS	\$2.39	\$2.08
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Adj. EPS	\$2.23	\$3.16
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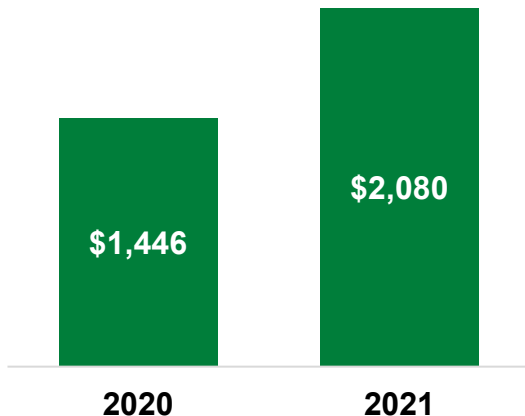
Highlights

- Record revenue, +38% vs. prior year
 - +23% organic vs. prior year
- Strength in sales across all segments
- GAAP operating margin 16.8%; Adjusted operating margin 17.0%, +40 bps vs prior year
- Adjusted EPS +42% vs. prior year
- GAAP and Adjusted effective tax rate 12.7%
- Free cash flow \$100m

FULL YEAR 2021 FINANCIAL PERFORMANCE

(in millions)

Revenue & EPS



	2020	2021
GAAP EPS	\$5.29	\$11.38
Adj. EPS	\$6.40	\$13.19

Highlights

- Record revenue, +44% vs. prior year
 - +33% organic vs. prior year
- GAAP operating margin 18.5%; Record adjusted operating margin 19.1%
- +480 bps operating margin expansion vs. prior year despite ongoing inflationary pressures
- Adjusted EPS +106% vs. prior year
- Effective tax rate: GAAP 16.8%; Adjusted 16.1%
- Free cash flow \$283m
 - 100% conversion from net income

2021 – 2025 FRAMEWORK

CONTINUED TOP TIER SHAREHOLDER RETURNS

REVENUE	EARNINGS	CASH FLOW	ROIC	CAPITAL ALLOCATION
<ul style="list-style-type: none">• Double-digit revenue CAGR• 5 – 7% organic• 5 – 7% from acquisitions	<ul style="list-style-type: none">• EPS growth > revenue growth• 17 – 19% operating margins• 21 – 23% EBITDA margins	<ul style="list-style-type: none">• 100%+ free cash flow conversion• Capital expenditures 4 – 5% of revenue	<ul style="list-style-type: none">• 5-year goal: high-teens ROIC %• Near-term objective: mid-teens ROIC %	<ul style="list-style-type: none">• Return 40% of free cash flow to shareholders• Remainder to focus on acquisitions

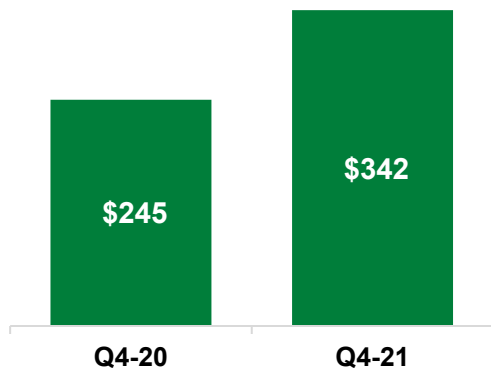
Robust organic growth enhanced with strategic M&A

Q4-21 SEGMENT PERFORMANCE

(in millions)

Electronics Segment

Revenue



Op Margin	17.1%	23.2%
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- Revenue growth +39% / organic +36%
- Book to bill ended quarter above 1.0
- 610 bps margin expansion YoY driven by volume leverage & pricing strategy

Transportation Segment*

Revenue

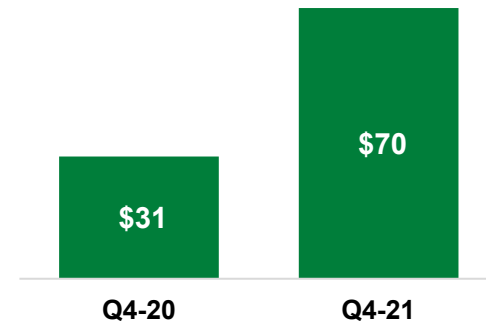


Op Margin	16.9%	7.5%
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- Revenue growth +14% / organic (-2%)
- Commercial vehicle +81%, incl. Carling
- Passenger vehicle (-7%) vs. car build (-17%)
- ~500 bps headwind: FX / metals inflation, Carling margin dilution

Industrial Segment

Revenue



Op Margin	11.4%	6.0%
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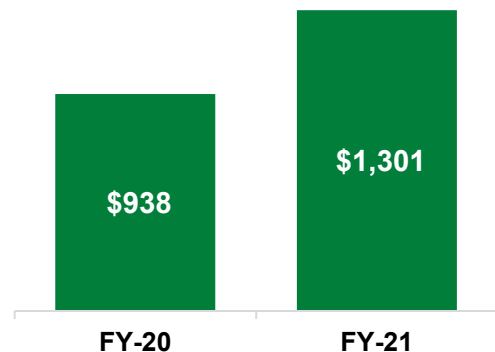
- Revenue growth +121% / organic +23%
- Higher Hartland logistics costs
- Margin expansion YoY excl. Hartland

FULL YEAR 2021 SEGMENT PERFORMANCE

(in millions)

Electronics Segment

Revenue



Op Margin	16.3%	23.8%
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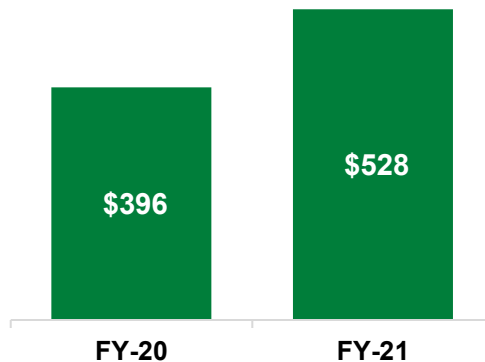
- Revenue growth +39% / organic +37%
- Strong demand driven by data center, telecom, appliances, automotive electronics (EV)
- 750 bps margin expansion



Expertise Applied | Answers Delivered

Transportation Segment*

Revenue



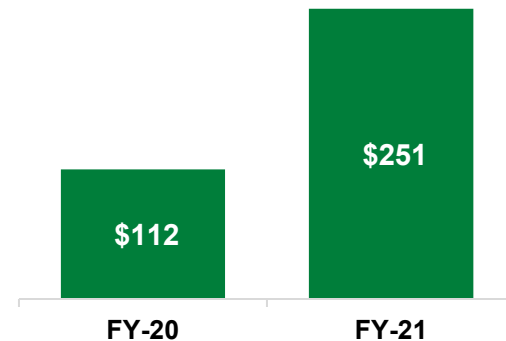
Op Margin	10.5%	12.5%
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- Revenue growth +33% / organic +25%
- Commercial vehicle +58%
- Passenger vehicle +25% vs. car build +1%
- Significant growth driven by content & share gains

*Formerly known as Automotive Product Segment

Industrial Segment

Revenue



Op Margin	10.7%	9.0%
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- Revenue growth +124% / organic +27%
- Robust demand driven by renewables, solar, energy storage systems, HVAC, general industrials
- Margin expansion YoY excl. Hartland

See appendix for GAAP to non-GAAP reconciliation

Littelfuse, Inc. © 2022 16

Q1-22 GUIDANCE

(in millions)

Revenue & EPS



GAAP EPS

\$2.32

Adj. EPS

\$2.67

\$3.14 - \$3.30

Highlights

- Market Dynamics
 - Demand environment remains strong
 - ~\$20m FX headwind to sales for 2022 full year at current rates
 - +100 bps full year additional margin headwinds...ongoing inflationary pressures
 - Expect to largely offset through pricing
- Q1-22
 - Sales \$563 – \$577m, +23% vs. prior year at mid-point
 - EPS \$3.14 - \$3.30, +21% vs. prior year at mid-point
 - Adjusted effective tax rate ~17%

2022 FULL YEAR CONSIDERATIONS

- Carling Technologies acquisition (Transportation Segment)
 - ~\$185m – \$190m revenue
 - ~30 cents EPS, net of deal amortization
 - ~100 bps company operating margin dilution
- Low \$50m's non-cash amortization expense
- ~\$17m interest expense at current rates
- Adjusted effective tax rate ~16% – 18%
- 100% free cash flow conversion
- ~\$110m – \$120m capital expenditures

KEY TAKEAWAYS

- Delivered record financial performance with significant sales & earnings growth
- Strong global growth & execution, driven by tremendous efforts from world-class associates
- Progress across businesses on strategic initiatives to drive demand creation
- Well-positioned to deliver continued long-term profitable growth & 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

	Q4-21	Q4-20
GAAP diluted EPS	\$ 2.08	\$ 2.39
EPS impact of Non-GAAP adjustments (below)	1.08	(0.16)
Adjusted diluted EPS	\$ 3.16	\$ 2.23

Non-GAAP adjustments - (income)/expense

	Q4-21	Q4-20
Acquisition-related and integration costs (a)	\$ 3.6	\$ 0.7
Purchase accounting inventory adjustments (b)	1.6	—
Restructuring, impairment and other charges (c)	0.2	0.8
Gain on sale of fixed assets (d)	(4.1)	—
Non-GAAP adjustments to operating income	1.3	1.5
Other expense, net (e)	20.8	—
Non-operating foreign exchange loss (gain)	8.9	(5.3)
Non-GAAP adjustments to income before income taxes	31.0	(3.8)
Income taxes (f)	3.9	—
Non-GAAP adjustments to net income	\$ 27.1	\$ (3.8)
Total EPS impact	\$ 1.08	\$ (0.16)

Adjusted operating margin /Adjusted EBITDA reconciliation

	Q4-21	Q4-20
Net sales	\$ 553.1	\$ 400.7
GAAP operating income	92.8	65.0
Add back non-GAAP adjustments	1.3	1.5
Adjusted operating income	\$ 94.1	\$ 66.5
Adjusted operating margin	17.0 %	16.6 %
Add back amortization	11.1	10.1
Add back depreciation	14.5	14.2
Adjusted EBITDA	\$ 119.7	\$ 90.8
Adjusted EBITDA margin	21.6 %	22.7 %

Net sales reconciliation

Q4-21 vs. Q4-20

	Electronics	Transportation (1)	Industrial	Total
Net sales growth	39 %	14 %	121 %	38 %
Less:				
Acquisitions	— %	13 %	89 %	11 %
53 rd week of extra sales in fiscal year 2021	4 %	4 %	9 %	5 %
FX impact	(1)%	(1)%	— %	(1)%
Organic net sales growth (decline)	36 %	(2)%	23 %	23 %

(1) Formerly known as Automotive segment.

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

(b) reflected in cost of sales.

(c) reflected in restructuring, impairment and other charges.

(d) reflected a gain of \$4.1 million recorded in SG&A during the fourth quarter of 2021 for a total year-to-date gain of \$5.0 million from the sale of two buildings within the Electronics segment during 2021.

(e) Q4 2021 included a \$19.9 million non-cash pension settlement charge, a \$0.7 million charge for an asset retirement obligation related to the disposal of a business in 2019 and a \$0.2 million increase in coal mining reserves. 2021 year-to-date amount also included \$0.5 million of impairment charges on certain other investments and a \$0.8 million charge for an asset retirement obligation related to the disposal of a business in 2019. 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.

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

SUPPLEMENTAL FINANCIAL INFORMATION

LITTELFUSE, INC.

SUPPLEMENTAL FINANCIAL INFORMATION

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

Non-GAAP EPS reconciliation

	YTD-21	YTD-20
GAAP diluted EPS	\$ 11.38	\$ 5.29
EPS impact of Non-GAAP adjustments (below)	1.81	1.11
Adjusted diluted EPS	\$ 13.19	\$ 6.40

Non-GAAP adjustments - (income)/expense

	YTD-21	YTD-20
Acquisition-related and integration costs (a)	\$ 7.0	\$ 2.3
Purchase accounting inventory adjustments (b)	8.4	—
Restructuring, impairment and other charges (c)	2.2	41.7
Gain on sale of fixed assets (d)	(5.0)	—
Non-GAAP adjustments to operating income	12.6	44.0
Other expense, net (e)	21.4	2.1
Non-operating foreign exchange loss (gain)	17.2	(14.9)
Non-GAAP adjustments to income before income taxes	51.2	31.2
Income taxes (f)	6.0	3.9
Non-GAAP adjustments to net income	\$ 45.2	\$ 27.3
Total EPS impact	\$ 1.81	\$ 1.11

Adjusted operating margin /Adjusted EBITDA reconciliation

	YTD-21	YTD-20
Net sales	\$ 2,079.9	\$ 1,445.7
GAAP operating income	385.6	162.4
Add back non-GAAP adjustments	12.6	44.0
Adjusted operating income	\$ 398.2	\$ 206.4
Adjusted operating margin	19.1 %	14.3 %
Add back amortization	42.7	40.0
Add back depreciation	55.9	56.1
Adjusted EBITDA	\$ 496.8	\$ 302.5
Adjusted EBITDA margin	23.9 %	20.9 %

Net sales reconciliation

	YTD-21 vs. YTD-20			
	Electronics	Transportation (1)	Industrial	Total
Net sales growth	39 %	33 %	124 %	44 %
Less:				
Acquisitions	— %	4 %	90 %	8 %
53 rd week of extra sales in fiscal year 2021	1 %	1 %	2 %	1 %
Transfer a product line between segments	(1) %	—	4 %	— %
FX impact	2 %	3 %	1 %	2 %
Organic net sales growth	37 %	25 %	27 %	33 %

(1) Formerly known as Automotive segment.

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(b) reflected in cost of sales.

(c) reflected in restructuring, impairment and other charges.

(d) reflected a gain of \$4.1 million recorded in SG&A during the fourth quarter of 2021 for a total year-to-date gain of \$5.0 million from the sale of two buildings within the Electronics segment during 2021.

(e) Q4 2021 included a \$19.9 million non-cash pension settlement charge, a \$0.7 million charge for an asset retirement obligation related to the disposal of a business in 2019 and a \$0.2 million increase in coal mining reserves. 2021 year-to-date amount also included \$0.5 million of impairment charges on certain other investments and a \$0.8 million charge for an asset retirement obligation related to the disposal of a business in 2019. 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.

(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		
	Q4-21	YTD-21
Income taxes	\$ 7.6	\$ 57.2
Effective rate	12.7 %	16.8 %
Non-GAAP adjustments - income taxes	3.9	6.0
Adjusted income taxes	\$ 11.5	\$ 63.2
Adjusted effective rate	12.7 %	16.1 %
Free cash flow reconciliation		
	Q4-21	YTD-21
Net cash provided by operating activities	\$ 132.6	\$ 373.3
Less: Purchases of property, plant and equipment	(33.0)	(90.6)
Free cash flow	\$ 99.6	\$ 282.7

SUPPLEMENTAL FINANCIAL INFORMATION CONT'D

LITTELFUSE, INC.

SUPPLEMENTAL FINANCIAL INFORMATION

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

Non-GAAP EPS reconciliation

	Q1-21
GAAP diluted EPS	\$ 2.32
EPS impact of Non-GAAP adjustments (below)	0.35
Adjusted diluted EPS	\$ 2.67

Non-GAAP adjustments - (income)/expense

	Q1-21
Acquisition-related and integration costs (a)	\$ 0.8
Purchase accounting inventory adjustments (b)	3.5
Restructuring, impairment and other charges (c)	0.4
Gain on sale of fixed assets (d)	(1.9)
Non-GAAP adjustments to operating income	2.8
Non-operating foreign exchange loss	6.8
Non-GAAP adjustments to income before income taxes	9.6
Income taxes (e)	0.8
Non-GAAP adjustments to net income	\$ 8.8
Total EPS impact	\$ 0.35

(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. 2021 quarter-to-date included a \$1.9 million gain from the sale of a building in the Electronics segment.

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