



Q4 2022 EARNINGS RELEASE

February 1, 2023

 **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 EBITDA margin, adjusted diluted earnings per share, adjusted effective tax rate, free cash flow, and consolidated net leverage ratio (as defined in the credit agreement). 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, ability to generate cash and its credit position 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

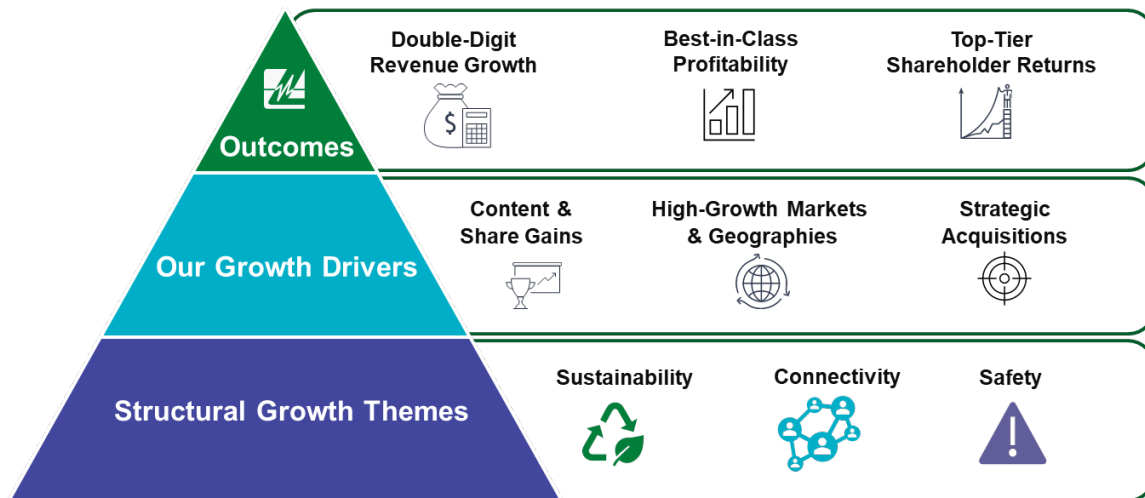
Dave Heinzmann, President & CEO

2022 HIGHLIGHTS

- Record annual performance
 - Revenue of \$2.5 billion
 - YoY: +21%; Organic +11%
 - Adj. Operating Margin 22%
 - Adj. Diluted EPS \$16.87
 - YoY: +28%
 - Double-digit sales growth across all business segments
- Expanded leadership & diversification in high-growth end markets & geographies
 - Significant new business wins across industrial, transportation & electronics markets
 - Two strategic acquisitions adding over \$200m in sales
 - Significant progress integrating Carling & C&K businesses
- Strong results reflect commercial, engineering & operational excellence

2021 – 2025 **GROWTH STRATEGY**

EMPOWERING A SUSTAINABLE, CONNECTED, AND SAFER WORLD










2-year CAGR*

Revenue Growth	32%
Organic Growth	~20%
Adj. EPS	60%

Our capabilities, investments and diversification deliver significant value

EXECUTING GROWTH STRATEGY

\$1B IN CAPITAL DEPLOYMENT ON STRATEGIC ACQUISITIONS

	 \$100M+ Sales Jan 2021	 \$180M+ Sales Nov 2021	 Technology Enabler Apr 2022	 \$200M+ Sales July 2022
 Accelerate Success in Higher Growth Applications & Markets	<ul style="list-style-type: none"> • HVAC • e-Mobility 	<ul style="list-style-type: none"> • Commercial vehicle electronification • 5G telecom • Datacom 	<ul style="list-style-type: none"> • Commercial vehicle electronification • e-Mobility 	<ul style="list-style-type: none"> • Industrial • Automotive • Datacom
 Expand Geographic Penetration		<ul style="list-style-type: none"> • Asia based customer expansion in commercial vehicles 		<ul style="list-style-type: none"> • Expanded operational footprint, with added capabilities in France, India & Vietnam
 Leverage Core Competencies	<ul style="list-style-type: none"> • Expansion of OEM customer base • Strengthens design & engineering expertise 	<ul style="list-style-type: none"> • Expansion of OEM customer base • Enhances partnership with distribution channels • Strengthens design & engineering expertise • Expands software & firmware capabilities 	<ul style="list-style-type: none"> • Strengthens design & engineering expertise • Expands software & firmware capabilities 	<ul style="list-style-type: none"> • Enhances partnership with distribution channels • Technology leadership in high-precision manufacturing, miniaturization & haptics

COMMITMENT TO SUSTAINABILITY

DIVERSE PEOPLE. BOLD SOLUTIONS. SUSTAINED SUCCESS.



Environmental

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

Progress:

- Global programs to reduce energy, water, emissions & waste
- Product Environmental Compliance Steering Committee
- Direct material supplier sustainability self-assessments



Social

Goals: Increasing global female leadership to at least 25%, and U.S. Black / African American employees to at least 5% by 2026

Progress:

- Enterprise-wide Diversity, Inclusion & Belonging Advisory Council
- Multiple employee resource groups
- Company mentoring initiatives to support associate development



Governance

Goals: Board oversight of sustainability program & robust training curriculum

Progress:

- Oversight of sustainability program by Nominating & Governance Committee
- Senior leader compensation tied to ESG performance
- 21 world-wide training campaigns

Framework Alignment



2021 SUSTAINABILITY REPORT
available on [Littelfuse.com](https://www.littelfuse.com)



INDUSTRIAL END MARKETS POSITIONED FOR ACCELERATED GROWTH

2022 Highlights

- Growth driven by leading technical expertise & high-performing technologies
- Capabilities critical for sustainability & safety applications; significant business wins
 - Renewables ... solar, wind, energy storage
 - HVAC systems
 - Electrical infrastructure
 - Motor drives & power supplies
 - Factory automation
- Rate of new business wins accelerating



TRANSPORTATION END MARKETS

EXTENDING OUR LEADERSHIP POSITION

2022 Highlights

- Significant passenger vehicle design wins
 - \$550M+ LOP* business wins; over half are on electrified platforms
 - Average content across vehicles grown to ~\$7
 - Continued double-digit content outgrowth**
- Substantial commercial vehicle design wins
 - Electrification: trucks, buses & two/three-wheelers, battery management systems, on-board chargers, & powertrain control modules
 - Broader applications: heavy-duty trucks, material handling, con/ag equipment, & rail traction
- Increased design wins for off-board charging infrastructure



ELECTRONICS END MARKETS

EXPANDING OUR LEADERSHIP

2022 Highlights

- Enhanced global reach & portfolio with acquisitions
 - C&K integration on-track; new design wins
- Secured multi-technology design wins in sustainability, connectivity, & safety applications
 - Hand tools & appliances
 - Building technologies & automation
 - Security systems & medical devices
- Expanded collective market positions with industry leading brands; serves as platform for continued growth





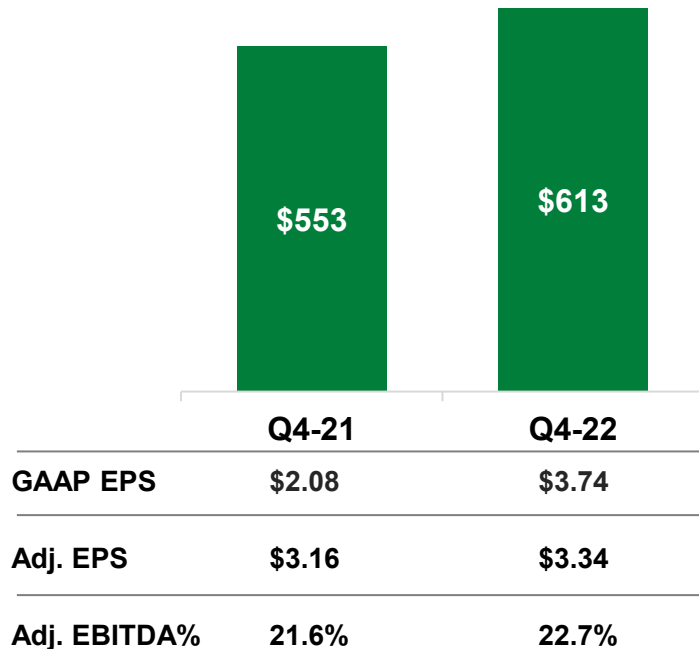
FINANCIAL UPDATE

Meenal Sethna, EVP & CFO

Q4 2022 TOTAL COMPANY FINANCIAL PERFORMANCE

(in millions)

Revenue



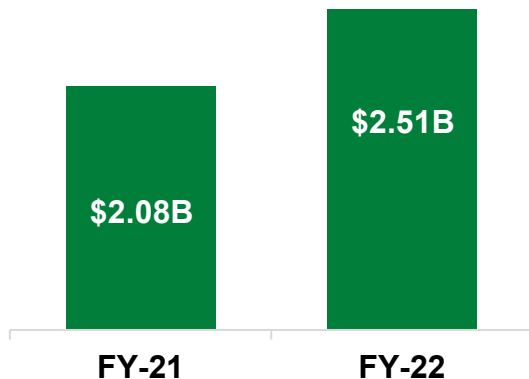
Highlights

- Revenue +11% vs PY, +4% organic
 - Organic adjusted for acquisitions, foreign exchange (F/X) and Q4 '22 14th week
- GAAP operating margin 15.4%; Adj. operating margin 17.4%, +40bps vs PY
- Adj. EPS +6% vs PY
- Effective tax rate: GAAP 9.7%; Adj. 16.8%

FY 2022 TOTAL COMPANY FINANCIAL PERFORMANCE

(in billions)

Revenue



GAAP EPS	\$11.38	\$14.94
Adj. EPS	\$13.19	\$16.87
Adj. EBITDA%	23.9%	26.4%

See appendix for GAAP to non-GAAP reconciliation

Highlights

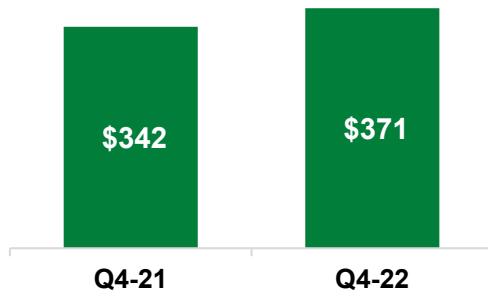
- Revenue +21% vs PY, +11% organic
 - Organic adjusted for acquisitions, foreign exchange (F/X) & Q4 '22 14th week
- GAAP operating margin 19.9%; Adj. operating margin 21.6%, +250bps vs PY
 - Incremental margins +34%
 - Positive price / cost for the year
- Adj. EPS +28% vs PY
- Effective tax rate: GAAP 15.7%; Adj. 17.4%
- Operating cash flow \$420m; Free cash flow \$315m
 - Both 12+% growth over PY
 - Free cash flow conversion of net income 84%
- YE 2022 net debt to EBITDA leverage 1.2X

Q4 & FY 2022 ELECTRONICS SEGMENT

FINANCIAL PERFORMANCE

(in millions)

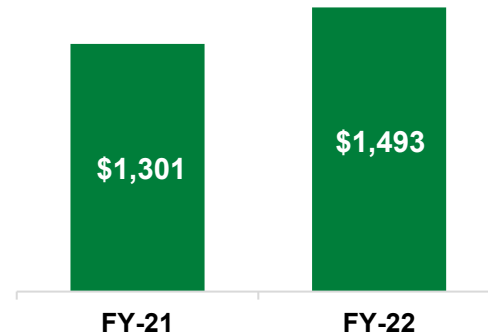
Q4 2022 Revenue



Op Margin	23.2%	24.8%
Adj. EBITDA%	27.8%	29.9%

- Revenue growth +9% / organic +2%
- Continued robust operating margins
- Market dynamics
 - Strength across industrial markets & electrification themes; Softness in several electronics markets
 - Increasing trajectory in channel inventory reductions

FY 2022 Revenue



Op Margin	23.8%	28.9%
Adj. EBITDA%	28.5%	33.5%

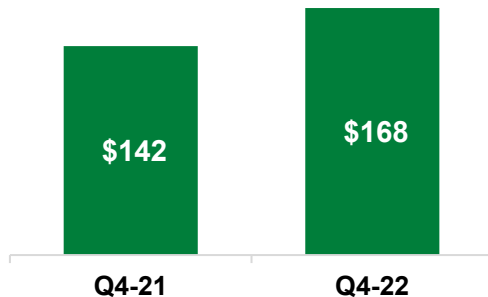
- Revenue growth +15% / organic +12%
- Record profitability
 - Margin expansion +500bps
 - Positive price/cost, robust volumes, productivity initiatives
- C&K Switches integration off to a strong start

Q4 & FY 2022 TRANSPORTATION SEGMENT

FINANCIAL PERFORMANCE

(in millions)

Q4 2022 Revenue



Op Margin	7.5%	3.5%
Adj. EBITDA%	13.0%	10.1%

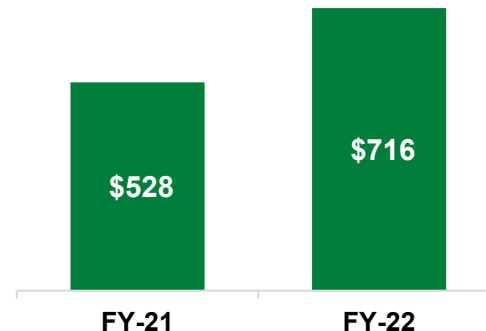
- Revenue growth +18% / organic +6%
- Passenger vehicle +5% organic
 - Continued customer inventory unwind
- Commercial vehicle +7% organic
 - Sequential sales decline from Carling customer inventory rebalancing
- (-200)bps F/X margin impact; Unabsorbed costs from lower production volumes



Expertise Applied | Answers Delivered

See appendix for GAAP to non-GAAP reconciliation

FY 2022 Revenue



Op Margin	12.5%	8.9%
Adj. EBITDA%	18.0%	15.0%

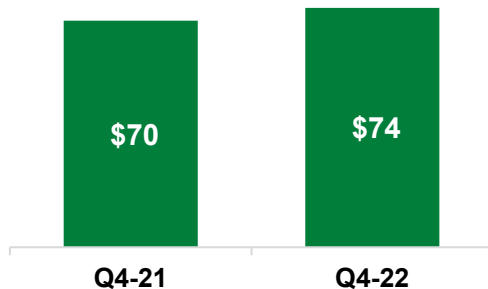
- Revenue growth +36% / organic +2%
- Passenger vehicle (-1)% organic
 - Impacted by customer inventory unwind
- Commercial vehicle +9% organic; Year 1 Carling acquisition...+20% growth over previous standalone year
- Profitability focus...ongoing pricing actions; Add'l cost reduction actions
 - Expect progressive margin improvements

Q4 & FY 2022 INDUSTRIAL SEGMENT

FINANCIAL PERFORMANCE

(in millions)

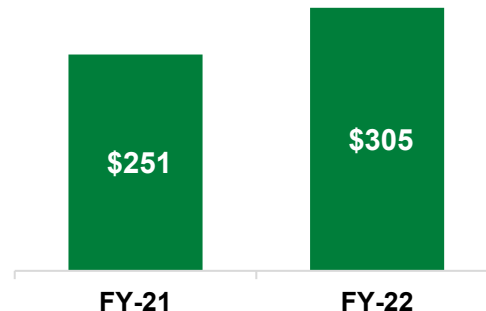
Q4 2022 Revenue



Op Margin	6.0%	12.0%
Adj. EBITDA%	9.1%	14.9%

- Revenue growth +7% / organic +13%
 - Broad-based end market strength
 - Ongoing design wins
- +600 bps op margin expansion vs PY

FY 2022 Revenue



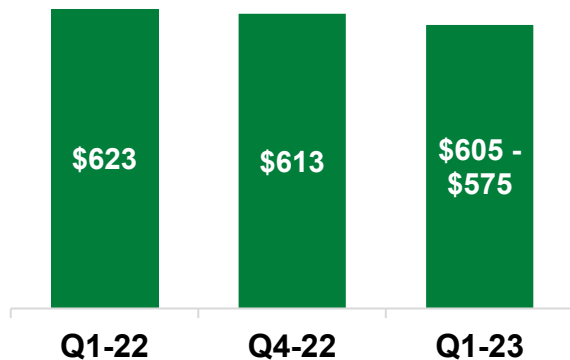
Op Margin	9.0%	16.0%
Adj. EBITDA%	12.2%	18.9%

- Revenue growth +21% / organic +20%
- Strong end market demand / high backlog entering 2022 & focus on high-growth end markets
- +700 bps op margin expansion vs PY
 - Operational execution, managed well across price / cost

Q1 2023 GUIDANCE

(in millions)

Revenue



GAAP EPS	\$4.70	\$3.74	*
Adj. EPS*	\$4.99	\$3.34	\$2.73 - \$2.97

Highlights

- Macro View entering 2023
 - End markets... continued growth in eMobility, industrial, commercial vehicle; weakness in several electronics markets
 - Accelerating inventory rebalancing at channel partners through H1 '23 in Electronics segment
 - Ongoing customer inventory reductions in Transportation segment
 - Continued inflationary trends
- Q1 Sales \$575 - \$605m
 - Vs. PY, (-5)%, (-11)% organic
 - Vs. Q4 '22, (-4)%; sales decline in Electronics segment, growth in Industrial & Transportation segments
- Q1 EPS \$2.73 - \$2.97
 - Record Q1 '22 creates challenging comparable
 - Vs. Q4, sequential (-15)%
- Tax rate ~19%

FULL YEAR 2023 CONSIDERATIONS / EXPECTATIONS

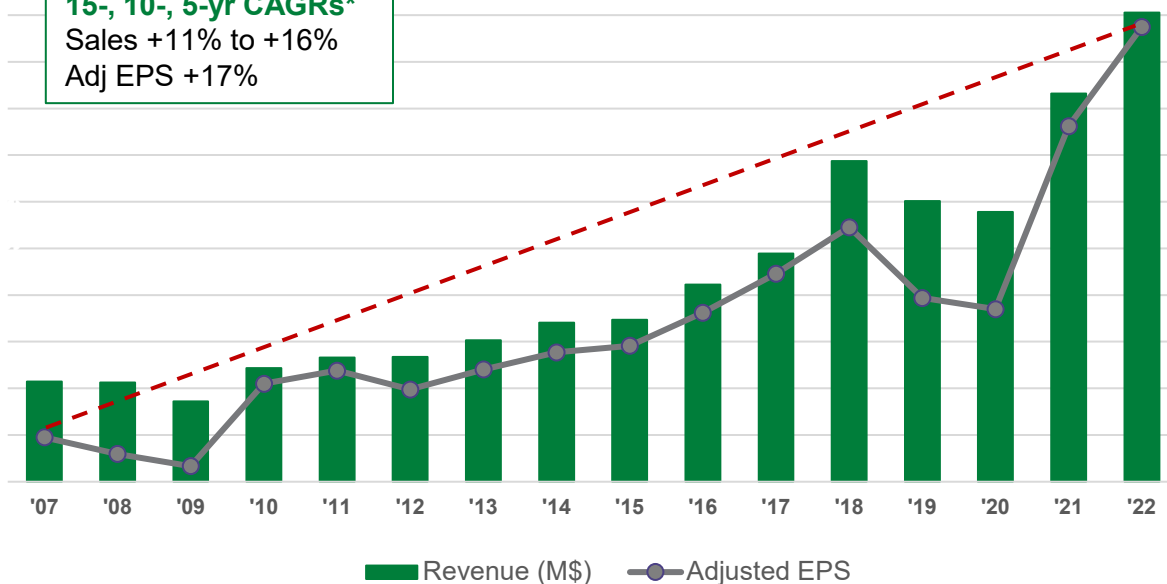
- F/X – immaterial impact to 2023 sales / earnings at current F/X rates
- Expect to maintain FY company adj. operating margin at 17 – 19%; By segment:
 - Electronics >20%
 - Industrial upper teens
 - Transportation progressive improvement, double-digits in back half of year
- Other Assumptions
 - \$64m amortization expense
 - \$40m interest expense at current rates
 - Tax rate ~18%
- Investing \$110 - \$120m in capital expenditures

DIVERSIFICATION OF TECHNOLOGIES, END MARKETS & GEOGRAPHIES DELIVERS DOUBLE-DIGIT REVENUE & EARNINGS CAGR

15-, 10-, 5-yr CAGRs*

Sales +11% to +16%

Adj EPS +17%



- Expanded market leadership & profitability
- Playbook to successfully manage through dynamic environments
- Prioritizing long-term strategic investments & managing cost structure
- Experienced global teams

Resilient business model & strong growth strategy

Q&A



APPENDIX



SUPPLEMENTAL FINANCIAL INFORMATION

LITTELFUSE, INC.

SUPPLEMENTAL FINANCIAL INFORMATION

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

Non-GAAP EPS reconciliation				
	Q4-22	Q4-21	YTD-22	YTD-21
GAAP diluted EPS	\$ 3.74	\$ 2.08	\$ 14.94	\$ 11.38
EPS impact of Non-GAAP adjustments (below)	(0.40)	1.08	1.93	1.81
Adjusted diluted EPS	\$ 3.34	\$ 3.16	\$ 16.87	\$ 13.19
Non-GAAP adjustments - (income) / expense				
	Q4-22	Q4-21	YTD-22	YTD-21
Acquisition-related and integration costs (a)	\$ 2.8	\$ 3.6	\$ 17.6	\$ 7.0
Purchase accounting inventory adjustments (b)	4.0	1.6	15.6	8.4
Restructuring, impairment and other charges (c)	5.7	0.2	10.0	2.2
Gain on sale of fixed assets (d)	—	(4.1)	—	(5.0)
Non-GAAP adjustments to operating income	12.5	1.3	43.2	12.6
Other expense (income), net (e)	—	20.8	(0.5)	21.4
Non-operating foreign exchange (gain) loss	(15.7)	8.9	24.4	17.2
Non-GAAP adjustments to income before income taxes	(3.2)	31.0	67.1	51.2
Income taxes (f)	6.8	3.9	19.0	6.0
Non-GAAP adjustments to net income	\$ (10.0)	\$ 27.1	\$ 48.1	\$ 45.2
Total EPS impact	\$ (0.40)	\$ 1.08	\$ 1.93	\$ 1.81
Adjusted operating margin / Adjusted EBITDA reconciliation				
	Q4-22	Q4-21	YTD-22	YTD-21
Net sales	\$ 613.3	\$ 553.1	\$ 2,513.9	\$ 2,079.9
GAAP operating income	\$ 94.2	\$ 92.8	\$ 500.8	\$ 385.6
Add back non-GAAP adjustments	12.5	1.3	43.2	12.6
Adjusted operating income	\$ 106.7	\$ 94.1	\$ 544.0	\$ 398.2
Adjusted operating margin	17.4 %	17.0 %	21.6 %	19.1 %
Add back amortization	15.8	11.1	55.7	42.7
Add back depreciation	16.7	14.5	65.0	55.9
Adjusted EBITDA	\$ 139.2	\$ 119.7	\$ 664.7	\$ 496.8
Adjusted EBITDA margin	22.7 %	21.6 %	26.4 %	23.9 %
Net sales reconciliation				
	Q4-22 vs. Q4-21			
	Electronics	Transportation	Industrial	Total
Net sales growth	9 %	18 %	7 %	11 %
Less:				
Acquisitions	13 %	22 %	— %	14 %
53 rd week of extra sales in fiscal year 2021	(3)%	(4)%	(5)%	(3)%
FX impact	(3)%	(6)%	(1)%	(4)%
Organic net sales growth	2 %	6 %	13 %	4 %
Net sales reconciliation				
	YTD-22 vs. YTD-21			
	Electronics	Transportation	Industrial	Total
Net sales growth	15 %	36 %	21 %	21 %
Less:				
Acquisitions	7 %	40 %	4 %	14 %
53 rd week of extra sales in fiscal year 2021	(1)%	(1)%	(2)%	(1)%
FX impact	(3)%	(5)%	(1)%	(3)%
Organic net sales growth	12 %	2 %	20 %	11 %

(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) 2022 year-to-date amount included \$0.5 million gain from the sale of a building within the Transportation segment. 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.

(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		
	Q4-22	YTD-22
Income taxes	\$ 10.0	\$ 69.7
Effective rate	9.7 %	15.7 %
Non-GAAP adjustments - income taxes	6.8	19.0
Adjusted income taxes	\$ 16.8	\$ 88.7
Adjusted effective rate	16.8 %	17.4 %
Free cash flow reconciliation		
	Q4-22	YTD-22
Net cash provided by operating activities	\$ 106.3	\$ 419.7
Less: Purchases of property, plant and equipment	(26.5)	(104.3)
Free cash flow	\$ 79.8	\$ 315.4

SUPPLEMENTAL FINANCIAL INFORMATION CONT'D

LITTELFUSE, INC.

SUPPLEMENTAL FINANCIAL INFORMATION

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

	As of December 31, 2022
Consolidated Total Debt	
Consolidated Total Debt	\$ 1,001.5
Unamortized debt issuance costs	4.8
Finance lease liability	\$ 1.8
Consolidated funded indebtedness	\$ 1,008.1
Cash held in U.S. (up to \$400 million)	\$ 110.6
Net debt	\$ 897.5
Consolidated EBITDA	Twelve Months Ended December 31, 2022
Net Income	\$ 373.3
Interest expense	26.2
Income taxes	69.7
Depreciation	65.0
Amortization	55.7
Non-cash additions:	
Stock-based compensation expense	23.6
Purchase accounting inventory step-up charge	15.6
Unrealized loss on investments	14.0
Impairment charges	4.5
Other	81.9
Consolidated EBITDA (1)	\$ 729.5
Consolidated Net Leverage Ratio (as defined in the Credit Agreement) *	1.2x

* Our Credit Agreement and Private Placement Note with maturities ranging from 2023 to 2032, contain financial ratio covenants providing that if, as of the last day of each fiscal quarter, the Consolidated Net Leverage ratio at such time for the then most recently concluded period of four consecutive fiscal quarters of the Company exceeds 3.50:1.00, an Event of Default (as defined in the Credit Agreement and Private Placement Senior Notes) is triggered.

The Credit Agreement and Private Placement Senior Notes were amended in Q2 2022 and now allow for the addition of acquisition and integration costs up to 15% of Consolidated EBITDA and the netting of up to \$400M of Available Cash (Cash held by US Subsidiaries).

(1) Represents Consolidated EBITDA as defined in our Credit Agreement and Private Placement Senior Notes and is calculated using the most recently concluded period of four consecutive quarters.

SUPPLEMENTAL FINANCIAL INFORMATION CONT'D

LITTELFUSE, INC.

SUPPLEMENTAL FINANCIAL INFORMATION

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

Adjusted EBITDA by Segment	Q4-22			Q4-21		
	Electronics	Transportation	Industrial	Electronics	Transportation	Industrial
GAAP operating income	\$ 91.9	\$ 5.9	\$ 8.9	\$ 79.4	\$ 10.6	\$ 4.2
Add:						
Add back amortization	10.2	4.4	1.2	6.9	3.0	1.2
Add back depreciation	9.0	6.7	1.0	8.6	4.9	1.0
Adjusted EBITDA	<u>\$ 111.1</u>	<u>\$ 17.0</u>	<u>\$ 11.1</u>	<u>\$ 94.9</u>	<u>\$ 18.5</u>	<u>\$ 6.4</u>
Adjusted EBITDA Margin	29.9 %	10.1 %	14.9 %	27.8 %	13.0 %	9.1 %

Adjusted EBITDA by Segment	YTD-22			YTD-21		
	Electronics	Transportation	Industrial	Electronics	Transportation	Industrial
GAAP operating income	\$ 431.6	\$ 63.5	\$ 48.9	\$ 309.6	\$ 66.0	\$ 22.6
Add:						
Add back amortization	32.7	18.1	4.9	\$ 27.9	\$ 10.1	\$ 4.7
Add back depreciation	35.5	25.6	3.9	\$ 33.6	\$ 18.9	\$ 3.4
Adjusted EBITDA	<u>\$ 499.8</u>	<u>\$ 107.2</u>	<u>\$ 57.7</u>	<u>\$ 371.1</u>	<u>\$ 95.0</u>	<u>\$ 30.7</u>
Adjusted EBITDA Margin	33.5 %	15.0 %	18.9 %	28.5 %	18.0 %	12.2 %

SUPPLEMENTAL FINANCIAL INFORMATION CONT'D

LITTELFUSE, INC.

SUPPLEMENTAL FINANCIAL INFORMATION

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

Non-GAAP EPS reconciliation

	Q1-22
GAAP diluted EPS	\$ 4.70
EPS impact of Non-GAAP adjustments (below)	0.29
Adjusted diluted EPS	<u>\$ 4.99</u>

Non-GAAP adjustments - (income) / expense

	Q1-22
Acquisition-related and integration costs (a)	\$ 3.8
Purchase accounting inventory adjustments (b)	4.8
Restructuring, impairment and other charges (c)	0.2
Gain on sale of fixed assets (d)	—
Non-GAAP adjustments to operating income	8.8
Non-operating foreign exchange loss	7.7
Non-GAAP adjustments to income before income taxes	16.5
Income taxes (e)	9.5
Non-GAAP adjustments to net income	<u>\$ 7.0</u>
Total EPS impact	<u>\$ 0.29</u>

(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. 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 and the one-time net benefit of \$7.2 million that resulted from the dissolution of one of the Company's affiliates.