



Q2 2022 EARNINGS RELEASE

August 2, 2022

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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 EBITDA 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

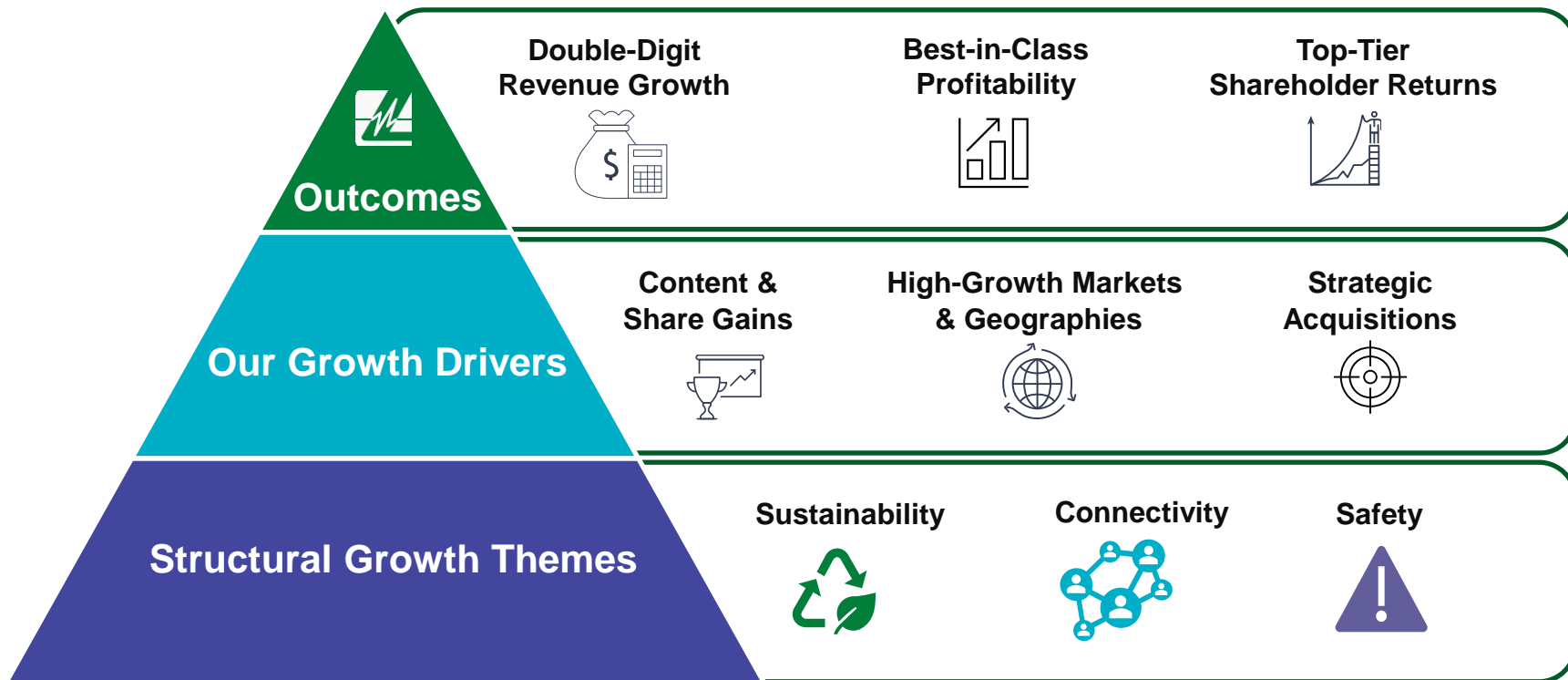
Dave Heinzmann, President & CEO

Q2 2022 & RECENT HIGHLIGHTS

- Continued outperformance, driven by persistent operational execution
- Q2: Delivered very strong results above expectations
 - YoY: Revenue +18%; Adjusted Diluted EPS +25%
 - Adjusted EBITDA Margin 27%
- Record performance year-to-date
 - YoY: Revenue +26%; Adjusted Operating Margin +500 bps; Adjusted Diluted EPS +52%
 - Testament to global teams' execution across breadth of end markets
- Completed acquisition of C&K Switches in July
 - Expands ability to serve customers with market leading technologies, capabilities & talent
- 13% increase in quarterly cash dividend
 - Consistent with capital allocation priorities; confidence in long-term growth of business
 - 12% CAGR since inception

2021 – 2025 **GROWTH STRATEGY**

EMPOWERING A SUSTAINABLE, CONNECTED, AND SAFER WORLD



C&K SWITCHES ACQUISITION RATIONALE



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

ACQUIRED JULY 2022



NOW PART OF

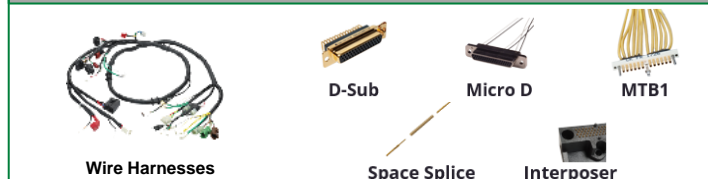


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Switches



Interconnect Solutions



LITTELFUSE & C&K SWITCHES: COMBINATION OF TWO INDUSTRY LEADING BRANDS EXPANDS COMPLEMENTARY MARKET POSITIONS



Accelerates Growth in Strategic Applications & Markets

- **Strong global presence & growth** in target markets
 - **Industrial**
 - **Automotive**
 - **Datacom**



Expansion of Technologies & Capabilities

- **Increases addressable market with addition of market leading** electromechanical switches & interconnect solutions
- **Broadens** technical & application **expertise**, & engineering & design-in capabilities
- **Technology leadership** in high-precision manufacturing, miniaturization & haptics



Leverages Complementary Customers & Channels

- **Complementary go-to-market models**
- **Enhances partnerships** with **distribution channels**
- **Deepens** customer penetration through complementary & new **OEM 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**
 - China, France, Vietnam, Germany, India & U.S.

INDUSTRIAL END MARKETS POSITIONED FOR CONTINUED GROWTH

Q2 2022 Highlights

- Generating new business with application knowledge & diverse, high-quality offerings; capitalizing on sustainability & safety
- Expanding solution sets with multiple technologies for energy storage, solar & HVAC applications
- New safety & power standards generating elevated design wins in commercial kitchens, industrial equipment, motor drives & power grids



TRANSPORTATION END MARKETS

EXTENDING OUR LEADERSHIP POSITION

Q2 2022 Highlights

- Expanding e-mobility wins within
 - Passenger vehicles ... battery management & protection, power distribution & on-board chargers
 - Commercial vehicles ... battery management & powertrain control modules for buses & two/three-wheelers
 - Off-board charging infrastructure
- Automotive electronics wins for telematics, infotainment, and comfort & convenience applications
- Increased opportunity pipeline with Carling & Embed capabilities



ELECTRONICS END MARKETS

LEVERAGING OUR LEADERSHIP

Q2 2022 Highlights

- Capitalizing on robust design activity with greater connectivity, safety & sustainability requirements
- Product features & go-to-market model secured new business within
 - Data centers & telecom infrastructure
 - Building solutions ... security systems & smart doorbells
 - Appliances & general purpose electronics
- Addition of C&K expands capabilities & products; serves as a platform for continued growth





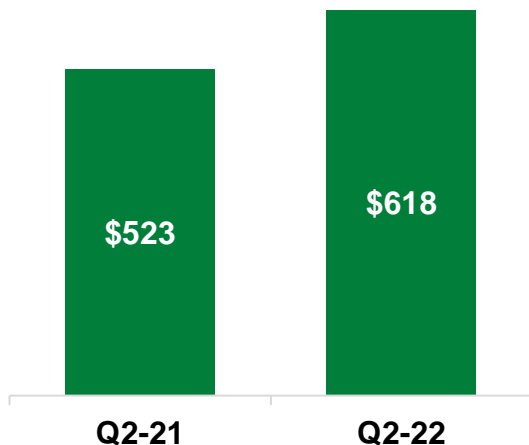
FINANCIAL UPDATE

Meenal Sethna, EVP & CFO

Q2 2022 FINANCIAL PERFORMANCE

(in millions)

Revenue



	Q2-21	Q2-22
GAAP EPS	\$3.30	\$3.48
Adj. EPS	\$3.41	\$4.26
Adj. EBITDA%	24.1%	27.0%

Highlights

- Financial performance above high end of guidance on sales & earnings
- Revenue +18% vs. prior year, +10% organic
 - Growth across all regions
- GAAP operating margin 21.7%; Adjusted operating margin 22.6%, +310 bps vs prior year
 - Margin expansion driven by volume leverage, positive price/cost & operational execution
- Adjusted Diluted EPS +25% vs. prior year
- Effective tax rate: GAAP 20.6%; Adjusted 17.3%
- Operating cash flow \$114m; Free cash flow \$87m, 100% conversion of net income

PRIORITIZED DEPLOYMENT OF CASH

GROWTH INVESTMENTS DRIVE INCREASING VALUE FOR SHAREHOLDERS

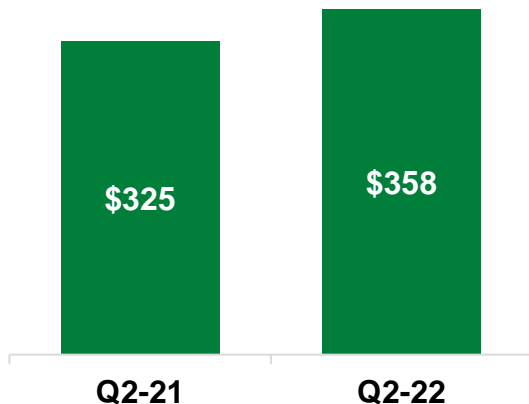
ORGANIC INVESTMENTS	INORGANIC INVESTMENTS	RETURN TO SHAREHOLDERS	
<p>Programs that:</p> <ul style="list-style-type: none">• Drive revenue growth• Advance internal capabilities• Enhance productivity• Maintain cost leadership	<ul style="list-style-type: none">• Strategic acquisitions to enhance organic growth• Value driven integration drives target financial returns• Additional resources to drive M&A integration	<p>Dividends</p> <ul style="list-style-type: none">• 10+ years of growing dividend• 12% CAGR since inception• Grow in line with earnings	<p>Share Repurchases</p> <ul style="list-style-type: none">• Opportunistic• Excess cash available to deploy

Q2 2022 ELECTRONICS SEGMENT

FINANCIAL PERFORMANCE

(in millions)

Revenue



Op Margin

22.8%

29.6%

Adj. EBITDA%

27.5%

33.6%

Highlights

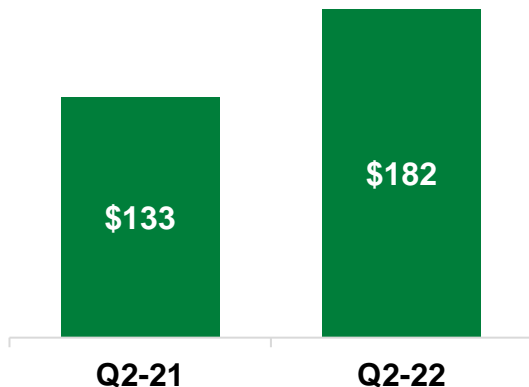
- Revenue growth +10% / organic +13%
- +600bps margin expansion
 - Price/cost, volume & productivity improvements
- Project average mid 20's op margin %
 - Combination of execution & current market dynamics

Q2 2022 TRANSPORTATION SEGMENT

FINANCIAL PERFORMANCE

(in millions)

Revenue



	Q2-21	Q2-22
Op Margin	14.4%	10.1%
Adj. EBITDA%	19.7%	15.9%

Highlights

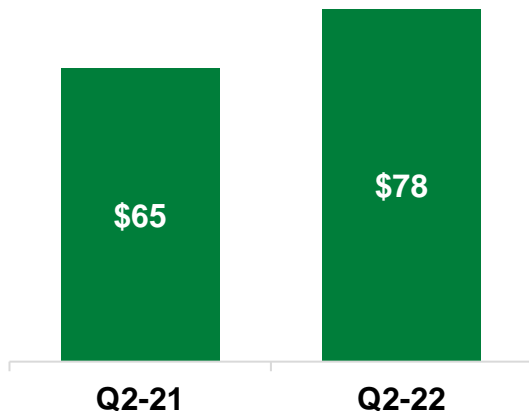
- Revenue growth +37% / organic (-4%)
- Commercial vehicle +6% organic & outperformance across Carling business
- Passenger vehicle (-8%) organic; impacted by market ... Tier 1 inventory unwind & decline in global auto production
- Margin headwinds from currency & negative volume leverage offsetting benefits from price realization

Q2 2022 INDUSTRIAL SEGMENT

FINANCIAL PERFORMANCE

(in millions)

Revenue



Op Margin

12.9%

19.5%

Adj. EBITDA%

16.2%

22.3%

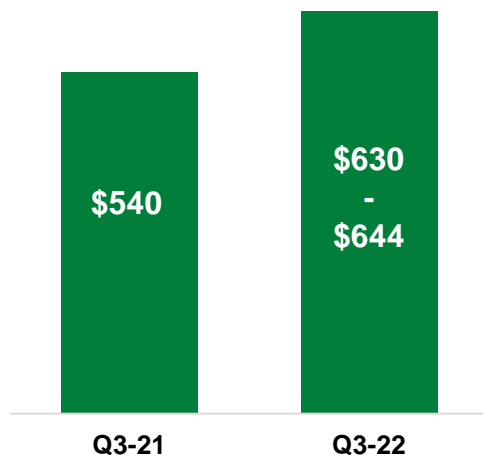
Highlights

- Revenue growth +21% / organic +22%
- +600bps margin expansion
 - Price realization & ongoing operational execution
 - Reduced logistics costs in the quarter due to COVID shutdown in China

Q3 2022 GUIDANCE

(in millions)

Revenue



GAAP EPS

\$3.69

*

Adj. EPS

\$3.95

\$3.71 - \$3.87

Highlights

- Demand remains strong across most end markets
 - Ongoing strength across industrial, transportation, most electronics markets
 - Some softness in consumer-oriented end markets within Electronics segment...appliances & personal electronics
- Q3-22
 - Sales +18% vs prior year, +2% organic
 - ~400bps f/x headwind
 - EPS (-4%) vs prior year
 - Adjusted effective tax rate ~17.5%
 - COVID shutdown/recovery in China ...Industrial & Electronics segments
 - ~(-200) bps sales
 - ~(-150) bps margin
 - 2 ½ months of C&K Switches; ~(-150) bps operating margin dilution from recent acquisitions

2022 FULL YEAR CONSIDERATIONS/EXPECTATIONS

- Expect to remain positive price/cost for full year in current market conditions
- ~300bps (~\$60M) sales f/x headwind
- C&K Switches: \$90 - \$95M in sales, ~\$.25 EPS (5 ½ months)
- ~\$55M non-cash amortization expense (including C&K); forward run rate ~\$16M/qtr.
- ~\$27M interest expense at current rates; forward run rate ~\$9.5M/qtr.
- Adjusted effective tax rate 17% – 18%
- ~\$110M – \$120M capital expenditures
- ~100% free cash flow conversion

KEY TAKEAWAYS

- Recognition of global teams for their unwavering commitment & hard work to drive results
- Very strong year-to-date performance
- Ongoing deployment of resources & capital to enable customers' applications
- Extremely well positioned for long-term growth within global structural themes of sustainability, connectivity, & safety
- Talented associates, investments for growth & operational excellence, will deliver ongoing long-term value for 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

	Q2-22	Q2-21
GAAP diluted EPS	\$ 3.48	\$ 3.30
EPS impact of Non-GAAP adjustments (below)	0.78	0.11
Adjusted diluted EPS	\$ 4.26	\$ 3.41

Non-GAAP adjustments - (income) / expense

	Q2-22	Q2-21
Acquisition-related and integration costs (a)	\$ 4.8	\$ 0.5
Purchase accounting inventory adjustments (b)	—	3.3
Restructuring, impairment and other charges (c)	0.6	0.8
Loss (gain) on sale of fixed assets (d)	—	1.0
Non-GAAP adjustments to operating income	5.4	5.6
Other (income) expense, net (e)	(0.5)	0.5
Non-operating foreign exchange loss (gain)	14.1	(1.7)
Non-GAAP adjustments to income before income taxes	19.0	4.4
Income taxes (f)	(0.4)	1.7
Non-GAAP adjustments to net income	\$ 19.4	\$ 2.7
Total EPS impact	\$ 0.78	\$ 0.11

Adjusted operating margin / Adjusted EBITDA reconciliation

	Q2-22	Q2-21
Net sales	\$ 618.4	\$ 523.5
GAAP operating income	\$ 134.2	\$ 96.3
Add back non-GAAP adjustments	5.4	5.6
Adjusted operating income	\$ 139.6	\$ 101.9
Adjusted operating margin	22.6 %	19.5 %
Add back amortization	11.6	10.6
Add back depreciation	15.7	13.6
Adjusted EBITDA	\$ 166.9	\$ 126.1
Adjusted EBITDA margin	27.0 %	24.1 %

Net sales reconciliation

	Q2-22 vs. Q2-21			
	Electronics	Transportation	Industrial	Total
Net sales growth	10 %	37 %	21 %	18 %
Less:				
Acquisitions	— %	45 %	— %	11 %
FX impact	(3)%	(4)%	(1)%	(3)%
Organic net sales growth (decline)	13 %	(4)%	22 %	10 %

(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 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) 2022 amount included \$0.5 million gain from the sale of a building within Transportation segment. 2021 amount included \$0.5 million of impairment charges on certain other investments.

(f) reflected the tax impact associated with the non-GAAP adjustments and the one-time net benefit of \$7.2 million that resulted from the dissolution of one of the Company's affiliates.

SUPPLEMENTAL FINANCIAL INFORMATION CONT'D

LITTELFUSE, INC.

SUPPLEMENTAL FINANCIAL INFORMATION

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

Income tax reconciliation

	Q2-22
Income taxes	\$ 22.6
Effective rate	20.6 %
Non-GAAP adjustments - income taxes	(0.4)
Adjusted income taxes	\$ 22.2
Adjusted effective rate	17.3 %

Free cash flow reconciliation

	Q2-22	YTD-22
Net cash provided by operating activities	\$ 113.6	\$ 165.3
Less: Purchases of property, plant and equipment	(26.4)	(56.2)
Free cash flow	\$ 87.2	\$ 109.1

SUPPLEMENTAL FINANCIAL INFORMATION CONT'D

LITTELFUSE, INC.

SUPPLEMENTAL FINANCIAL INFORMATION

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

Non-GAAP EPS reconciliation

	Q3-21
GAAP diluted EPS	\$ 3.69
EPS impact of Non-GAAP adjustments (below)	0.26
Adjusted diluted EPS	<u>\$ 3.95</u>

Non-GAAP adjustments - (income) / expense

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

Adjusted EBITDA by Segment	Q2-22			Q1-22			Q4-21			Q3-21			Q2-21			Q1-21		
	Electronics	Transportation	Industrial	Electronics	Transportation	Industrial	Electronics	Transportation	Industrial	Electronics	Transportation	Industrial	Electronics	Transportation	Industrial	Electronics	Transportation	Industrial
GAAP operating income	\$ 106.0	\$ 18.3	\$ 15.3	\$ 120.6	\$ 26.3	\$ 12.5	\$ 79.4	\$ 10.6	\$ 4.2	\$ 100.5	\$ 15.4	\$ 4.9	\$ 74.2	\$ 19.3	\$ 8.4	\$ 55.5	\$ 20.3	\$ 3.5
Add:																		
Add back amortization	6.1	4.3	1.2	6.8	4.7	1.2	6.9	3.0	1.2	6.8	2.4	1.2	7.0	2.3	1.3	7.2	2.4	1.0
Add back depreciation	8.4	6.3	1.0	8.6	6.0	0.9	8.6	4.9	0.9	8.7	4.6	0.8	8.1	4.6	0.9	8.2	4.7	0.8
Adjusted EBITDA	\$ 120.50	\$ 28.9	\$ 17.5	\$ 136.0	\$ 37.1	\$ 14.6	\$ 94.9	\$ 18.5	\$ 6.3	\$ 116.0	\$ 22.4	\$ 7.0	\$ 89.3	\$ 26.2	\$ 10.6	\$ 70.9	\$ 27.4	\$ 5.3
Adjusted EBITDA Margin	33.6%	15.9%	22.3%	37.2%	20.1%	20.1%	27.8%	13.1%	9.1%	33.4%	18.1%	10.2%	27.5%	19.7%	16.2%	24.7%	21.3%	10.8%

Note: Total will not always foot due to rounding.