



One of the World's Largest Manufacturers of
Discrete Semiconductors and Passive Components

Q4 2009 FINANCIAL RESULTS



HIGHLIGHTS Q4 2010

- Revenues for Q4 09 were \$607M or \$82M higher than Q3 09
- Adjusted operating margins improved by \$24M: from \$15M in Q3 09 to 39M in Q4 09
- EPS of \$0.15, adjusted EPS \$0.16
- Break-even point permanently lowered by \$500M since beginning of crisis
- Cash from operations in 2009 was \$290M
- Capital expenditures in 2009 were \$50M
- Inventories at distribution down by 2% compared to Q3 09 for turns of 4.2

FINANCIAL RESULTS

in millions, except per share amounts	Q4 2009	Q4 2008	Q3 2009
Net revenues	\$607	\$575	\$525
Gross profit	\$137	\$85	\$104
	22.6%	14.8%	19.9%
Operating income	\$35	(\$607)	\$11
	5.7%	(105.5%)	2.1%
Net earnings	\$29	(\$647)	\$3
EPS	\$0.15	(\$3.47)	\$0.01

ADJUSTED FINANCIAL RESULTS

in millions, except per share amounts	Q4 2009	Q4 2008	Q3 2009
Net revenues	\$607	\$575	\$525
Gross profit	\$137	\$91	\$104
	22.6%	15.9%	19.9%
Adjusted operating income	\$39	(\$11)	\$15
	6.4%	(1.9%)	2.8%
Adjusted net earnings	\$32	(\$13)	\$5
Adjusted EPS	\$0.16	(\$0.07)	\$0.03

RECONCILIATION SCHEDULE

in millions, except per share amounts	Q4 2009	Q4 2008	Q3 2009
GAAP net earnings (loss)	\$28	(\$652)	\$2
<u>Reconciling items affecting gross margin:</u>			
Loss on purchase commitment		\$6	
<u>Reconciling items affecting operating margin:</u>			
Restructuring and severance costs	\$3	\$29	\$3
Asset write-downs	\$1	\$1	
Impairment of goodwill and indefinite-lived intangibles		\$565	
Gain on sale of building		(\$5)	
<u>Tax effects of items above and other one-time tax expense (benefit)</u>	(\$1)	\$37	(\$1)
Loss from discontinued operations		\$6	
<u>Adjusted net earnings (loss)</u>	\$32	(\$13)	\$5

BALANCE SHEET AND CASH FLOW

in millions	Q4 2009	Q4 2008	Q3 2009
Cash and cash equivalents	\$579	\$324	\$508
Long term debt incl. current portion	\$336	\$347	\$349
Inventories	\$435	\$538	\$448
Depreciation & amortization	\$60	\$55	\$59
Cash from operations	\$112	\$76	\$110
CapEx	\$24	\$53	\$8
Free Cash[*]	\$92	\$30	\$103
*Cash flows from operations less capital expenditures plus proceeds from sale of property and equipment			

Long term debt includes \$105 million of exchangeable unsecured notes due in 92 years

BOOK-TO-BILL DETAIL

	Q4 2009	Q3 2009	Q2 2009	Q1 2009	Q4 2008
Book-to-bill VISHAY	1.22	1.11	1.06	0.89	0.74
Book-to-bill semiconductors	1.32	1.13	1.14	0.96	0.59
Book-to-bill passive components	1.12	1.09	0.97	0.84	0.88
Book-to-bill distribution	1.37	1.17	1.20	0.84	0.65
Book-to-bill OEMs	1.06	1.06	0.93	0.93	0.83
Book-to-bill Americas	1.16	1.12	0.99	0.81	0.92
Book-to-bill Europe	1.22	1.10	0.95	0.88	0.78
Book-to-bill Asia	1.29	1.12	1.19	0.97	0.59

OPERATIONAL METRICS

	Q4 2009	Q3 2009	Q2 2009	Q1 2009	Q4 2008
Change in ASP vs. prior year VISHAY	(2.2)	(2.8)	(2.8)	(2.2)	(2.3)
Change in ASP vs. prior year semis	(5.4)	(5.6)	(6.0)	(5.4)	(4.0)
Change in ASP vs. prior year passives	1.1	0.6	0.5	0.6	(1.0)
Backlog at quarter end VISHAY	\$630	\$502	\$433	\$400	\$460

GUIDANCE FOR Q1 2010

- **Revenues of \$630 to \$670 million and improved margins**