MARKET **LEADERSHIP**

GLOBAL **REACH**

CUSTOMER **SOLUTIONS**

2001 Annual Report

LITTELFUSE TODAY

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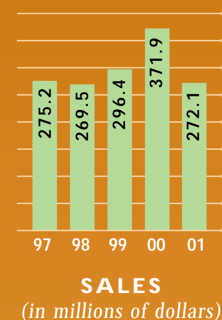
IBC Officers and Management Team, Directors

IBC Corporate Information

Littelfuse is a global company offering the broadest line of circuit protection products in the industry. Littelfuse products are vital components in nearly every product that uses electrical energy. Computers, cell phones, networking equipment and medical devices are just a few examples of the electronic products protected by Littelfuse components. The company is also the leading provider of circuit protection for the automotive industry and the third largest producer of power fuses in North America.

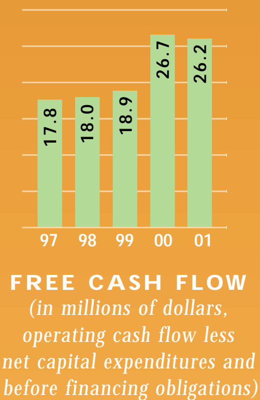
FINANCIAL HIGHLIGHTS

(dollars in thousands, except per share data)	2001	2000	% CHANGE
NET SALES	$272,149	$371,920	(27)%
GROSS PROFIT	91,907	150,648	(39)%
OPERATING INCOME	8,540	61,748	(86)%
NET INCOME	4,070	37,298	(89)%
EARNINGS PER SHARE – DILUTED	0.19	1.69	(89)%
OPERATING CASH FLOW	40,310	48,687	(17)%
CAPITAL EXPENDITURES, NET	14,121	21,958	(36)%
RESEARCH AND DEVELOPMENT	8,883	11,152	(20)%



SALES
(in millions of dollars)

EARNINGS PER SHARE-DILUTED
(in dollars per share)



FREE CASH FLOW
(in millions of dollars, operating cash flow less net capital expenditures and before financing obligations)

LETTER TO SHAREHOLDERS

Howard B. Witt

In 2001, Littelfuse faced challenges unlike any we have experienced before. The good news is that we successfully responded to these challenges, thanks to a three-pronged strategy that focused on reducing costs, generating cash and accelerating strategic projects that position the company for continued growth as the economy improves.

In 2001, the electronics industry experienced the deepest decline in the shortest period in its history. While the decline in electronics was by far the most dramatic, the downturn in the global economy affected all three of our businesses and all three geographic markets. As a result, net sales for 2001 decreased to $272.1 million for the year, compared to $371.9 million in 2000. Earnings declined to $4.1 million or $0.19 per diluted share in 2001, including restructuring costs of $6.3 million or $0.18 per share related to plant closures and one-time separation costs for workforce reductions, from earnings of $37.3 million or $1.69 per share in the prior year.

Coming off a record year in 2000, these are not the results we had hoped to report. But this was not the economy we had anticipated either, and as we saw our markets trending downward early in the year, we determined that to stay healthy, we needed to take action on several fronts.

Responded to market conditions

We took significant steps to adjust our cost structure to the realities of our markets. We lowered production rates for our electronic products by approximately 40% during the year, which enabled us to reduce inventory by $11.9 million.

We also accelerated our workforce reduction program. We approached the job cutbacks thoughtfully, evaluating positions and people at all levels on their ability to add value to our business. Through this process, we reduced our employee count by approximately 25% during the year.

Together, these activities helped to maintain our historically strong financial position. We generated $26.2 million of free cash in 2001, the majority of it in the third and fourth quarters, as we began to benefit from the cost reduction initiatives and decreasing working capital levels.

Accelerated organizational initiatives

We also accelerated a number of initiatives that are part of a program begun in 1999 to reset the business for the future. While the natural reaction is to pull back during a downturn, our strategy is to use this as an opportunity to make the internal changes needed to set the stage for our future growth.

We combined our overcurrent and overvoltage electronics businesses into one organization. We now have a seamless global sales operation

"We have a strong foundation, which we strengthened during 2001, and we are confident we are positioned to resume our growth when the economy recovers."

that presents all of our electronic components as one product line, with streamlined marketing, manufacturing and product development functions.

We rationalized our global manufacturing. Following an extensive study of our competencies and cost structures, we began the process of moving selected manufacturing operations from plants in Illinois, Korea and the United Kingdom to expanded facilities in China, the Philippines and Mexico. Our goal is to have no more than 30% of our production in high-cost countries by 2003, compared to 60% at the start of the project. We will retain high-tech manufacturing in the United States and Europe, while focusing low-cost manufacturing at our locations in Mexico, China and the Philippines.

We realigned our distribution centers and sales offices to be closer to our customers. We consolidated a number of facilities and opened two new locations in Asia. Our new design and distribution center in Japan enables our engineers to work closely with customers to design our components into their products, as well as to enhance the customer relationship with product testing and evaluation capabilities. A new sales center in Taiwan puts us close to our customers in the heart of the personal computer manufacturing market.

Continued investments in product development and technology

Even as we pursued major cost reductions, we continued to invest in product development and technology infrastructure. We introduced a number of new products during the year and developed several marketing alliances to broaden our product offerings at a low cost of entry.

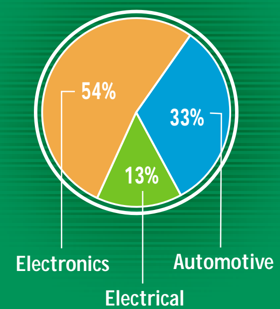
On the technology side, our SAP™ enterprise information system has been successfully implemented in the United States and Ireland, with key distribution locations scheduled for completion over the next 12- to 18-months. The new system will support our growth by consolidating information from locations around the world into one database. This access to global information will allow us to make better decisions, increase efficiencies in transactional processing, and offer a wealth of information to our customers on-line.

Positioned to benefit from economic recovery

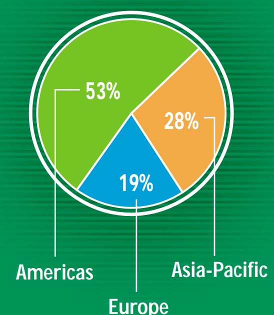
As you can see, we are implementing major strategic initiatives across the organization, all designed to put us ahead of the competition when the economy recovers. And we do believe our markets will improve and ultimately surpass past levels.

As a result, our growth strategy has not changed. We continue to believe the electronics business has the greatest long-term growth potential for Littelfuse. Distributors are working down inventories and are now beginning to reorder product. The average life of a cellular phone is about 18 months, as new models and features drive continual upgrading, a phenomenon that also exists with PCs, personal digital assistants (PDAs) and other devices. Web access phones are a developing market segment, as consumers

PERCENT OF TOTAL SALES



GEOGRAPHIC SALES



come to appreciate the convenience of instant Internet access to flights, stock quotes and other information. And companies will need to upgrade computer and communications systems as growth returns.

Looking at the automotive business, we will continue to benefit from an increasing fuse count in new vehicles and the trend toward increased computerization of automobiles. There will also be opportunities to sell our overvoltage electronic products into this market. Specialized fuses for hybrid electric vehicles with their higher fuse value content continue to have growth potential, but this market will evolve slowly.

In 2001, we introduced a new line of electrical fuses designed specifically for the power distribution systems that provide the infrastructure for the telecom industry. With the broadest selection of circuit protection products for this industry, Littelfuse stands to benefit as the market recovers.

Long-term growth strategies

The past year has also been very challenging for our country as we first felt the impact of the economic downturn and then we all were affected by the September 11 tragedy. Littelfuse has been affected by these events as well, but as our country and our company continues to work through them, we remain focused on our long-term growth strategies.

Our ability to weather these challenging times and succeed when our markets rebound comes down to three things: market leadership, global reach and customer solutions.

We offer the broadest line of circuit protection products in the industry. Our global distribution capabilities enable us to sell our products anywhere in the world. And we work closely with customers to provide solutions and technical support for their circuit protection needs. As major customers continue to reduce their number of suppliers, they will focus on the worldwide market leaders and those who have served them well—factors which play to our strengths.

A strong foundation for building shareholder value

In closing, I'd like to thank our Board and all of our associates for giving us their best during a challenging period for Littelfuse. I want to especially recognize the many contributions of John J. Nevin, who will be retiring from our Board in April 2002 after 11 years of service.

The fact that 2001 was a very difficult year has not changed our belief in the long-term potential of our growth strategies. We have a strong foundation, which we strengthened during 2001, and we are confident we are positioned to resume our growth when the economy recovers. As always, building value for our shareholders remains our top priority.

Howard B. Witt
Chairman, President and Chief Executive Officer

BUSINESS OF LITTELFUSE

Littelfuse is a global company offering the broadest line of circuit protection products in the industry. Littelfuse products are vital components in nearly every product that uses electrical energy. Computers, cell phones, networking equipment and medical devices are just a few examples of the products protected by Littelfuse components. The company is also the leading provider of circuit protection for the automotive industry and the third largest producer of power fuses in North America.

ELECTRONICS

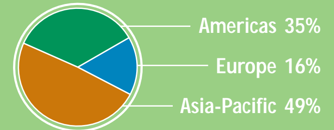
Littelfuse is the world's leading supplier of circuit protection products for the electronics industry, providing both overcurrent and overvoltage protection. Overcurrent products like fuses and resettable PTCs protect electronic circuits when current in a circuit exceeds a predetermined value. Overvoltage products like electrostatic discharge (ESD) suppressors, thyristors and metal oxide varistors protect electronic circuits from temporary overvoltages caused by lightning, electrostatic discharges and electrical load switching. Littelfuse components protect nearly every type of electronic product including computers, telecommunications equipment, networking equipment, consumer electronics, medical and test instruments, industrial controls and aerospace equipment.

Littelfuse focuses on three segments of the electronics market including: telecommunications and data networking, computers and peripherals, and consumer electronics and appliances.

Key Products

Fuses and protectors	ESD suppressors
Resettable PTCs	Thyristors
Varistors	Diode arrays

GEOGRAPHIC SALES



Representative Customers
Acer, Alcatel, Arrow, Avnet, Celestica, Compaq, Dell, GE, IBM, Intel, Legend, Lite-On, Motorola, Nokia, Palm, Panasonic, Samsung, Siemens, Sony and Toshiba.

AUTOMOTIVE

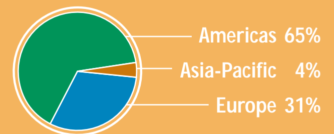
Nine out of every ten cars in the world rely on Littelfuse-designed products to protect electrical circuits and wiring. The company's customers include major automakers in North America, Europe and Asia and wiring harness manufacturers and automotive parts suppliers worldwide. Littelfuse products are also found in aftermarket outlets such as auto parts retailers and mass merchandisers.

A Japanese licensee supplies fuses for vehicles manufactured in that country.

Key Products

MINI® blade fuses	ATO® bladefuses
MAXI™ blade fuses	Varistors
MIDI®	MEGA®
EV fuses	CablePro™
	JCASE

GEOGRAPHIC SALES



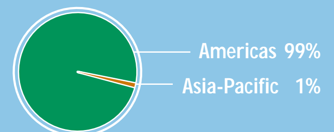
Representative Customers
Alcoa Fujikawa, Auto Zone, BMW, DaimlerChrysler, Delphi Automotive, Ford Motor, General Motors, Lear, Pep Boys, Toyota and Yazaki.

ELECTRICAL

Littelfuse is the third largest producer of power fuses in North America. Littelfuse's POWR-GARD® brand products are used to protect circuits in industrial and commercial heating and cooling systems, lighting circuits and electrical distribution networks as well as in a wide variety of industrial equipment. TeleGARD™ products are designed specifically for power distribution systems for the Internet and telecommunications infrastructure.

Key Products
Power fuses
TeleGARD™ fuses
Indicating power fuses
Fuseholders and accessories

GEOGRAPHIC SALES

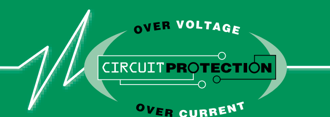


Representative Customers
Carrier, Dana, GE, International Paper, John Deere, Heinz, Marconi, Otis Elevator, Proctor & Gamble, Rockwell, US Airways, Philip Morris and E&J Gallo.

MARKET LEADERSHIP

Broadest Offering in Circuit Protection

Our diversified offering of well-established electronic overcurrent products, newer electronic overvoltage products, world-standard automotive products and electrical fuse products constitute a market-leading portfolio of circuit protection solutions.



Littelfuse Benefits from Market Leadership in Circuit Protection

With the broadest offering of circuit protection products in the marketplace, Littelfuse provides the world with a "one stop" shopping opportunity for electronic, automotive and electrical circuit protection.

New Products Ideal for Increasingly Smaller Electronics

In overvoltage protection, we continue to expand our unique line of electrostatic discharge (ESD) suppression devices. We are the only supplier in the marketplace that has three distinct technologies to combat electrostatic discharge, enabling us to provide the technology that best suits the customer's needs. For example, a new series of devices was introduced in 2001 that uses technology which is ideal for protecting hand-held electronic devices such as personal digital assistants (PDAs) and cell phones from damage caused by electrostatic occurrences.

Our PulseGuard™ line of ESD suppressors has received positive market acceptance and we have expanded this line with additional new products. These devices are based on proprietary technologies that provide favorable performance characteristics not available from other suppliers, giving us a distinct competitive advantage.

Leveraging Leadership to Market New Technologies

With nine out of every ten cars in the world relying on Littelfuse-designed products to protect electrical circuits and wiring, we are the acknowledged market leader in this industry. Continuing our tradition of new product development, we introduced CablePro™ in 2001. CablePro is a circuit protection device that protects high-current automotive components such as alternator and battery cables.

Littelfuse initially produced glass electronic fuses and built its reputation in the automobile marketplace through our premier blade fuse technology. Over the years, we expanded our technology in electronic circuit protection, building a reputation as the leader in miniature fuses for today's smaller electronics. We added electronic overvoltage capabilities through the 1999 Harris Suppression Products acquisition, giving us the broadest line of circuit protection products in the industry. Today, we are leveraging this leadership position to increase sales of circuit protection devices for electronic products. As part of that effort, we are working on the development of new devices that combine overvoltage and overcurrent

Littelfuse products protect some of the world's leading brands.

NOKIA®

SONY®

"The broadest line of circuit protection in the industry and our global manufacturing and distribution capabilities position us as the worldwide market leader in circuit protection."

technologies into one component. This will provide opportunities to expand our expertise across the entire electronics marketplace.

Our electrical power fuse business, which is the third largest producer of power fuse products in North America, continues to pursue opportunities to capture market leadership positions in specialized segments of the marketplace. A key component of this strategy is the TeleGARD™ line of power fuses designed specifically to protect the infrastructure that provides the power for telecommunications equipment.

Our POWR-GARD® line of power fuses, with its patented Indicator™ technology, continues to make advances in the marketplace. The line has been specified exclusively as replacement components by several large manufacturing companies.

Worldwide Leader in Circuit Protection

Together, our long-standing prominence in electronic and automotive fuse technology, new electronic overvoltage expertise and electrical fuse knowledge strengthen our position as the worldwide leader in circuit protection.

GLOBAL REACH

International Sales

Our global manufacturing and distribution capabilities enable us to sell our products anywhere in the world. In 2001, 52% of total sales were outside of the United States.

Worldwide Locations

Research and Manufacturing

- Arcola, Illinois, USA
- Centralia, Illinois, USA
- Des Plaines, Illinois, USA
- Grenchen, Switzerland
- Lipa, Philippines
- Piedras Negras, Mexico
- Suzhou, China
- Washington, England
- Dundalk, Ireland

Sales, Distribution and Engineering

- Hong Kong, China
- Singapore
- Yokohama, Japan
- Utrecht, The Netherlands
- São Paulo, Brazil
- Seoul, Korea
- Taipei, Taiwan

Littelfuse's Global Reach Helps Increase Worldwide Business

As the world markets have come together, Littelfuse's global presence has become a key competitive advantage. Our ability to provide manufacturing, engineering and distribution in strategic areas around the world has been a tremendous advantage in increasing sales of our industry-leading circuit protection devices.

The global nature of the electronics industry has long required that key suppliers like Littelfuse be close to the customer. Today, we have manufacturing, engineering, sales and distribution facilities strategically located in key markets of the world where products are designed, built, sold and distributed.

Worldwide Focus on Customer Service

During the past year, we increased our focus on worldwide customer service with several strategic moves. In Japan and Taiwan, for example, we realigned our distribution system to establish company-owned design and distribution centers. This gives us direct contact with customers and dramatically improves opportunities to better understand customer needs and to have Littelfuse products specified in new devices as they are designed.

Another advantage of maintaining facilities close to customers around the world comes from gaining valuable insight into local standards that will regulate the production and use of electronic devices. Such insight, for example, has enabled Littelfuse to become the leader in testing circuit protection products to new Japanese standards.

Littelfuse is the World Standard in Evolving Technology

In automotive technology, Littelfuse is already the world standard in the evolution to the new 42-volt system for cars. This will bring new opportunities for our engineers around the world to work with automotive manufacturers and wiring harness producers to provide electronic and electrical circuit protection devices that meet their needs for reducing wiring and weight in the automobiles of the future.

Our global reach has definite advantages in capitalizing on another strategic direction in the automobile industry—the move to more fuel-efficient vehicles. Growth in automotive sales will be derived in part from electric or hybrid vehicles. These cars have a dollar content of fuses per vehicle that is significantly higher than that of a conventional vehicle. Our strategically located facilities and existing relationships with the leading manufacturers of these vehicles will help us in providing circuit protection solutions for these new vehicles.

Worldwide Operations Provide Synergy

Being a truly global company has resulted in other advantages for Littelfuse, as we benefit from the synergies of our worldwide operations. For example, the creation of global strategic business units has brought Littelfuse's worldwide resources closer together. As a result, our staff from around the world collaborates on product design, manufacturing, engineering and distribution. This helps to bring products to market faster and lowers the cost of production.

“We have manufacturing, engineering, sales and distribution facilities strategically located in key markets of the world.”

Today, Littelfuse has the advantage of looking at global options for manufacturing, enabling us to produce products in the most efficient manner. At the same time, our global distribution network enables us to respond to customers more quickly, no matter where they are located. And in today’s highly competitive marketplace, the ability to effectively service customers anywhere in the world is the key to building strong relationships and increasing sales.

CUSTOMER SOLUTIONS

Technical Solutions Group

Our new Technical Solutions Group is armed with circuit protection specialists and an Internet site. Customers worldwide can contact our expert engineers and gain valuable information on the best circuit protection solutions available.

Widest Array of ESD Protection

Littelfuse is the only supplier in the marketplace that can offer three distinct technologies to protect today's small electronics from electrostatic discharge damage.

Focus on Customer Solutions Adds Value

No matter what the business, the ability to solve customer problems is a vital component of success. At Littelfuse, providing customer solutions is a mission that revolves around our long-standing commitment to customer service and industry-leading technology.

Since its founding, Littelfuse has been committed to helping customers solve circuit protection problems. With a focus on product safety and efficient performance, circuit protection specialists from Littelfuse make sure, during design, that customer applications are adequately protected.

Engineering Expertise

In 2001, we established the Technical Solutions Group and armed it with an Internet site, www.littelfuse.com. The site enables customers to contact the company, request information on product specifications and standards, gain valuable application advice and determine availability at any time. When requested, our engineers can respond to customers to address specific problems and questions on design and provide the best solution to meet customer needs. With this advantage, we can get in on the ground floor of both current and future product designs, adding considerable value to customer relationships.

Littelfuse engineers also help customers test their products and work closely with them to design-in the circuit protection components that will best serve their application. We offer customers the opportunity to have their products tested in our advanced test facilities, providing value-added service and speeding the approval process by testing to Underwriters Laboratories (UL) standards.

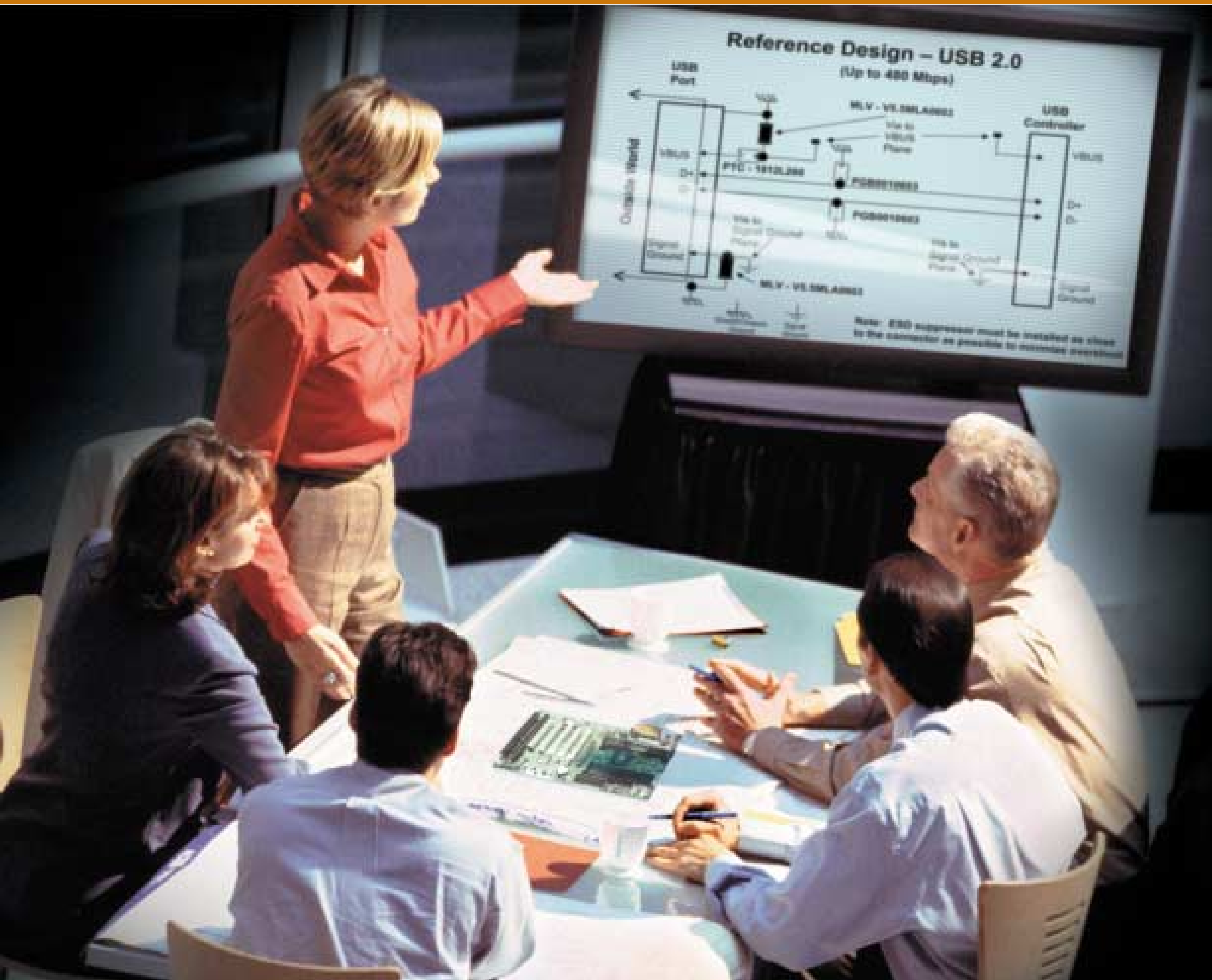
In addition, in 2001 we opened company-owned design and distribution centers in Japan and Taiwan, where many computer and consumer electronics manufacturers are located. These centers give us direct contact with customers, enabling them to add value by offering solutions during the critical product design phase.

Solving Problems Adds Value to Customer Relationships

A prime example of solving customer problems comes from our efforts to help customers understand the damaging effects of electrostatic discharge (ESD) on the many new devices that are growing in popularity these days, such as personal digital assistants, cell phones and others. Designing circuit protection into the device ultimately saves the customer from the added expense of warranty repairs and product returns due to the effects of ESD.

We enhanced our leadership position during the past year with new products, including the company's first multifunctional offering which provides both overcurrent and overvoltage protection in the same component. The new T-MOV™, designed at our laboratory in Dundalk, Ireland, offers definite advantages to customers. Its dual function saves cost and space on circuit boards. And its performance is faster, resulting in improved safety for applications like electrical power supplies.

“At Littelfuse, providing customer solutions is a mission that revolves around our long-standing commitment to customer service and industry-leading technology.”



New Information System Improves Customer Response
Adding to the effectiveness of our mission to solve customer problems is a new enterprise information system. The system will allow customers anywhere in the world to check the inventory of desired components and source the parts from the closest distribution center, resulting in faster delivery. This system will also provide customers with the ability to place orders on-line, also saving valuable time. At Littelfuse, commitment to providing customer solutions is more than just a statement on a plaque in the lobby of our corporate headquarters. It’s a commitment that comes to life every day as Littelfuse employees work closely with customers around the world to improve the products of today and design the products of the future.

OUR FINANCIALS

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We took significant steps during 2001 to adjust our cost structure to the realities of our markets, lower production rates for electronic products by approximately 40% and accelerate workforce reductions, cutting our employee count by approximately 25% during the year. Together, these activities helped to maintain our historically strong financial position.

The following discussion provides an analysis of the information contained in the consolidated financial statements and accompanying notes beginning on page 18 for the three fiscal years ended December 29, 2001, December 30, 2000 and January 1, 2000, respectively.

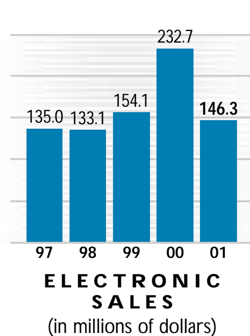
Results of Operations — 2001 Compared with 2000

Sales decreased 27% to $272.1 million in 2001 from $371.9 million in 2000. Electronic sales decreased $86.4 million or 37% to $146.3 million in 2001 compared to $232.7 million in 2000. The decrease in electronic sales reflected weak global demand for electronic products compared to record sales performance in 2000. Additionally, inventory corrections at customers and in the distribution channel reduced sales of electronic products in 2001. Automotive sales decreased $8.9 million or 9% to $91.1 million in 2001 compared to $100.0 million in 2000, primarily due to a reduction in North American vehicle production and continued weakness in automotive aftermarket sales. Decreases in North American and Asia sales of automotive products more than offset an increase in European automotive product sales. Electrical product sales decreased $4.5 million or 11% to $34.7 million in 2001 compared to $39.2 million in 2000 due to continued weakness in the electrical market driven by reduced industrial activity and commercial construction. International sales decreased 22% to $141.3 million or 51.9% of net sales in 2001 from $180.1 million or 48.4% of net sales in 2000. The primary cause of lower international sales in 2001 was reduced demand for electronic products in Asia and Europe.

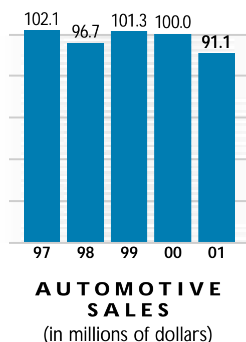
Gross profit was $91.9 million or 33.8% of sales for 2001 compared to $150.6 million or 40.5% of sales for 2000. The gross profit was negatively affected in 2001 by lower sales demand, lower factory utilization, declining average sell prices and employee separation costs. The Company took steps in 2001 to reduce the cost structure and decrease inventories to bring them in-line with current market demand. These included actions to reduce worldwide headcount by approximately 25% and increase the focus on material, labor and process cost reductions.

Selling, general and administrative expenses decreased $8.9 million, representing 22.9% of sales in 2001 compared to 19.1% of sales in 2000. Overall, expenses decreased due to lower sales and effective cost reduction actions taken during the year. Expenses as a percentage of sales increased, however, due to the decline in sales. Research and development costs decreased $2.3 million to $8.9 million, representing 3.3% of sales in 2001 as compared to 3.0% of sales in 2000. Amortization of reorganization value and other intangibles was $6.0 million or 2.2% of sales for 2001 compared to $6.7 million or 1.8% of sales for the prior year. Total operating expenses, including intangible amortization and restructuring expense, were 30.6% of sales in 2001, compared to 23.9% of sales in 2000. Excluding restructuring expense, total operating expenses were 28.3% of sales in 2001.

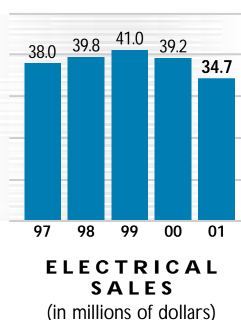
Operating income for 2001 decreased 86% to $8.5 million or 3.1% of sales compared to $61.7 million or 16.6% of sales for the prior year due to the reduced sales demand and profitability as discussed above. Also contributing to the decrease in operating income in 2001 were $6.3 million of restructuring charges related to a program to rationalize the Company's worldwide manufacturing operations. This program includes plans to close three manufacturing facilities located in the U.S., England and Korea and to consolidate production into existing lower cost sites in the Philippines, China and Mexico. The restructuring expense consists primarily of separation cost for approximately 512 employees as well as a



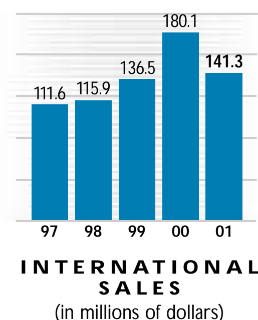
ELECTRONIC SALES
(in millions of dollars)



AUTOMOTIVE SALES
(in millions of dollars)



ELECTRICAL SALES
(in millions of dollars)



INTERNATIONAL SALES
(in millions of dollars)

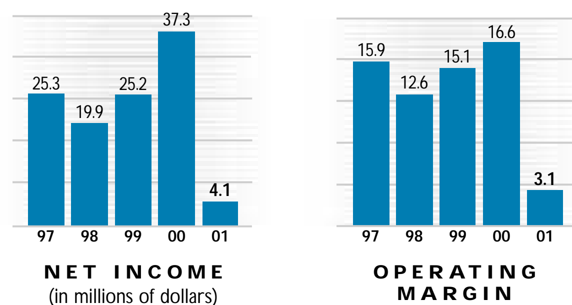
write-down of impaired manufacturing machinery and equipment. Additional restructuring charges related to this program are expected to be recorded in the first half of 2002. The restructuring program is expected to be completed by the middle of 2003.

Interest expense was $3.3 million for 2001 compared to $4.7 million for 2000 due to lower average debt levels in 2001. Other income, net, consisting of interest income, royalties, minority interest and foreign currency items was $1.1 million compared to other income, net, of $1.9 million for the prior year.

Income before taxes was $6.4 million in 2001 compared to $59.0 million in 2000. Income tax expense was $2.3 million in 2001 compared to $21.7 million the prior year. Net income for the year was $4.1, million compared to $37.3 million for the prior year. The Company's effective tax rate was 36.0 % in 2001 compared to 36.8 % in 2000. Diluted earnings per share decreased 89% to $0.19 in 2001 compared to $1.69 in 2000.

Results of Operations — 2000 Compared with 1999

Sales increased 25% to $371.9 million in 2000 from $296.4 million in 1999. Electronic sales increased $78.6 million or 51% to $232.7 million in 2000 compared to $154.1 million in 1999. The strong electronics market, driven by communications demand and continued strength in the Asia-Pacific region, was the primary factor in the record electronic sales growth. Automotive sales decreased $1.3 million or 1% to $100.0 million in 2000 compared to $101.3 million in 1999 reflecting continued aftermarket weakness and the unfavorable translation effects of a weak Euro, partially offset by increases in North American OEM sales. Electrical sales decreased $1.8 million or 4% to $39.2 million in 2000 compared to $41.0 million in 1999. Led by Asia-Pacific and European electronic sales growth, international sales increased 32.0% to $180.1 million or 48.4% of net sales in 2000 from $136.5 million or 46.1% of net sales in 1999.



Gross profit was $150.6 million or 40.5% of sales for 2000 compared to $117.3 million or 39.6% of sales for 1999. The gross profit increase resulted from successful worldwide cost reductions, increasing unit volumes during the year and an improved pricing environment as compared to the prior year.

Selling, general and administrative expenses increased $15.0 million, representing 19.1% of sales in 2000 compared to 18.9% of sales in 1999, due primarily to higher sales and marketing expenses to support growth in the electronics market. Research and development costs increased $1.7 million to $11.2 million, representing 3.0% of sales in 2000 as compared to 3.2% of sales in 1999, due to continued focus on development of new products. Amortization of reorganization value and other intangibles was $6.7 million or 1.8% of sales for 2000 compared to $7.1 million or 2.4% of sales for the prior year. Total operating expenses, including intangible amortization, were 23.9% of sales in 2000, compared to 24.5% of sales in 1999.

Operating income for 2000 increased 38% to $61.7 million or 16.6% of sales compared to $44.6 million or 15.1% of sales for the prior year as a result of the factors discussed above.

Interest expense was $4.7 million for 2000 compared to $5.3 million for 1999 due to lower average debt levels. Other income, net, consisting of interest income, royalties, minority interest and foreign currency items was $1.9 million compared to other income of $1.3 million for the prior year. The increase in other income was due to foreign currency gains and a gain from the sale of a non-core product line.

Income before taxes was $59.0 million in 2000 compared to $40.7 million in 1999. Income tax expense was $21.7 million in 2000 compared to $15.5 million the prior year. Net income for the year was $37.3 million, compared to $25.2 million for the prior year. The Company's effective tax rate was 36.8 % in 2000 compared to 38.0 % in 1999. The lower effective tax rate in 2000 was due to the increase in foreign earnings as a percent to

total earnings. Diluted earnings per share increased 45% to $1.69 in 2000 compared to $1.16 in 1999.

Liquidity and Capital Resources

The Company has historically financed capital expenditures through cash flows from operations. Management expects that cash flows from operations and available lines of credit will be sufficient to support both its operations and its debt obligations for the foreseeable future.

The Company has a domestic unsecured revolving credit line of $55.0 million, which matures on August 31, 2003. At December 29, 2001, there were no borrowings against this credit line. The Company's subsidiaries in the Netherlands, Japan and Korea also have unsecured credit lines of Euro 4.0 million, Yen 1.1 billion and Won 3.0 billion, respectively. At December 29, 2001, the Euro credit line was unused and Won 2.5 billion was drawn on the credit line in Korea. The Yen credit line was fully utilized at year-end 2001.

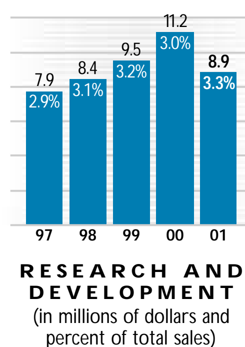
The Company's bank credit agreement requires maintenance of certain financial ratios and a minimum net worth level. At December 29, 2001, the Company was in compliance with these covenants. If the Company were to default on any of the bank agreement debt covenants, and were unable to obtain a waiver from the lenders, the debt would be callable by the lenders. The Company believes that default of any of the debt covenants is unlikely for the foreseeable future since it expects the results of operations to be within the minimum levels to continue to be in compliance with the debt covenants.

The Company started 2001 with $5.5 million of cash. Net cash provided by operations was $40.3 million for the year. Cash used in investing activities included $14.3 million in property, plant and equipment. Cash provided by financing activities included cash proceeds from the exercise of stock options and conversion of warrants of $10.5 million, offset by repurchase of the Company's common stock for $1.3 million and net payments of long-term debt of $6.0 million. The effect of exchange rate changes decreased cash by $0.2 million. The net cash provided by operations and financing activities, less investing activities plus the effect of exchange rates, resulted in a $29.0 million net increase in cash. This left the Company with a cash balance of $34.5 million at the end of 2001.

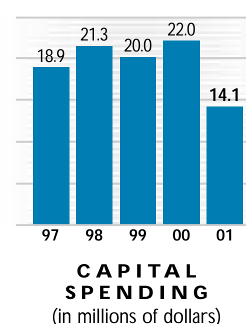
Decreases in net working capital provided $18.2 million of cash flow in 2001. The major factors contributing to lower working capital were a decrease in inventory of $11.9 million and a $10.6 million reduction in accounts receivable, partially offset by a $4.2 million reduction in accounts payable and accrued expenses. Net working capital (working capital less cash and the current portion of long-term debt) as a percent of sales was 21.8% at year-end 2001 compared to 20.0% at year-end 2000 and to 20.2% at year-end 1999. Net working capital as a percent of sales increased as the decreases in accounts receivable and inventory were more than offset by lower sales. The days sales outstanding in accounts receivable increased to approximately 61 days at year-end 2001 compared to 58 days at year-end 2000 and 68 days at year-end 1999. Days inventory outstanding was 99 days at year-end 2001 compared to 109 days at year-end 2000 and 94 days at year-end 1999.

The ratio of current assets to current liabilities was 2.2 to 1 at year-end 2001 compared to 2.0 to 1 at year-end 2000 and 1.5 to 1 at year-end 1999. The ratio of long-term debt to equity was 0.2 to 1 both at year-end 2001 and at year-end 2000 and 0.4 to 1 at year-end 1999.

The Company started 2000 with $1.9 million of cash. Net cash provided by operations was $48.7 million for the year. Cash used in investing activities included $22.0 million in property, plant and equipment. Cash used in financing activities included net payments of long-term debt of $16.8 million. This left the Company with $55.0 million of borrowing capability under it's revolving credit line as of December 30, 2000. The repurchase of the Company's common stock for $11.2 million was partially offset by cash proceeds from the exercise of stock options and conversion of warrants of $5.8 million. The effect



RESEARCH AND DEVELOPMENT
(in millions of dollars and percent of total sales)



CAPITAL SPENDING
(in millions of dollars)

of exchange rate changes decreased cash by $0.9 million. The net cash provided by operations, less investing activities, less financing activities, plus the effect of exchange rates, resulted in a $3.6 million net increase in cash. This left the Company with a cash balance of $5.5 million at the end of 2000.

Increases in net working capital resulted in a $14.2 million use of cash in 2000. The major factors contributing to higher working capital were a $10.8 million increase in inventory and an $8.5 million decrease in accounts payable and accrued expenses, partially offset by a $5.0 million reduction in accounts receivable. The inventory increase was primarily the result of increased sales in 2000. The reduction in accounts receivable was the result of improved collections performance.

The Company's capital expenditures were $14.1 million in 2001, $22.0 million in 2000 and $20.0 million in 1999. The Company expects that capital expenditures in 2002 will be similar to the levels in 2001. The primary purposes for capital expenditures in 2002 will be for new product tooling and production equipment. As in 2001, the Company expects to finance capital expenditures in 2002 through cash flow from operations.

The Company decreased total debt by $6.0 million in 2001, after decreasing debt by $16.8 million in 2000 and $9.1 million in 1999. The Company is required to repay $10.0 million of senior note debt in 2002. Separately, the Company has $10.3 million in renewable foreign credit facilities coming due in 2002. The Company's Board of Directors has authorized the Company to repurchase shares of its common stock, from time to time, depending on market conditions. The Company repurchased 50,000 common shares for $1.3 million in 2001, 369,000 common shares for $11.2 million in 2000 and 707,500 common shares for $12.8 million in 1999. As of December 29, 2001, the Company had 1,000,000 shares remaining for repurchase under the Board of Directors authorization expiring in May of 2002.

Market Risk

The Company is exposed to market risk from changes in interest rates, foreign exchange rates and commodities.

The Company had long-term debt outstanding at December 29, 2001 in the form of Senior Notes at fixed interest rates and foreign lines of credit at variable rates. Since nearly 80% of this debt has fixed interest rates, the Company's interest expense is not materially sensitive to changes in interest rate levels.

A portion of the Company's operations consists of manufacturing and sales activities in foreign countries. The Company has manufacturing facilities in Mexico, U.K., Ireland, Switzerland, South Korea, China and the Philippines. During 2001, sales exported from the United States or manufactured abroad accounted for 51.9% percent of total sales. Substantially all sales in Europe are denominated in Euros and British Pound Sterling, and substantially all sales in the Asia-Pacific region are denominated in United States Dollars, Japanese Yen and South Korean Won.

The Company's identifiable foreign exchange exposures result from the purchase and sale of products from affiliates, repayment of intercompany trade and loan amounts and translation of local currency amounts in consolidation of financial results. As international sales were slightly more than half of total sales, a significant portion of the resulting accounts receivable is denominated in foreign currencies. Changes in foreign currency exchange rates or weak economic conditions in the foreign countries in which it manufactures and distributes products could affect the Company's sales, accounts receivable values and financial results. The Company does not use any material derivative financial instruments to mitigate its foreign currency risk at the present time. However, netting and offsetting intercompany account management techniques are utilized to reduce known foreign currency exposures.

The Company uses various metals in the production of its products, including zinc, copper and silver. The Company's earnings are exposed to fluctuations in the prices of these commodities. The Company does not currently use derivative financial instruments to mitigate this commodity price risk.

Outlook

Sales for 2002 are expected to start slowly, as weakness in the electronics and electrical markets is expected to continue through at least the first half of the year. Sales are expected to

improve in the second half of 2002 driven by increased electronics market demand and reduced distributor inventory levels. Additionally, sales are expected to be positively impacted by the introduction of new products and increased market penetration of recently introduced products. To offset the current lower profitability levels and the expectation of continued price pressure, the Company will continue to emphasize implementation of cost reduction opportunities and the restructuring and consolidation of manufacturing operations in 2002.

The Company's long-term growth strategy emphasizes development of new circuit protection products and providing customers with solutions and technical support in all major regions of the world. The Company is working to expand its market share in the overvoltage circuit protection market through introduction of an expanded line of ESD products to complement its complete line of overcurrent products. The Company remains committed to investing in new product development and technical resources to provide customers with overcurrent and overvoltage circuit protection expertise.

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995

The statements in this section, the letter to shareholders and in the other sections of this report which are not historical facts contained in this report are forward-looking statements that involve risks and uncertainties, including, but not limited to, product demand and market acceptance risks, the effect of economic conditions, the impact of competitive products and pricing, product development and patent protection, commercialization and technological difficulties, capacity and supply constraints or difficulties, exchange rate fluctuations, actual purchases under agreements, the effect of the Company's accounting policies, labor disputes, restructuring costs in excess of expectations and other risks which may be detailed in the Company's Securities and Exchange Commission filings.

REPORT OF INDEPENDENT AUDITORS

The Board of Directors and Shareholders of Littelfuse, Inc.

We have audited the accompanying consolidated statements of financial condition of Littelfuse, Inc. and subsidiaries as of December 29, 2001 and December 30, 2000, and the related consolidated statements of income, shareholders' equity, and cash flows for each of the three years in the period ended December 29, 2001. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Littelfuse, Inc. and subsidiaries as of December 29, 2001 and December 30, 2000, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 29, 2001, in conformity with accounting principles generally accepted in the Unites States.

Ernst & Young LLP

Chicago, Illinois
January 29, 2002

(In Thousands)	December 29, 2001	December 30, 2000
ASSETS		
Current assets:		
Cash and cash equivalents	$ 34,527	$ 5,491
Accounts receivable, less allowances (2001 – $7,519; 2000 – $9,178)	40,969	53,152
Inventories	46,208	59,272
Deferred income taxes	10,870	4,664
Prepaid expenses and other current assets	3,608	4,115
Total current assets	136,182	126,694
Property, plant, and equipment:		
Land	9,669	8,687
Buildings	33,481	29,650
Equipment	176,185	174,837
	219,335	213,174
Accumulated depreciation	(132,734)	(120,501)
	86,601	92,673
Intangible assets, net of amortization:		
Reorganization value in excess of amounts allocable to identifiable assets	28,066	30,913
Patents and licenses	56	2,087
Distribution network	5,102	5,440
Trademarks	2,522	2,775
Other	12,775	13,698
	48,521	54,913
Other assets	968	98
Total assets	$272,272	$274,378
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 7,881	$ 11,066
Accrued payroll	19,701	18,548
Accrued expenses	6,932	9,224
Accrued income taxes	7,702	7,862
Current portion of long-term debt	21,026	17,070
Total current liabilities	63,242	63,770
Long-term debt, less current portion	30,402	41,397
Deferred income taxes	835	2,153
Other long-term liabilities	124	331
Shareholders' equity:		
Preferred stock, par value $.01 per share: 1,000,000 shares authorized; no shares issued and outstanding	—	—
Common stock, par value $.01 per share: 34,000,000 shares authorized; shares issued and outstanding, 2001 – 21,873,416; 2000 – 19,849,894	219	198
Additional paid-in capital	70,641	60,223
Notes receivable – Common stock	(3,448)	(3,353)
Accumulated other comprehensive loss	(10,265)	(7,874)
Retained earnings	120,522	117,533
Total shareholders' equity	177,669	166,727
Total liabilities and shareholders' equity	$272,272	$274,378

See accompanying notes.

CONSOLIDATED STATEMENTS OF INCOME

(In Thousands, Except per Share Amounts) Year Ended	December 29, 2001	December 30, 2000	January 1, 2000
Net sales	**$272,149**	$371,920	$296,367
Cost of sales	**180,242**	221,272	179,112
Gross profit	**91,907**	150,648	117,255
Selling, general and administrative expenses	**62,197**	71,083	56,098
Research and development expenses	**8,883**	11,152	9,455
Amortization of intangibles	**5,972**	6,665	7,078
Restructuring expense	**6,315**	—	—
Operating income	**8,540**	61,748	44,624
Interest expense	**3,291**	4,652	5,253
Other income	**(1,112)**	(1,940)	(1,306)
Income before income taxes	**6,361**	59,036	40,677
Income taxes	**2,291**	21,738	15,457
Net income	**$ 4,070**	$ 37,298	$ 25,220
Net income per share:			
Basic	**$ 0.20**	$ 1.88	$ 1.29
Diluted	**$ 0.19**	$ 1.69	$ 1.16
Weighted-average shares and equivalent shares outstanding:			
Basic	**19,951**	19,834	19,572
Diluted	**21,731**	22,118	21,751

See accompanying notes.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands)

Year Ended	December 29, 2001	December 30, 2000	January 1, 2000
Operating activities			
Net income	**$ 4,070**	$37,298	$25,220
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	**19,710**	20,074	18,461
Amortization of intangibles	**5,972**	6,665	7,078
Provision for bad debts	**308**	275	614
Deferred income taxes	**(7,531)**	(1,810)	(3,922)
Other	**(435)**	337	(225)
Changes in operating assets and liabilities:			
Accounts receivable	**10,573**	4,978	(14,323)
Inventories	**11,873**	(10,802)	(8,850)
Accounts payable and accrued expenses	**(3,710)**	(8,514)	14,915
Prepaid expenses and other	**(520)**	186	(117)
Net cash provided by operating activities	**40,310**	48,687	38,851
Investing activities			
Purchases of property, plant, and equipment, net	**(14,121)**	(21,958)	(19,975)
Purchase of business, net of cash acquired	**(168)**	—	(24,754)
Other	**—**	(60)	(56)
Net cash used in investing activities	**(14,289)**	(22,018)	(44,785)
Financing activities			
Proceeds from long-term debt	**15,855**	53,811	21,515
Payments of long-term debt	**(21,887)**	(70,630)	(30,647)
Proceeds from exercise of stock options and warrants	**10,519**	5,831	1,645
Purchases of common stock and redemption of warrants	**(1,256)**	(11,203)	(12,833)
Net cash provided by (used in) financing activities	**3,231**	(22,191)	(20,320)
Effect of exchange rate changes on cash	**(216)**	(875)	181
Increase (decrease) in cash and cash equivalents	**29,036**	3,603	(26,073)
Cash and cash equivalents at beginning of year	**5,491**	1,888	27,961
Cash and cash equivalents at end of year	**$34,527**	$ 5,491	$ 1,888

See accompanying notes.

(In Thousands)

Period from January 2, 1999 to December 29, 2001	Common Stock	Additional Paid-In Capital	Notes Receivable– Common Stock	Accumulated Other Comprehensive Loss	Retained Earnings	Total
Balance at January 2, 1999	$200	$55,537	$(2,772)	$ (3,726)	$ 75,285	$124,524
Comprehensive income:						
Net income for the year	—	—	—	—	25,220	25,220
Foreign currency translation adjustment	—	—	—	(1,916)	—	(1,916)
Comprehensive income						23,304
Stock options and warrants exercised	2	2,172	(137)	—	—	2,037
Purchase of 707,500 shares of common stock	(7)	(2,468)	—	—	(10,358)	(12,833)
Balance at January 1, 2000	$195	$55,241	$(2,909)	$ (5,642)	$ 90,147	$137,032
Comprehensive income:						
Net income for the year	—	—	—	—	37,298	37,298
Foreign currency translation adjustment	—	—	—	(2,232)	—	(2,232)
Comprehensive income						35,066
Stock options and warrants exercised	7	6,269	(444)	—	—	5,832
Purchase of 369,000 shares of common stock	(4)	(1,287)	—	—	(9,912)	(11,203)
Balance at December 30, 2000	$198	$60,223	$(3,353)	$ (7,874)	$117,533	$166,727
Comprehensive income:						
Net income for the year	—	—	—	—	4,070	4,070
Foreign currency translation adjustment	—	—	—	(2,391)	—	(2,391)
Comprehensive income						1,679
Stock options and warrants exercised	21	10,593	(95)	—	—	10,519
Purchase of 50,000 shares of common stock	—	(175)	—	—	(1,081)	(1,256)
Balance at December 29, 2001	**$219**	**$70,641**	**$(3,448)**	**$(10,265)**	**$120,522**	**$177,669**

See accompanying notes.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER INFORMATION

Nature of Operations Littelfuse, Inc. and its subsidiaries (the Company) design, manufacture, and sell circuit protection devices for use in the automotive, electronic, and electrical markets throughout the world.

Fiscal Year The Company's fiscal years ended December 29, 2001, December 30, 2000 and January 1, 2000, contained 52 weeks.

Principles of Consolidation The consolidated financial statements include the accounts of Littelfuse, Inc. and its subsidiaries. All significant intercompany accounts and transactions have been eliminated.

Cash Equivalents All highly liquid investments, with a maturity of three months or less when purchased, are considered to be cash equivalents.

Fair Value of Financial Instruments The Company's financial instruments include cash and cash equivalents, accounts receivable, and long-term debt. The carrying values of such financial instruments approximate their estimated fair values.

Accounts Receivable The Company performs credit evaluations of customers financial condition and generally does not require collateral. Credit losses are provided for in the financial statements based upon specific knowledge of a customer's inability to meet its financial obligations to the Company. Historically, credit losses have consistently been within the management's expectations and have not been a material amount. The Company also maintains allowances against accounts receivable for the settlement of rebates and sales discounts to customers. These allowances are based upon specific customer sales and sales discounts as well as actual historical experience.

Inventories Inventories are stated at the lower of cost (first in, first out method) or market, which approximates current replacement cost. The Company maintains excess and obsolete allowances against inventory to reduce the carrying value to the expected net realizable value. These allowances are based upon a combination of factors including historical sales volume, market conditions, lower of cost or market analysis and expected realizable value of the inventory.

Property, Plant, and Equipment Land, buildings, and equipment are carried at cost. Depreciation is provided under accelerated methods using useful lives of 21 years for buildings, 7 to 9 years for equipment, and 7 years for furniture and fixtures. Tooling and computer software are depreciated using the straight-line method over 5 years and 3 years, respectively.

Intangible Assets Reorganization value in excess of amounts allocable to identifiable assets and trademarks are amortized using the straight-line method over 20 years. Patents are amortized using the straight-line method over their estimated useful lives, which average approximately 10 years. The distribution network is amortized using an accelerated method over 20 years. Licenses are amortized using an accelerated method over their estimated useful lives, which average approximately 9 years. Other intangible assets consist principally of goodwill that is being amortized over 10 to 20 years. Accumulated amortization of these intangible assets was $65.9 million at December 29, 2001 and was $59.9 million at December 30, 2000. If there are indicators that long-lived assets may be impaired, the Company assesses recoverability from future operations using undiscounted cash flows. Under this approach, the carrying value of the intangible asset would be reduced to a fair value if the Company's best estimate for expected undiscounted future cash flows of the related business would be less than the carrying amount of the intangible asset over its remaining amortization period.

Revenue Recognition In accordance with the Staff Accounting Bulletin (SAB) No. 101, "Revenue Recognition in Financial Statements," issued in December 1999, sales and associated costs are recognized in accordance with customer shipping terms. The adoption of SAB 101 did not have a material impact on the Company's earnings or financial position.

Advertising Costs The Company expenses advertising costs as incurred which amounted to $1.1 million in 2001, $2.1 million in 2000 and $2.6 million in 1999.

Foreign Currency Translation The financial statements of foreign entities have been translated in accordance with Statement of Financial Accounting Standards (SFAS) No. 52, "Foreign Currency Translation," and, accordingly, unrealized foreign currency translation adjustments are reflected as a component of shareholders' equity.

Stock-Based Compensation Under the provisions of SFAS No. 123, "Accounting for Stock-Based Compensation" (SFAS 123), the Company accounts for stock option grants to employees and directors in accordance with Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees." Generally, the Company grants stock options for a fixed number of shares with an exercise price equal to the market price of the underlying stock at the date of grant and, accordingly, does not recognize compensation expense. On certain occasions, the Company has granted stock options for a fixed number of shares with an exercise price below that of the underlying stock on the date of the grant and recognizes compensation expense accordingly. This compensation expense has not been material.

Use of Estimates The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Shipping and Handling Fees and Costs In September 2000, Emerging Issues Task Force (EITF) Issue No. 00-10, "Accounting for Shipping and Handling Fees and Costs," concluded that all amounts billed to customers in a sales transaction represent fees earned for the goods provided and, accordingly, amounts billed related to shipping and handling should be classified as revenue. The Company has adopted EITF 00-10 and has classified amounts billed related to shipping and handling in revenue. Costs incurred for shipping and handling of $3.1 million, $3.9 million and $2.1 million in 2001, 2000 and 1999, respectively, are classified in Selling, General, and Administrative Expenses.

Accounting Pronouncements In August 2001, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets" (FAS 144), which addresses financial accounting and reporting for the impairment or disposal of long-lived assets and supersedes SFAS No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed Of," and the accounting and reporting provisions of APB Opinion No. 30, "Reporting the Results of Operations for a Disposal of a Segment of a Business." FAS 144 is effective for fiscal years beginning after December 15, 2001. The Company expects to adopt FAS 144 as of December 30, 2001 and it does not expect that the adoption of the Statement will have a significant impact on the Company's financial position and results of operations.

In June 2001, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 143, "Accounting for Asset Retirement Obligations," which is effective for fiscal years beginning after June 15, 2002. The Statement requires legal obligations associated with the retirement of long-lived assets to be recognized at their fair value at the time that the obligations are incurred. Upon initial recognition of a liability, that cost should be capitalized as part of the related long-lived asset and allocated to expense over the useful life of the asset. The Company will adopt Statement 143 on December 29, 2002, and, based on current circumstances, does not believe that the impact of adoption of Statement 143 will have a material impact on the Company's financial position or results of operations.

In June 2001, the Financial Accounting Standards Board issued Statements of Financial Accounting Standards No. 141, "Business Combinations," and No. 142, "Goodwill and Other Intangible Assets." Statement 141 requires that the purchase method of accounting be used for all business combinations initiated after June 30, 2001. Statement 141 also includes guidance on the initial recognition and measurement of goodwill and other intangible assets arising from business combinations completed after June 30, 2001. Statement 142 prohibits the amortization of goodwill and intangible assets with indefinite useful lives. Statement 142 requires that these assets be reviewed for impairment at least annually. Intangible assets with finite lives will continue to be amortized over their estimated useful lives. Additionally, Statement 142 requires that goodwill included in the carrying value of equity method investments no longer be amortized.

The Company will apply Statement 142 beginning in the first quarter of 2002. Application of the nonamortization provisions of Statement 142 is expected to result in an increase in net income of $2.4 million ($0.11 per diluted share) in 2002. In addition, there is a scheduled drop off in 2002 of $1.3 million in amortization of patent and license intangible assets unrelated to application of Statement 142. The Company will test goodwill for impairment using the two-step process prescribed in Statement 142. The first step is a screen for potential impairment, while the second step measures the amount of the impairment, if any. The Company expects to perform the first of the required impairment tests of goodwill and indefinite lived intangible assets as of January 1, 2002 in the first quarter of 2002. Any impairment charge resulting from these transitional impairment tests will be reflected as the cumulative effect of a change in accounting principle in the first quarter of 2002. The Company has not yet determined what the effect of these tests will be on the earnings and financial position of the Company but does not expect that the adoption of the Statement will have a significant impact on the Company's financial position or results of operations.

Restructuring Costs In 1999, in connection with the acquisition of Harris Corporation's Suppression Products Group, the Company recorded certain reserves associated with the restructuring of the acquired business. The reserves associated with costs to be incurred related to the acquired business were recorded as a purchase accounting adjustment and did not affect the operating results of the Company. Included in the Company's operating results for the year ended December 29, 2001 are restructuring charges of $6.3 million. These charges result from the Company's plans to close down a plant in the U.S. and the UK, workforce reductions in Korea and the write-down of manufacturing equipment. Restructuring charges for the closure of the US and the UK plants included $4.1 million of employee termination costs covering 462 technical, production, administrative and support employees. Restructuring of the Korea manufacturing operations included $1.1 million of employee termination costs covering 50 technical, production, administrative and support employees. The remaining $1.1 million of the restructuring expense relates to the non-cash write-down of manufacturing equipment. As of December 29, 2001, $0.5 million of severance costs have been paid. The remaining $4.7 million of severance costs, currently shown in accrued expenses, are expected to be paid by December 31, 2002.

2. ACQUISITION OF BUSINESS AND LIQUIDATION

On October 19, 1999, the Company acquired Harris Corporation's Suppression Products Group for $ 24.8 million in cash. The Suppression Products Group manufactures and markets a broad line of transient voltage suppression devices that provide circuit protection for products in numerous markets including consumer, computer, telecommunications, automotive, office equipment, industrial and power transmission. This acquisition has been accounted for through the use of the purchase method of accounting; accordingly, the accompanying financial statements include the results of its operations since the acquisition date. The purchase price has been allocated to the following net assets acquired based on fair value of such assets: accounts receivable of $7.4 million, inventory of $4.6 million, property, plant and equipment of $12.7 million, other assets of $0.4 million, goodwill of $4.8 million and liabilities assumed of $5.1 million. Purchase accounting liabilities recorded during 1999 consist of $0.5 million for transaction costs and $5.7 million for costs associated with exiting a product line and involuntary termination of employees in connection with the integration of the business. Assuming that this acquisition had occurred as of January 4, 1998, pro forma sales of Littelfuse, Inc. would have been $328.3 million in 1999 and pro forma results of operations would not have differed materially from reported results of operations.

During fiscal 2000, the Company reduced its estimate of purchase accounting liabilities related to 1999 acquisitions by $1.6 million and, accordingly, goodwill was reduced by an equivalent amount. These changes primarily resulted from costs being less than originally anticipated.

3. INVENTORIES

The components of inventories are as follows at December 29, 2001, and December 30, 2000 (in thousands):

	2001	2000
Raw materials	**$ 9,244**	$14,488
Work in process	**11,066**	15,288
Finished goods	**25,898**	29,496
Total net inventory	**$46,208**	$59,272

4. LONG-TERM OBLIGATIONS

The carrying amounts of long-term debt, which approximate fair value, are as follows at December 29, 2001, and December 30, 2000 (in thousands):

	2001	2000
6.16% Senior Notes, maturing 2005	**$40,000**	$50,000
Other obligations	**10,616**	6,742
Capital lease obligations	**812**	1,725
	51,428	58,467
Less: Current maturities	**21,026**	17,070
Total long-term obligations	**$30,402**	$41,397

The Company has unsecured domestic financing arrangements consisting of Senior Notes with insurance companies and a credit agreement with banks that provides a $55.0 million revolving credit facility. The Senior Notes require minimum annual principal payments. No principal payments are required for borrowings against the revolving line of credit until the line matures on August 31, 2003. At December 29, 2001, the Company had available $55.0 million of borrowing capability under the revolving credit facility at an interest rate of LIBOR plus 0.38%. The bank credit agreement provides for letters of credit of up to $8.0 million as part of the available credit line. At December 29, 2001 the Company had $1.7 million of outstanding letters of credit.

The Company also has unsecured bank lines of credit in the Netherlands, Japan and Korea that provide a Euro 4.0 million revolving credit facility at an interest rate of Euro LIBOR plus 0.85% in the Netherlands, a Yen 1.1 billion revolving credit facility at an interest rate of TIBOR plus 0.75% (0.83% as of December 29, 2001) and a Won 3.0 billion revolving credit facility at an interest rate of the 3-month Korea Negotiable Certificate of Deposit rate plus 0.85% (5.50% as of December 29, 2001). No principal payments are required for borrowings until the lines mature on December 31, 2002 in the Netherlands and Japan and on March 31, 2002 in Korea. At December 29, 2001 the Company had no borrowings outstanding on the Euro revolving credit line, an equivalent of $8.4 million outstanding on the Yen facility and the equivalent of $1.9 million outstanding on the Won credit line.

The Senior Notes and bank credit agreement contain covenants that, among other matters, impose limitations on the incurrence of additional indebtedness, future mergers, sales of assets, payment of dividends, and changes in control, as defined. In addition, the Company is required to satisfy certain financial covenants and tests relating to, among other matters, interest coverage, working capital, leverage and net worth. At December 29, 2001 the Company was in compliance with these covenants.

Aggregate maturities of long-term obligations at December 29, 2001, are as follows (in thousands):

2002	**$21,026**
2003	**10,193**
2004	**10,060**
2005	**10,060**
2006 and thereafter	**89**
Total debt	**$51,428**

Interest paid on long-term debt approximated $3.1 million in 2001, $4.3 million in 2000 and $4.9 million in 1999.

5. BENEFIT PLANS

The Company has a defined-benefit pension plan covering substantially all of its North American employees. The amount of the retirement benefit is based on years of service and final average monthly pay. The plan also provides post-retirement medical benefits to retirees and their spouses if the retiree has reached age 62 and has provided at least ten years of service

prior to retirement. Such benefits generally cease once the retiree attains age 65. The Company also has a defined-benefit pension plan covering most of its Ireland employees as a result of its acquisition of the suppression Products Group in October, 1999. The amount of the retirement benefit is based on years of service and final average monthly pay. The plan also provides death benefits to the plan participants.

The Company accounts for it's defined benefit pension plans in accordance with SFAS No. 87, "Employers' Accounting for Pensions" which requires that amounts recognized in the financial statements be determined on an actuarial basis. A substantial portion of the Company's pension amounts relate to its defined benefit plan in the United States. The Company's contributions are made in amounts sufficient to satisfy ERISA funding requirements.

The most significant element in determining the Company's pension expense in accordance with SFAS No. 87 is the expected return on assets. The Company has assumed that the expected long-term rate of return on plan assets will be 9.0%. Over the long-term, the Company's pension plan assets have earned in excess of 9.0%; therefore, the Company believes that its assumption of future returns is reasonable. Changes in actual return on pension plan assets are deferred and recognized over a period of three years. The deferral of actual gains and losses affects the calculated value of plan assets and therefore future pension expense. The plan assets have earned a rate of return less than 9.0% in the last three years and, should this trend continue, future pension expense would likely increase. Differences between total pension expense of $1.6 million, $1.2 million and $1.7 million in 2001, 2000 and 1999, respectively, were not material to the overall financial performance of the Company.

(In Thousands)	U.S. 2001	U.S. 2000	Ireland 2001	Ireland 2000
Change in benefit obligation				
Benefit obligation at beginning of year	**$45,942**	$44,104	**$15,072**	$14,942
Service cost	**2,327**	1,952	**500**	425
Interest cost	**3,264**	3,154	**882**	936
Plan participants' contributions	**—**	—	**159**	193
Actuarial gain	**(1,330)**	(1,068)	**—**	—
Benefits paid	**(2,439)**	(2,200)	**(1,140)**	(329)
Effects of exchange rate movements	**—**	—	**(943)**	(1,095)
Benefit obligation at end of year	**$47,764**	$45,942	**$14,530**	$15,072
Change in plan assets at fair value				
Plan assets at beginning of year	**$46,022**	$47,511	**$16,959**	$16,566
Actual return (loss) on plan assets	**(445)**	711	**(92)**	1,461
Employer contributions	**—**	—	**658**	314
Plan participant contributions	**—**	—	**159**	193
Benefits paid	**(2,438)**	(2,200)	**(1,140)**	(329)
Effects of exchange rate movements	**—**	—	**(1,049)**	(1,246)
Fair value of plan assets at end of year	**$43,139**	$46,022	**$15,495**	$16,959
Funded (unfunded) status	**$ (4,625)**	$ 80	**$ 965**	$ 1,887
Unrecognized prior service cost	**46**	112	**—**	—
Unrecognized net actuarial loss (gain)	**1,609**	(1,687)	**1,007**	(210)
Unrecognized transition asset	**—**	—	**(1,266)**	(1,435)
Prepaid pension asset (obligation)	**$ (2,970)**	$ (1,495)	**$ 706**	$ 242

(In Thousands)	U.S. 2001	U.S. 2000	U.S. 1999	Ireland 2001	Ireland 2000
Weighted-average assumptions					
Discount	**7.3%**	7.5%	7.5%	**6.0%**	6.0%
Expected return on plan assets	**9.0%**	9.0%	9.0%	**7.0%**	7.0%
Salary growth rate	**4.0%**	4.0%	4.5%	**4.0%**	4.0%
Components of net periodic benefit cost					
Service cost	**$ 2,327**	$ 1,952	$ 2,264	**$ 659**	$ 618
Interest cost	**3,264**	3,154	3,015	**882**	936
Expected return on plan assets	**(4,182)**	(4,002)	(3,648)	**(1,129)**	(1,223)
Amortization of prior service cost	**66**	66	66	**—**	—
Amortization of transition asset	**—**	—	—	**(81)**	(96)
Recognized net actuarial loss	**—**	—	50	**—**	—
Total cost of the plan for the year	**$ 1,475**	$ 1,170	$ 1,747	**$ 331**	$ 235
Expected plan participants' contribution	**—**	—	—	**159**	193
Net periodic benefit cost	**$ 1,475**	$ 1,170	$ 1,747	**$ 172**	$ 42

The Company provides additional retirement benefits for certain key executives through its unfunded defined contribution Supplemental Executive Retirement Plan. The charge to expense for this plan amounted to $1.9 million $0.6 million and $1.1 million in 2001, 2000 and 1999, respectively.

The Company also maintains a 401(k) savings plan covering substantially all U.S. employees. The Company matches 50% of the employee's annual contributions for the first 4% of the employee's gross wages. Employees vest in the Company contributions after two years of service. Company matching contributions amounted to $0.6 million, $0.7 million and $0.6 million in 2001, 2000 and 1999, respectively.

6. SHAREHOLDERS' EQUITY

Stock Options The Company has stock option plans authorizing the granting of both incentive and nonqualified options and other stock rights of up to 3,400,000 shares of common stock to employees and directors. The stock options vest over a five-year period and are exercisable over a ten-year period commencing from the date of vesting.

A summary of stock option information follows:

	2001		2000		1999	
	Options	Weighted-Average Exercise Price	Options	Weighted-Average Exercise Price	Options	Weighted-Average Exercise Price
Outstanding at beginning of year	**1,692,075**	**$22.53**	1,588,840	$18.02	1,428,910	$16.91
Options granted						
Option price equals market price	**391,200**	**27.18**	358,250	35.07	352,200	20.25
Option price less than market price	**1,000**	**5.00**	—	—	15,000	5.00
Total options granted	**392,200**	**27.12**	358,250	35.07	367,200	19.63
Exercised	**(116,170)**	**16.42**	(217,465)	10.15	(144,870)	9.34
Forfeited	**(65,200)**	**29.06**	(37,550)	22.25	(62,400)	21.98
Outstanding at end of year	**1,902,905**	**$23.63**	1,692,075	$22.53	1,588,840	$18.02
Exercisable at end of year	**938,623**		794,450		765,960	
Available for future grant	**164,400**		471,190		216,440	
Weighted-average value of options granted during the year		**$18.31**		$21.05		$12.04
Option price equals market price		**18.29**		21.05		11.79
Option price less than market price		**20.72**		—		17.75

As of December 29, 2001, the Company had the following outstanding options:

Exercise Price	Options Outstanding	Weighted-Average Exercise Price	Weighted-Average Remaining Life	Options Exercisable
$ 3.69 to $ 5.00	36,800	4.52	3.05	28,000
$ 7.50 to $11.16	128,500	10.32	1.86	128,500
$11.63 to $16.50	170,720	15.16	3.06	170,720
$17.81 to $25.50	791,305	21.60	6.22	492,349
$26.63 to $35.50	775,580	30.67	8.56	119,054

Disclosure of pro forma information regarding net income and net income per share is required by SFAS 123 and has been determined as if the Company had accounted for its stock options granted in 2001, 2000 and 1999 under the fair value method using the Black-Scholes option pricing model. The following assumptions were utilized in the valuation:

	2001	2000	1999
Risk-free interest rate	**5.11%**	5.16%	6.52%
Expected dividend yield	**0%**	0%	0%
Expected stock price volatility	**58.6%**	47.6%	41.0%
Expected life of options	**8 years**	8 years	8 years

Had compensation cost for the Company's stock options granted in 2001, 2000 and 1999 been determined based on the fair value at the dates of grant, the Company's net income and net income per share would have been reduced to the pro forma amounts indicated:

	2001	2000	1999
Pro forma net income (in thousands of dollars)	**$2,634**	$35,792	$24,341
Pro forma basic net income per share	**$ 0.13**	$ 1.81	$ 1.24
Pro forma diluted net income per share	**$ 0.12**	$ 1.62	$ 1.12

Notes Receivable – Common Stock In 1995, the Company established the Executive Loan Program under which certain management employees may obtain interest-free loans from the Company to facilitate their exercise of stock options and payment of the related income tax liabilities. Such loans, limited to 90% of the exercise price plus related tax liabilities, have a five-year maturity, subject to acceleration for termination of employment or death of the employee. Such loans are classified as a reduction of shareholders' equity.

Preferred Stock The Board of Directors may authorize the issuance from time to time of preferred stock in one or more series with such designations, preferences, qualifications, limitations, restrictions, and optional or other special rights as the Board may fix by resolution. In connection with the Rights Plan, the Board of Directors has reserved, but not issued, 200,000 shares of preferred stock.

Rights Plan In December 1995, the Company adopted a shareholder rights plan providing for a dividend distribution of one preferred share purchase right for each share of common stock outstanding on and after December 15, 1995. The rights can be exercised only if an individual or group acquires or announces a tender offer for 15% or more of the Company's common stock and warrants. If the rights first become exercisable as a result of an announced tender offer, each right would entitle the holder to buy 1/200th of a share of a new series of preferred stock at an exercise price of $67.50. Once an individual or group acquires 15% or more of the Company's common stock, each right held by such individual or group becomes void and the remaining rights will then entitle the holder to purchase a number of common shares having a market value of twice the exercise price of the right. If the attempted takeover succeeds, each right will then entitle the holder to purchase a number of the acquiring Company's common shares having a market value of twice the exercise price of the right. After an individual or group acquires 15% of the Company's common stock and before they acquire 50%, the Company's Board of Directors may exchange the rights in whole or in part, at an exchange ratio of one share of common stock or 1/100th of a share of a new series of preferred stock per right. Before an individual or group acquires 15% of the Company's common stock, or a majority of the Company's Board of Directors are removed by written consent, whichever occurs first, the rights are redeemable for $.01 per right at the option of the Company's Board of Directors. The Company's Board of Directors is authorized to reduce the 15% threshold to no less than 10%. Each right will expire on December 15, 2005, unless earlier redeemed by the Company.

7. INCOME TAXES

Federal, state, and foreign income tax expense (benefit) consists of the following (in thousands):

	2001	2000	1999
Current:			
Federal	**$ 5,187**	$13,375	$ 10,078
State	**(637)**	1,908	1,467
Foreign	**4,980**	8,265	6,180
Subtotal	**9,530**	23,548	17,725
Deferred:			
Federal	**(7,379)**	(1,827)	(1,875)
Foreign	**140**	17	(393)
Subtotal	**(7,239)**	(1,810)	(2,268)
Provision for income taxes	**$ 2,291**	$21,738	$15,457

Domestic and foreign income (loss) before income taxes is as follows (in thousands):

	2001	2000	1999
Domestic	**$(10,030)**	$28,906	$22,846
Foreign	**16,391**	30,130	17,831
Income before income taxes	**$ 6,361**	$59,036	$40,677

A reconciliation between income taxes computed on income before income taxes at the federal statutory rate and the provision for income taxes is provided below (in thousands):

	2001	2000	1999
Tax expense at statutory rate of 35%	**$2,226**	$20,663	$14,237
State and local taxes (benefit), net of federal tax benefit	**(476)**	1,179	904
Foreign income tax benefit	**(615)**	(1,437)	(735)
Foreign losses for which no tax benefit is available	**47**	63	82
Other, net	**1,109**	1,270	969
Provision for income taxes	**$2,291**	$21,738	$15,457

Deferred income taxes are provided for the tax effects of temporary differences between the financial reporting bases and the tax bases of the Company's assets and liabilities.

Significant components of the Company's deferred tax assets and liabilities at December 29, 2001 and December 30, 2000, are as follows (in thousands):

	2001	2000
Deferred tax liabilities		
Tax depreciation and amortization in excess of book	**$ 2,238**	$2,097
Prepaid expenses	**231**	(10)
Other	**1,390**	989
Total deferred tax liabilities	**3,859**	3,076
Deferred tax assets		
Accrued expenses	**10,907**	5,586
Foreign tax credit carryforwards	**2,987**	—
Foreign net operating loss carryforwards	**392**	341
Gross deferred tax assets	**14,286**	5,927
Less: Valuation allowance	**(392)**	(340)
Total deferred tax assets	**13,894**	5,587
Net deferred tax assets	**$10,035**	$2,511

The deferred tax asset valuation allowance is related to deferred tax assets from foreign net operating losses. The net operating loss carryforwards have no expiration date. The Company paid income taxes of $8.1 million in 2001, $23.2 million in 2000 and $12.1 million in 1999.

8. BUSINESS SEGMENT INFORMATION

The Company designs, manufactures, and sells circuit protection devices throughout the world. The Company has three reportable geographic segments: The Americas, Europe, and Asia-Pacific. The circuit protection market in these geographical segments is categorized into three major product areas: electronic, automotive and electrical. The Company evaluates the performance of each geographic segment based on its net income or loss. The Company also accounts for intersegment sales as if the sales were to third parties.

The Company's reportable segments are the business units where the revenue is earned and expenses are incurred. The Company has subsidiaries in The Americas, Europe, and Asia-Pacific where each region is measured based on its sales and operating income or loss.

Information concerning the operations in these geographic segments for the year ended December 29, 2001, is as follows (in thousands):

		The Americas	Europe	Asia-Pacific	Combined Total	Corporate	Reconciliation	Consolidated Total
Revenues	**2001**	**$144,899**	**$51,430**	**$75,820**	**$272,149**	**$ —**	**$ —**	**$272,149**
	2000	$ 214,907	$ 61,634	$ 95,379	$ 371,920	$ —	$ —	$ 371,920
Intersegment revenues	**2001**	**54,440**	**46,660**	**9,926**	**111,026**	**—**	**(111,026)**	**—**
	2000	44,599	38,185	6,523	89,307	—	(89,307)	—
Interest expense	**2001**	**3,075**	**23**	**193**	**3,291**	**—**	**—**	**3,291**
	2000	4,337	69	246	4,652	—	—	4,652
Depreciation and amortization	**2001**	**12,176**	**4,035**	**1,723**	**17,934**	**7,748**	**—**	**25,682**
	2000	11,563	2,810	4,213	18,586	8,153	—	26,739
Other income (loss)	**2001**	**635**	**688**	**(211)**	**1,112**	**—**	**—**	**1,112**
	2000	2,754	(893)	79	1,940	—	—	1,940
Income tax expense (benefit)	**2001**	**(2,831)**	**2,871**	**2,251**	**2,291**	**—**	**—**	**2,291**
	2000	12,290	4,546	4,902	21,738	—	—	21,738
Net income (loss)	**2001**	**5,426**	**7,363**	**5,347**	**18,136**	**(14,066)**	**—**	**4,070**
	2000	24,493	9,124	11,856	45,473	(8,175)	—	37,298
Identifiable assets	**2001**	**191,626**	**35,568**	**41,643**	**268,837**	**83,048**	**(79,613)**	**272,272**
	2000	181,727	39,559	48,096	269,382	60,404	(55,408)	274,378
Capital expenditures, net	**2001**	**5,126**	**5,318**	**3,677**	**14,121**	**—**	**—**	**14,121**
	2000	13,929	1,875	6,154	21,958	—	—	21,958

Intersegment revenues and receivables are eliminated to reconcile to consolidated totals. Restructuring charges are reflected in the corporate column for the net income segmentation. Corporate identifiable assets consist primarily of cash and intangible assets.

The Company's revenues by product areas for the year ended December 29, 2001 and December 30, 2000, are as follows (in thousands):

Revenues	2001	2000	1999
Electronic	**$146,342**	$232,677	$154,141
Automotive	**91,061**	100,036	101,270
Electrical	**34,746**	39,207	40,956
Consolidated Total	**$272,149**	$371,920	$296,367

Revenue from no single customer of the Company amounts to 10% or more.

9. LEASE COMMITMENTS

The Company leases certain office and warehouse space under noncancelable operating leases, as well as certain machinery and equipment. Rental expense under these leases was approximately $1.8 in 2001, $1.5 million in 2000, and $0.9 million in 1999. Future minimum payments for all noncancelable operating leases with initial terms of one year or more at December 29, 2001 are as follows (in thousands):

2002	**1,032**
2003	**656**
2004	**148**
2005	**140**
2006 and thereafter	**83**
Total lease commitments	**2,059**

10. EARNINGS PER SHARE

The following table sets forth the computation of basic and diluted earnings per share:

(In Thousands, except per share amounts)	2001	2000	1999
Numerator:			
Net income	**$ 4,070**	$37,298	$25,220
Denominator:			
Denominator for basic earnings per share – Weighted-average shares	**19,951**	19,834	19,572
Effect of dilutive securities:			
Warrants	**1,565**	1,871	1,970
Employee stock options	**215**	413	209
Denominator for diluted earnings per share – Adjusted weighted-average shares and assumed conversions	**21,731**	22,118	21,751
Basic earnings per share	**$ 0.20**	$ 1.88	$ 1.29
Diluted earnings per share	**$ 0.19**	$ 1.69	$ 1.16

SELECTED FINANCIAL DATA

(In thousands, except per share data)

FIVE YEAR SUMMARY

	2001	2000	1999	1998	1997
Net sales	**$272,149**	$371,920	$296,367	$269,540	$275,165
Gross profit	**91,907**	150,648	117,255	100,199	111,131
Operating income	**8,540**	61,748	44,624	34,096	43,768
Net income	**4,070**	37,298	25,220	19,885	25,342
Net income per share – Diluted	**0.19**	1.69	1.16	0.86	1.07
Net working capital	**59,439**	74,503	60,008	46,685	41,548
Total assets	**272,272**	274,378	275,698	250,544	221,885
Long-term debt	**30,402**	41,397	55,460	70,061	40,385

QUARTERLY RESULTS OF OPERATIONS (unaudited)

	2001				2000			
	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q
Net sales	**$60,851**	**$66,711**	**$68,996**	**$75,590**	$82,883	$96,362	$97,356	$95,319
Gross profit	**18,265**	**21,509**	**25,199**	**26,935**	33,329	38,739	39,350	39,230
Operating income	**(4,102)**	**1,491**	**5,456**	**5,695**	11,545	16,271	16,730	17,202
Net income	**(2,804)**	**474**	**3,284**	**3,116**	6,710	9,728	10,647	10,213
Net income per share:								
Basic	**(0.14)**	**0.02**	**0.17**	**0.16**	0.34	0.49	0.54	0.51
Diluted	**(0.13)**	**0.02**	**0.15**	**0.14**	0.31	0.44	0.48	0.46

QUARTERLY STOCK PRICES

	2001				2000			
	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q
High	**27.81**	**29.67**	**31.58**	**30.56**	33.88	51.13	50.63	39.50
Low	**19.78**	**19.37**	**19.81**	**22.50**	24.38	29.00	30.50	21.50
Close	**26.17**	**22.13**	**26.79**	**25.13**	28.63	29.69	49.00	36.69

OFFICERS AND MANAGEMENT TEAM, DIRECTORS

OFFICERS AND MANAGEMENT TEAM

Howard B. Witt
Chairman, President, and
Chief Executive Officer

William S. Barron
Vice President and
General Manager
Electronics Business Unit

Philip G. Franklin
Vice President, Treasurer
and Chief Financial Officer

Hans Ouwehand
Vice President
European Operations

Dal Ferbert
General Manager
Electrical Business Unit

Michael P. Sammons
General Manager
Automotive Business Unit

Kenneth R. Audino
Vice President
Organizational Development
and Total Quality Management

Mary S. Muchoney
Corporate Secretary

BOARD OF DIRECTORS

Howard B. Witt
Chairman, President and
Chief Executive Officer

John P. Driscoll
President
Jack Driscoll Enterprises, Inc.

Anthony Grillo
Senior Managing Director
Evercore Partners, Inc.

John E. Major
Chairman and
Chief Executive Officer
Novatel Wireless, Inc.

Bruce A. Karsh
President and Co-Founder
Oaktree Capital Management, LLC

John J. Nevin
Retired Chairman and CEO
Bridgestone/Firestone, Inc.

CORPORATE INFORMATION

ANNUAL MEETING

The annual meeting of Littelfuse, Inc. will be held at 9:00 a.m. on April 26, 2002, at the Littelfuse corporate headquarters in Des Plaines, Illinois. Proxy material and a copy of this report will be mailed in advance of the meeting to all shareholders of record on March 8, 2002.

SHAREHOLDER INFORMATION

In addition to annual reports to shareholders, copies of the company's 10-K and 10-Q reports filed with the Securities and Exchange Commission are available on request from the company. Address your request to Mary S. Muchoney, Corporate Secretary.

Visit our web site, www.littelfuse.com for news releases and other information.

COMMON STOCK

Littelfuse, Inc. common stock is traded on the Nasdaq National Market System under the symbol LFUS. There are approximately 5,000 shareholders of record.

INDEPENDENT AUDITORS

Ernst & Young, LLP
233 South Wacker Drive
Chicago, Illinois 60606

REGISTRAR AND TRANSFER AGENT

LaSalle National Bank
135 South LaSalle Street
Chicago, Illinois 60603

LEGAL COUNSEL

Chapman and Cutler
111 West Monroe Street
Chicago, Illinois 60603

WORLD HEADQUARTERS

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