

Securities and Exchange Commission
Washington, D.C. 20549

FORM 10-K
[X] Annual Report Pursuant to Section
13 or 15(d)

of the Securities Exchange Act of 1934
(Mark One) for the
fiscal year ended December 28, 1996

[] or
Transition Report Pursuant to
Section 13 or 15(d)

of the Securities Exchange Act of 1934
for the
transition period from to

Commission file number 0-20388

Littelfuse, Inc.
(Exact name of registrant as specified in its charter)

Delaware

36-3795742
(State or other jurisdiction of
(I.R.S. Employer Identification No.)
incorporation or organization)

800 East Northwest Highway,
Des Plaines, Illinois
60016
(Address of principal executive offices)
(Zip Code)

847/824-1188
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:
None

Securities registered pursuant to Section 12(g) of the Act:
Common Stock, \$.01 par value, and Warrants to purchase shares
of Common Stock, \$.01 par value

Indicate by check mark whether the registrant (1) has
filed all reports required to be filed by Section 13 or 15(d)
of the Securities Exchange Act of 1934 during the preceding 12
months (or for such shorter period that the registrant was
required to file such reports), and (2) has been subject to
such filing requirements for the past 90 days. Yes
X No

Indicate by check mark if disclosure of delinquent filers
pursuant to Item 405 of Regulation S-K is not contained
herein, and will not be contained, to the best of registrant's
knowledge, in definitive proxy or information statements
incorporated by reference in Part III of this Form 10-K or any
amendment to this Form 10-K. [x]

The aggregate market value of 8,414,224 shares of voting
stock held by non-affiliates of the registrant was
approximately \$401,779,196 based on the last reported sale
price of the registrant's Common Stock, \$.01 par value, as
reported on the NASDAQ National Market System on March 14,
1997.

As of March 14, 1997, the registrant had outstanding
9,851,054 shares of Common Stock, \$.01 par value, and Warrants
to purchase 2,086,225 shares of Common Stock, \$.01 par value.

The following documents have been incorporated herein by
reference to the extent indicated herein:

Littelfuse, Inc. Proxy Statement dated March 19, 1997
(the "Proxy Statement") -- Part III.

Littelfuse, Inc. Annual Report to Stockholders for the
year ended December 28, 1996 (the "Annual Report") -- Parts
II and III.

ITEM 1. BUSINESS

General

Littelfuse, Inc. (the "Company" or "Littelfuse") is a leading manufacturer and seller of fuses and other circuit protection devices for use in the electronic, automotive and general industrial markets. Management believes the Company is ranked first in market share in the electronic market, first in the automotive market and third in the power fuse market in North America. Management believes that the Company, together with its licensees, is also first in market share in the electronic market and first in the automotive market worldwide.

In the electronic market, leading manufacturers such as Amana, Compaq, Daewoo, Hewlett Packard, IBM, LG Electronics, Lucent Technologies, Motorola, Nortel, Panasonic, Sharp, Sony, Toshiba and US Robotics obtain a substantial portion of their electronic circuit protection requirements from the Company. In the automotive market, the Company or its licensees have customer relationships with all leading automobile manufacturers throughout the world. Littelfuse provides substantially all of the automotive fuse requirements for vehicles manufactured domestically by General Motors Corporation and is the primary supplier for Ford Motor Company, Chrysler Corporation and all Japanese and most European auto manufacturer transplants. The Company also competes in the power fuse market selling to companies such as the Allen Bradley division of Rockwell International and Reliance Electric. In addition to fuses, the Company manufactures and supplies relays, switches, circuit breakers and indicator lights to the automotive industry and to appliance and general electronics manufacturers. See "Business Environment: Circuit Protection Market."

The Company manufactures its products on fully integrated manufacturing and assembly equipment, much of which is designed and built by its own engineers. The Company fabricates and assembles a majority of its products and maintains product quality through a rigorous quality assurance program with all sites certified under ISO 9000 standards and its world headquarters now certified under the QS9000 standards.

The Company's products are sold worldwide through a direct sales force and manufacturers' representatives. In Asia Pacific, the Company has licensed its automotive fuse technology to a Japanese firm that supplies automotive fuses to Pacific Rim customers. For the year ended December 28, 1996, approximately 39% of the Company's net sales were to customers outside the United States (exports and foreign operations).

The Company was incorporated under the laws of the State of Delaware on November 25, 1991. The Company is the successor to the business and assets of a corporation of the same name ("Old Littelfuse"), which was originally formed in 1927 and subsequently acquired by Tracor, Inc. ("Tracor") in 1968. Any references to performance, financial results or other aspects of the Company prior to December 27, 1991, relate to Old Littelfuse.

References herein to "1994" or "fiscal 1994" refer to the calendar year ended December 31, 1994. References herein to "1995" or "fiscal 1995" refer to the calendar year ended December 31, 1995. References herein to "1996" or "fiscal 1996" refer to the fiscal year ended December 28, 1996.

Background: The Reorganization

The Company's predecessor, Old Littelfuse, was one of a number of wholly owned subsidiaries of Tracor. In addition to manufacturing fuses and other circuit protection and control devices through Old Littelfuse, Tracor and its subsidiaries were involved in a wide range of commercial and defense related businesses. On October 9, 1987, Tracor was acquired

by Westmark Systems, Inc. ("Westmark") in a highly leveraged transaction. Due to heavy debt service requirements and adverse conditions in the defense industry and the resulting negative impact on the operating results of its defense related businesses, the senior lenders and certain other creditors of Tracor reached an agreement in principle to restructure Tracor and its affiliates through voluntary bankruptcy proceedings. Accordingly, Tracor and its affiliates, including Old Littelfuse, filed voluntary petitions for reorganization on February 15, 1991, under Chapter 11 of the United States Bankruptcy Code. On December 6, 1991, the Bankruptcy Court approved the Littelfuse Plan of Reorganization for Old Littelfuse ("the Plan"). The Plan, which was implemented effective as of December 27, 1991, resulted in the Company receiving substantially all of the assets and businesses of Old Littelfuse. Pursuant to the Plan, the indebtedness of Old Littelfuse was restructured with the Company entering new credit arrangements with the secured lenders. The secured lenders and other unsecured creditors of Old Littelfuse were issued equity in the Company as successor entities.

Business Environment: Circuit Protection Market

The circuit protection market can be broadly categorized into five major product areas: electronic, automotive, industrial (power), high voltage and residential. The Company sells products designed for the electronic, automotive and industrial areas. The Company entered the circuit protection market in 1927 with the development and introduction of the first small, fast-acting fuse capable of protecting sensitive test meters. Since that time, the Company has diversified its involvement in the circuit protection market to become a leader in the production of electronic and automotive fuses. The Company also entered the power fuse market in 1983 with a broad line of fuses, including several proprietary products. The Company believes it is the circuit protection leader because it designs and produces almost all the products it sells in all three markets including the two markets where it holds the number one market share position. See "Littelfuse Products."

Electronic Fuses. Electronic fuses are used to protect power circuits in a multitude of electronic systems. Electronic fuses fall into two major categories: miniature and subminiature. Miniature fuses are generally tubular in shape with glass, ceramic and composition bodies. Subminiature devices are used where space is at a premium. Applications for electronic fuses include telecommunications equipment, computers and computer peripherals, power supplies, test and medical instrumentation, and consumer electronic products. There is also a special

segment of the electronic fuse market directed toward the aerospace industry. These special high-reliability fuses are manufactured in small quantities under extremely high quality control standards.

Automotive Fuses. Fuses are extensively used in automobiles, trucks, buses and off-road equipment to protect electrical circuits and wiring harnesses supplying electrical power to operate lights, heating, air conditioning, windshield wipers, radios, windows and controls. Currently, a typical automobile contains 30 to 70 fuses, depending upon the options installed. The market for automotive fuses is expected to grow in the coming years as more electronic features are included in automobiles and as larger amperage fuses replace existing low technology fuses in wiring harnesses. Certain new vehicles, such as the Cadillac Seville, Ford 150 series truck, Chrysler Concorde and the Jaguar, contain as many as 50 to 90 fuses and this higher fuse count is expected to spread to other vehicles.

Power Fuses. Power fuses include both current limiting and non-current limiting devices used to protect electrical systems against overcurrents. Power fuses are rated and listed under one of many Underwriters' Laboratories fuse classifications. The three main end user market segments for power fuses include original equipment manufacturers ("OEMs"), industrial maintenance and repair operations ("MROs") and new commercial and industrial construction. Major applications for power fuses include protection from over-load and short-circuit currents in motor branch circuits, heating and cooling systems, control systems, lighting circuits and electrical distribution networks. Other applications include the protection of semiconductor devices such as SCRs, diodes, thyristors, triacs and similar solid state devices.

Littelfuse Products

General. The Company is a leading manufacturer and seller of fuses and other circuit protection devices for use in the electronic, automotive and general industrial markets. The Company's products are marketed under the general trademarked names of Littelfuse and, where appropriate, Slo-Blor Fuse as well as the trademarked names of certain of its products listed below in the description of the Company's electronic, automotive and power fuse products.

Product Sales. Net sales of the Company's products by industry category for the periods indicated are as follows:

Fiscal Year

(in thousands)

	1996	1995	1994
Electronic	\$112,667	\$103,809	\$ 87,340
Automotive	94,391	83,372	77,787
Industrial (Power)	34,388	32,354	29,327
Total	\$241,446	\$219,535	\$194,454

Electronic Fuses. The Company manufactures and sells a wide range of electronic fuse products, including miniature and subminiature fuses. These miniature and subminiature fuses are designed to provide circuit protection in the limited space requirements of electronic equipment. The Company also entered a new market in 1996 for conductive polymer PTC devices that behave like a resettable fuse. While the Company continues to develop its own resettable fuse products, the Company also entered into agreements with Raychem Corp. In 1996 which allows the Company to sell resettable fuses using certain of Raychem's technology.

The Company's electronic fuse products are marketed under the following trademarked and brand names:

PICOr II Fuse is a very fast-acting subminiature fuse with axial leads which can be automatically inserted into a circuit board. It is used in consumer electronics, computers, medical instruments, power supplies and telecommunication line cards. It was originally developed for the aerospace industry where extremely small size and high reliability were prime requisites. This fuse is encapsulated with an epoxy coating which protects the fuse from adverse environmental conditions. It can stand up under the rough treatment found in high speed automated circuit board assembly processes used by many different manufacturers.

2AG fuses are a miniature version of the standard 1/4" diameter by 1-1/4" long glass bodied fuses manufactured for more than 40 years. The fuse occupies about 1/3 of the space but still provides the performance of the larger sized product. The Company has developed a strong market in the telecommunications industry for a leaded version of the 2AG fuse. These fuses are used in business and personal telephone systems, answering machines and other equipment connected to phone lines. They are used to protect the system from lightning surges and accidental contact with power lines. These fuses also are used extensively in electronic ballasts for lighting.

MICRO Fuse is a plug-in style fuse about the size of a pencil eraser. It is a very fast acting fuse and, like the PICOr Fuse, was originally designed for the emerging aerospace industry. Applications are particularly suited to equipment where the user might "blow" a fuse during testing or by accidental shorting out of the power supply. The "plug-in" feature allows the fuse to be quickly and easily replaced without the need for special de-soldering equipment. The Company also manufactures sockets for the MICRO Fuse.

NANO Fuse is a surface mount version of PICOr Fuse. Because it has no leads, it is substantially smaller. It is the product choice where subminiaturization is a key need. Surface mount circuit boards are often less than 25% of the size of similar boards using leaded components. Applications include cellular telephones and miniature 8mm video camcorders.

NAN02 r SMF Fuse represents our fourth generation surface mount fuse product line. The compact size (.240" x .100" x .100") of this rectangular shaped fuse is very attractive to design engineers. In addition, the flat side design permits efficient pick and placement by automated assembly equipment. The NAN02 r SMF Fuse is used where space considerations are critical including laptop computers, camcorders and battery chargers.

ALF II is a very fast acting thin film surface mount fuse measuring only .12 inch x .06 inch. The super small subminiature size assures additional space savings in surface mount applications. It is completely compatible with common soldering systems used in surface mount assembly applications and it is available on 8mm reels for use with automatic placement equipment.

"0603" SMF is a very fast acting thin film surface mount fuse measuring only .06 inch x .03 inch. The 0603 is the smallest fuse available and has a very low profile .018 inches. The small physical size along with low values for resistance and voltage drop are significant features of this new fuse for battery and other low voltage applications.

Surface Mount PTC is the first in Littelfuse's line of PTC devices. Its dimensions of 0.200" x 0.290" x 0.120" are ideal for circuit board applications where space is at a premium. It also is available in an 0.340" x 0.250" x 0.10" configuration. This polymer surface mount PTC has the ability to reset itself once the fault or overcurrent condition has cleared. This new product is used primarily for computer and peripheral applications such as motherboards, disk drives, PC cards, modems printers, etc.

Radial Leaded PTC series is a 60-volt radial leaded surface mount product. This series will be introduced in early 1997. Radial leaded PTC applications include process and industrial controls, test and measurement equipment, security systems, motors and automotive.

Automotive Fuses. The Company is a primary supplier of fuses to United States, Japanese and European automotive OEMs, automotive component parts manufacturers and

automotive parts distributors. The Company also sells its fuses in the replacement parts market, with its products being sold through mass merchandisers, discount stores and service stations, as well as under private label by national firms. Management believes that it currently is the leading worldwide supplier of automotive fuses for new vehicle production and a leader for the aftermarket/replacement market.

The Company invented and owns all of the U.S. patents related to the blade type fuse which is the standard and most commonly used fuse in the automotive industry. The Company believes that, together with its licensees, it supplies substantially all of the blade type fuses used in the North American and Japanese markets and a majority in the European market. The Company's automotive fuse products are marketed under the following trademarked and brand names:

AUTOFUSER or ATOr, a standard blade type fuse, is used in automobiles produced worldwide and designed to provide superior circuit protection in a small, heat resistant package for low ampere applications.

MINIR Fuse, smaller than its predecessor AUTOFUSER, is offered in a range from two amps to 30 amps and is designed to permit more fuses in the same amount of space than prior products.

MAXI Fuse, a larger version of the AUTOFUSER, replaces the commonly used low technology fusible wire or fusible links in automobile electrical harnesses and is offered in a range from 20 amps to 80 amps.

MIDIR Fuse is a bolt down version of the MAXI fuse. This style is preferred by some European customers in the 50 to 100 amp range. Its primary use is for heating, air conditioning and motor control circuits.

J-Case Fuse, is a cartridge version of the Maxi fuse. This style is popular with Japanese customers in the 40 to 80 amp range. Its primary use is for branch circuit protection and protection of circuits with inductive loads.

MEGAR Fuse, a higher current fuse with ratings of 100 to 200 amps, is used for protection of battery cables.

Over half of the Company's North American automotive (blade type) fuse sales are made to wire harness manufacturers that incorporate the fuses into their products. The remaining automotive fuse sales are made directly to automotive manufacturers and through distributors who in turn sell most of their products to automotive product wholesalers, such as warehouse distributors, discount stores and service stations.

The Company believes it currently has adequate production capacity to meet the anticipated increased demand for automotive fuses referred to in "Business Environment: Circuit Protection Market -- Automotive Fuses." Any required expenditures for additional machinery and equipment are expected to be funded by cash flow from operations.

The Company has licensed its patented ATOr, Minir and Maxi automotive fuse designs to Bussmann, a division of Cooper Industries. Bussmann is the Company's largest domestic competitor. Additionally, the Company has entered into a licensing agreement with Pacific Engineering Company, Ltd., a Japanese fuse manufacturer, which produces and distributes the Company's patented ATOr and Minir automotive fuses to the Pacific Rim manufacturing operations of Pacific Rim-based automobile manufacturers. See "Competition" and "Business -- Patents, Trademarks and Other Intellectual Property."

Power Fuses. The Company entered the power fuse market in 1983 and manufactures and sells a broad range of low-voltage circuit protection products to electrical distributors and their customers in the construction, OEM and MRO markets. Power fuses are used to protect circuits in various types of industrial equipment and circuits in industrial plants, office buildings and residential units. The Company's power fuse products are marketed under the following classifications:

Class L fuses are commonly used as the first line of electrical protection in building service entrance equipment of high capacity electrical systems. Other applications include switchboard mains and feeders, distribution equipment and branch circuit protection for large motors.

Class R fuses are commonly used downstream from Class L fuses in a variety of branch circuit applications. Both time delay and fast acting versions cover a range of applications including main feeder, motor, transformer and solenoids. The Company's RK5 INDICATOR fuse series has won numerous product awards and wide recognition by industrial plant personnel. These fuses have an integrated blown fuse indicator that turns from clear to dark once a fuse has blown. This reduces troubleshooting time significantly and helps improve safety.

Class J fuses are less than half the size of Class R to provide substantial space savings. Applications for Class J are similar to Class R. Additional applications include back up protection for circuit breakers and protection for both IEC and NEMA rated devices.

Class CC fuses, Littelfuse's KLDR (for transformer protection) and CCMR (for motor branch circuit protection) provide protection

formerly supplied by fuses 10 times larger. Littelfuse was the first to the market with these products and is the only company with a CCMR rated up to 60 amps.

Semiconductor fuses, designed for supplementary protection of semiconducting devices, are used in electronic equipment and power equipment, such as variable speed drives, power rectifiers, UPS systems and DC power suppliers.

Midget fuses, seven different series provide supplementary overcurrent protection in such diverse applications as control circuits, control power transformers, solenoids, street lighting and computers.

Other Products. In addition to fuses, the Company supplies relays, switches and indicator lights to the automotive industry and to appliance and general electronics manufacturers. The Company is also a supplier of circuit breakers, fuse holders (including OMNI-BLOK^r), fuse blocks (including Powr-Blokr power distribution systems) and fuse clips primarily to customers that purchase circuit protection devices from the Company.

The LITTELITES^r indicating lights product line includes cartridge lamps with miniature and subminiature lampholders and snap-mount plastic lights. These lights come in incandescent, neon and solid state versions. LITTELITES^r are sold to producers of industrial machinery, office machines, appliances, instruments and computers.

Product Design and Development

The Company employs scientific, engineering and other personnel to improve its existing product lines and to develop new products at its research and engineering facility in Des Plaines, Illinois. The Engineering Department consists of approximately 50 engineers, chemists, metallurgists, fusologists and technicians. This department is primarily responsible for the design and development of new products and consists of five major groups. Three of the groups are dedicated to the design of certain types of products, specifically electronic fuses, including automotive and general electronic fuses; electrical fuses, including power and industrial fuses; and electromechanical devices such as relays and switches. Another engineering group is dedicated to materials engineering which brings metallurgy, plating and other technologies to bear on the development of new products. Finally, the engineering support group oversees patent and trademark compliance and maintains the model shop, drafting rooms and an electronics lab. The electronics lab develops the necessary tooling, hardware and software for testing the standards and tolerances of sample products.

Proposals for the development of new products are initiated primarily by marketing managers, members of the sales staff and customers. The entire product development process

typically takes between 12 and 18 months. During the fiscal years ended December 28, 1996, December 31, 1995, and December 31, 1994, the Company expended approximately \$7.3 million, \$7.9 million and \$6.1 million, respectively, on product design and development.

Patents, Trademarks and Other Intellectual Property

The Company generally relies on patent and trademark laws and license and nondisclosure agreements to protect its rights in its trade secrets in its proprietary products. In cases where it is deemed necessary by management, key employees are required to sign an agreement that they will maintain the confidentiality of the Company's proprietary information and trade secrets. This is information, which for business reasons, is not disclosed to the public.

As of December 28, 1996, the Company owned 97 patents in North America, 15 patents in the European Economic Community and 23 patents in other foreign countries. The Company has also registered trademark protection for certain of its brand names and logos. The 97 North American patents are in the following categories: 46 Electronic, 30 Automotive, 15 Power Fuse and 6 miscellaneous. Of the 30 automotive patents, 9 are article and process patents for the ATOr type fuses, 7 are for the MINIr and MAXITM type fuses, 3 are for the MEGAr and MIDIr type fuses and 11 are for other automotive products. Patents expiring in 1997 cover products that accounted for 5% of 1996 sales. Patents covering products that accounted for the balance of 1996 sales expire between 1998 and 2010.

The first article patent covering the AUTOFUSEr or ATOr fuse expired on September 30, 1992. However, the last improvement patent covering the ATOr fuse expires on August 10, 1999. The ATOr fuse product is further protected by trademark and trade dress protection which has a remaining indefinite life so long as it is continued to be correctly used by the Company and its licensees.

New products are continually being developed to replace older products. The Company regularly applies for patent protection on such new products. Although in the aggregate the Company's patents are important in the operation of its businesses, the Company believes that the loss by expiration or otherwise of any one patent or group of patents would not materially affect its business.

The Company currently licenses its MINIr and MAXI automotive fuse technology to Bussmann, a division of Cooper Industries and the Company's largest domestic competitor. The license granted in 1987 is nonexclusive and grants the Company the right to receive royalties of 4% of the licensee's revenues from the sale of the licensed products with an annual minimum of \$25,000. Each license expires upon the expiration of the licensed product patents.

The Company currently licenses its ATOr automotive fuse technology to Pacific Engineering Company, Ltd., a Japanese manufacturer that produces and distributes the Company's patented automotive fuses to Pacific Rim operations of Pacific Rim-based

automotive manufacturers. The license is exclusive as to Japan and non-exclusive as to other specified Pacific Rim territories and provides that the Company will receive royalties of 1.5% of the licensee's revenues from the sales of the licensed products with a \$25,000 annual minimum. This license expires on August 10, 1999. In addition, a second license covering the MINIR Fuse technology was granted with similar territory arrangements to Pacific Engineering and grants the Company the right to receive royalties of 2.5% of the licensee's revenues from the sale of the licensed products, with an annual minimum of \$100,000. The second license expires on April 6, 2006.

License royalties amounted to \$266,000, \$349,000 and \$552,000 for 1996, 1995 and 1994 respectively.

Manufacturing

Much of the Company's manufacturing equipment is custom designed by its engineers, and the Company conducts the majority of its own fabrication. The Company stamps most of the metal components used in its fuses, relays, holders and switches from raw metal stock and makes its own contacts and springs. However, the Company does depend upon a single source for a substantial portion of its stamped metal end caps for electronic fuses. The Company believes that alternative stamping sources are available at prices which would not have a material adverse effect on the Company. The Company also performs its own plating (silver, nickel, zinc, tin and oxides). In addition, all thermoplastic molded component requirements used for such products as the AUTOFUSER, MINIR and Maxi product lines are met through the Company's in-house molding capabilities.

After components are stamped, molded, plated and readied for assembly, final assembly is accomplished on fully automatic and semi-automatic assembly machines. Quality assurance and operations personnel, using techniques such as Statistical Process Control, perform tests, checks and measurements during the production process to maintain the highest levels of product quality and customer satisfaction.

The principal raw materials for the Company's products include copper and copper alloys, heat resistant plastics, zinc, melamine, glass, silver, solder, sulphate clipboard and linerboard. The Company depends upon a sole source for several of heat resistant plastics. The Company believes that suitable alternative heat resistant plastics are available from other sources at prices which would not have a material adverse effect on the Company. All of the other raw materials are purchased from a number of readily available outside sources.

A computer-aided design and manufacturing system (CAD/CAM) expedites product development and machine design, while reliability and high power laboratories test new products, prototype concepts and production run samples. The Company participates in "Just-in-Time" delivery programs with many of its major suppliers and actively promotes the building of strong cooperative relationships with its suppliers by involving them in pre-engineering product and process development. The Company also sponsors an annual major supplier conference and conducts a vendor certification program.

Marketing

The Company's domestic sales staff of approximately 65 people maintains relations with major OEMs and distributors. The Company's sales and engineering personnel interact directly with the OEM engineers to ensure maximum circuit protection and reliability within the parameters of the OEM design. Internationally, the Company maintains a sales staff of approximately 25 people and sales offices in The Netherlands, England, Singapore, Korea and China. The Company also markets its products indirectly through a worldwide organization of approximately 125 manufacturers' representatives and distributes through an extensive network of electronic, automotive and electrical distributors.

In addition to the normal risks associated with the Company's domestic operations, the Company's international operations entail such further risks as currency fluctuations and the effect of international relations or the domestic affairs of foreign countries on the conduct of business. As of December 28, 1996, the Company's operations have not been significantly affected by such additional risks. For information relating to foreign sales, see "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations - Geographical Business Segments."

Electronic. The Company has retained 24 manufacturers' representatives to sell its electronic products domestically and additional representatives to sell its electronic products internationally. These representatives call on major OEMs and distributors. Since the manufacturers' representatives do not maintain inventories, the Company distributes approximately 41% of its domestic products directly to OEMs, with the remainder distributed by more than 670 distributors nationwide.

In the Pacific Rim, the Company maintains a direct sales staff of five people in Singapore, one in Hong Kong and four in Korea, one in Japan and one or more manufacturers' representatives in Japan, Singapore, Korea, Hong Kong, Taiwan, China, Malaysia, Thailand, Philippines and Australia. In Europe, the Company's distribution methods differ from its domestic methods in that it maintains a direct sales force of eight people to call on OEMs exclusively and utilizes approximately 15 manufacturers' representatives to approach distributors and smaller OEMs. Unlike its domestic representatives, these manufacturers' representatives purchase inventory from the Company to facilitate delivery and reduce financial risks associated with currency exchange rate fluctuations.

Automotive. The Company sells automotive fuses through a direct sales force in Detroit consisting of four employees. Salespersons service all the major automotive OEMs (including the United States manufacturing operations of foreign-based OEMs) through both the engineering and purchasing departments of these companies. Twenty-eight manufacturers' representatives distribute the Company's products to aftermarket fuse retailers such as Autozone, Pep Boys, K-Mart and NAPA. In Europe, the Company uses both a direct sales force and manufacturers' representatives to distribute its products to Mercedes Benz, BMW, Volvo, Saab, Jaguar and other OEMs, as well as aftermarket distributors. In Asia Pacific, the

Company has licensed its automotive fuse technology to a Japanese firm which supplies the majority of the automotive fuses to the Japanese manufacturing operations in the region including Toyota, Honda and Nissan.

Power. The Company markets and sells its power fuses through 48 manufacturers' representatives across North America. These representatives sell power fuse products through an electrical distribution network comprised of approximately 1,240 distributors. These distributors have customers that include electrical contractors, municipalities, utilities and factories (including both MRO and OEM). Some of the manufacturers' representatives have consigned inventory in order to facilitate rapid customer delivery.

The Company's field sales force (including application engineers) and manufacturers' representatives call on both distributors and end-users (consulting engineers, municipalities, utilities and OEMs) in an effort to educate these customers on the capabilities and characteristics of the Company's products.

Customers

The Company sells to over 10,000 customers worldwide. No single customer accounted for more than 10% of net sales during the last three years except for its Japanese stocking representative which accounted for 11% in 1996. The Japanese stocking representative serves over 100 customers in the Asia Pacific electronics market. During the 1996, 1995 and 1994 fiscal years, net sales to customers outside the United States (exports and foreign operations) accounted for approximately 38.5%, 35.3% and 30.1%, respectively, of the Company's total net sales.

Competition

The Company's products compete with similar products of other manufacturers, many of which have substantially greater financial resources than the Company. In the electronic fuse market, the Company's competitors are Bussmann, a division of Cooper Industries, Bel Fuse, Inc., Raychem Corp., San-O Industrial Corp. and Wickmann-Werke GmbH. In the fuseholder portion of this market, the Company's principal competitor is Schurter, Inc. In the automotive fuse market, the Company's major competitor, both in sales to automobile manufacturers and in the aftermarket, is Bussmann. The Company licenses several of its automotive fuse designs to Bussmann. Other auto fuse competitors include Pudenz and MTA. In the power fuse market, the Company's major competitors include Bussmann, Gould, Inc and Ferraz. The Company believes that it competes primarily on the basis of innovative products, the breadth of available product lines, the quality and design of its products and the responsiveness of its customer service rather than through price competition.

Backlog

The Company does not consider backlog to be a predictive measure of results due to the Company's short delivery time. The Company manufactures high volume products based on its

demand forecasts and manufactures low volume products based on customer orders. The Company attempts to ship such products to the customer within five business days of the date of the order. Over 90% of all orders, which request delivery within three weeks of the date of the order, are filled on time from available stock or current production.

Employees

During 1996, the Company employed approximately 2,550 persons. Approximately 50 employees in Des Plaines and 465 employees in Mexico are covered by collective bargaining agreements. The Des Plaines agreement expires March 31, 1999 and the Mexico agreement expires February 28, 1998. The Company has not experienced any work stoppage or other form of labor dispute within the last 20 years. The Company believes that its employee relations are excellent and that its employees, many of whom have long experience with the Company, represent a valuable resource. The Company emphasizes employee training and development and has established Quality Improvement Process (QIP) training for its employees worldwide so as to promote product quality and customer satisfaction.

Environmental Regulation

The Company is subject to numerous federal, state and local regulations relating to air and water quality, the disposal of hazardous waste materials, safety and health. Compliance with applicable environmental regulations has not significantly changed the Company's competitive position, capital spending or earnings in the past and the Company does not presently anticipate that compliance with such regulations will change its competitive position, capital spending or earnings for the foreseeable future. The Company employs an environmental engineer to monitor regulatory matters and believes that it is currently in compliance in all material respects with applicable environmental laws and regulations.

ITEM 2. PROPERTIES

Littelfuse Facilities

The Company's operations are located in 19 owned or leased facilities worldwide, containing approximately 679,000 square feet. The U.S. headquarters and principal fabrication and distribution facility is located in Des Plaines, Illinois, supported by three additional plants in Illinois and one in Mexico. European headquarters and the primary European distribution center is in Utrecht, The Netherlands, with manufacturing plants in the United Kingdom and Switzerland. Asia Pacific operations include a distribution center located in Singapore, with manufacturing plants in Korea and China. The leases referenced in the following table account for annual rentals of approximately \$913,000. The Company does not believe that it will encounter any difficulty in renewing its existing leases upon the expiration of their current terms. Management believes that the Company's facilities are adequate to meet its requirements for the foreseeable future.

The following table provides certain information concerning the Company's facilities:

Location	Use	Size (sq.ft.)	Lease/Own	Lease Expiration Date	Industry Focus
Des Plaines, Illinois	Administrative, Engineering, Manufacturing, Testing and Research	340,000	Owned	--	Auto, Electronic, Power
Centralia, Illinois	Manufacturing	45,200	Owned	--	Electronic
Arcola, Illinois	Manufacturing	36,000	Owned	--	Power
Watseka, Illinois	Manufacturing	26,000	Leased(1)	1999	Auto, Electronic
Watseka, Illinois	Storage	5,000	Owned	--	Other
Farmington Hills, Michigan	Administrative	1,562	Leased	1999	Auto
Piedras Negras, Mexico	Manufacturing	50,300	Leased	1997	Auto, Electronic, Power
Piedras Negras, Mexico	Manufacturing	11,848	Leased	1997	Electronic and Power
Washington, England	Manufacturing, Sales and Distribution	60,000	Owned	--	Electronic, Auto, Other
Utrecht, The Netherlands	Warehousing	8,680	Leased	1998	Auto, Electronic, Other
Utrecht, The Netherlands	Sales, Administrative and Engineering	12,000	Owned	--	Auto, Electronic, Other
Grenchen, Switzerland	Manufacturing	11,000	Owned	--	Auto
Singapore	Sales and Distribution	5,845	Leased	1998	Electronic

Location	Use	Size (sq.ft.)	Lease		Expir- ation Date	Industry Focus
			Lease/ Own			
Seoul, Korea	Sales and Manufacturing	20,000	Leased		2000	Electronic, Auto
Suzhou, China	Manufacturi ng	40,000	Owned		--	Electronic
Suzhou, China	Manufacturi ng	5,230	Leased		1997	Electronic
Honk Kong, Japan	Sales	920	Leased		1998	Electronic
Yokohama, Japan	Sales	1,815	Leased		1999	Electronic
Sao Paulo, Brazil	Sales and Distribution	1,200	Leased		1997	Electronic, Auto

- (1) The lease of the manufacturing facility in Watseka, Illinois, provides that the Company may purchase the leased facility upon certain terms and conditions.

ITEM 3. Legal Proceedings

The Company is not a party to any legal proceedings which it believes will have a material adverse effect upon the conduct of its business or its financial position.

ITEM 4. Submission of Matters to a Vote of Security Holders

There were no matters submitted to the Company's stockholders during the fourth quarter of fiscal 1996.

Executive Officers of Registrant

The executive officers of the Company are as follows:

Name	Age	Position
Howard B. Witt and Chief	56	Chairman of the Board, President Executive Officer
Jon B. Anderson	48	Vice President, Human Resources

Kenneth R. Audino	53	Vice President, Quality Assurance and Reliability
William S. Barron	54	Vice President, Marketing and Sales
James F. Brace	51	Vice President, Treasurer and Chief Financial Officer
David J. Krueger	59	Vice President, Engineering
Lloyd J. Turner	53	Vice President, Operations
Hans Ouwehand	50	Vice President, European Operations
Mary S. Muchoney	51	Secretary

Officers of Littelfuse are elected by the Board of Directors and serve at the discretion of the Board.

Howard B. Witt was elected to the position of Chairman of the Board in May, 1993. He was promoted to President and Chief Executive Officer of Old Littelfuse in February 1990. Prior to his appointment as President and Chief Executive Officer, Mr. Witt served in several other key management positions with Old Littelfuse, including Operations Manager from March 1979 to January 1986, Vice President-Manufacturing from January 1986 to January 1988, and Executive Vice President with full operating responsibilities for all U.S. activities from January 1988 to February 1990. Prior to joining Old Littelfuse, Mr. Witt was a division president of Keene Corporation from 1974 to 1979. Mr. Witt currently serves as a member of the Board of Directors of Franklin Electric Co., Inc. and is a member of the Electronic Industries Association Board of Governors. He is also a director of the Artisan Small Cap Fund.

Jon B. Anderson, Vice President, Human Resources, has responsibility for implementation of strategic human resources planning, team development and other related initiatives. He joined Littelfuse in May 1993 from R.R. Donnelley & Sons Company, Business Services Division where he was Director of Administrative Services from 1988 to early 1993. Mr. Anderson's total employment with Donnelley encompassed over 22 years.

Kenneth R. Audino, Vice President, Quality Assurance and Reliability, oversees all product reliability and quality assurance activities corporate-wide and also directs corporate environmental affairs. Mr. Audino joined Old Littelfuse as a Control Technician in 1964. From 1964 to 1977, he progressed through several quality and reliability positions to Manager

of Reliability and Standards. In 1983, he became Managing Director of the European Headquarters of Old Littelfuse and later was named Corporate Director of Quality Assurance and Reliability. He was promoted to his current position in 1988.

William S. Barron, Vice President, Sales and Marketing, has responsibility for the general direction of all sales, marketing and related support functions. He also is responsible for the Information Services Department. Mr. Barron joined Old Littelfuse in March 1991. From August 1981 to March 1991, Mr. Barron served as Director of Sales and Marketing of Cinch Manufacturing and the General Manager of one of its domestic divisions. Cinch Manufacturing is a subsidiary of Labinal Corporation.

James F. Brace, Vice President, Treasurer and Chief Financial Officer, has responsibility for the treasury, financial control and financial reporting functions of the Company. Mr. Brace joined the Company in May 1992. From April 1987 to May 1992, he was employed by Sanford Corporation, a marker, writing instrument and office supplies manufacturer. At Sanford he was elected Chief Financial Officer in April 1987, Treasurer in April 1988 and Vice President in July 1989. From March 1983 to April 1987 he was Vice President - Finance and Administration of Iroquois Industries Corp., a paper and office supplies distributor.

David J. Krueger, Vice President, Engineering, directs all product feasibility, design, development and testing activities. Joining Old Littelfuse as an Industrial Fuse Engineering Manager in 1982, he was named Manager of Circuit Protection Devices in 1984, promoted to Director of Engineering in January 1986 and promoted to his current position one year later. Prior to joining Old Littelfuse, Mr. Krueger worked for 15 years as an Engineering Manager for the Economy Fuse Division of Federal Electric, and for six years as a Plant Manager for Federal Pacific Reliance Electric.

Lloyd J. Turner, Vice President, Operations, has responsibility for manufacturing operations and related support functions. Mr. Turner joined Old Littelfuse in October 1988, as Director of Manufacturing Operations after having served as an Operations Manager with Texas Instruments from November 1984 to September 1988. He was promoted to his current position in 1991.

Hans Ouwehand, Vice President, European Operations, has complete responsibility for all sales, marketing, research and development, and manufacturing activities covering the entire range of electronic, automotive and aftermarket products sold by the Company in Europe. Mr. Ouwehand joined Old Littelfuse in 1984 as Sales Manager, Europe, Electronics Division. He was later promoted to the position of European Sales and Marketing Manager for all Littelfuse products and in 1986 to the position of General Manager-European Operations. Prior to joining Old Littelfuse, his industrial background included research and development work with Sperry Rand and sales and product management with Lameris Medical Instruments.

Mary S. Muchoney has served as Corporate Secretary since 1991, after joining Old Littelfuse in 1977. She is responsible for providing all secretarial and administrative functions for the President and Littelfuse Board of Directors. Ms. Muchoney is a member of the American Society of Corporate Secretaries.

PART II

ITEM 5. Market for Registrant's Common Equity and Related Stockholder Matters

The information set forth under "Quarterly Stock Price" of Exhibit 13.1 filed as a part of this Annual Report on Form 10-K is incorporated herein by reference. As of March 14, 1997 there were 243 holders of record of the Company's Common Stock and in excess of 1,900 beneficial holders of its Common Stock.

Since September 22, 1992, shares of the Common Stock have been traded in the over-the-counter market and quotations are reported using the symbol "LFUS" on the National Association of Securities Dealers Automated Quotations ("NASDAQ") National Market System.

The Company has not paid any cash dividends since reorganization. Future dividend policy will be determined by the Board of Directors based upon their evaluation of earnings, cash availability and general business prospects. Currently, there are restrictions on the payment of dividends contained in the Company's Credit Agreement which relate to the maintenance of certain restricted payment ratios.

ITEM 6. Selected Financial Data

The information set forth under "Selected Financial Data - Five Year Summary" of Exhibit 13.1 filed as a part of this Annual Report on Form 10-K is incorporated herein by reference.

ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The information set forth under "Management's Discussion and Analysis of Financial Condition and Results of Operations" of Exhibit 13.1 filed as a part of this Annual Report on Form 10-K is incorporated herein by reference.

ITEM 8. Financial Statements and Supplementary Data

The Report of Independent Auditors, Management's Statement of Responsibility and the Consolidated Financial Statements and notes thereto of the Company set forth on Exhibit 13.1 filed as a part of this Annual Report on Form 10-K are incorporated herein by reference.

ITEM 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

PART III

ITEM 10. Directors and Executive Officers of the Registrant

The information set forth under "Election of Directors" in the Proxy Statement is incorporated herein by reference. The information set forth under "Executive Officers of the Registrant" in Part I of this Report is incorporated herein by reference.

ITEM 11. Executive Compensation

The information set forth under "Compensation of Executive Officers" in the Proxy Statement is incorporated herein by reference, except for the sections captioned "Reports of the Compensation Committee and Stock Option Committee on Executive Compensation" and "Company Performance."

ITEM 12. Security Ownership of Certain Beneficial Owners and Management

The information set forth under "Ownership of Littelfuse, Inc. Common Stock" in the Proxy Statement is incorporated herein by reference.

ITEM 13. Certain Relationships and Related Transactions

The information set forth under "Certain Relationships and Related Transactions" in the Proxy Statement is incorporated herein by reference.

PART IV

ITEM 14. Exhibits, Financial Statement Schedules and Reports on Form 8-K

(a) Financial Statements and Schedules

- (1) Financial Statements. The following financial statements set forth in Exhibit 13.1 filed as a part of the Annual Report on Form 10-K and incorporated herein by reference.
 - (i) Consolidated Statements of Financial Condition as of December 28, 1996 and December 31, 1995.
 - (ii) Consolidated Statements of Income for the years ended December 28, 1996, December 31, 1995 and 1994.

- (iii) Consolidated Statements of Cash Flows for the years ended December 28, 1996, December 31, 1995 and 1994.
- (iv) Consolidated Statements of Shareholders' Equity for the years ended December 28, 1996, December 31, 1995 and 1994.
- (v) Notes to Consolidated Financial Statements.

(2) Financial Statement Schedules. The following financial statement schedules are submitted herewith for the periods indicated therein.

- (I) Schedule II-Valuation and Qualifying Accounts and Reserves

All other schedules for which provision is made in the applicable accounting regulation of the Securities and Exchange Commission are not required under the related instructions or are inapplicable and, therefore, have been omitted.

(3) Exhibits

See Exhibit Index on pages 21-23, incorporated herein by reference.

(b) Reports on Form 8-K

There were no reports on Form 8-K during the fourth quarter of 1996.

LITTELFUSE, INC.
 SCHEDULE II - VALUATION AND QUALIFYING ACCOUNTS AND RESERVES
 (In Thousands)

Description	Balance at Beginni ng of Year	Additions Charged to Costs and Expenses	Charged to Other Accounts	Deductions (A)	Balance at End of Year
Year ended December 28, 1996					
Allowance for losses on accounts receivable	\$ 863	\$ 236		\$ 203	\$ 896
Reserves for sales discounts and allowances	\$ 3,038	\$ 1,123		\$ --	\$ 4,161
Year ended December 31, 1995					
Allowance for losses on accounts receivable	\$ 716	\$ 275		\$ 128	\$ 863
Reserves for sales discounts and allowances	\$2,525	\$ 513		\$ --	\$ 3,038
Year ended December 31, 1994					
Allowance for losses on accounts receivable	\$ 692	\$ 155		\$ 131	\$ 716
Reserves for sales discounts and allowances . .	\$2,134	\$ 391		\$ --	\$ 2,525

(A) Write-off of uncollectible accounts, net of recoveries and foreign currency translation.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Littelfuse, Inc.

By /s/ Howard B. Witt
Howard B. Witt,
Chairman, President and
Chief Executive Officer

Date: March 19, 1997

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated:

/s/ Howard B. Witt Howard B. Witt	Chairman of the Board, President and Chief Executive Officer
/s/ Anthony Grillo Anthony Grillo	Director
/s/ Bruce A. Karsh Bruce A. Karsh	Director
/s/ John E. Major John E. Major	Director
/s/ John J. Nevin John J. Nevin	Director
/s/ James F. Brace James F. Brace	Vice President, Treasurer and Chief Financial Officer (Principal Financial Officer)

LITTELFUSE INC.
INDEX TO EXHIBITS

Sequentialc)
Page
Number

- | Number | Description of Exhibita) | Sequentialc)
Page
Number |
|--------|--|--------------------------------|
| 2.1 | Plan of Reorganization under Chapter 11 of the Bankruptcy Code of Old Littelfuse. | |
| 3.1 | Certificate of Incorporation (as amended to date). | |
| 3.1A | Certificate of Designations of Series A Preferred Stock (filed as Exhibit 4.2 to the Company's Current Report on Form 8-K dated December 1, 1995 (1934 Act File No.0-20388) and incorporated herein by reference). | |
| 3.2 | Bylaws (filed as Exhibit 3.1 to the Company's Current Report on Form 8-K dated December 1, 1995 (1934 Act File No. 0-20388) and incorporated herein by reference). | |
| 4.1 | Credit Agreement among Littelfuse, Inc., as borrower, the lenders named therein and the First National Bank of Chicago, as agent, dated as of August 31, 1993. | |
| 4.1A | Amendment No. 1 to Credit Agreement, dated as of March 31, 1994. (Filed as Exhibit 4.1A to the Company's Form 10-K for the year ended December 31, 1995.) | |
| 4.1B | Amendment No. 2 to Credit Agreement, dated as of June 16, 1995. (Filed as Exhibit 4.1A to the Company's Form 10-K for the year ended December 31, 1995.) | |
| 4.2 | Registration Rights Agreement, dated as of December 27, 1991, between Littelfuse, Inc. and The Toronto-Dominion Bank Trust Company, as agent. | |
| 4.3 | Warrant Agreement, dated as of December 27, 1991, between Littelfuse, Inc., and LaSalle National Trust, N.A., as warrant agent, together with form of Warrant. | |

a) All of the exhibits, (except those filed herewith or specifically noted as being incorporated by reference from a different filing under the 1933 Act or 1934 Act) were filed as exhibits to the Company's Form 10 as filed with the Securities and Exchange Commission which became effective on September 16, 1992 (1934 Act File No. 0- 20388) and are incorporated herein by reference.

b) Filed herewith.

c) This information appears only in the manually signed copy of the report.

d) Indicates an employee benefit plan, management contract or compensatory plan or arrangement in which a named executive officer participates.

Number	Description of Exhibit a)	Sequentialc) Page Number
4.4	Stock Plan for Employees and Directors of Littelfuse, Inc. d)	
4.5	Form of Stock Option Agreement	
4.6	Specimen Common Stock certificate.	
4.7	Littelfuse, Inc. Retirement Plan dated January 1, 1992, as amended and restated.d)	
4.8	Littelfuse, Inc. 401(k) Savings Plan.d)	
4.9	Note Purchase Agreement, dated as of August 31, 1993, relating to \$45,000,000 principal amount of Littelfuse, Inc. 6.31% Senior Notes due August 31, 2000.	
4.10	Littelfuse Rights Plan Agreement, dated as of December 15, 1995, between Littelfuse, Inc. and LaSalle National Bank, as Rights Agent, together with Exhibits thereto (filed as Exhibit 1 to the Company's Form 8-A Registration Statement dated December 4, 1995 (1934 Act File No. 0-20388)	
10.1	Lease Agreement (with option to purchase),dated December 27, 1991, between Littelfuse, Inc. and Westmark Systems, Inc.	
10.2	Tax Indebtedness Sharing Agreement, dated December 27, 1991, between Littelfuse, Inc., Tracor, Inc. and certain other companies.	
b)10.3	Patent License Agreement, dated as of July 28, 1995, between Littelfuse, Inc. and Pacific Engineering Company, Ltd.	
10.4	MINIr and MAXITM License Agreement, dated as of June 21, 1989, between Littelfuse, Inc. and McGraw-Edison Company.	
10.5	Patent License Agreement, dated as of January 1, 1987, between Littelfuse, Inc. and Cooper Industries, Inc.	

Number	Description of Exhibit a)	Sequentialc) Page Number
10.6	1993 Stock Plan for Employees and Directors of Littelfuse, Inc. (filed as Exhibit 10.1 to the Company's Form 10-Q for the quarterly period ended June 30, 1995 (1934 Act File No. 0-20388) and incorporated herein by reference.d)	
10.7	Littelfuse, Inc. Supplemental Executive Retirement Plan.d)	
10.8	Littelfuse Deferred Compensation Plan for Non-employee Directors.d)	
10.9	Littelfuse Executive Loan Program (filed as Exhibit 10.2 to the Company's Form 10Q for the quarterly period ended June 30, 1995 (1934 Act File No. 0-20388) and incorporated herein by reference.d)	
b)10.10	Employment Agreement dated as of September1, 1996 between Littelfuse, Inc. and Howard B. Witt. d)	
b)10.11	Change of Control Employment Agreement dated as of September 1, 1996 between Littelfuse, Inc. and Howard B. Witt. d)	
b)10.12	Form of change of Control Employment Agreement dated as of September 1, 1996 between Littelfuse, Inc. and Messrs. Anderson, Audino, Barron, Brace, Krueger and Turner. d)	
b)11.1	Computation of Net Income per Share.	
b)13.1	Portions of Littelfuse Annual Report to Stockholders for the year ended December 28, 1996.	
b)22.1	Subsidiaries.	
b)23.1	Consent of Independent Auditors.	

MINI-TYPE FUSE AND ATO-TYPE FUSE
CONSOLIDATED AND AMENDED AGREEMENT

This Mini-Type Fuse And ATO-Type Fuse Consolidated And Amended Agreement is made and entered this 28th day of July, 1995, between Littelfuse, Inc., a corporation organized under the laws of the State of Delaware (hereafter called "Licensor"), having its principal office at 800 East Northwest Highway, Des Plaines, Illinois 60016, U.S.A., and Pacific Engineering Company, Ltd., a corporation organized under the laws of Japan (hereinafter called "Licensee"), having its principal offices at 450 Hinoki-Cho, Ogaki-shi, Gifu-ken 503, Japan. Licensor and Licensee are referred to collectively as "the Parties."

WHEREAS, Licensor is the owner of patents on blade fuses, and of registered trademark(s) on a blade fuse configuration, and has claimed ownership of certain technology (know-how) and of certain trade dress on certain elements of a blade fuse configuration;

WHEREAS, Licensor and Licensee entered into a "Patent License Agreement" on December 25, 1977 ("the 1977 Agreement"), and a "Mini Fuse License Agreement" on May 22, 1990 ("the 1990 Agreement");

WHEREAS, disputes over the terms and scope of the 1977 Agreement and the 1990 Agreement have arisen and, in order to end and resolve these disputes, the Parties entered into an "Outline of Agreement" on August 19, 1994, and agreed to consolidate the terms of both the 1977 Agreement and the 1990 Agreement;

NOW, THEREFORE, for good and sufficient consideration paid, the Parties hereby agree to the terms and conditions set forth below:

ARTICLE I
Definitions

Whenever used in this Agreement, the terms in this Article shall have the meanings set forth in the following paragraphs.

"ATO-Type Fuses" shall mean blade-type fuses marketed since 1977 by Licensor, now under the "ATO" trademark, and the similar blade-type fuses which Licensee has marketed since 1978. An example of Licensor's "ATO-Type Fuses" is attached to this Agreement as Exhibit A. Any fuses that do not include a metallic fusible link shall not be included in this definition.

"Mini-Type Fuses" shall mean those blade-type fuses substantially smaller than the ATO-Type Fuses which are currently sold by Licensor under the "MINI" trademark, and the similar blade-type fuses that have been sold by Licensee since 1992. An example of Licensor's "Mini-Type Fuses" is attached to this Agreement as Exhibit B. Any fuses that do not include a metallic fusible link shall not be included in this definition.

"Intellectual Property" shall mean any and all patents, trademarks, trade dress, copyrights, and all other intellectual property rights owned by Licensor that currently exist and can be used in the design, manufacture, sale, or use of ATO-Type Fuses and Mini-Type Fuses, as well as any other intellectual property rights that are added pursuant to the terms of this Agreement.

"Net Sales Price" shall mean the price charged by Licensee for one ATO-Type Fuse or one Mini-Type Fuse after deduction of applicable discounts and adjustments, such as those regarding transportation, packing charges, allowances, installation, insurance, taxes, returns, and special service charges. If no such price exists and the ATO-Type Fuse or Mini-Type Fuse is not provided for promotional purposes or supplied to an affiliate owned at least 50% by Licensee, then the price shall be the same as the usual and customary Net

Sales Price charged Licensee's customers.

"Exclusive" shall mean that only Licensor or Licensee is allowed to manufacture, sell and/or use the Fuses in accordance with the provisions of the particular paragraphs in Article II. below that use such terms, except for any rights that may currently have been granted under existing agreement(s) between Bussmann or its successors and Licensor.

"Non-Exclusive" shall mean that only Licensor and Licensee are allowed to manufacture, sell and/or use the Fuses in accordance with the provisions of the particular paragraphs in Article II. below that use such terms, except for any rights that may currently have been granted under existing agreement(s) between Bussmann or its successors and Licensor.

Territory A' is identified in Appendix I of this Agreement.

Territories B' and C' are identified in Appendix I of this Agreement.

Territory D' is Australia, New Zealand, South Korea, and all other countries of the world that have not been specifically identified in the categories of any of Territories A', B' or C'.

ARTICLE II Rights Granted

Licensor hereby grants to Licensee, and to Licensee's present and future subsidiaries, affiliates, and other companies in which Licensee owns at least 50% of the stock or assets, the rights and license set forth below. (For purposes of subparagraphs a. and d. below, the corporate headquarters of any joint venture or otherwise affiliated company shall be deemed to be in the country of the company owning directly or indirectly 50% or more of the stock or assets in the joint venture or otherwise affiliated company. Also, for purposes of subparagraphs below, the rights extended to Licensor shall also extend to Licensor's present and future subsidiaries, affiliates, and other companies in which Licensor owns at least 50% of the stock or assets.)

a. Territory A'. The exclusive non-transferable rights and license to practice and use the Intellectual Property in the manufacture, sale and use of ATO-Type Fuses and Mini-Type Fuses in Territory A'. Notwithstanding this right, however, Licensor may sell (but not manufacture) ATO-Type and Mini-Type Fuses as replacement genuine parts for vehicles and other equipment manufactured by companies that (1) have their corporate headquarters in Territory B', C' and D', and (2) have used Licensor's fuses as original equipment in Territory A', B', C' and D'. The importation into Territory A' of vehicles or equipment having as original equipment the ATO-Type Fuses or Mini-Type fuses of the Licensor shall not be deemed to be a violation of Licensee's exclusive right and license in Territory A'.

b. Territory B'. The exclusive non-transferable rights and license to practice and use the Intellectual Property in the manufacture of the Mini-Type Fuses in Territory B'. Both Licensor and Licensee shall have non-exclusive rights to manufacture, sell and use ATO-Type Fuses in Territory B', and Licensor and Licensee shall both have the right to sell and use the Mini-Type Fuses in Territory B'.

c. Territory C'. The non-exclusive non-transferable rights and license to sell (but not manufacture) ATO-Type Fuses and Mini-Type Fuses in Territory C' as replacement genuine parts for vehicles and other equipment manufactured by companies that (1) have their corporate headquarters in Territories A', B', or D' and (2) have used Licensee's fuses as original equipment in Territories A', B', C', or D'. The importation into Territory C' of vehicles or equipment having as original equipment ATO-Type Fuses or Mini-Type Fuses of the Licensee shall not be deemed to be a violation of Licensor's exclusive right and license in

Territory C'.

d. Territory D'. The non-exclusive non-transferable rights and license to practice and use the Intellectual Property in the manufacture, use and sale of the ATO-Type and Mini-Type Fuses in Territory D'. As this right is non-exclusive, Licensor shall have these same rights in Territory D'.

The Parties recognize that, as a matter of practical business operations and customer relations, they cannot control the locations to which their customers resell ATO-Type Fuses and Mini-Type Fuses. Accordingly, Licensor agrees that any and all sales of ATO-Type Fuses and Mini-Type Fuses by Licensee's unaffiliated customers in a manner inconsistent with the territorial terms of this Agreement shall not be considered a breach of this Agreement by Licensee. Similarly, Licensee agrees that any sales of ATO-Type Fuses and Mini-Type Fuses by Licensor's customers in a manner inconsistent with the territorial terms of this Agreement will not be considered a breach of this Agreement by Licensor. It is understood that such customers are not granted any rights they do not otherwise have under the terms of this Agreement. The Parties shall make reasonable efforts to the extent lawfully permitted to control resales of ATO-Type Fuses and Mini-Type Fuses in accordance with the territorial provisions of this Agreement.

The Parties recognize that there are important customers of Licensee and Licensor in certain countries. The Parties also recognize that there may be a desire on the part of such customers to have a second source of supply for ATO-Type Fuses and Mini-Type Fuses. The Parties accordingly agree that they will recommend each other as second source suppliers for their customers if such second sources are required.

All applicable Intellectual Property, if any, may be used with the ATO-Type and Mini-Type Fuses conditioned upon the Fuses having the quality which meets SAE or other quality standards in the areas where such Fuses will be used. Licensee shall send Licensor, and Licensor shall send Licensee, by the end of January and July of each year samples of each current rating of each Licensed Fuse. The parties shall identify their ATO-Type and Mini-Type Fuses in such a manner as to be able to identify the Licensed Fuses manufacturer. Licensor grants to Licensee the right to use its Mini-Fuse trademarks on the Licensed Fuses, subject to the same quality requirements set forth in this paragraph.

Licensee shall not grant sublicenses to others. It is recognized that this limitation shall not diminish in any way the rights given under this Agreement.

Nothing in this Agreement shall preclude Licensee from being able to make fuses using the Intellectual Property that do not fall within the currently existing Mini-Type and ATO-Type fuses if any manufacturer should request that such differences be made. However, Licensee shall first attempt to continue to use existing fuse configurations and specifications for any fuses using the Intellectual Property prior to making such a change.

ARTICLE III Royalties

Royalties payable by Licensee to Licensor and the terms therefor shall apply to Licensee's sale of ATO-Type Fuses or Mini-Type Fuses as set forth below.

Licensee shall pay Licensor 1.5% of the Net Sales Price of the ATO-Type Fuses. The minimum annual royalty on ATO-Type Fuses shall be \$25,000. These royalties shall be payable for all ATO-Type Fuses sold by Licensee in any part of the world through August 10, 1999. This royalty payment obligation will cease on the earlier date when and if all patents in all countries specified in this Agreement (whether or not used by Licensee) and relating to the ATO-Type Fuse expire are abandoned, or are declared invalid by final judgment of a court of competent jurisdiction from which no appeal can be or is taken.

Licensee shall pay Licensor 2.5% of the Net Sales Price

of the Mini-Type Fuses. The minimum annual royalty on Mini-Type Fuses shall be \$50,000. These royalties shall be payable for all Mini-Type Fuses sold by Licensee in any part of the world through April 16, 2006. This royalty payment obligation will cease on the earlier date when and if all patents in all countries specified in this Agreement (whether or not used by Licensee) and relating to the Mini-Type Fuse expire, are abandoned, or are declared invalid by final judgment of a court of competent jurisdiction from which no appeal can be or is taken.

Minimum annual royalties shall be measured from April 1 of one year to March 31 of the next year. Minimum royalties shall be paid by Licensee each year if the royalties due on sales do not exceed the minimum annual royalty in paragraphs 2. and 3. above. Royalties shall be paid annually for all sales of Fuses during each annual period beginning April 1, the payment to be made on or before the date that is sixty (60) days following the end of each such annual period. If the total royalties payable on the basis of actual sales for a given year is less than the minimum royalty due for that year, then Licensee shall pay Licensor, when the payment for each year is due, an amount of money equal to the minimal royalty due. If the royalty payment due on the basis of actual sales exceeds the minimum royalties, then this amount shall be paid. All payments shall be made in United States dollars. For purposes of converting Yen and other sales in different currencies, the acceptable rate of exchange to convert the Yen into United States dollars shall be the mid-point between the Bank of Tokyo's opening quotes on the last working day of March of each year for: (1) the conversion of Yen into United States dollars (Telegraphic Transfer Selling Rate), and (2) the conversion of United States dollars into Yen (Telegraphic Transfer Buying Rate).

If there should be any restriction imposed against the payment of the royalty, then, to the extent permitted by law, an account in Licensor's name shall be established in the country involved and the royalties due paid into such account. This account shall be maintained at Licensor's expense from the deposited funds or otherwise. The deposit of such funds shall satisfy Licensee's obligations hereunder.

Licensee shall maintain complete, clear and accurate records in sufficient detail to permit the determination of the royalties due under this Agreement. At Licensor's request, Licensee shall cause its outside accountant to provide Licensor with an annual audited report of the royalty computation required under this Agreement. Such report shall be maintained in confidence, and shall not be disclosed to anyone in the absence of court order which shall be opposed by Licensor until all reasonable means of opposition have been exhausted. A protective order acceptable to Licensee shall be sought from any court requiring such production. Any underpayment by Licensee that exceeds 10% shall be subject to prime rate interest on such excess.

The Parties agree that only one royalty payment shall be due for each Mini-Type Fuse or ATO-Type Fuse.

Licensor shall provide Licensee with notice of any new Intellectual Property for ATO-Type Fuses and/or Mini-Type Fuses developed by Licensor that would fall under this Agreement. If Licensee in its sole option determines it wishes to include the new Intellectual Property under this Agreement for its use in connection with ATO-Type Fuses and/or Mini-Type Fuses, and so advises Licensor of this desire in writing, then such Intellectual Property shall be covered by this Agreement. The period for royalty payments under this Agreement shall then be extended to the date on which any new patent added to this Agreement is abandoned, expires or is declared invalid. Nothing herein shall require the payment of any additional royalty payments except for payments of the royalties provided for hereunder for any extension of the period for royalty payments for the ATO-Type Fuse and Mini-Type Fuse caused by the addition of new patents in accordance with this paragraph.

When Licensee is no longer obligated to make royalty payments under this Article for ATO-Type Fuses, then Licensee shall be considered to have perpetual royalty-free licenses

for the ATO-Type Fuses. When Licensee is no longer obligated to make royalty payments under this Article for Mini-Type Fuses, then Licensee shall be considered to have perpetual royalty-free licenses for the Mini-Type Fuses. Licensee agrees that it will execute documents necessary to protect any trademark or trade dress rights that Licensor might have on the configuration of ATO-Type Fuses and Mini-Type Fuses when Licensee no longer has any royalty obligations under this Agreement for those ATO-Type Fuses and Mini-Type Fuses. Licensor and Licensee also agree that, to the extent lawfully permissible, they will retain the territorial limitations imposed in this Agreement on each party's manufacture, sale and/or use of ATO-Type Fuses and Mini-Type Fuses; provided, however, that if it is determined that the same limitations cannot legally be enforced, then no such limitations shall be applied.

ARTICLE IV Representations and Warranties

Licensor represents and warrants that: (a) it is a corporation duly organized and existing in good standing under the laws of the State of Illinois and the United States; (b) it is duly authorized and has full corporate power under its Certificate of Incorporation and under applicable laws to operate its properties and engage in the business carried on by it; (c) the execution, delivery and performance of this Agreement by it has been duly authorized by all proper corporate action; (d) it has all necessary corporate power and authority to enter into this Agreement and to consummate the transactions herein contemplated; and, (e) it is the owner of the Intellectual Property covered by this Agreement.

Licensee represents and warrants that: (a) it is a corporation duly organized and existing in good standing under the laws of Japan; (b) it is duly authorized and has full corporate power under its Certificate of Incorporation and under applicable laws to operate its properties and engage in the business carried on by it; (c) the execution, delivery and performance of this Agreement by it has been duly authorized by all proper corporate action, and, (d) it has all necessary corporate power and authority to enter into this Agreement and to consummate the transactions herein contemplated.

Licensor makes no representations, extends no warranties, express or implied, and assumes no responsibilities whatsoever, with respect to the performance, merchantability or fitness for a particular purpose of ATO-Type Fuses and Mini-Type Fuses, to Licensee, its vendees or other transferees.

ARTICLE V Effect On Prior Agreements

Upon execution by both Parties of the present "Mini-Type Fuse and ATO-Type Fuse Consolidated and Amended Agreement," the Parties mutually agree that the present Agreement shall consolidate, replace and supersede all terms of the 1977 Agreement, the 1990 Agreement, and the "Outline of Agreement" dated August 19, 1994.

Licensee and Licensor shall, as of the date of execution of this Agreement, waive all rights and causes of action either may have had against the other prior to the execution of the agreement.

Notwithstanding the provisions of paragraphs 1. and 2. of this Article, Licensee shall pay to Licensor (1) the accumulated royalties owed under the 1977 and 1990 Agreements up to August 31, 1994, and (2) the amount owed under this Agreement from that date until March 31, 1995, within sixty (60) days after April 1, 1995. For purposes of simplifying calculations in this paragraph and in Article III., paragraphs 2. and 3., the last date for applying the royalty rates in the 1977 and 1990 Agreements shall be August 31, 1994.

ARTICLE VI Liability

The Parties agree to indemnify and to hold each other harmless against any and all costs, claims, damages and expenses (including reasonable attorneys' fees) arising out of

their own manufacture, sale or use of ATO-Type Fuses and Mini-Type Fuses.

Neither party shall be in default of this Agreement or liable to the other party for any delay or default in performance where occasioned by any cause of any kind or extent beyond its control, including but not limited to: armed conflict or economic dislocation therefrom; embargoes or shortages of labor, raw materials, fuel, energy, production facilities or transportation; labor difficulties; civil disorders of any kind; action of any civil or military authorities (including priorities and allocations); fires; floods; accidents; other natural or man-made disasters or problems.

Each party will protect and hold the other harmless from and against any costs, damages or expenses incurred as a result of its breach of any of its representations, agreements or warranties made herein.

Should any claim of invalidity regarding any Intellectual Property covered by this Agreement be made by any person or entity, notice thereof shall be provided to the other party as soon as one of the Parties is informed about the claim. Notice shall also be provided to the other party should a party learn of any claim of infringement made by any person or entity regarding any of the Intellectual Property covered by this Agreement. Licensor shall be charged with the enforcement and protection of those rights.

ARTICLE VII Infringement and Invalidity

Infringement Prosecution. Either Licensor or Licensee may initiate the prosecution of any infringer in Territory A' through an infringement suit or other proceeding designed to stop a substantial infringement by a material competitor. If at any time Licensor determines that it does not want the infringement action to proceed, then it shall inform Licensee of this fact and such action shall be stopped. Any normal, reasonable expenses incurred by Licensee as a result of such a stopped infringement action shall be returned by Licensor to Licensee within sixty days of receipt of a statement of expenses certified by Licensee's certified public accountant. Further, Licensee shall no longer need to pay royalty for the use of any patents involved in the stopped infringement action until such competition ceases, and for such period as such competition persists.

Infringement Actions. Should an infringement action be commenced by one party, the other party shall be entitled to join that action if it agrees to pay one half of the legal fees and expenses required to prosecute the case. The party initiating the action shall be entitled to hire the attorney(s) required. However, this selection must be approved by Licensor who agrees not to unreasonably withhold such approval. In any event, the party which chooses not to participate shall be obligated to execute all papers and to provide such other assistance as is reasonably required to prosecute all at the other party's expense.

ARTICLE VIII General Provisions

Governing Law. This Agreement shall be governed by and interpreted solely in accordance with the laws of the State of Illinois, U.S.A. The terms of all international conventions and treaties, unless mandatory, including those dealing with the international sales of goods, shall not apply with respect to the interpretation of this Agreement, and, as between solely the Parties to this Agreement, with respect to any matter specifically covered by this Agreement or the laws of the State of Illinois.

Arbitration. Controversies of any kind relating to this Agreement shall first be negotiated among the Parties or the Parties' representatives over a period of no less than thirty days. Failure to achieve agreement during this time period shall permit one of the Parties to seek resolution of the controversy through its reference to arbitration under the rules of the American Arbitration Association. The Parties

shall be required to choose a single arbitrator within thirty days or to have the American Arbitration Association choose such an arbitrator within two weeks thereafter. The arbitrator shall not be either a United States or Japanese citizen. The place of the arbitration shall be Honolulu, Hawaii, if brought initially by Licensor and Los Angeles, California, if initially brought by Licensee. The Parties shall be bound by the decision of the arbitrator, whose decision shall be final. At any time before or after the arbitrator's decision, the Parties may settle the controversy through other means. The arbitration shall be subject to the Commercial Arbitration Rules of the American Arbitration Association ("AAA") then in effect.

Entire Agreement. This Agreement represents the entire understanding of the Parties hereto with respect to the subject matter hereof, supersedes all prior written or oral agreements and shall not be modified except by subsequent written agreement duly executed by or on behalf of the Parties by authorized officers. If any of the provisions of this Agreement shall be held void or unenforceable, the other provisions shall survive and remain in full force and effect.

Successors and Assigns. This Agreement shall inure to the benefit of the Parties hereto and their successors and assigns; provided, however, that the rights of Licensee hereunder may not be assigned nor its duties hereunder delegated to a third party unless 100% of Licensee's assets are sold to such third party.

Execution in Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original agreement but all of which shall be considered one and the same instrument.

Titles and Headings. Titles and headings to paragraphs and subparagraphs herein are inserted for the convenience of reference only and are not intended to affect the interpretation or construction of this Agreement.

Independent Contractors. The Parties recognize and agree that neither is a co-venturer, partner, or franchisee of the other.

Validity and Enforceability. The Parties agree that the validity and enforceability of this Agreement shall not be affected by the finding that one or more parts or provisions of the Agreement cannot be enforced for any reason, including the finding that they are in conflict with the laws of any jurisdiction, or any treaty or convention.

Export Controls. The Intellectual Property or ATO-Type Fuses and Mini-Type Fuses themselves may be subject to the export controls of Japan, the United States or other countries. The Parties agree that they will undertake all necessary actions to follow existing and any future requirements of such countries, including specifically the requirements of COCOM and the U.S. Department of Commerce relating to the export of the ATO-Type Fuses and Mini-Type Fuses and technical information directly or indirectly to certain countries. Any such existing and future requirements shall be identified in writing by Licensor to Licensee.

Government Approvals. This Agreement shall be finally effective upon the approval or validation thereof of appropriate Japanese authorities, if such approval or validation is required before the Agreement can be effective in Japan.

Notices. All notices required herein shall be transmitted by telefax and by courier to the following addresses and numbers:

President
Littelfuse, Inc.
800 East Northwest Highway
Des Plaines, Illinois 60016
Fax Number: 1-847-824-3864

President
Pacific Engineering Co., Ltd.

Employment Agreement

This Agreement is made and entered into as of the 1st day of September, 1996, by and between Littelfuse, Inc., a Delaware corporation (hereinafter referred to as the OCompanyO), and Howard B. Witt (hereinafter referred to as the OExecutiveO);

Witnesseth:

Whereas, the Company desires to retain the services of the Executive in the capacities herein set forth and the Executive desires to be employed by the Company in such capacities;

Now, Therefore, in consideration of the premises and the mutual covenants herein contained, the Company and the Executive hereby agree as follows:

1. Employment. The Company hereby employs the Executive and the Executive hereby accepts employment with the Company upon the terms and conditions hereinafter set forth.

2. Term. Subject to the provisions for earlier termination hereinafter set forth, the term of employment hereunder shall commence on the date hereof and end on the day preceding the fifth anniversary of the date hereof (hereinafter said five-year period is referred to as the OEmployment PeriodO).

3. Compensation. The Company agrees to provide the Executive with the following compensation for all services rendered by the Executive under this Agreement:

3.1. Salary. During the Employment Period, the Company shall pay to the Executive an annual salary of no less than Three Hundred Ten Thousand Dollars (\$310,000), payable monthly. Commencing with calendar year 1997, the Board of Directors of the Company (or the Compensation Committee of the Board of Directors of the Company) shall review the compensation payable to the Executive at least once each calendar year during the Employment Period.

3.2. Bonus. During the Employment Period, the Company shall pay to the Executive such bonuses as the Board of Directors of the Company may from time to time determine based upon the evaluation of the ExecutiveOs performance by the Board of Directors of the Company.

3.3. Other Benefits. To the extent that the Executive is otherwise eligible to participate therein, during the Employment Period the Executive shall be entitled to participate in and receive the benefits of any and all stock option, pension, retirement, vacation, profit sharing, health, disability, insurance and other benefit plans, programs and policies, if any, which may be maintained by the Company from time to time during the term hereof, including, without limitation, any supplemental executive retirement plan and executive loan program.

4. Duties. The Executive shall, subject to election and removal by the Board of Directors of the Company in its sole discretion, serve as Chairman, President and Chief Executive Officer of the Company. As such, the ExecutiveOs duties and responsibilities shall include, but shall not be limited to:

(i) Primary responsibility for the day-to-day management of the Company;

(ii) Primary responsibility for ensuring that all orders and resolutions of the Board of Directors of the Company are implemented;

(iii) Primary responsibility for reporting to the Board of Directors of the Company respecting the activities of the Company; and

(iv) Primary responsibility for supervising the

executive management of the Company.

The Executive shall also be responsible for the performance of such other duties and responsibilities as may be prescribed from time to time by the Board of Directors of the Company.

5. **Extent of Service.** During the Employment Period, the Executive agrees to devote reasonable attention and time to the business and affairs of the Company and its subsidiaries and, to the extent necessary to discharge the responsibilities assigned to the Executive hereunder, to use the Executive's reasonable best efforts to perform faithfully and efficiently such responsibilities. During the Employment Period it shall not be a violation of this Agreement for the Executive to (i) serve on corporate, civic or charitable boards or committees, (ii) deliver lectures, fulfill speaking engagements or teach at educational institutions, and (iii) manage personal investments, so long as such activities do not significantly interfere with the performance of the Executive's responsibilities as an employee of the Company in accordance with this Agreement. It is expressly understood and agreed that to the extent that any such activities have been conducted by the Executive prior to the date hereof, the continued conduct of such activities (or the conduct of activities similar in nature and scope thereto) during the Employment Period shall not thereafter be deemed to interfere with the performance of the Executive's responsibilities to the Company.

6. **Working Facilities.** The Executive shall be furnished with office space, furnishings, secretarial assistance and such other facilities and services as the Board of Directors of the Company shall decide are reasonably necessary for the performance of the Executive's duties. The Company agrees that the Executive shall not be required to relocate to an office further than 20 miles from the Company's Des Plaines, Illinois facility without the Executive's prior written consent.

7. **Expenses.** The Company will reimburse the Executive for such reasonable business expenses which are incurred by the Executive in promoting the business of the Company and its subsidiaries upon the presentation by the Executive from time to time (and at least monthly) of an itemized account of such expenditures containing such detail as may be required by the Board of Directors of the Company.

8. **Termination of Employment.**

8.1. **Disability.** If the Board of Directors of the Company determines in good faith that the Disability of the Executive has occurred during the Employment Period (pursuant to the definition of Disability set forth below), the Board of Directors of the Company may give written notice to the Executive of its intention to terminate the Executive's employment. In such event, the Executive's employment with the Company shall terminate effective on the 30th day after delivery of such notice to the Executive (the Disability Effective Date), provided that, within the 30 days after such delivery, the Executive shall not have returned to full-time performance of the Executive's duties. For purposes of this Agreement, Disability shall mean the absence of the Executive from the Executive's duties with the Company on a full-time basis for 180 consecutive business days as a result of incapacity due to mental or physical illness which is determined to be total and permanent by a physician selected by the Company or its insurers and reasonably acceptable to the Executive or the Executive's legal representative.

8.2. **Cause.** The Company may terminate the Executive's employment during the Employment Period for Cause. For purposes of this Agreement, Cause shall mean:

(i) the willful and continued failure of the Executive to perform substantially the Executive's duties with the Company (other than any such failure resulting from incapacity due to physical or mental illness), after a written demand for substantial performance is delivered to the Executive by the Board of Directors of the Company which specifically identifies the manner in which the Board of Directors of the Company believes that the Executive has not

substantially performed the Executive's duties and such failure is not cured within sixty (60) calendar days after receipt of such written demand; or

(ii) the willful engaging by the Executive in illegal conduct or gross misconduct which is materially and demonstrably injurious to the Company.

For purposes of this provision, any act or failure to act on the part of the Executive in violation or contravention of any order, resolution or directive of the Board of Directors of the Company shall be considered willful unless such order, resolution or directive is illegal or in violation of the certificate of incorporation or by-laws of the Company; provided, however, that no other act or failure to act on the part of the Executive shall be considered willful, unless it is done, or omitted to be done, by the Executive in bad faith or without reasonable belief that the Executive's action or omission was in the best interests of the Company. Any act, or failure to act, based upon authority given pursuant to a resolution duly adopted by the Board of Directors of the Company or based upon the advice of counsel for the Company shall be conclusively presumed to be done, or omitted to be done, by the Executive in good faith and in the best interests of the Company. The cessation of employment of the Executive shall not be deemed to be for Cause unless and until there shall have been delivered to the Executive a copy of a resolution duly adopted by the affirmative vote of not less than a majority of the entire membership of the Board of Directors of the Company at a meeting of the Board of Directors of the Company called and held for such purpose (after reasonable notice is provided to the Executive and the Executive is given an opportunity, together with counsel, to be heard before the Board of Directors of the Company), finding that, in the good faith opinion of the Board of Directors of the Company, the Executive is guilty of the conduct described in subparagraph (i) or (ii) above, and specifying the particulars thereof in detail.

8.3. Good Reason. The Executive's employment may be terminated by the Executive for Good Reason. For purposes of this Agreement, Good Reason shall mean:

(i) the Executive is not elected, or is removed, as the Chairman, President or Chief Executive Officer of the Company;

(ii) the assignment by the Board of Directors of the Company to the Executive of any duties inconsistent in any respect with the Executive's position, authority, duties or responsibilities as contemplated by Section 4 hereof, or any other action by the Board of Directors of the Company which results in a diminution in such position, authority, duties or responsibilities, excluding for this purpose an isolated, insubstantial and inadvertent action not taken in bad faith and which is remedied by the Board of Directors of the Company promptly after receipt of notice thereof given by the Executive;

(iii) any failure by the Company to comply with any of the provisions of this Agreement, other than an isolated, insubstantial and inadvertent failure not occurring in bad faith and which is remedied by the Company promptly after receipt of notice thereof given by the Executive; or

(iv) any purported termination by the Board of Directors of the Company of the Executive's employment otherwise than as expressly permitted by this Agreement.

8.4. Notice of Termination. Any termination by the Company for Cause, or by the Executive for Good Reason, shall be communicated by Notice of Termination to the other party hereto given in accordance with Section 12.8 hereof. For purposes of this Agreement, a Notice of Termination means a written notice which (i) indicates the specific termination provision in this Agreement relied upon, (ii) to the extent applicable, sets forth in reasonable detail the

facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated and (iii) If the Date of Termination (as defined below) is other than the date of receipt of such notice, specifies the termination date (which date shall be not more than 30 days after the giving of such notice). The failure by the Executive or the Company to set forth in the Notice of Termination any fact or circumstance which contributes to a showing of Good Reason or Cause shall not waive any right of the Executive or the Company, respectively, hereunder or preclude the Executive or the Company, respectively, from asserting such fact or circumstance in enforcing the Executive's or the Company's rights hereunder.

8.5. Date of Termination. As used in this Agreement, Date of Termination means (i) If the Executive's employment is terminated by the Company for Cause, or by the Executive for Good Reason, the date of delivery of the Notice of Termination or any later date specified therein, as the case may be, (ii) If the Executive's employment is terminated by the Company other than for Cause or Disability, the Date of Termination shall be the date on which the Company notifies the Executive of such termination and (iii) If the Executive's employment is terminated by reason of death or Disability, the Date of Termination shall be the date of death of the Executive or the Disability Effective Date, as the case may be.

9. Obligations of the Company upon Termination.

9.1. Good Reason; Other Than for Cause. If, during the Employment Period, the Company shall terminate the Executive's employment other than for Cause or Disability or the Executive shall terminate his employment for Good Reason, such termination shall constitute a breach of contract by the Company and during the period commencing on the date of such termination and ending on the fifth anniversary of the date hereof the Company shall, subject to the provisions of Section 9.2 hereof: (i) continue to pay the Executive the salary provided in Section 3.1 hereof, payable monthly, at the same annual level as was payable to the Executive immediately prior to such termination; (ii) continue to provide the Employee with all of the benefits described in Section 3.3 hereof at the same levels as were provided to the Executive prior to such termination (except that no further stock options shall be granted); (iii) pay to the Executive a bonus on each anniversary of the date the most recent bonus was paid to the Executive prior to such termination in an amount equal to the average amount of the bonuses paid to the Executive in the three calendar years preceding the calendar year wherein such termination occurs; (iv) continue to make contributions on behalf of the Executive to all pension, retirement, supplemental executive retirement and other plans and programs maintained by the Company and in which the Executive participated prior to such termination equal to the amount of the largest contribution with respect to each such plan or program which the Company contributed on behalf of the Executive during any of the three calendar years preceding the calendar year wherein such termination occurs; (v) amend any documents which govern any unexercised stock options which were held by the Executive immediately prior to the termination of his employment to provide that all such unexercised stock options, to the extent not then exercisable, shall become immediately exercisable and not forfeited as a result of said termination of employment, and that all such unexercised stock options shall continue to be exercisable by the Executive during the period of time from the date of such termination of employment to and including the 90th day after the fifth anniversary of the date hereof; and (vi) be liable to the Executive for any and all other damages sustained by the Executive as a result of any such breach of contract.

9.2. Mitigation of Damages. If the Executive's employment is terminated pursuant to Section 9.1 hereof, the Executive shall have the duty to use his reasonable efforts to mitigate his damages by seeking employment comparable to his employment with the Company with respect to position, compensation and geographic location.

9.3. Death. If the Executive's employment is terminated by reason of the Executive's death during the Employment Period, this Agreement shall terminate without further obligations by the Company to the Executive's legal representatives under this Agreement other than for payment of the compensation set forth under Section E3 hereof accrued up to the date of the Executive's death.

9.4. Disability. If the Executive's employment is terminated by reason of the Executive's Disability during the Employment Period, this Agreement shall terminate without further obligations by the Company to the Executive under this Agreement other than for payment of the compensation set forth in Section E3 hereof accrued up to the Date of Termination.

9.5. Cause; Other than for Good Reason. If the Executive's employment shall be terminated for Cause during the Employment Period, this Agreement shall terminate without further obligations of the Company to the Executive under this Agreement other than the payment of the compensation set forth in Section E3 hereof accrued up to the Date of Termination. If the Executive voluntarily terminates his employment during the Employment Period, excluding a termination for Good Reason, this Agreement shall terminate without further obligations of the Company to the Executive under this Agreement other than the payment of the compensation set forth in Section E3 hereof accrued up to the Date of Termination.

10. Nonexclusivity of Rights. Nothing in this Agreement shall prevent or limit the Executive's continuing or future participation in any plan, program, policy or practice provided by the Company or any of its affiliated companies and for which the Executive may qualify, nor shall anything herein limit or otherwise affect such rights as the Executive may have under any contract or agreement with the Company or any of its affiliated companies. Amounts which are vested benefits or which the Executive is otherwise entitled to receive under any plan, policy, practice or program of or any contract or agreement with the Company or any of its affiliated companies at or subsequent to the Date of Termination shall be payable in accordance with such plan, policy, practice or program or contract or agreement, except as explicitly modified by this Agreement.

11. Restrictive Covenants.

11.1. During the period that the Executive is employed by the Company and, unless the Executive terminates his employment for Good Reason or the Company terminates his employment other than for Cause, for a period of two (2) years after the Date of Termination, if said Date of Termination occurs prior to the expiration of the fifth anniversary of the date hereof, or for a period of one (1) year after the Date of Termination, if said Date of Termination occurs on or after the fifth anniversary of the date hereof (hereinafter said two-year or one-year period, whichever becomes applicable, is referred to as the Restrictive Period), the Executive agrees that the Executive will not (i) own or have any interest, directly or indirectly, in, or act as an officer, director, employee, consultant, agent or representative of, or assist in any way or in any capacity, any Competitor (as such term is hereinafter defined); or (ii) directly or indirectly entice, induce or in any manner influence any person who is, or shall be, in the service of the Company or any of its Affiliates (as such term is hereinafter defined) to leave such service for the purpose of owning or having any interest, directly or indirectly, in, or being employed by or associated with any Competitor. Notwithstanding the foregoing, the Executive may beneficially own up to one percent (1%) of any publicly traded equity securities of any entity which competes with the Company or any of its Affiliates provided such ownership is for investment purposes only. As used in this Section 11, the term Competitor shall include any corporation, partnership, sole proprietorship, joint venture, limited liability company, association or other business organization (x) that offers at any time during the Restrictive Period any product or product category offered at any time during the

Restrictive Period by the Company and which product or product category of the Company exceeds 10% of the gross revenues or 10% of the pre-tax earnings of the Company on a consolidated basis during the most recent fiscal year of the Company ending prior to the Date of Termination or during any other fiscal year of the Company ending during the Restrictive Period, and (y) that conducts business in any location within the United States of America. As used in this Section 11, the term "Affiliates" shall include any entity in which the Company, or any entity which owns, directly or indirectly, a majority ownership interest in the Company, owns, directly or indirectly, at least a majority interest.

11.2. The Executive agrees that all customer, supplier and distributor lists, financial data, computer software programs, source codes, plans, contracts, agreements, literature, manuals, catalogs, brochures, books, records, maps, correspondence and other materials furnished to the Executive by the Company, or any of its Affiliates, or secured through the efforts of the Executive, relating to the business conducted by the Company or any of its Affiliates, are and shall remain the property of the Company, and/or its Affiliates, and the Executive agrees to deliver all such materials, including all copies thereof, to the Company upon the termination of the Executive's employment hereunder, or at any other time at the Company's request.

11.3. The Executive agrees that the Executive will not at any time during or after the Executive's employment with the Company reveal, divulge or make known to any person, firm or corporation any trade secrets or confidential business information relating to the business of the Company or any of its Affiliates, and will retain all such knowledge and information in trust in a fiduciary capacity for the sole benefit of the Company, its Affiliates and their respective successors and assigns.

11.4. In the event that any court shall finally hold that the time or territory or any other provision of this Section 11 constitutes an unreasonable restriction against the Executive, the Executive agrees that the provisions hereof shall not be rendered void but shall apply as to such time, territory and other extent as such court may judicially determine or indicate constitutes a reasonable restriction under the circumstances involved. The Company and the Executive each request that any such court which holds that any of the provisions of this Section 11 constitutes an unreasonable restriction against the Executive make a determination of what would constitute a reasonable restriction under the circumstances involved and to reform this Agreement accordingly.

11.5. Except as expressly provided in any other written agreement between the Company and the Executive, the provisions of this Section 11 shall survive the termination of the term of this Agreement and the termination of the Executive's employment with the Company and shall run to and inure to the benefit of the Company, its Affiliates and their respective successors and assigns.

12. General.

12.1. This Agreement supersedes all prior agreements and understandings between the Executive and the Company or any of its Affiliates or their respective directors, officers, shareholders, employees, attorneys, agents or representatives, and constitutes the entire Agreement between the parties, respecting the subject matter hereof and there are no representations, warranties or commitments other than those expressed herein.

12.2. The Executive represents and warrants to the Company that the Executive is not a party to or bound by, and the employment of the Executive by the Company or the Executive's disclosure of any information to the Company or its utilization of such information will not violate or breach any, employment, retainer, consulting, license, non-competition, non-disclosure, trade secrets or other agreement or understanding between the Executive and any

other person, partnership, corporation, joint venture, association or other entity.

12.3. No modification or amendment of, or waiver under, this Agreement shall be valid unless in writing and signed by the Executive and an officer of the Company pursuant to express authority granted by the Board of Directors of the Company.

12.4. The Executive agrees to indemnify the Company and its Affiliates against, and to hold the Company and its Affiliates harmless from, any and all claims, lawsuits, losses, damages, expenses, costs and liabilities, including, without limitation, court costs and attorneys' fees, which the Company or any of its Affiliates may sustain as a result of, or in connection with, either directly or indirectly, the Executive's breach or violation of any of the provisions of this Agreement; provided, however, that the Executive shall not be liable to the Company for any lost profits of the Company resulting from any such breaches or violations which are primarily based upon or related to the poor performance of any of the duties of the Executive described in Section 4 hereof and which do not involve any intentional misconduct or malfeasance on the part of the Executive.

12.5. The Company agrees to indemnify the Executive against, and to hold the Executive harmless from, any and all claims, lawsuits, losses, damages, expenses, costs and liabilities, including, without limitation, court costs and attorneys' fees, which the Executive may sustain as a result of, or in connection with, either directly or indirectly, the Company's breach or violation of any of the provisions of this Agreement.

12.6. The Executive hereby agrees that in the event of the violation by the Executive of any of the provisions of this Agreement, the Company will be entitled, if it so elects, to institute and prosecute proceedings at law or in equity to obtain damages with respect to such violation or to enforce the specific performance of this Agreement by the Executive or to enjoin the Executive from engaging in any activity in violation hereof.

12.7. The waiver by the Company or the Executive of a breach of any provision of this Agreement by the other shall not operate or be construed as a waiver of any subsequent breach.

12.8. Each notice, request, demand, approval or other communication which may be or is required to be given under this Agreement shall be in writing and shall be deemed to have been properly given when delivered personally at the address set forth below for the intended party during normal business hours at such address, when sent by facsimile or other electronic transmission to the respective facsimile transmission numbers of the parties set forth below with telephone confirmation of receipt, or when sent by recognized overnight courier or by United States registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Company:

Littelfuse, Inc.
800 E. Northwest Highway
Des Plaines, Illinois 60016
Attention: The Directors of the Company
(other than the Executive)
Facsimile: (847) 824-3865
Confirm: (847) 391-0304

If to the Executive:

Howard B. Witt
93-A Bateman Road
Barrington Hills, Illinois 60010
Facsimile: _____
Confirm: (847) 382-5821

Notices shall be given to such other addressee or address, or both, or by way of such other facsimile transmission

number, as a particular party may from time to time designate by written notice to the other party hereto. Each notice, request, demand, approval or other communication which is sent in accordance with this Section shall be deemed delivered, given and received for all purposes of this Agreement as of three business days after the date of deposit thereof for mailing in a duly constituted United States post office or branch thereof, one business day after deposit with a recognized overnight courier service or upon confirmation of receipt of any facsimile transmission. Notice given to a party hereto by any other method shall only be deemed to be delivered, given and received when actually received in writing by such party.

12.9. The Company agrees to reimburse the Executive for up to \$5,000 for any reasonable attorneys' fees or other expenses incurred by the Executive in connection with the negotiation, preparation and review of this Agreement.

12.10. This Agreement shall inure to the benefit of and be binding upon the Company and the Executive and their respective heirs, personal representatives, successors and assigns.

12.11. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

12.12. This Agreement may be executed in two or more counterparts, all of which taken together shall constitute one and the same agreement.

In Witness Whereof, the parties hereto have executed this Employment Agreement as of the day and year first above written.

Littelfuse, Inc.

Executive:

By _____

Its _____

Howard B. Witt

Exhibit 10.10

Change of Control
Employment Agreement

This Agreement is made and entered into as of the 1st day of September, 1996, by and between Littelfuse, Inc., a Delaware corporation (hereinafter referred to as the OCompanyO), and Howard B. Witt (hereinafter referred to as the OExecutiveO);

W i t n e s s e t h:

Whereas, the Board of Directors of the Company (hereinafter referred to as the OBoardO) has determined that it is in the best interests of the Company and its stockholders to provide the Executive with certain protections against the uncertainties usually created by a Change of Control (as such term is hereinafter defined); and

Whereas, the Board believes that the protections provided to the Executive in connection with a Change of Control will better enable the Executive to devote his full time, attention and energy to the business of the Company prior to and after a Change of Control, thereby benefitting the Company and its stockholders;

Now, Therefore, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and confessed, the Company and the Executive hereby agree as follows:

SectionE1. Certain Definitions. (a)EThe OEffective DateO shall mean the first date during the Change of Control Period (as defined in SectionE1(b) hereof) on which a Change of Control (as defined in SectionE2 hereof) occurs. Notwithstanding anything to the contrary contained in this Agreement, if a Change of Control occurs and if the ExecutiveOs employment with the Company is terminated prior to the date on which the Change of Control occurs, and if it is reasonably demonstrated by the Executive that such termination of employment (i)Ewas at the direct or indirect request of a third party who theretofore had taken any steps intended to effect a Change of Control or (ii)EOtherwise arose in connection with or in anticipation of a Change of Control, then for all purposes of this Agreement the OEffective DateO shall mean the date immediately prior to the date of such termination of employment.

(b) The OChange of Control PeriodO shall mean the period commencing on the date hereof and ending on the fifth anniversary of the date hereof.

SectionE2. Change of Control. For the purpose of this Agreement, a OChange of ControlO shall mean:

(a) The acquisition in one or more transactions by any individual, entity or group (hereinafter referred to collectively as a OPersonO) within the meaning of SectionE13(d)(3) of the Securities Exchange Act of 1934, as amended (hereinafter referred to as the OExchange ActO), of beneficial ownership (within the meaning of, and calculated in accordance with, Rule 13d-3 promulgated under the Exchange Act) of 20% or more of either (i)Ethe then outstanding shares of common stock of the Company (hereinafter referred to as the OOutstanding Company Common StockO) or (ii)Ethe combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (hereinafter referred to as the OOutstanding Company Voting SecuritiesO); provided, however, that for purposes of this subsection (a), the following acquisitions shall not constitute a Change of Control: (i)Eany acquisition directly from the Company, (ii)Eany acquisition by the

Company, (iii)Eany acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company, (iv)Eany acquisition by any corporation pursuant to a transaction which complies with clausesE(i), (ii) and (iii) of subsectionE(c) of this SectionE2 or (v) any acquisition by Oaktree Capital Management, LLC, a California limited liability company, or any of its Affiliates or Associates (as used herein, the terms OAffiliate0 and OAssociate0 shall have the respective meanings ascribed to such terms in RuleE12b-2 of the General Rules and Regulations under the Exchange Act); or

(b) Individuals who, as of the date hereof, constitute the Board (hereinafter referred to as the OIncumbent Board0) cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the date hereof whose election, or nomination for election by the CompanyOs stockholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board; or

(c) Consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Company (hereinafter referred to as a OBusiness Combination0) unless, following such Business Combination, (i)Eall or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation which as a result of such transaction owns the Company or all or substantially all of the CompanyOs assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be, (ii)Eno Person (excluding any corporation resulting from such Business Combination or any employee benefit plan (or related trust) of the Company or such corporation resulting from such Business Combination) beneficially owns, directly or indirectly, 20% or more of, respectively, the then outstanding shares of common stock of the corporation resulting from such Business Combination, or the combined voting power of the then outstanding voting securities of such corporation except to the extent that such ownership existed prior to the Business Combination and (iii)Eat least a majority of the members of the board of directors of the corporation resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination; or

(d) Approval by the stockholders of the Company of a complete liquidation or dissolution of the Company within one year after a Business Combination.

SectionE3. Employment Period. The Company hereby agrees to continue to employ the Executive, and the Executive hereby agrees to remain as an employee of the Company, subject to the terms and conditions of this Agreement, for the period commencing on the Effective Date and ending on the third anniversary of such date (the OEmployment Period0).

Section E4. Terms of Employment.

(a) Position and Duties. (i) During the Employment Period, (A) the Executive's position (including status, offices, titles and reporting requirements), authority, duties and

responsibilities shall be at least commensurate in all material respects with the most significant of those held, exercised and assigned at any time during the 120-day period immediately preceding the Effective Date and (B) the Executive's services shall be performed at the location where the Executive was employed immediately preceding the Effective Date or any office or location less than 20 miles from such location.

(ii) During the Employment Period, and excluding any periods of vacation and sick leave to which the Executive is entitled, the Executive agrees to devote reasonable attention and time during normal business hours to the business and affairs of the Company and, to the extent necessary to discharge the responsibilities assigned to the Executive hereunder, to use the Executive's reasonable best efforts to perform faithfully and efficiently such responsibilities. During the Employment Period it shall not be a violation of this Agreement for the Executive to (A) serve on corporate, civic or charitable boards or committees, (B) deliver lectures, fulfill speaking engagements or teach at educational institutions, and (C) manage personal investments, so long as such activities do not significantly interfere with the performance of the Executive's responsibilities as an employee of the Company in accordance with this Agreement. It is expressly understood and agreed that to the extent that any such activities have been conducted by the Executive prior to the Effective Date, the continued conduct of such activities (or the conduct of activities similar in nature and scope thereto) subsequent to the Effective Date shall not thereafter be deemed to interfere with the performance of the Executive's responsibilities to the Company.

(b) Compensation. (i) Base Salary. During the Employment Period, the Executive shall receive an annual base salary (hereinafter referred to as the Annual Base Salary), which shall be paid at a monthly rate, equal to at least twelve times the highest monthly base salary paid or payable, including any base salary which has been earned but deferred, to the Executive by the Company and its affiliated companies in respect of the twelve-month period immediately preceding the month in which the Effective Date occurs. During the Employment Period, the Annual Base Salary shall be reviewed no more than 12 months after the last salary increase awarded to the Executive prior to the Effective Date and thereafter at least annually. Any increase in Annual Base Salary shall not serve to limit or reduce any other obligation to the Executive under this Agreement. Annual Base Salary shall not be reduced after any such increase and the term Annual Base Salary as used in this Agreement shall refer to Annual Base Salary as so increased. As used in this Agreement, the term affiliated companies shall include any company controlled by, controlling or under common control with the Company.

(ii) Annual Bonus. In addition to the Annual Base Salary, the Executive shall be awarded, for each fiscal year ending during the Employment Period, an annual bonus (hereinafter referred to as the Annual Bonus) in cash at least equal to the Executive's highest bonus under the Company's incentive bonus program or any comparable bonus under any predecessor or successor plan, for the last three full fiscal years prior to the Effective Date (annualized in the event that the Executive was not employed by the Company for the whole of such fiscal year) (hereinafter referred to as the Recent Annual Bonus). Each such Annual Bonus shall be paid no later than the end of the third month of the fiscal year next following the fiscal year for which the Annual Bonus is awarded, unless the Executive shall elect to defer the receipt of such Annual Bonus.

(iii) Incentive, Savings and Retirement Plans. During the Employment Period, the Executive shall be entitled to participate in all incentive, savings and retirement plans, practices, policies and programs applicable generally to other

peer executives of the Company and its affiliated companies, but in no event shall such plans, practices, policies and programs provide the Executive with incentive opportunities (measured with respect to both regular and special incentive opportunities, to the extent, if any, that such distinction is applicable), savings opportunities and retirement benefit opportunities, in each case, less favorable, in the aggregate, than the most favorable of those provided by the Company and its affiliated companies for the Executive under such plans, practices, policies and programs as in effect at any time during the 120-day period immediately preceding the Effective Date or if more favorable to the Executive, those provided generally at any time after the Effective Date to other peer executives of the Company and its affiliated companies.

(iv) Welfare Benefit Plans. During the Employment Period, the Executive and/or the Executive's family, as the case may be, shall be eligible for participation in and shall receive all benefits under welfare benefit plans, practices, policies and programs provided by the Company and its affiliated companies (including, without limitation, medical, prescription, dental, disability, employee life, group life, accidental death and travel accident insurance plans and programs) to the extent applicable generally to other peer executives of the Company and its affiliated companies, but in no event shall such plans, practices, policies and programs provide the Executive with benefits which are less favorable, in the aggregate, than the most favorable of such plans, practices, policies and programs in effect for the Executive at any time during the 120-day period immediately preceding the Effective Date or, if more favorable to the Executive, those provided generally at any time after the Effective Date to other peer executives of the Company and its affiliated companies.

(v) Expenses. During the Employment Period, the Executive shall be entitled to receive prompt reimbursement for all reasonable expenses incurred by the Executive in accordance with the most favorable policies, practices and procedures of the Company and its affiliated companies in effect for the Executive at any time during the 120-day period immediately preceding the Effective Date or, if more favorable to the Executive, as in effect generally at any time thereafter with respect to other peer executives of the Company and its affiliated companies.

(vi) Fringe Benefits. During the Employment Period, the Executive shall be entitled to fringe benefits, including, without limitation, tax and financial planning services, payment of club dues, and, if applicable, use of an automobile and payment of related expenses, in accordance with the most favorable plans, practices, programs and policies of the Company and its affiliated companies in effect for the Executive at any time during the 120-day period immediately preceding the Effective Date or, if more favorable to the Executive, as in effect generally at any time thereafter with respect to other peer executives of the Company and its affiliated companies.

(vii) Office and Support Staff. During the Employment Period, the Executive shall be entitled to an office or offices of a size and with furnishings and other appointments, and to exclusive personal secretarial and other assistance, at least equal to the most favorable of the foregoing provided to the Executive by the Company and its affiliated companies at any time during the 120-day period immediately preceding the Effective Date or, if more favorable to the Executive, as provided generally at any time thereafter with respect to other peer executives of the Company and its affiliated companies.

(viii) Vacation. During the Employment Period, the Executive shall be entitled to paid vacation in accordance with the most favorable plans, policies, programs and practices of the Company and its affiliated companies as in effect for the Executive at any time during the 120-day period immediately preceding the Effective Date or, if more favorable to the Executive, as in effect generally at any time thereafter with respect to other peer executives of the Company and its affiliated companies.

(a) Disability. If the Company determines in good faith that the Disability of the Executive has occurred during the Employment Period (pursuant to the definition of Disability set forth below), it may give written notice to the Executive of its intention to terminate the Executive's employment. In such event, the Executive's employment with the Company shall terminate effective on the 30th day after delivery of such notice to the Executive (the Disability Effective Date), provided that, within the 30 days after such delivery, the Executive shall not have returned to full-time performance of the Executive's duties. For purposes of this Agreement, Disability shall mean the absence of the Executive from the Executive's duties with the Company on a full-time basis for 180 consecutive business days as a result of incapacity due to mental or physical illness which is determined to be total and permanent by a physician selected by the Company or its insurers and reasonably acceptable to the Executive or the Executive's legal representative.

(b) Cause. The Company may terminate the Executive's employment during the Employment Period for Cause. For purposes of this Agreement, Cause shall mean:

(i) the willful and continued failure of the Executive to perform substantially the Executive's duties with the Company (other than any such failure resulting from incapacity due to physical or mental illness), after a written demand for substantial performance is delivered to the Executive by the Board which specifically identifies the manner in which the Board believes that the Executive has not substantially performed the Executive's duties and such failure is not cured within sixty (60) calendar days after receipt of such written demand; or

(ii) the willful engaging by the Executive in illegal conduct or gross misconduct which is materially and demonstrably injurious to the Company.

For purposes of this provision, any act or failure to act on the part of the Executive in violation or contravention of any order, resolution or directive of the Board of Directors of the Company shall be considered willful unless such order, resolution or directive is illegal or in violation of the certificate of incorporation or by-laws of the Company; provided, however, that no other act or failure to act on the part of the Executive, shall be considered willful, unless it is done, or omitted to be done, by the Executive in bad faith or without reasonable belief that the Executive's action or omission was in the best interests of the Company. Any act, or failure to act, based upon authority given pursuant to a resolution duly adopted by the Board or upon the instructions of the Chief Executive Officer or a senior officer of the Company or based upon the advice of counsel for the Company shall be conclusively presumed to be done, or omitted to be done, by the Executive in good faith and in the best interests of the Company. The cessation of employment of the Executive shall not be deemed to be for Cause unless and until there shall have been delivered to the Executive a copy of a resolution duly adopted by the affirmative vote of not less than three-quarters of the entire membership of the Board at a meeting of the Board called and held for such purpose (after reasonable notice is provided to the Executive and the Executive is given an opportunity, together with counsel, to be heard before the Board), finding that, in the good faith opinion of the Board, the Executive is guilty of the conduct described in subparagraph (i) or (ii) above, and specifying the particulars thereof in detail.

(c) Good Reason. The Executive's employment may be terminated by the Executive for Good Reason. For purposes of this Agreement, Good Reason shall mean:

(i) the Executive is not elected, or is removed, as the Chairman, President or Chief Executive Officer of the Company;

(ii) the assignment to the Executive of any duties inconsistent in any respect with the Executive's position, authority, duties or responsibilities as contemplated by Section E4(a) hereof, or any other action by the Company

which results in a diminution in such position, authority, duties or responsibilities, excluding for this purpose an isolated, insubstantial and inadvertent action not taken in bad faith and which is remedied by the Company promptly after receipt of notice thereof given by the Executive;

(iii) any failure by the Company to comply with any of the provisions of this Agreement, other than an isolated, insubstantial and inadvertent failure not occurring in bad faith and which is remedied by the Company promptly after receipt of notice thereof given by the Executive;

(iv) the Company's requiring the Executive to travel on Company business to a substantially greater extent than required immediately prior to the Effective Date; or

(v) any purported termination by the Company of the Executive's employment otherwise than as expressly permitted by this Agreement.

For purposes of this Section 5(c), any good faith determination of Good Reason made by the Executive shall be conclusive.

(d) Notice of Termination. Any termination by the Company for Cause, or by the Executive for Good Reason, shall be communicated by Notice of Termination to the other party hereto given in accordance with Section 12(b) hereof. For purposes of this Agreement, a Notice of Termination means a written notice which (i) indicates the specific termination provision in this Agreement relied upon, (ii) to the extent applicable, sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated and (iii) if the Date of Termination (as defined below) is other than the date of delivery of such notice, specifies the termination date (which date shall be not more than 30 days after the delivery of such notice). The failure by the Executive or the Company to set forth in the Notice of Termination any fact or circumstance which contributes to a showing of Good Reason or Cause shall not waive any right of the Executive or the Company, respectively, hereunder or preclude the Executive or the Company, respectively, from asserting such fact or circumstance in enforcing the Executive's or the Company's rights hereunder.

(e) Date of Termination. Date of Termination means (i) if the Executive's employment is terminated by the Company for Cause, or by the Executive for Good Reason, the date of delivery of the Notice of Termination or any later date specified therein, as the case may be, (ii) if the Executive's employment is terminated by the Company other than for Cause or Disability, the Date of Termination shall be the date on which the Company notifies the Executive of such termination, (iii) if the Executive's employment is terminated by reason of death or Disability, the Date of Termination shall be the date of death of the Executive or the Disability Effective Date, as the case may be, and (iv) if the Executive's employment is terminated by the Executive without Good Reason, the last day of employment of the Executive with the Company.

Section 6. Obligations of the Company upon Termination.

(a) Good Reason; Other Than for Cause, Death or Disability. If, during the Employment Period, the Company shall terminate the Executive's employment other than for Cause or Disability or the Executive shall terminate his employment for Good Reason:

(i) the Company shall pay to the Executive in a lump sum in cash within 30 days after the Date of Termination the aggregate of the following amounts:

A. the sum of (1) the Executive's Annual Base Salary through the Date of Termination to the extent not theretofore paid, plus (2) the product of (x) the higher of (I) the Recent Annual Bonus and (II) the Annual Bonus paid or payable, including any bonus or portion thereof which has been earned but deferred (and annualized for any fiscal year consisting of less than twelve full months or during which the

Executive was employed for less than twelve full months), for the most recently completed fiscal year during the Employment Period, if any (such higher amount being hereinafter referred to as the OHighest Annual BonusO) multiplied by (y)Ea fraction, the numerator of which is the number of days in the current fiscal year through the Date of Termination, and the denominator of which is 365 plus (3)Eany compensation previously deferred by the Executive (together with any accrued interest or earnings thereon) and any accrued vacation pay, in each case to the extent not theretofore paid (the sum of the amounts described in clausesE(1), (2) and (3) are hereinafter referred to as the OAccrued ObligationsO); and

B. the amount equal to the product of (1) three multiplied by (2)Ethe sum of (x)Ethe ExecutiveOs Annual Base Salary plus (y)Ethe Highest Annual Bonus;

(ii) the Company shall credit as of the Date of Termination the Account of the Executive under the Littelfuse, Inc. Supplemental Executive Retirement Plan (hereinafter referred to as the OSERPO) with an amount equal to the sum of the three respective amounts which would be credited to the Account of the Executive under the SERP on the three Valuation Dates (as such term is defined in the SERP) next succeeding the Date of Termination assuming (A) the Executive would continue to be employed by the Company up to and including said third Valuation Date (hereinafter said period from the Date of Termination until said third Valuation Date is referred to as the OAssumed Employment PeriodO), (B) the Compensation (as such term is defined in the SERP) of the Executive during each fiscal year during the Assumed Employment Period would be equal to the amount of the Compensation of the Executive during the most recently ended Plan Year (as such term is defined in the SERP) prior to the Date of Termination, and (C) the Company would continue the SERP up to and including said third Valuation Date; provided, however, that if the Executive would reach the age of 62 prior to the expiration of the Assumed Employment Period, no amounts shall be credited to the Account of the Executive under the SERP for any Valuation Date occurring after the date that the Executive reaches age 62;

(iii) until the Executive attains the age of 62, the Company shall continue to provide medical insurance benefits to the Executive and/or the ExecutiveOs family at least equal to those which would have been provided to them in accordance with the medical insurance benefits described in SectionE4(b)(iv) hereof if the ExecutiveOs employment had not been terminated; provided, however, that if the Executive becomes reemployed with another employer and is eligible to receive medical insurance benefits under another employer-provided plan, the medical insurance benefits described herein shall be secondary to those provided under such other plan during such applicable period of eligibility; and

(iv) to the extent not theretofore paid or provided, the Company shall timely pay or provide to the Executive any other amounts or benefits required to be paid or provided or which the Executive is eligible to receive under any plan, program, policy or practice or contract or agreement of the Company and its affiliated companies (such other amounts and benefits shall hereinafter be referred to collectively as the OOther BenefitsO).

(b) Death. If the ExecutiveOs employment is terminated by reason of the ExecutiveOs death during the Employment Period, this Agreement shall terminate without further obligations by the Company to the ExecutiveOs legal representatives under this Agreement, other than for payment of Accrued Obligations and the timely payment or provision of Other Benefits. Accrued Obligations shall be paid to the ExecutiveOs estate or beneficiary, as applicable, in a lump sum in cash within 30 days of the Date of Termination. With respect to the provision of Other Benefits, the term OOther BenefitsO as utilized in this SectionE6(b) shall include,

without limitation, and the Executive's estate and/or beneficiaries shall be entitled to receive, benefits at least equal to the most favorable benefits provided by the Company and affiliated companies to the estates and beneficiaries of peer executives of the Company and such affiliated companies under such plans, programs, practices and policies relating to death benefits, if any, as in effect with respect to other peer executives and their beneficiaries at any time during the 120-day period immediately preceding the Effective Date.

(c) Disability. If the Executive's employment is terminated by reason of the Executive's Disability during the Employment Period, this Agreement shall terminate without further obligations by the Company to the Executive under this Agreement, other than for payment of Accrued Obligations and the timely payment or provision of Other Benefits. Accrued Obligations shall be paid to the Executive in a lump sum in cash within 30 days of the Date of Termination. With respect to the provision of Other Benefits, the term Other Benefits as utilized in this Section 6(c) shall include, and the Executive shall be entitled after the Disability Effective Date to receive, disability and other benefits at least equal to the most favorable of those generally provided by the Company and its affiliated companies to disabled executives and/or their families in accordance with such plans, programs, practices and policies relating to disability, if any, as in effect generally with respect to other peer executives and their families at any time during the 120-day period immediately preceding the Effective Date.

(d) Cause; Other than for Good Reason. If the Executive's employment shall be terminated for Cause during the Employment Period, this Agreement shall terminate without further obligations to the Executive other than the obligation to pay to the Executive (i) his Annual Base Salary through the Date of Termination, (ii) the amount of any compensation previously deferred by the Executive, and (iii) Other Benefits, in each case to the extent theretofore unpaid. If the Executive voluntarily terminates his employment during the Employment Period, excluding a termination for Good Reason, this Agreement shall terminate without further obligations of the Company to the Executive under this Agreement, other than for payment of Accrued Obligations and the timely payment or provision of Other Benefits. In such case, all Accrued Obligations shall be paid to the Executive in a lump sum in cash within 30 days of the Date of Termination and the Company shall timely pay or provide the Other Benefits to the Executive. In no event shall the Executive be liable to the Company for any damages caused by such voluntary termination by the Executive nor shall the Executive be in any way restricted from being employed by any other party after such voluntary termination.

(e) Waiver of Certain Restrictions Affecting Executive. Notwithstanding anything to the contrary contained in any employment agreement, benefit plan or other document, in the event that the Executive's employment shall be terminated during the Employment Period for any reason whatsoever (i) the Executive shall not forfeit his Account balance under the SERP even if his employment was terminated for Cause as such term is defined under the SERP and (ii) on and after the Date of Termination the Executive shall not be bound or prejudiced by any non-competition agreement benefitting the Company or its subsidiaries, and any provisions contained in the SERP which would penalize the Executive for being employed by a competitor, including, without limitation, Section 3.6(c) thereof, shall not apply in any respect to the Executive and, effective as of the Date of Termination, the Company waives any right to enforce any such provisions against the Executive.

Section 7. Nonexclusivity of Rights. Nothing in this Agreement shall prevent or limit the Executive's continuing or future participation in any plan, program, policy or practice provided by the Company or any of its affiliated companies and for which the Executive may qualify, nor, subject to Section 12(f) hereof, shall anything herein limit or otherwise affect such rights as the Executive may have under any contract or agreement with the Company or any of its affiliated companies. Amounts which are vested benefits or which the Executive is otherwise entitled to receive under any plan, policy, practice or program of or any contract or agreement

with the Company or any of its affiliated companies at or subsequent to the Date of Termination shall be payable in accordance with such plan, policy, practice or program or contract or agreement, except as explicitly modified by this Agreement.

SectionE8. Full Settlement. The Company's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any set-off, counterclaim, recoupment, defense or other claim, right or action which the Company may have against the Executive or others. In no event shall the Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to the Executive under any of the provisions of this Agreement and such amounts shall not be reduced whether or not the Executive obtains other employment. The Company agrees to pay as incurred, to the fullest extent permitted by law, all legal fees and expenses which the Executive may reasonably incur as a result of any contest by the Company, the Executive or others in which the Executive is the prevailing party and which involves or relates to the validity or enforceability of, or liability under, any provision of this Agreement or any guarantee of performance thereof (including as a result of any contest by the Executive about the amount of any payment pursuant to this Agreement), plus in each case interest on any delayed payment from the due date thereof until paid at the prime rate from time to time reported in The Wall Street Journal during said period.

SectionE9. Certain Additional Payments by the Company.
(a) Anything in this Agreement to the contrary notwithstanding and except as set forth below, in the event it shall be determined that any payment or distribution by the Company to or for the benefit of the Executive (whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise, but determined without regard to any additional payments required under this SectionE9) (hereinafter referred to collectively as a Payment) would be subject to the excise tax imposed by SectionE4999 of the Code or any interest or penalties are incurred by the Executive with respect to such excise tax (such excise tax, together with any such interest and penalties, are hereinafter collectively referred to as the Excise Tax), then the Executive shall be entitled to receive an additional payment (a Gross-Up Payment) in an amount such that, after payment by the Executive of all taxes (including any interest or penalties imposed with respect to such taxes), including, without limitation, any income taxes (and any interest and penalties imposed with respect thereto) and Excise Tax imposed upon the Gross-Up Payment, the Executive retains an amount of the Gross-Up Payment equal to the Excise Tax imposed upon the Payments.

(b) Subject to the provisions of SectionE9(c) hereof, all determinations required to be made under this SectionE9, including whether and when a Gross-Up Payment is required and the amount of such Gross-Up Payment and the assumptions to be utilized in arriving at such determination, shall be made by Ernst & Young LLP or such other independent certified public accounting firm as may be designated by the Executive (hereinafter referred to as the Accounting Firm) which shall provide detailed supporting calculations both to the Company and the Executive within 15 business days of the receipt of notice from the Executive that there has been a Payment, or such earlier time as is requested by the Company. In the event that the Accounting Firm is serving as accountant or auditor for the individual, entity or group effecting the Change of Control, the Executive shall appoint another nationally recognized accounting firm to make the determinations required hereunder (which accounting firm shall then be referred to as the Accounting Firm hereunder). All fees and expenses of the Accounting Firm shall be borne solely by the Company. Any Gross-Up Payment, as determined pursuant to this SectionE9, shall be paid by the Company to the Executive within five days of the receipt of the Accounting Firm's determination. Any determination by the Accounting Firm shall be binding upon the Company and the Executive. As a result of the uncertainty in the application of SectionE4999 of the Code at the time of the initial determination by the Accounting Firm hereunder, it is possible that Gross-Up Payments which will not have been made by the Company should have been made (hereinafter referred to as the Underpayment) consistent with the calculations

required to be made hereunder. In the event that the Company exhausts its remedies pursuant to SectionE9(c) hereof and the Executive thereafter is required to make a payment of any Excise Tax, the Accounting Firm shall determine the amount of the Underpayment that has occurred and any such Underpayment shall be promptly paid by the Company to or for the benefit of the Executive.

(c) The Executive shall notify the Company in writing of any claim by the Internal Revenue Service that, if successful, would require the payment by the Company of the Gross-Up Payment. Such notification shall be given as soon as practicable but no later than ten business days after the Executive is informed in writing of such claim and shall apprise the Company of the nature of such claim and the date on which such claim is requested to be paid. The Executive shall not pay such claim prior to the expiration of the 30-day period following the date on which it gives such notice to the Company (or such shorter period ending on the date that any payment of taxes with respect to such claim is due). If the Company notifies the Executive in writing prior to the expiration of such period that it desires to contest such claim, the Executive shall:

(i) give the Company any information reasonably requested by the Company relating to such claim,

(ii) take such action in connection with contesting such claim as the Company shall reasonably request in writing from time to time, including, without limitation, accepting legal representation with respect to such claim by an attorney reasonably selected by the Company,

(iii) cooperate with the Company in good faith in order effectively to contest such claim, and

(iv) permit the Company to participate in any proceedings relating to such claim;

provided, however, that the Company shall bear and pay directly all costs and expenses (including additional interest and penalties) incurred in connection with such contest and shall indemnify and hold the Executive harmless, on an after-tax basis, for any Excise Tax or income tax (including interest and penalties with respect thereto) imposed as a result of such representation and payment of costs and expenses. Without limitation on the foregoing provisions of this SectionE9(c), the Company shall control all proceedings taken in connection with such contest and, at its sole option, may pursue or forgo any and all administrative appeals, proceedings, hearings and conferences with the taxing authority in respect of such claim and may, at its sole option, either direct the Executive to pay the tax claimed and sue for a refund or to contest the claim in any permissible manner, and the Executive agrees to prosecute such contest to a determination before any administrative tribunal, in a court of initial jurisdiction and in one or more appellate courts, as the Company shall determine; provided, however, that if the Company directs the Executive to pay such claim and sue for a refund, the Company shall advance the amount of such payment to the Executive, on an interest-free basis and shall indemnify and hold the Executive harmless, on an after-tax basis, from any Excise Tax or income tax (including interest or penalties with respect thereto) imposed with respect to such advance or with respect to any imputed income with respect to such advance. The Company's control of any such contest shall be limited to issues with respect to which a Gross-Up Payment would be payable hereunder and the Executive shall be entitled to settle or contest, as the case may be, any other issue raised by the Internal Revenue Service or any other taxing authority.

(d) If, after the receipt by the Executive of an amount advanced by the Company pursuant to SectionE9(c) hereof, the Executive becomes entitled to receive any refund with respect to such claim, the Executive shall (subject to the Company's complying with the requirements of SectionE9(c) hereof) promptly pay to the Company the amount of such refund (together with any interest paid or credited thereon after taxes applicable thereto). If, after the receipt by the Executive of an amount advanced by the Company pursuant to SectionE9(c) hereof, a determination is made that the Executive shall not be

entitled to any refund with respect to such claim and the Company does not notify the Executive in writing of its intent to contest such denial of refund prior to the expiration of 30 days after such determination, then such advance shall be forgiven and shall not be required to be repaid and the amount of such advance shall offset, to the extent thereof, the amount of Gross-Up Payment required to be paid.

SectionE10. Confidential Information. The Executive shall hold in a fiduciary capacity for the benefit of the Company all secret or confidential information, knowledge or data relating to the Company or any of its affiliated companies, and their respective businesses, which shall have been obtained by the Executive during the Executive's employment by the Company or any of its affiliated companies and which shall not be or become public knowledge (other than by acts by the Executive or representatives of the Executive in violation of this Agreement). After termination of the Executive's employment with the Company, the Executive shall not, without the prior written consent of the Company or as may otherwise be required by law or legal process, communicate or divulge any such information, knowledge or data to anyone other than the Company and those designated by it. In no event shall an asserted violation of the provisions of this SectionE10 constitute a basis for deferring or withholding any amounts otherwise payable to the Executive under this Agreement. The provisions of this Section 10 shall survive any termination of this Agreement or any termination of the employment of the Executive with the Company.

SectionE11. Successors. (a) This Agreement is personal to the Executive and without the prior written consent of the Company shall not be assignable by the Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal representatives.

(b) This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns.

(c) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. As used in this Agreement, the term "Company" shall mean the Company as hereinbefore defined and any successor to its business and/or assets as aforesaid which assumes and agrees to perform this Agreement by operation of law or otherwise.

SectionE12. Miscellaneous. (a) This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois, without reference to principles of conflict of laws. This Agreement may not be amended or modified otherwise than by a written agreement executed by the parties hereto or their respective successors and legal representatives.

(b) Each notice, request, demand, approval or other communication which may be or is required to be given under this Agreement shall be in writing and shall be deemed to have been properly given when delivered personally at the address set forth below for the intended party during normal business hours at such address, when sent by facsimile or other electronic transmission to the respective facsimile transmission numbers of the parties set forth below with telephone confirmation of receipt, or when sent by recognized overnight courier or by the United States registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Company:

Littelfuse, Inc.
800 E. Northwest Highway
Des Plaines, Illinois 60016
Attention: President (unless the Executive is
the President, in which case the
communication should be to the

attention of all of the Directors
of the Company other than the
Executive)

Facsimile: (847) 824-3864
Confirm: (847) 391-0304

If to the Executive:

Howard B. Witt
93-A Bateman Road
Barrington Hills, Illinois 60010
Facsimile: _____
Confirm: (847) 382-5821

Notices shall be given to such other addressee or address, or both, or by way of such other facsimile transmission number, as a particular party may from time to time designate by written notice to the other party hereto. Each notice, request, demand, approval or other communication which is sent in accordance with this Section shall be deemed given and received for all purposes of this Agreement as of two business days after the date of deposit thereof for mailing in a duly constituted United States post office or branch thereof, one business day after deposit with a recognized overnight courier service or upon confirmation of receipt of any facsimile transmission. Notice given to a party hereto by any other method shall only be deemed to be given and received when actually received in writing by such party.

(c) The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

(d) The Company may withhold from any amounts payable under this Agreement such Federal, state, local or foreign taxes as shall be required to be withheld pursuant to any applicable law or regulation.

(e) The Executive's or the Company's failure to insist upon strict compliance with any provision of this Agreement or the failure to promptly assert any right the Executive or the Company may have hereunder, including, without limitation, the right of the Executive to terminate employment for Good Reason pursuant to Section E5(c)(i)-(v) hereof, shall not be deemed to be a waiver of such provision or right or any other provision or right of this Agreement.

(f) The Executive and the Company acknowledge that, except as may otherwise be provided under any other written agreement between the Executive and the Company, the employment of the Executive by the Company is at will and, subject to Section E1(a) hereof and/or any other written agreement between the Executive and the Company, prior to the Effective Date the Executive's employment and/or this Agreement may be terminated by either the Executive or the Company at any time prior to the Effective Date upon written notice to the other party, in which case the Executive shall have no further rights under this Agreement. From and after the Effective Date, this Agreement shall supersede any other agreement between the parties with respect to the subject matter hereof.

(g) This Agreement may be executed in two or more counterparts, all of which taken together shall constitute one and the same agreement.

In Witness Whereof, the parties hereto have executed this Change of Control Employment Agreement as of the day and year first above written.

Howard B. Witt

Littelfuse, Inc.

By

Its

Exhibit 10.12

Change of Control
Employment Agreement

This Agreement is made and entered into as of the 1st day of September, 1996, by and between Littelfuse, Inc., a Delaware corporation (hereinafter referred to as the OCompany0), and -----
- ----- (hereinafter referred to as the OExecutive0);

W i t n e s s e t h :

Whereas, the Board of Directors of the Company (hereinafter referred to as the OBoard0) has determined that it is in the best interests of the Company and its stockholders to provide the Executive with certain protections against the uncertainties usually created by a Change of Control (as such term is hereinafter defined); and

Whereas, the Board believes that the protections provided to the Executive in connection with a Change of Control will better enable the Executive to devote his full time, attention and energy to the business of the Company prior to and after a Change of Control, thereby benefitting the Company and its stockholders;

Now, Therefore, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and confessed, the Company and the Executive hereby agree as follows:

SectionE1. Certain Definitions. (a)EThe OEffective Date0 shall mean the first date during the Change of Control Period (as defined in SectionE1(b) hereof) on which a Change of Control (as defined in SectionE2 hereof) occurs. Notwithstanding anything to the contrary contained in this Agreement, if a Change of Control occurs and if the ExecutiveOs employment with the Company is terminated prior to the date on which the Change of Control occurs, and if it is reasonably demonstrated by the Executive that such termination of employment (i)Ewas at the direct or indirect request of a third party who theretofore had taken any steps intended to effect a Change of Control or (ii)Eotherwise arose in connection with or in anticipation of a Change of Control, then for all purposes of this Agreement the OEffective Date0 shall mean the date immediately prior to the date of such termination of employment.

(b) The OChange of Control Period0 shall mean the period commencing on the date hereof and ending on the fifth anniversary of the date hereof.

SectionE2. Change of Control. For the purpose of this Agreement, a OChange of Control0 shall mean:

(a) The acquisition in one or more transactions by any individual, entity or group (hereinafter referred to collectively as a OPerson0) within the meaning of SectionE13(d)(3) of the Securities Exchange Act of 1934, as amended (hereinafter referred to as the OExchange Act0), of beneficial ownership (within the meaning of, and calculated in accordance with, Rule 13d-3 promulgated under the Exchange Act) of 20% or more of either (i)Ethe then outstanding shares of common stock of the Company (hereinafter referred to as the OOutstanding Company Common Stock0) or (ii)Ethe combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (hereinafter referred to as the OOutstanding Company Voting Securities0); provided, however, that for purposes of this subsection (a), the following acquisitions shall not constitute a Change of Control: (i)Eany acquisition directly from the Company, (ii)Eany acquisition by the Company, (iii)Eany acquisition by any employee benefit plan (or related trust) sponsored or maintained by the

Company or any corporation controlled by the Company, (iv) any acquisition by any corporation pursuant to a transaction which complies with clauses (i), (ii) and (iii) of subsection (c) of this Section 2 or (v) any acquisition by Oaktree Capital Management, LLC, a California limited liability company, or any of its Affiliates or Associates (as used herein, the terms Affiliate and Associate shall have the respective meanings ascribed to such terms in Rule 12b-2 of the General Rules and Regulations under the Exchange Act); or

(b) Individuals who, as of the date hereof, constitute the Board (hereinafter referred to as the Incumbent Board) cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the date hereof whose election, or nomination for election by the Company's stockholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board; or

(c) Consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Company (hereinafter referred to as a Business Combination) unless, following such Business Combination, (i) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be, (ii) no Person (excluding any corporation resulting from such Business Combination or any employee benefit plan (or related trust) of the Company or such corporation resulting from such Business Combination) beneficially owns, directly or indirectly, 20% or more of, respectively, the then outstanding shares of common stock of the corporation resulting from such Business Combination, or the combined voting power of the then outstanding voting securities of such corporation except to the extent that such ownership existed prior to the Business Combination and (iii) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination; or

(d) Approval by the stockholders of the Company of a complete liquidation or dissolution of the Company within one year after a Business Combination.

Section 3. Employment Period. The Company hereby agrees to continue to employ the Executive, and the Executive hereby agrees to remain as an employee of the Company, subject to the terms and conditions of this Agreement, for the period commencing on the Effective Date and ending on the second anniversary of such date (the Employment Period).

Section 4. Terms of Employment.

(a) Position and Duties. (i) During the Employment

Period, (A)The Executive's position (including status, offices, titles and reporting requirements), authority, duties and responsibilities shall be at least commensurate in all material respects with the most significant of those held, exercised and assigned at any time during the 120-day period immediately preceding the Effective Date and (B)The Executive's services shall be performed at the location where the Executive was employed immediately preceding the Effective Date or any office or location less than 20 miles from such location.

(ii) During the Employment Period, and excluding any periods of vacation and sick leave to which the Executive is entitled, the Executive agrees to devote reasonable attention and time during normal business hours to the business and affairs of the Company and, to the extent necessary to discharge the responsibilities assigned to the Executive hereunder, to use the Executive's reasonable best efforts to perform faithfully and efficiently such responsibilities. During the Employment Period it shall not be a violation of this Agreement for the Executive to (A)Serve on corporate, civic or charitable boards or committees, (B)Deliver lectures, fulfill speaking engagements or teach at educational institutions, and (C)Manage personal investments, so long as such activities do not significantly interfere with the performance of the Executive's responsibilities as an employee of the Company in accordance with this Agreement. It is expressly understood and agreed that to the extent that any such activities have been conducted by the Executive prior to the Effective Date, the continued conduct of such activities (or the conduct of activities similar in nature and scope thereto) subsequent to the Effective Date shall not thereafter be deemed to interfere with the performance of the Executive's responsibilities to the Company.

(b) Compensation. (i) Base Salary. During the Employment Period, the Executive shall receive an annual base salary (hereinafter referred to as the "Annual Base Salary"), which shall be paid at a monthly rate, equal to at least twelve times the highest monthly base salary paid or payable, including any base salary which has been earned but deferred, to the Executive by the Company and its affiliated companies in respect of the twelve-month period immediately preceding the month in which the Effective Date occurs. During the Employment Period, the Annual Base Salary shall be reviewed no more than 12 months after the last salary increase awarded to the Executive prior to the Effective Date and thereafter at least annually. Any increase in Annual Base Salary shall not serve to limit or reduce any other obligation to the Executive under this Agreement. Annual Base Salary shall not be reduced after any such increase and the term Annual Base Salary as used in this Agreement shall refer to Annual Base Salary as so increased. As used in this Agreement, the term "affiliated companies" shall include any company controlled by, controlling or under common control with the Company.

(ii) Annual Bonus. In addition to the Annual Base Salary, the Executive shall be awarded, for each fiscal year ending during the Employment Period, an annual bonus (hereinafter referred to as the "Annual Bonus") in cash at least equal to the Executive's highest bonus under the Company's incentive bonus program or any comparable bonus under any predecessor or successor plan, for the last three full fiscal years prior to the Effective Date (annualized in the event that the Executive was not employed by the Company for the whole of such fiscal year) (hereinafter referred to as the "Recent Annual Bonus"). Each such Annual Bonus shall be paid no later than the end of the third month of the fiscal year next following the fiscal year for which the Annual Bonus is awarded, unless the Executive shall elect to defer the receipt of such Annual Bonus.

(iii) Incentive, Savings and Retirement Plans. During the Employment Period, the Executive shall be entitled to participate in all incentive, savings and retirement plans, practices, policies and programs applicable generally to other peer executives of the Company and its affiliated companies, but in no event shall such plans, practices, policies and programs provide the Executive with incentive opportunities (measured with respect to both regular and special incentive opportunities, to the extent, if any, that such distinction is

applicable), savings opportunities and retirement benefit opportunities, in each case, less favorable, in the aggregate, than the most favorable of those provided by the Company and its affiliated companies for the Executive under such plans, practices, policies and programs as in effect at any time during the 120-day period immediately preceding the Effective Date or if more favorable to the Executive, those provided generally at any time after the Effective Date to other peer executives of the Company and its affiliated companies.

(iv) Welfare Benefit Plans. During the Employment Period, the Executive and/or the Executive's family, as the case may be, shall be eligible for participation in and shall receive all benefits under welfare benefit plans, practices, policies and programs provided by the Company and its affiliated companies (including, without limitation, medical, prescription, dental, disability, employee life, group life, accidental death and travel accident insurance plans and programs) to the extent applicable generally to other peer executives of the Company and its affiliated companies, but in no event shall such plans, practices, policies and programs provide the Executive with benefits which are less favorable, in the aggregate, than the most favorable of such plans, practices, policies and programs in effect for the Executive at any time during the 120-day period immediately preceding the Effective Date or, if more favorable to the Executive, those provided generally at any time after the Effective Date to other peer executives of the Company and its affiliated companies.

(v) Expenses. During the Employment Period, the Executive shall be entitled to receive prompt reimbursement for all reasonable expenses incurred by the Executive in accordance with the most favorable policies, practices and procedures of the Company and its affiliated companies in effect for the Executive at any time during the 120-day period immediately preceding the Effective Date or, if more favorable to the Executive, as in effect generally at any time thereafter with respect to other peer executives of the Company and its affiliated companies.

(vi) Fringe Benefits. During the Employment Period, the Executive shall be entitled to fringe benefits, including, without limitation, tax and financial planning services, payment of club dues, and, if applicable, use of an automobile and payment of related expenses, in accordance with the most favorable plans, practices, programs and policies of the Company and its affiliated companies in effect for the Executive at any time during the 120-day period immediately preceding the Effective Date or, if more favorable to the Executive, as in effect generally at any time thereafter with respect to other peer executives of the Company and its affiliated companies.

(vii) Office and Support Staff. During the Employment Period, the Executive shall be entitled to an office or offices of a size and with furnishings and other appointments, and to exclusive personal secretarial and other assistance, at least equal to the most favorable of the foregoing provided to the Executive by the Company and its affiliated companies at any time during the 120-day period immediately preceding the Effective Date or, if more favorable to the Executive, as provided generally at any time thereafter with respect to other peer executives of the Company and its affiliated companies.

(viii) Vacation. During the Employment Period, the Executive shall be entitled to paid vacation in accordance with the most favorable plans, policies, programs and practices of the Company and its affiliated companies as in effect for the Executive at any time during the 120-day period immediately preceding the Effective Date or, if more favorable to the Executive, as in effect generally at any time thereafter with respect to other peer executives of the Company and its affiliated companies.

Section E5. Termination of Employment.

(a) Disability. If the Company determines in good faith that the Disability of the Executive has occurred during the Employment Period (pursuant to the definition of Disability set forth below), it may give written notice to the Executive of

its intention to terminate the Executive's employment. In such event, the Executive's employment with the Company shall terminate effective on the 30th day after delivery of such notice to the Executive (the Disability Effective Date), provided that, within the 30 days after such delivery, the Executive shall not have returned to full-time performance of the Executive's duties. For purposes of this Agreement, Disability shall mean the absence of the Executive from the Executive's duties with the Company on a full-time basis for 180 consecutive business days as a result of incapacity due to mental or physical illness which is determined to be total and permanent by a physician selected by the Company or its insurers and reasonably acceptable to the Executive or the Executive's legal representative.

(b) Cause. The Company may terminate the Executive's employment during the Employment Period for Cause. For purposes of this Agreement, Cause shall mean:

(i) the willful and continued failure of the Executive to perform substantially the Executive's duties with the Company (other than any such failure resulting from incapacity due to physical or mental illness), after a written demand for substantial performance is delivered to the Executive by the Board which specifically identifies the manner in which the Board believes that the Executive has not substantially performed the Executive's duties and such failure is not cured within sixty (60) calendar days after receipt of such written demand; or

(ii) the willful engaging by the Executive in illegal conduct or gross misconduct which is materially and demonstrably injurious to the Company.

For purposes of this provision, any act or failure to act on the part of the Executive in violation or contravention of any order, resolution or directive of the Board of Directors of the Company shall be considered willful unless such order, resolution or directive is illegal or in violation of the certificate of incorporation or by-laws of the Company; provided, however, that no other act or failure to act on the part of the Executive, shall be considered willful, unless it is done, or omitted to be done, by the Executive in bad faith or without reasonable belief that the Executive's action or omission was in the best interests of the Company. Any act, or failure to act, based upon authority given pursuant to a resolution duly adopted by the Board or upon the instructions of the Chief Executive Officer or a senior officer of the Company or based upon the advice of counsel for the Company shall be conclusively presumed to be done, or omitted to be done, by the Executive in good faith and in the best interests of the Company. The cessation of employment of the Executive shall not be deemed to be for Cause unless and until there shall have been delivered to the Executive a copy of a resolution duly adopted by the affirmative vote of not less than three-quarters of the entire membership of the Board at a meeting of the Board called and held for such purpose (after reasonable notice is provided to the Executive and the Executive is given an opportunity, together with counsel, to be heard before the Board), finding that, in the good faith opinion of the Board, the Executive is guilty of the conduct described in subparagraph (i) or (ii) above, and specifying the particulars thereof in detail.

(c) Good Reason. The Executive's employment may be terminated by the Executive for Good Reason. For purposes of this Agreement, Good Reason shall mean:

(i) the Executive is not elected to, or is removed from, any elected office of the Company which the Executive held immediately prior to the Effective Date;

(ii) the assignment to the Executive of any duties inconsistent in any respect with the Executive's position, authority, duties or responsibilities as contemplated by Section 4(a) hereof, or any other action by the Company which results in a diminution in such position, authority, duties or responsibilities, excluding for this purpose an isolated, insubstantial and inadvertent action not taken in bad faith and which is remedied by the Company promptly after receipt of notice thereof given by the Executive;

(iii) any failure by the Company to comply with any of the provisions of this Agreement, other than an isolated, insubstantial and inadvertent failure not occurring in bad faith and which is remedied by the Company promptly after receipt of notice thereof given by the Executive;

(iv) the Company's requiring the Executive to travel on Company business to a substantially greater extent than required immediately prior to the Effective Date; or

(v) any purported termination by the Company of the Executive's employment otherwise than as expressly permitted by this Agreement.

For purposes of this Section 5(c), any good faith determination of Good Reason made by the Executive shall be conclusive.

(d) Notice of Termination. Any termination by the Company for Cause, or by the Executive for Good Reason, shall be communicated by Notice of Termination to the other party hereto given in accordance with Section 12(b) hereof. For purposes of this Agreement, a Notice of Termination means a written notice which (i) indicates the specific termination provision in this Agreement relied upon, (ii) to the extent applicable, sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated and (iii) if the Date of Termination (as defined below) is other than the date of delivery of such notice, specifies the termination date (which date shall be not more than 30 days after the delivery of such notice). The failure by the Executive or the Company to set forth in the Notice of Termination any fact or circumstance which contributes to a showing of Good Reason or Cause shall not waive any right of the Executive or the Company, respectively, hereunder or preclude the Executive or the Company, respectively, from asserting such fact or circumstance in enforcing the Executive's or the Company's rights hereunder.

(e) Date of Termination. Date of Termination means (i) if the Executive's employment is terminated by the Company for Cause, or by the Executive for Good Reason, the date of delivery of the Notice of Termination or any later date specified therein, as the case may be, (ii) if the Executive's employment is terminated by the Company other than for Cause or Disability, the Date of Termination shall be the date on which the Company notifies the Executive of such termination, (iii) if the Executive's employment is terminated by reason of death or Disability, the Date of Termination shall be the date of death of the Executive or the Disability Effective Date, as the case may be, and (iv) if the Executive's employment is terminated by the Executive without Good Reason, the last day of employment of the Executive with the Company.

Section 6. Obligations of the Company upon Termination.

(a) Good Reason; Other Than for Cause, Death or Disability. If, during the Employment Period, the Company shall terminate the Executive's employment other than for Cause or Disability or the Executive shall terminate his employment for Good Reason:

(i) the Company shall pay to the Executive in a lump sum in cash within 30 days after the Date of Termination the aggregate of the following amounts:

A. the sum of (1) the Executive's Annual Base Salary through the Date of Termination to the extent not theretofore paid, plus (2) the product of (x) the higher of (I) the Recent Annual Bonus and (II) the Annual Bonus paid or payable, including any bonus or portion thereof which has been earned but deferred (and annualized for any fiscal year consisting of less than twelve full months or during which the Executive was employed for less than twelve full months), for the most recently completed fiscal year during the Employment Period, if any (such higher amount being hereinafter referred to as the Highest Annual Bonus) multiplied by (y) a fraction, the

numerator of which is the number of days in the current fiscal year through the Date of Termination, and the denominator of which is 365 plus (3) any compensation previously deferred by the Executive (together with any accrued interest or earnings thereon) and any accrued vacation pay, in each case to the extent not theretofore paid (the sum of the amounts described in clauses E(1), (2) and (3) are hereinafter referred to as the "Accrued Obligations"); and

B. the amount equal to the product of (1) two multiplied by (2) the sum of (x) the Executive's Annual Base Salary plus (y) the Highest Annual Bonus;

(ii) the Company shall credit as of the Date of Termination the Account of the Executive under the Littelfuse, Inc. Supplemental Executive Retirement Plan (hereinafter referred to as the "SERP") with an amount equal to the sum of the two respective amounts which would be credited to the Account of the Executive under the SERP on the two Valuation Dates (as such term is defined in the SERP) next succeeding the Date of Termination assuming (A) the Executive would continue to be employed by the Company up to and including said second Valuation Date (hereinafter said period from the Date of Termination until said second Valuation Date is referred to as the "Assumed Employment Period"), (B) the Compensation (as such term is defined in the SERP) of the Executive during each fiscal year during the Assumed Employment Period would be equal to the amount of the Compensation of the Executive during the most recently ended Plan Year (as such term is defined in the SERP) prior to the Date of Termination, and (C) the Company would continue the SERP up to and including said second Valuation Date; provided, however, that if the Executive would reach the age of 62 prior to the expiration of the Assumed Employment Period, no amounts shall be credited to the Account of the Executive under the SERP for any Valuation Date occurring after the date that the Executive reaches age 62;

(iii) during the two years following the Date of Termination, the Company shall continue to provide medical insurance benefits to the Executive and/or the Executive's family at least equal to those which would have been provided to them in accordance with the medical insurance benefits described in Section E4(b)(iv) hereof if the Executive's employment had not been terminated; provided, however, that if the Executive becomes reemployed with another employer and is eligible to receive medical insurance benefits under another employer-provided plan, the medical insurance benefits described herein shall be secondary to those provided under such other plan during such applicable period of eligibility;

(iv) to the extent not theretofore paid or provided, the Company shall timely pay or provide to the Executive any other amounts or benefits required to be paid or provided or which the Executive is eligible to receive under any plan, program, policy or practice or contract or agreement of the Company and its affiliated companies (such other amounts and benefits shall hereinafter be referred to collectively as the "Other Benefits"); and

(v) notwithstanding anything to the contrary contained in any employment agreement, benefit plan or other document, in the event the Executive's employment shall be terminated during the Employment Period by the Executive for Good Reason or by the Company other than for Cause or Disability, on and after the Date of Termination the Executive shall not be bound or prejudiced by any non-competition agreement benefitting the Company or its subsidiaries, and any provisions contained in the SERP which would penalize the Executive for being employed by a competitor, including, without limitation, Section 3.6(c) thereof, shall not apply in any respect to the Executive and, effective as of the Date of Termination, the Company waives any right to enforce any such provisions against the Executive.

(b) Death. If the Executive's employment is terminated

by reason of the Executive's death during the Employment Period, this Agreement shall terminate without further obligations by the Company to the Executive's legal representatives under this Agreement, other than for payment of Accrued Obligations and the timely payment or provision of Other Benefits. Accrued Obligations shall be paid to the Executive's estate or beneficiary, as applicable, in a lump sum in cash within 30 days of the Date of Termination. With respect to the provision of Other Benefits, the term "Other Benefits" as utilized in this Section E6(b) shall include, without limitation, and the Executive's estate and/or beneficiaries shall be entitled to receive, benefits at least equal to the most favorable benefits provided by the Company and affiliated companies to the estates and beneficiaries of peer executives of the Company and such affiliated companies under such plans, programs, practices and policies relating to death benefits, if any, as in effect with respect to other peer executives and their beneficiaries at any time during the 120-day period immediately preceding the Effective Date.

(c) Disability. If the Executive's employment is terminated by reason of the Executive's Disability during the Employment Period, this Agreement shall terminate without further obligations by the Company to the Executive under this Agreement, other than for payment of Accrued Obligations and the timely payment or provision of Other Benefits. Accrued Obligations shall be paid to the Executive in a lump sum in cash within 30 days of the Date of Termination. With respect to the provision of Other Benefits, the term "Other Benefits" as utilized in this Section E6(c) shall include, and the Executive shall be entitled after the Disability Effective Date to receive, disability and other benefits at least equal to the most favorable of those generally provided by the Company and its affiliated companies to disabled executives and/or their families in accordance with such plans, programs, practices and policies relating to disability, if any, as in effect generally with respect to other peer executives and their families at any time during the 120-day period immediately preceding the Effective Date.

(d) Cause; Other than for Good Reason. If the Executive's employment shall be terminated for Cause during the Employment Period, this Agreement shall terminate without further obligations to the Executive other than the obligation to pay to the Executive (x) his Annual Base Salary through the Date of Termination, (y) the amount of any compensation previously deferred by the Executive, and (z) Other Benefits, in each case to the extent theretofore unpaid. If the Executive voluntarily terminates his employment during the Employment Period, excluding a termination for Good Reason, this Agreement shall terminate without further obligations of the Company to the Executive under this Agreement, other than for payment of Accrued Obligations and the timely payment or provision of Other Benefits. In such case, all Accrued Obligations shall be paid to the Executive in a lump sum in cash within 30 days of the Date of Termination and the Company shall timely pay or provide the Other Benefits to the Executive. In no event shall the Executive be liable to the Company for any damages caused by such voluntary termination by the Executive nor shall the Executive be in any way restricted from being employed by any other party after such voluntary termination.

Section E7. Nonexclusivity of Rights. Nothing in this Agreement shall prevent or limit the Executive's continuing or future participation in any plan, program, policy or practice provided by the Company or any of its affiliated companies and for which the Executive may qualify, nor, subject to Section E12(f) hereof, shall anything herein limit or otherwise affect such rights as the Executive may have under any contract or agreement with the Company or any of its affiliated companies. Amounts which are vested benefits or which the Executive is otherwise entitled to receive under any plan, policy, practice or program of or any contract or agreement with the Company or any of its affiliated companies at or subsequent to the Date of Termination shall be payable in accordance with such plan, policy, practice or program or contract or agreement, except as explicitly modified by this Agreement.

Section E8. Full Settlement. The Company's obligation to

make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any set-off, counterclaim, recoupment, defense or other claim, right or action which the Company may have against the Executive or others. In no event shall the Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to the Executive under any of the provisions of this Agreement and such amounts shall not be reduced whether or not the Executive obtains other employment. The Company agrees to pay as incurred, to the fullest extent permitted by law, all legal fees and expenses which the Executive may reasonably incur as a result of any contest by the Company, the Executive or others in which the Executive is the prevailing party and which involves or relates to the validity or enforceability of, or liability under, any provision of this Agreement or any guarantee of performance thereof (including as a result of any contest by the Executive about the amount of any payment pursuant to this Agreement), plus in each case interest on any delayed payment from the due date thereof until paid at the prime rate from time to time reported in The Wall Street Journal during said period.

SectionE9. Certain Additional Payments by the Company.
(a)EAnything in this Agreement to the contrary notwithstanding and except as set forth below, in the event it shall be determined that any payment or distribution by the Company to or for the benefit of the Executive (whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise, but determined without regard to any additional payments required under this SectionE9) (hereinafter referred to collectively as a OPayment0) would be subject to the excise tax imposed by SectionE4999 of the Code or any interest or penalties are incurred by the Executive with respect to such excise tax (such excise tax, together with any such interest and penalties, are hereinafter collectively referred to as the OExcise Tax0), then the Executive shall be entitled to receive an additional payment (a OGross-Up Payment0) in an amount such that, after payment by the Executive of all taxes (including any interest or penalties imposed with respect to such taxes), including, without limitation, any income taxes (and any interest and penalties imposed with respect thereto) and Excise Tax imposed upon the Gross-Up Payment, the Executive retains an amount of the Gross-Up Payment equal to the Excise Tax imposed upon the Payments.

(b) Subject to the provisions of SectionE9(c) hereof, all determinations required to be made under this SectionE9, including whether and when a Gross-Up Payment is required and the amount of such Gross-Up Payment and the assumptions to be utilized in arriving at such determination, shall be made by Ernst & Young LLP or such other independent certified public accounting firm as may be designated by the Executive (hereinafter referred to as the OAccounting Firm0) which shall provide detailed supporting calculations both to the Company and the Executive within 15 business days of the receipt of notice from the Executive that there has been a Payment, or such earlier time as is requested by the Company. In the event that the Accounting Firm is serving as accountant or auditor for the individual, entity or group effecting the Change of Control, the Executive shall appoint another nationally recognized accounting firm to make the determinations required hereunder (which accounting firm shall then be referred to as the Accounting Firm hereunder). All fees and expenses of the Accounting Firm shall be borne solely by the Company. Any Gross-Up Payment, as determined pursuant to this SectionE9, shall be paid by the Company to the Executive within five days of the receipt of the Accounting FirmOs determination. Any determination by the Accounting Firm shall be binding upon the Company and the Executive. As a result of the uncertainty in the application of SectionE4999 of the Code at the time of the initial determination by the Accounting Firm hereunder, it is possible that Gross-Up Payments which will not have been made by the Company should have been made (hereinafter referred to as the OUnderpayment0) consistent with the calculations required to be made hereunder. In the event that the Company exhausts its remedies pursuant to SectionE9(c) hereof and the Executive thereafter is required to make a payment of any Excise Tax, the Accounting Firm shall determine the amount of the Underpayment that has occurred and any such Underpayment shall be promptly paid by the Company to or for the benefit of the Executive.

(c) The Executive shall notify the Company in writing of any claim by the Internal Revenue Service that, if successful, would require the payment by the Company of the Gross-Up Payment. Such notification shall be given as soon as practicable but no later than ten business days after the Executive is informed in writing of such claim and shall apprise the Company of the nature of such claim and the date on which such claim is requested to be paid. The Executive shall not pay such claim prior to the expiration of the 30-day period following the date on which it gives such notice to the Company (or such shorter period ending on the date that any payment of taxes with respect to such claim is due). If the Company notifies the Executive in writing prior to the expiration of such period that it desires to contest such claim, the Executive shall:

(i) give the Company any information reasonably requested by the Company relating to such claim,

(ii) take such action in connection with contesting such claim as the Company shall reasonably request in writing from time to time, including, without limitation, accepting legal representation with respect to such claim by an attorney reasonably selected by the Company,

(iii) cooperate with the Company in good faith in order effectively to contest such claim, and

(iv) permit the Company to participate in any proceedings relating to such claim;

provided, however, that the Company shall bear and pay directly all costs and expenses (including additional interest and penalties) incurred in connection with such contest and shall indemnify and hold the Executive harmless, on an after-tax basis, for any Excise Tax or income tax (including interest and penalties with respect thereto) imposed as a result of such representation and payment of costs and expenses. Without limitation on the foregoing provisions of this SectionE9(c), the Company shall control all proceedings taken in connection with such contest and, at its sole option, may pursue or forgo any and all administrative appeals, proceedings, hearings and conferences with the taxing authority in respect of such claim and may, at its sole option, either direct the Executive to pay the tax claimed and sue for a refund or to contest the claim in any permissible manner, and the Executive agrees to prosecute such contest to a determination before any administrative tribunal, in a court of initial jurisdiction and in one or more appellate courts, as the Company shall determine; provided, however, that if the Company directs the Executive to pay such claim and sue for a refund, the Company shall advance the amount of such payment to the Executive, on an interest-free basis and shall indemnify and hold the Executive harmless, on an after-tax basis, from any Excise Tax or income tax (including interest or penalties with respect thereto) imposed with respect to such advance or with respect to any imputed income with respect to such advance. The Company's control of any such contest shall be limited to issues with respect to which a Gross-Up Payment would be payable hereunder and the Executive shall be entitled to settle or contest, as the case may be, any other issue raised by the Internal Revenue Service or any other taxing authority.

(d) If, after the receipt by the Executive of an amount advanced by the Company pursuant to SectionE9(c) hereof, the Executive becomes entitled to receive any refund with respect to such claim, the Executive shall (subject to the Company's complying with the requirements of SectionE9(c) hereof) promptly pay to the Company the amount of such refund (together with any interest paid or credited thereon after taxes applicable thereto). If, after the receipt by the Executive of an amount advanced by the Company pursuant to SectionE9(c) hereof, a determination is made that the Executive shall not be entitled to any refund with respect to such claim and the Company does not notify the Executive in writing of its intent to contest such denial of refund prior to the expiration of 30 days after such determination, then such advance shall be forgiven and shall not be required to be repaid and the amount of such advance shall offset, to the extent thereof, the amount of Gross-Up Payment required to be paid.

SectionE10. Confidential Information. The Executive shall hold in a fiduciary capacity for the benefit of the Company all secret or confidential information, knowledge or data relating to the Company or any of its affiliated companies, and their respective businesses, which shall have been obtained by the Executive during the Executive's employment by the Company or any of its affiliated companies and which shall not be or become public knowledge (other than by acts by the Executive or representatives of the Executive in violation of this Agreement). After termination of the Executive's employment with the Company, the Executive shall not, without the prior written consent of the Company or as may otherwise be required by law or legal process, communicate or divulge any such information, knowledge or data to anyone other than the Company and those designated by it. In no event shall an asserted violation of the provisions of this SectionE10 constitute a basis for deferring or withholding any amounts otherwise payable to the Executive under this Agreement. The provisions of this Section 10 shall survive any termination of this Agreement or any termination of the employment of the Executive with the Company.

SectionE11. Successors. (a) This Agreement is personal to the Executive and without the prior written consent of the Company shall not be assignable by the Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal representatives.

(b) This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns.

(c) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. As used in this Agreement, the term "Company" shall mean the Company as hereinbefore defined and any successor to its business and/or assets as aforesaid which assumes and agrees to perform this Agreement by operation of law or otherwise.

SectionE12. Miscellaneous. (a) This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois, without reference to principles of conflict of laws. This Agreement may not be amended or modified otherwise than by a written agreement executed by the parties hereto or their respective successors and legal representatives.

(b) Each notice, request, demand, approval or other communication which may be or is required to be given under this Agreement shall be in writing and shall be deemed to have been properly given when delivered personally at the address set forth below for the intended party during normal business hours at such address, when sent by facsimile or other electronic transmission to the respective facsimile transmission numbers of the parties set forth below with telephone confirmation of receipt, or when sent by recognized overnight courier or by the United States registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Company:

Littelfuse, Inc.
800 E. Northwest Highway
Des Plaines, Illinois 60016
Attention: President (unless the Executive is
the President, in which case the
communication should be to the
attention of all of the Directors
of the Company other than the
Executive)
Facsimile: (847) 824-3864
Confirm: (847) 391-0304

If to the Executive:

Notices shall be given to such other addressee or address, or both, or by way of such other facsimile transmission number, as a particular party may from time to time designate by written notice to the other party hereto. Each notice, request, demand, approval or other communication which is sent in accordance with this Section shall be deemed given and received for all purposes of this Agreement as of two business days after the date of deposit thereof for mailing in a duly constituted United States post office or branch thereof, one business day after deposit with a recognized overnight courier service or upon confirmation of receipt of any facsimile transmission. Notice given to a party hereto by any other method shall only be deemed to be given and received when actually received in writing by such party.

(c) The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

(d) The Company may withhold from any amounts payable under this Agreement such Federal, state, local or foreign taxes as shall be required to be withheld pursuant to any applicable law or regulation.

(e) The Executive's or the Company's failure to insist upon strict compliance with any provision of this Agreement or the failure to promptly assert any right the Executive or the Company may have hereunder, including, without limitation, the right of the Executive to terminate employment for Good Reason pursuant to Section 5(c)(i)-(v) hereof, shall not be deemed to be a waiver of such provision or right or any other provision or right of this Agreement.

(f) The Executive and the Company acknowledge that, except as may otherwise be provided under any other written agreement between the Executive and the Company, the employment of the Executive by the Company is at will and, subject to Section 1(a) hereof and/or any other written agreement between the Executive and the Company, prior to the Effective Date the Executive's employment and/or this Agreement may be terminated by either the Executive or the Company at any time prior to the Effective Date upon written notice to the other party, in which case the Executive shall have no further rights under this Agreement. From and after the Effective Date, this Agreement shall supersede any other agreement between the parties with respect to the subject matter hereof.

(g) This Agreement may be executed in two or more counterparts, all of which taken together shall constitute one and the same agreement.

In Witness Whereof, the parties hereto have executed this Change of Control Employment Agreement as of the day and year first above written.

Littelfuse, Inc.

By
Its

EXHIBIT 11.1 - STATEMENT RE: COMPUTATION OF NET INCOME PER
SHARE

LITTELFUSE, INC. AND SUBSIDIARIES

(in thousands, except net income per share)

	Year Ended		
	December 28, 1996	December 31, 1995	December 31, 1994
Primary			
Weighted average shares outstanding	9,944	10,104	10,048
Net effect of dilutive stock options and warrants - based on the treasury stock method using the average market price	2,066	2,361	2,136
	12,010	12,465	12,184
Net income	\$21,735	\$19,272	\$15,227
Net income per share	\$ 1.81	\$ 1.55	\$ 1.25
Fully Diluted			
Weighted average shares outstanding	9,944	10,104	10,048
Net effect of dilutive stock options and warrants - based on the treasury stock method using the year-end market price, if higher than average market price	2,213	2,494	2,343
Fully diluted average shares outstanding	12,157	12,598	12,391
Net income	\$21,735	\$19,272	\$15,227
Net income per share	\$ 1.79	\$ 1.53	\$ 1.23

Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion provides an analysis of the information contained in the consolidated financial statements and accompanying notes beginning on page 26 for the three years ended December 28, 1996.

Highlights

For Littelfuse, 1996 was an unusual year. For the first time in our five year history, electronics sales growth was less than our overall average during the first three quarters and for the year, while our automotive segment experienced good sales growth all year. Even though sales growth started off slowly and became stronger as the year progressed, our product and geographic balance helped. And our international sales continued to grow much more strongly than our domestic sales. Sales increased 10 percent during 1996 compared to 1995. Operating income for 1996 increased 12 percent compared to the prior year and net income increased by 13 percent. Earnings before interest, taxes, depreciation and amortization (EBITDA) increased 13 1/2 percent in 1996 compared to the prior year. The company repurchased 671,000 warrants and 285,000 shares of its common stock for \$26.8 million during the year and our debt increased \$3.7 million. The company's total debt to equity ratio remains at a very reasonable .5 to 1 at the end of 1996.

The company made significant new product introductions and international facility expansions during 1996. In the spring, we introduced a new alarm indicating fuse for use in the electronics industry and a new J case cartridge style fuse for 20 to 80 amp applications in the automotive market. In the fall, we introduced an expanded line of indicating fuses in the electrical market and a surface mount polymeric PTC device for use in the electronics industry. This latest device is our first entry into the conductive polymeric resettable market, which is approximately \$200 million in size.

The company also made significant investments for the future completing a new facility in Washington, England that permitted us to consolidate our two English leased facilities into one newer and much larger facility, substantially completing a new facility in Suzhou, China, and completing the installation of a new computer system in North America. We also made a significant investment in equipment and tooling to support our new surface mount resettable PTC device production. The company's focus on international sales and marketing produced significant results in 1996 as sales outside North America grew 19 percent compared to 6 percent sales growth in North America.

Results of Operations

1996 Compared with 1995

Littelfuse had record sales and earnings for the fifth straight year. Sales increased 10 percent to \$241.4 million in 1996 from \$219.5 million in 1995. The gross margin was 40.7% compared to 40.9% the prior year and operating income was 15.6% of net sales compared to 15.4% the prior year. EBITDA was \$59.4 million compared to \$52.4 million in 1995. As a result, the company during 1996 was able to invest \$17.1 million in capital improvements and to repurchase \$26.8 million of its warrants and common stock, while only increasing its debt \$3.7 million.

Sales increased \$21.9 million during 1996. The sales growth was strongest in the automotive segment, followed by electronics and power fuses. Electronic sales increased \$8.9 million or 9 percent to \$112.7 million in 1996 compared to \$103.8 million in 1995. The electronics business was very strong in consumer electronics and datacommunications all year. This resulted in very strong sales growth in Japan for the year. However, the electronics business was relatively weak in personal computers, telecommunications and general industrial until late in the year. Automotive sales increased \$11.0 million or 13 percent to \$94.4 million in 1996 compared to \$83.4 million in 1995. Automotive sales were very strong in Europe for the year and automotive OEM markets were relatively stronger than automotive aftermarkets all year in North America and Europe. Power fuse sales increased \$2.0 million or 6 percent to \$34.4 million in 1996 compared to \$32.4 million in 1995. The company

believes that its power fuse business grew slightly faster than the underlying markets for capital equipment and construction spending during 1996.

The company's business is dependent upon general economic conditions in North America, Europe and Asia Pacific. The Company's electronic and automotive product sales fluctuate with the trends in their respective end-product markets, while power fuse sales are dependent upon conditions within the construction and capital equipment markets. North American and Asia Pacific sales almost exclusively are denominated in US dollars, while European sales generally are denominated in Dutch guilders or British pounds. On a constant currency basis our European sales growth would have been 13 percent rather than the 9 percent reported and our consolidated sales growth would have been 11 percent rather than the 10 percent reported. The company's reported sales in North America increased 6 percent during 1996, while its sales in Europe increased 9 percent, and its sales in the Asia Pacific increased 29 percent.

Gross profit was 40.7% at \$98.3 million for 1996 compared to 40.9% at \$89.9 million in 1995. The gross margin decline of 0.2 percentage points was primarily caused by the relatively low margins of our new China and Korean operations having a greater impact than our margin improvements due to cost reductions and spreading higher sales over our fixed costs in North America and Europe. Margins for both the automotive and power fuse product segments improved during 1996, while the margins for the electronic segment declined slightly. Auto margins improved due to favorable mix as the fuse portion of automotive OEM sales grew to about 90 percent of sales in 1996 compared to about 80 percent of sales in 1995.

Selling, general and administrative expenses were 22.2% of sales for 1996 compared to 22.6% for 1995, with selling expenses accounting for approximately three-fifths of the expenses. The 0.4 percentage point decrease was due to the general and administrative expense increase of 0.2 percentage point being more than offset by the research and development decrease of 0.6 percentage point. The increase in general and administrative expense was due primarily to the installation of new information systems. The decrease in research and development was due to lower project and patent expenses.

Amortization of reorganization value and other intangibles was 2.9% of sales for 1996 compared to 3.0% the prior year. The total operating expenses including intangibles amortization were 25.1% of sales for 1996 compared to 25.6% of sales for

1995.

On a constant currency basis, Europe's increase in operating income would have been \$0.5 million higher. Therefore, currency changes reduced Europe's operating income about 4 percent and reduced consolidated operating income about 1 percent. Operating income for 1996 after the intangibles amortization was \$37.7 million or 15.6% of sales compared to \$33.7 million or 15.4% of sales the prior year.

Interest expense was \$4.2 million for 1996 compared to \$4.3 million for 1995. Interest rates declined slightly and debt increased slightly year over year due to the stock and warrant repurchase program. Other income, net, consisting primarily of minority interest adjustments and royalties, was \$0.7 million compared to \$0.4 million the prior year.

Income before taxes was \$34.1 million in 1996 compared to \$29.9 million in 1995. Income tax expense was \$12.4 million in 1996 compared to \$10.6 million the prior year. The company's effective tax rate was 36.25% in 1996 compared to 35.5% in 1995. Net income for the year was \$21.7 million in 1996 compared to \$19.3 million the prior year. Earnings per share increased to \$1.81 in 1996 compared to \$1.55 in 1995, in part because of the company's stock and warrant repurchase program reduced the number of shares outstanding.

EBITDA grew \$7.0 million or 13 1/2% to \$59.4 million in 1996 compared to \$52.4 million in 1995. EBITDA was 24.6% of sales in 1996 compared to 23.8% of sales in 1995 -- an improvement of 0.8 percentage point. EBITDA for 1996 consisted of the reported operating income of \$37.7 million plus other income of \$0.7 million, depreciation of \$14.0 million, and amortization of intangibles of \$7.0 million.

1995 Compared with 1994

Sales increased 13 percent to \$219.5 million in 1995 from \$194.5 million in 1994. The gross margin was 40.9% compared to 39.8% the

prior year and operating income was 15.4% of net sales compared to 14.3% the prior year. EBITDA was \$52.4 million in 1995 compared to \$45.7 million in 1994. As a result, the company during 1995 was able to invest \$14.6 million in capital improvements, to pay down \$17.0 million of debt and to repurchase \$3.5 million of its common stock.

Sales increased \$25.1 million during 1995. The sales growth was strongest in the electronics segment, followed by power fuses and automotive. Electronic sales increased \$16.5 million or 19 percent to \$103.8 million in 1995 compared to \$87.4 million in 1994. The electronic OEM business was very strong worldwide -- in consumer electronics, personal computers, telecommunications, and instrumentation/industrial. Automotive sales increased \$5.6 million or 7 percent to \$83.4 million in 1995 compared to \$77.8 million in 1994. Automotive sales were stronger in Europe particularly in the first half of the year. North American sales slowed in the second half of 1995 due to a slower U.S. economy and also due to lower nonrecurring fuseholder sales and lower electromechanical relay sales compared to the same period of 1994. Power fuse sales increased \$3.1 million or 10 percent to \$32.4 million in 1995 compared to \$29.3 million in 1994. The company believes that its power fuse business grew faster than the improving underlying markets for capital equipment and construction spending.

North American and Asia-Pacific sales almost exclusively are denominated in US dollars, while European sales generally are denominated in Dutch guilders or British pounds. On a constant currency basis, European sales would have increased 17 percent instead of the reported 30 percent and consolidated sales would have increased 10 percent instead of the reported 13 percent. Japanese sales probably were aided indirectly by the fact that our product cost in local currency averaged approximately 10 percent less in 1995 compared to 1994. The company's reported sales in North America increased 5 percent during 1995, while its sales in Europe increased 30 percent, and its sales in Asia Pacific increased 41 percent.

Gross profit was 40.9% at \$89.9 million for 1995 compared to 39.8% at \$77.4 million in 1994. The gross margin improvement of 1.1 percentage points was not greatly influenced by pricing, but rather the improvement was primarily due to cost reduction activities, lower fixed manufacturing costs as a percent of sales and favorable mix. The improvement in gross margin by product segment was somewhat proportional to each segment's growth in sales. Margins for both the electronic and power fuse product segments improved more than the corporate average during 1995, while the margins for the automotive segment improved less. Auto margins still improved due to favorable mix as the fuse portion of automotive OEM sales grew to about 80 percent of sales in 1995 compared to about 70 percent of sales in 1994.

Selling, general and administrative expenses were 22.6% of sales for 1995 compared to 22.1% for 1994, with selling expenses accounting for approximately three-fifths of the expenses. The 0.5 percentage point increase was due to research and development expense increasing 0.5 points and general and administrative expense increasing 0.4 points, partially offset by selling expense decreasing 0.4 percentage points. The increase in general and administrative expense was due primarily to the installation of new information systems and expenses associated with corporate development activities. Amortization of reorganization and other intangibles was 3.0% of sales for 1995 compared to 3.4% the prior year. The total operating expenses including intangibles amortization were 25.6% of sales for 1995 compared to 25.5% of sales for 1994.

For 1995, the Company adjusted the expected long-term rate of return assumption for determining pension expense from 8.5% to 9.0% and changed mortality and turnover assumptions, which resulted in a \$0.2 million net increase in pension expense for the year. Approximately \$1.6 million of Europe's increase in operating income was due to favorable currency exchange rate changes in 1995 compared to 1994. Therefore, currency changes account for about 40 percent of Europe's increase in operating income and about 25 percent of the consolidated increase in operating income. Operating income after the intangibles amortization was \$33.7 million or 15.4% of sales compared to \$27.8 million or 14.3% of sales the prior year.

Interest expense was \$4.3 million for 1995 compared to \$5.0 million for 1994 due to declining debt levels during the year. Other income, net, consisting primarily of royalties, was \$0.4 million compared to \$0.6 million the prior year. Income before taxes was \$29.9 million in 1995 compared to \$23.4 million in 1994. Income tax expense was \$10.6 million in 1995 compared to \$8.2 million the prior year. The company's effective tax rate was 35.5% in 1995 compared to 35.0% in 1994. Net income for the year was \$19.3 million or \$1.55 per share in 1995 compared to \$15.2 million or \$1.25 per share the prior year. EBITDA grew \$6.7 million or 15% to \$52.4 million in 1995 compared to \$45.7 million in 1994. EBITDA was 23.8 % of sales in 1995 compared to 23.5% of sales in 1994 -- an improvement of 0.3 percentage points. EBITDA for 1995 consisted of the reported operating income of \$33.7 million plus royalty income of \$0.4 million, depreciation of \$11.6 million, and amortization of intangibles of \$6.6 million.

Geographical Business Segments

During the last three years, the company's international sales have grown dramatically as a result of increased Asia-Pacific and European sales efforts, new product introductions, and generally improved Asia-Pacific and European economies. International sales increased 20% in 1996 compared to 32% in 1995 and 35% in 1994. USA sales growth was 5 percent in 1996 compared to 5 percent in 1995 and 16 percent in 1994. Over the last five years international sales have increased at a compounded annual rate of 23% versus a USA sales compounded annual growth rate of 8%.

The geographic area of greatest sales growth during the past five years has been the Asia Pacific. Sales growth also was strong in the European Community during the last three years. International sales grew to 38.5 % of net sales in 1996 compared to 35.3% of net sales in 1995 and 30.1% of net sales in 1994.

The following table summarizes sales based upon destination and total international sales compared to total company net sales (in thousands):

	1996	1995	1994
USA Destinations	\$148,588	\$142,070	\$135,865
Other North American	7,968	6,336	6,144
European Community	35,373	32,607	25,017
Asia Pacific & other	49,517	38,522	27,428
Total company sales	\$241,446	\$219,535	\$194,454
Total international sales	\$92,858	\$77,465	\$58,589
As percent of total company sales	38.5%	35.3%	30.1%

Liquidity and Capital Resources

Assuming no material adverse changes in market conditions or interest rates, management expects that the company will have sufficient cash from operations to support both its operations and its debt obligations for the foreseeable future. Approximately eighty percent of the company's sales are denominated in US dollars with the balance primarily in two European currencies, Dutch guilders and British pounds. Since over seventy percent of European costs also are in European currencies and the rest of Europe's and the company's costs predominately are denominated in US dollars, there is little need to hedge the company's monetary assets, liabilities or commitments. The company did not have any foreign exchange derivative positions at year end 1996.

Littelfuse started 1996 with \$1.3 million of cash. Net cash provided by operations was \$40.0 million for the year, a significant improvement over 1995. Cash used to invest in net property, plant and equipment was \$17.1 million and to invest in a foreign joint venture was \$0.3 million. Cash used in financing activities included net borrowings of long term debt of \$4.2 million. The purchase of the company's warrants and common stock of \$26.8 million was partially offset by cash proceeds from the exercise of

stock options of \$0.3 million. The effect of exchange rate changes decreased cash by \$0.1 million. The net of cash provided by operations, less investing activities, less financing activities, plus the effect of exchange rates resulted in an \$0.1 million net increase in cash. This left the company with a cash balance of \$1.4 million at the end of 1996.

Net working capital used only \$ 1.3 million of cash flow from operations for 1996. All asset categories used working capital, except prepaid expenses which declined \$0.4 million. Accounts receivable increased \$5.6 million and inventory increased \$1.8 million. All accruals provided working capital for the year. The greatest benefit in 1996 compared to 1995 came from large increases in accrued taxes of \$2.4 million. Accounts payable, accrued payroll, and accrued expenses each increased by about \$1.0 million and provided funds of almost \$2.9 million. Net working capital changes in 1997 probably will result in a small use of cash, as the company expects current asset increases to exceed current liability increases in 1997.

Littelfuse started 1995 with \$1.3 million of cash. Net cash provided by operations was \$34.3 million for the year, a significant improvement over 1994. Cash used to invest in net property, plant and equipment was \$14.6 million, and to invest in a foreign joint venture was \$0.3 million. Cash used in financing activities included net payments of long-term debt of \$17.0 million and the purchase of the company's common stock for \$3.5 million was partially offset by cash proceeds from the exercise of stock options of \$0.6 million. The effect of exchange rate changes increased cash by \$0.1 million. The net of cash provided, less investing activities, less financing activities, plus the effect of exchange rates resulted in no net change in cash. This left the company with a cash balance of \$1.3 million at the end of 1995.

Net working capital used only \$3.1 million of cash flow from operations for 1995. All asset categories used working capital. Accounts receivable increased \$3.3 million and inventory increased \$1.8 million. All accruals provided working capital for the year. The greatest benefit in 1995 compared to 1994 came from smaller increases in accounts receivable and inventory. Accrued payroll, accrued taxes and accrued expenses provided funds of almost \$3.0 million and accounts payable and prepaid expenses used funds of \$1.0 million.

The company's capital expenditures were \$17.1 million in 1996, \$14.6 million in 1995 and \$10.7 million in 1994. The company expects that capital expenditures will be approximately \$19.5 million or 7.2% of sales in 1997 compared to 7.1% of sales in 1996, 6.7% in 1995 and 5.5% in 1994. The primary purposes for capital expenditures are for capacity expansion and new product tooling and production equipment. As in 1996, capital expenditures in 1997 are expected to be financed by cash flow from operations. The company increased total debt \$3.7 million in 1996, after reducing debt by \$17.1 million in 1995 and by \$20.6 million in 1994. The company is required to repay \$9.0 million of long-term debt in 1997. The company also repurchased 671,000 warrants and 285,000 common shares for \$26.8 million in 1996, 110,000 common shares for \$3.5 million in 1995, and 35,500 warrants for \$0.5 million in 1994.

Net working capital (working capital less cash and the current portion of longterm debt) as a percent of sales was 13.0% at year end 1996 compared to 12.7% at year end 1995 and to 12.9% at year end 1994. The days sales in receivables was approximately 52 days at year end 1996 compared to 51 days at year end 1995 and 49 days at year end 1994. The company's days sales in receivables grows about 1 day per year as international sales increase, since our international terms average 15 days longer. The inventory turnover rate was approximately 4.5 turns at year end 1996 compared to 4.1 turns at year end 1995 and 4.2 turns at year end 1994. The ratio of current assets to current liabilities was 1.4 to 1 at year end 1996 and 1995 compared to 1.5 to 1 at year end 1994. The ratio of long-term debt to equity was 0.4 to 1 at year end 1996 and 1995 compared to 0.6 to 1 at year end 1994.

On April 26, 1996 the company announced that its Board of Directors had authorized the company to repurchase up to 1,000,000 shares of its common stock or 1,000,000 of its warrants, or any combination not to exceed 1,000,000 shares of common stock and warrants from time to time depending on market conditions. The company has repurchased 6,000 warrants and 97,000 common shares in 1996 since the April 26, 1996 authorization. The company has repurchased an additional 50,000 common shares during the first two months of 1997.

Long-term debt at year end 1996 consisted of five types of debt totaling \$54.6 million. They are as follows: (1) senior notes due August, 2000 totaling \$36.0 million, (2) revolver borrowings totaling \$16.9 million, (3) notes payable relating to an agreement not to compete totaling \$1.0 million, (4) notes payable relating to income taxes totaling \$0.5 million, and (5) mortgage notes totaling \$0.2 million. These five items include \$10.0 million of the bank revolver, tax notes, non-compete notes and mortgage notes, which are considered to be current liabilities, resulting in net long-term debt totaling \$44.6 million at the end of the year. The revolver carried an interest rate of LIBOR + 0.5% for the last four months of 1996 or approximately 6.2%. The company expects the interest rate paid on the bank debt to be approximately 6.2% during the first half of 1997. The company at the end of 1996 had unused revolver availability of \$48.5 million. In addition, the company had outstanding letters of credit totaling \$1.8 million at year end 1996.

Outlook

Littelfuse has enjoyed compounded annual sales growth of 12.1% for the last five years. Although Littelfuse expects to increase market share during 1997, particularly in the electronics segment in Asia Pacific and Europe, in the automotive segment in Europe and in the power fuse segment in North America, the company expects the sales increases in 1997 to grow at a rate close to our last five year average. We expect sales growth to be slower in the first and fourth quarter and stronger in the second and third quarter. We also expect the first quarter sales growth will not benefit much from our new product introductions compared to the next three quarters. The fourth quarter 1997 sales growth will be compared to a very strong quarter in 1996.

Littelfuse expects prices to decline modestly in 1997. Although costs and expenses will rise with inflationary pressures, the company's productivity gains and continued control of spending should help to offset this pressure as we have previously succeeded in doing. The company does expect modest gross margin pressure from expenses related to the start up of the China operations and the launching of new products including the new conductive polymeric resettable PTC devices.

The development of new products, global expansion, and reinvestment for the future are the cornerstones of Littelfuse's growth strategy. Accordingly, the company intends to continue its commitment to funding research and development, international sales and marketing activity, and investments in capital equipment and operations improvements.

Littelfuse has significantly improved its return on net assets and its return on capital employed the last five years. The company's return on net tangible assets was 25.0% in 1996 compared to 23.8% in 1995 and 19.8% in 1994, or over two times the S&P 500 return on net tangible assets. The company's return on capital employed was 13.3% in 1996 compared to 11.8% in 1995 and 9.3% in 1994, or over 20 percent better than the S&P 500 return on capital employed. These two comparisons demonstrate the company's ability to deliver above-average returns on investment for its shareholders.

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

The statements under "Outlook" and the other statements 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, commercialization and technological difficulties, capacity and supply constraints or difficulties, the results of financing efforts, actual purchases under agreements, the effect of the company's accounting policies, 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
Littelfuse, Inc.

We have audited the accompanying consolidated statements of financial condition of Littelfuse, Inc. and subsidiaries as of December 28, 1996 and December 31, 1995, and the related consolidated statements of income, shareholders' equity, and cash flows for each of the three years in the period ended December 28, 1996. Our audits also

included the financial statement schedule listed in the Index at Item 14(a). These financial statements and schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and schedule based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Littelfuse, Inc. and subsidiaries at December 28, 1996 and December 31, 1995, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 28, 1996, in conformity with generally accepted accounting principles. Also, in our opinion, the related financial statement schedule, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

/s/ Ernst & Young LLP

Chicago, Illinois
January 20, 1997

Littelfuse, Inc. and Subsidiaries

Consolidated Statements of Financial Condition

	December 1996	December 28 31 1995
	(In Thousands)	
Assets		
Current assets:		
Cash and cash equivalents	\$ 1,427	\$ 1,308
Accounts receivable, less allowances (1996 - \$5,057; 1995 - \$3,901)	35,468	29,722
Inventories	31,586	30,076
Deferred income taxes	3,100	1,336
Prepaid expenses and other current assets	2,228	2,581
Total current assets	73,809	65,023
Property, plant, and equipment:		
Land	5,383	4,998
Buildings	19,271	16,871
Equipment	96,657	82,895
	121,311	104,764
Less: Allowances for depreciation and amortization	57,422	43,535
	63,889	61,229
Intangible assets, net of amortization:		
Reorganization value in excess of amounts allocable to identifiable assets	44,635	48,056
Patents and licenses	11,102	13,322
Distribution network	7,935	8,817
Trademarks	3,784	4,037
Other	1,157	1,795
	68,613	76,027
Other assets	3,640	2,907
	\$209,951	\$205,186
	December 1996	December 28 31 1995
	(In Thousands)	

Liabilities and shareholders' equity
Current liabilities:

Accounts payable	\$	\$
	12,775	11,836
Accrued payroll	9,330	8,371
Accrued expenses	8,159	7,183
Accrued income taxes	10,775	8,362
Current portion of long-term debt	10,005	10,065
Total current liabilities	51,044	45,817
Long-term debt, less current portion	44,556	40,804
Deferred income taxes	5,417	4,615
Minority interest in subsidiary	312	568
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: 19,000,000 shares authorized; shares issued, including shares in treasury, 1996 - 10,283,000; 1995 - 10,187,000	103	102
Additional paid-in capital	57,426	72,364
Notes receivable - Common stock	(1,470)	(571)
Cumulative foreign currency translation adjustment	(870)	(120)
Retained earnings	66,875	45,140
Cost of common stock in treasury, 1996 - 395,130 shares; 1995 - 110,000 shares	(13,442)	(3,533)
108,622 113,382		
	\$209,951	\$205,186

See accompanying notes.

Littelfuse, Inc. and Subsidiaries
Consolidated Statements of Income

	Year ended December 28 1996	Year ended December 31 1995	December 31 1994
	(In Thousands, Except Per Share Amounts)		
Net sales	\$241,446	\$219,535	\$194,454
Cost of sales	143,158	129,663	117,038
Gross profit	98,288	89,872	77,416
Selling expenses	34,369	31,278	28,493
Research and development expenses	7,330	7,901	6,111
General and administrative expenses	11,912	10,334	8,283
Amortization of intangibles	7,008	6,630	6,683
Operating income	37,669	33,729	27,846
Interest expense	4,235	4,279	5,014
Other income, net	(660)	(430)	(595)
Income before income taxes	34,094	29,880	23,427
Income taxes	12,359	10,608	8,200
Net income	\$ 21,735	\$ 19,272	\$ 15,227
Net income per share:			
Primary	\$ 1.81	\$ 1.55	\$ 1.25
Fully diluted	\$ 1.79	\$ 1.53	\$ 1.23
Weighted-average number of common and common equivalent shares outstanding - Primary	12,010	12,465	12,184

See accompanying notes.

Littelfuse, Inc. and Subsidiaries
Consolidated Statements of Shareholders'
Equity
Period from January 1, 1994 to December 28,

1996

	Common Stock	Additional Paid in Capital	Notes Receiveable Common Stock	Cumulative Foreign Currency Translation adjustment	Retained Earnings	Cost of Common Stock in Treasury	Total
(In Thousands)							
Blance at January 1, 1994	\$100	\$70,065	\$ -	\$(1,566)	\$10,641	\$ -	\$79,240
Stock options exercised	1	996	-	-	-	-	997
Redemption of 34,500 warrants	-	(476)	-	-	-	-	(476)
Translation adjustment	-	-	-	711	-	-	711
Net income for the year	-	-	-	-	15,227	-	15,227
Balance at December 31, 1994	101	70,585	-	(855)	25,868	-	95,699
Stock options exercised	1	1,779	(571)	-	-	-	1,209
Purchase of 110,000 shares of common stock	-	-	-	-	-	3,533	(3,533)
Translation adjustment	-	-	-	735	-	-	735
Net income for the year	-	-	-	-	19,272	-	19,272
Balance at December 31, 1995	102	72,364	(571)	(120)	45,140	(3,533)	113,38
2 Stock options exercised	1	1,998	(899)	-	-	-	1,100
Purchase of 285,130 shares of common stock	-	-	-	-	-	(9,909)	(9,909)
Redemption of 671,060 warrants	-	(16,936)	-	-	-	-	(16,936)
Translation adjustment	-	-	-	(750)	-	-	(750)
Net income for the year	-	-	-	-	21,735	-	21,735
Balance at December 28, 1996	\$103	\$57,426	\$(1,470)	\$(870)	\$66,875	\$(13,442)	\$108,622

See accompanying notes

Littelfuse, Inc. and Subsidiaries
Consolidated Statements of Cash Flows

	Year ended December 28 1996 (In Thousands)	Year ended December 31 1995	Year ended December 31 1994
Operating activities			
Net income	\$21,735	\$19,272	\$15,227
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	14,057	11,569	10,527
Amortization of intangibles	7,008	6,630	6,683
Provision for bad debts	236	160	126
Deferred income taxes	(962)	(78)	1,871
Minority interest	(411)	(61)	-
Other	(365)	-	-
Changes in operating assets and liabilities:			
Accounts receivable	(5,630)	(3,303)	(5,560)
Inventories	(1,816)	(1,782)	(5,930)
Accounts payable and accrued expenses	6,550	1,408	6,401
Other, net	(424)	534	162
Net cash provided by operating activities	39,978	34,349	29,507
Investing activities			

Purchases of property, plant, and equipment, net	(17,094)	(14,636)	(10,725)
Foreign investment - Noncompete payment	(341)	276	-
Net cash used in investing activities	(17,435)	(14,360)	(10,725)
Financing activities			
Proceeds (payments) of long-term debt, net	4,196	(17,028)	(20,557)
Proceeds from exercise of stock options	276	570	553
Purchase of common stock and redemption of warrants	(26,845)	(3,533)	(476)
Net cash used in financing activities	(22,373)	(19,991)	(20,480)
Effect of exchange rate changes on cash	(51)	48	72
Increase (decrease) in cash and cash equivalents	119	46	(1,626)
Cash and cash equivalents at beginning of year	1,308	1,262	2,888
Cash and cash equivalents at end of year	\$ 1,427	\$ 1,308	\$ 1,262 end

See accompanying notes.

Littelfuse, Inc. and Subsidiaries Notes
to Consolidated Financial Statements
December 28, 1996

1. Summary of Significant Accounting Policies and Other Information

Nature of Operations

Littlefuse, Inc. and its subsidiaries (the company) design, manufacture, and sell fuses and other circuit protection devices for use in the automotive, electronic, and general industrial markets throughout the world. The company also manufactures and supplies relays, switches, circuit breakers, and indicator lights to the automotive industry and to appliance and general electronics manufacturers. The company's operations represent a single industry segment for accounting purposes.

Fiscal Year

Effective January 1, 1996, the company changed its fiscal year from December 31 to a 52-53-week year ending on the Saturday nearest December 31. Accordingly, the Company's 1996 fiscal year ended on December 28.

Principles of Consolidation

The consolidated financial statements include the accounts of Littlefuse, 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.

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 and consistently have been within management's expectations.

Inventories

Inventories are stated at the lower of cost (first in, first out method) or market, which approximates current replacement cost.

1. Summary of Significant Accounting Policies and Other Information
(continued)

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, 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 nine years. Other intangible assets consist principally of an agreement not to compete that is being amortized over the three-year term of the agreement. Accumulated amortization of these intangible assets was \$34.3 million at December 28, 1996, and \$27.3 million at December 31, 1995.

Revenue Recognition

Sales and associated costs are recognized when products are shipped to customers.

Advertising Costs

The company expenses advertising costs as incurred which amounted to \$2.7 million in 1996, and \$3.1 million in both 1995 and 1994.

Foreign Currency Translation

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

Per-Share Data

Net income per share is based on the weighted-average number of shares of common shares outstanding during each year after giving effect to stock options and warrants considered to be common stock equivalents.

1. Summary of Significant Accounting Policies and Other Information (continued)

Stock-Based Compensation

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 (APB No. 25). 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.

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.

Reclassifications

Certain amounts in the 1995 and 1994 financial statements have been reclassified to conform with the 1996 financial statement presentation.

2. Acquisition of Business

On October 28, 1995, the company invested \$888,000 in exchange for a 51% interest in Sam Hwa Co. Ltd., a Korean fuse manufacturer, now doing business as Sam Hwa Littelfuse, Inc. The company acquired an additional 14% interest on October 9, 1996, in exchange for \$637,000. The company also entered into a three-year noncompete agreement with the original shareholders in 1995. Under the noncompete agreement, the company will pay \$1.6 million; \$427,000 of which was paid in 1996 and \$276,000 paid in 1995. The accounts and transactions of the acquired business have been included in the consolidated financial statements from the date the company acquired majority interest. Pro forma results of operations, assuming this purchase transaction had occurred as of January 1, 1995, would not differ materially from reported results of operations.

3. Inventories

The components of inventories are as follows at December 28, 1996 and December 31, 1995 (in thousands):

	1996	1995
Raw materials	\$ 8,411	\$ 8,823
Work in process	3,263	3,445
Finished goods	19,912	17,808
	\$31,586	\$30,076

4. Long-Term Debt

The carrying amounts of long-term debt, which approximate fair value, are as follows at December 28, 1996 and December 31, 1995 (in thousands):

	1996	1995
Senior Notes	\$36,000	\$45,000
Term Loan	-	2,000
Revolver	16,500	500
Other	2,061	3,369
	54,561	50,869
Less: Current maturities	10,005	10,065
	\$44,556	\$40,804

The company has an unsecured financing arrangement consisting of \$45,000,000 of Senior Notes with insurance companies and a Credit Agreement with banks that provides a \$65,000,000 revolving loan facility. The Senior Notes require a minimum principal payment of \$9,000,000 annually. The first payment was made August 30, 1996. Additional principal payments will be made each year through 2000. No principal payments are required for borrowings against the revolving line of credit until the line matures on August 31, 2000. A commitment fee on the daily unborrowed portion of the revolving credit line is based on the company's debt-to-capital ratio, and is payable quarterly. The company can make additional prepayments under the Credit Agreement at any time without penalty.

4. Long-Term Debt (continued)

Interest is payable semiannually on the Senior Notes at 6.31%. Interest is payable quarterly under the Credit Agreement borrowings at LIBOR plus a Eurodollar margin. The Eurodollar margin, which is based on the company's debt to capital ratio, amounted to 0.5% at December 28, 1996.

The Credit Agreement provides for letters of credit of up to \$3 million as part of the available credit under the revolving line of credit. At December 28, 1996, the company had \$1.8 million of outstanding letters of credit. The company is required to pay a fee of .625% of the face amount of each letter of credit issued. The Senior Notes and 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.

Aggregate maturities of long-term debt at December 28, 1996, are as follows (in thousands):

1997	\$10,005
1998	9,731
1999	9,198
2000	25,550
2001	77
	\$54,561

Interest paid on long-term debt totaled \$4.0 million in 1996, \$4.0 million in 1995, and \$4.7 million in 1994.

5. Benefit Plans

The company has a defined-benefit pension plan (the Plan) covering substantially all of its employees. The amount of the retirement benefit is based on years of service and final average monthly pay. The Plan also provides postretirement 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's contributions are made in amounts sufficient to satisfy ERISA funding requirements.

5. Benefit Plans (continued)

The components of pension cost are as follows (in thousands):

	1996	1995	1994
Service cost - Benefits earned during the period	\$1,669	\$1,056	\$ 982
Interest cost on projected benefit obligation	2,558	2,055	1,893
Actual return on plan assets	(3,810)	(6,512)	353
Net amortization and deferral	1,705	4,933	(2,156)
Total pension cost	\$2,122	\$1,532	\$1,072

Substantially all Plan assets are invested in listed stocks and bonds. The funded status and amounts recognized in the consolidated statements of financial condition at December 28, 1996 and December 31, 1995, are as follows (in thousands):

	1996	1995
Actuarial present value of benefit obligations:		
Vested benefit obligation	\$ 26,267	\$ 25,586
Accumulated benefit obligation	\$ 29,366	\$ 28,519
Projected benefit obligation	\$(37,385)	\$(37,489)
Plan assets at fair value	34,381	28,855
Unrecognized net experience loss	5,866	9,971
Unrecognized prior service cost	377	443
Pension asset recognized in the consolidated statements of financial condition (net of a current pension liability of \$530 at December 31, 1995)	\$ 3,239	\$ 1,780

The following significant assumptions were used in determining pension cost for the years ended December 28, 1996, December 31, 1995, and December 31, 1994:

	1996	1995	1994
Discount rate	7.5%	7.0%	7.5%
Rate of increase in compensation levels	4.5	4.5	5.0
Expected long-term rate of return on assets	9.0	9.0	8.5

5. Benefit Plans (continued)

The company provides additional retirement benefits for certain key executives through its unfunded Supplemental Executive Retirement Plan. The charge to expense for this plan amounted to \$747,000, \$640,000, and \$417,000 in 1996, 1995, and 1994, 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 \$457,000 in 1996, \$472,000 in 1995, and \$346,000 in 1994.

6. Shareholders' Equity

Stock Purchase Warrants

Warrants to purchase 2,086,222 shares of common stock at \$8.36 per share are outstanding at December 28, 1996. The warrants are exercisable at the option of the holder at any time prior to December 27, 2001, and are not callable by the company.

Stock Options

The company has stock option plans authorizing the granting of both incentive and nonqualified options and other stock of up to 1,100,000 shares 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.

6. Shareholders' Equity (continued)

A summary of stock option information follows:

	Options	1996 Weighted- Average Exercise Price	Options	1995 Weighted- Average Exercise Price	Options	1994 Weighted- Average Exercise Price
Outstanding at beginning of year	618,400	\$17.52	603,500	\$13.08	563,050	\$10.40
Granted	125,700	\$36.79	118,800	\$32.69	116,000	\$22.77
Exercised	(87,450)	\$11.61	(98,600)	\$ 8.60	(67,050)	\$ 7.67
Forfeited	(27,960)	\$20.85	(5,300)	\$19.17	(8,500)	\$10.72
Outstanding at end of year	628,690	\$21.89	618,400	\$17.52	603,500	\$13.08
Exercisable at end of year	230,910		166,050		114,900	
Available for future grant	155,500		297,000		110,500	
Weighted-average value of options granted during the year		\$18.61		\$16.08		

As of December 28, 1996, the company had the following outstanding options:

Exercise Price	Options Outstanding	Weighted-Average Exercise Price	Weighted-Average Remaining Life	Options Exercisable
\$7.357 to \$10.00	209,400	\$ 7.81	3.7	106,200
\$18.75 to \$25.25	190,850	21.75	5.1	104,850
\$32.25 to \$38.00	228,440	34.97	6.9	19,860

6. Shareholders' Equity (continued)

Disclosure of pro forma information regarding net income and net income per share is required by Statement of Financial Accounting

Standards No. 123, Accounting for Stock-Based Compensation, and has been determined as if the company had accounted for its stock options granted in 1996 and 1995 under the fair value method using the Black-Scholes option pricing model. The following assumptions were utilized in the valuation:

	1996	1995
Risk-free interest rate	6.76%	6.67%
Expected dividend yield	0 %	0%
Expected stock price volatility	.265%	.273%
Expected life of options	8 years	8 years

Had compensation cost for the company's stock options granted in 1996 and 1995 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:

	1996	1995
Pro forma net income (in thousands of dollars)	\$21,340	\$19,132
Pro forma primary net income per share	\$ 1.78	\$ 1.54
Pro forma fully diluted net income per share	\$ 1.76	\$ 1.52

The pro forma effect on net income for 1996 and 1995 is not representative of the pro forma effect on net income in future years as the pro forma disclosures reflect only the fair value of stock options granted in 1996 and 1995 and do not reflect the fair value of outstanding options granted prior to 1995.

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 or death of the employee. Such loans are classified as a reduction of shareholder's equity.

6. Shareholders' Equity (continued)

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 1/100th of a share of a new series of preferred stock at an exercise price of \$135. 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 consists of the following (in thousands):

	1996	1995	1994
Current:			
Federal	\$7,091	\$ 5,552	\$2,451
State	1,440	815	1,275
Foreign	4,790	4,319	2,942
	13,321	10,686	6,668
Deferred (credit):			
Federal	(872)	21	1,303
Foreign	(90)	(99)	229
	(962)	(78)	1,532
	\$12,359	\$10,608	\$8,200

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

	1996	1995	1994
Domestic	\$21,299	\$15,908	\$13,499
Foreign	12,795	13,972	9,928
	\$34,094	\$29,880	\$23,427

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):

	1996	1995	1994
Tax expense at statutory rate of 35%	\$11,933	\$10,458	\$8,199
State and local taxes, net of federal tax benefit	936	530	829
Foreign income taxes	(181)	(482)	(303)
Foreign losses for which no tax benefit is available	703	-	-
Other, net	(1,032)	102	(525)
	\$12,359	\$10,608	\$8,200

7. Income Taxes (continued)

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 28, 1996 and December 31, 1995, are as follows (in thousands):

	1996	1995
Deferred tax liabilities		
Tax over book depreciation and amortization	\$3,200	\$3,189
Prepaid expenses	1,588	2,198
Other	632	730
Total deferred tax	5,420	6,117

liabilities

Deferred tax assets		
Accrued expenses	2,373	1,913
Foreign net operating loss carryforwards	703	-
Other	730	925
Total deferred tax assets	3,806	2,838
Less: Valuation allowance	(703)	-
Net deferred tax assets	3,103	2,838
Net deferred tax liabilities	\$2,317	\$3,279

The deferred tax asset valuation allowance is related to deferred tax assets from foreign net operating losses. The company paid income taxes of \$9.0 million in 1996, \$9.3 million in 1995, and \$6.5 million in 1994.

8. Business Segment Information

Operations by geographic segment are as follows:

	1996	1995	1994
	(In Thousands)		
Net sales:			
North America	\$195,052	\$177,222	\$163,311
European Community	46,394	42,313	31,143
	\$241,446	\$219,535	\$194,454
Operating profit:			
North America	\$ 26,009	\$ 22,796	\$ 20,741
European Community	11,660	10,933	7,105
	37,669	33,729	27,846
Interest expense	4,235	4,279	5,014
Corporate income	(660)	(430)	(595)
	\$ 34,094	\$ 29,880	\$ 23,427
Identifiable assets:			
North America	\$112,961	\$107,144	\$ 98,878
Europe Community	23,310	17,800	15,738
Corporate	73,680	80,242	84,712
	\$209,951	\$205,186	\$199,328

8. Business Segment Information (continued)

The company's export sales from the United States, principally to the Far East and Canada, amounted to approximately \$26.9 million in 1996, \$27.0 million in 1995, and \$24.0 million in 1994. One customer accounted for 11% of consolidated net sales in 1996. No single customer accounted for 10% or more of consolidated net sales in 1995 or 1994.

Corporate assets consist principally of cash, intangible assets and prepaid pension cost.

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 \$1,267,000 in 1996, \$965,000 in 1995, and \$857,000 in 1994. Future minimum payments for all noncancelable operating leases with initial terms of one year or more at December 28, 1996, are as follows (in thousands):

1997	\$ 448
1998	336
1999	257
2000	129
2001 and thereafter -	\$1,170

Five Year
Summary

(\$ In Thousands, Except Per-Share Data)

	1996	1995	1994	1993	1992
Net sales	\$241,446	\$219,535	\$194,454	\$160,712	\$149,832
Gross profit	98,288	89,872	77,416	62,588	51,485
Operating income	37,669	33,729	27,846	19,359	10,756
Net income	21,735	19,272	15,227	9,987	654
Net income per share	1.81	1.55	1.25	0.83	0.06
Net working capital	31,343	27,963	25,061	17,641	21,855
Total assets	\$209,951	\$205,186	\$199,328	\$193,294	\$197,749
Long-term debt	44,556	40,804	60,344	80,906	100,965

Quarterly Results of Operations

(Unaudited)

(\$ In Thousands, Except Per-Share Data)

	1996				1995			
	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q
Net sales	\$ 61,042	\$ 60,483	\$ 60,843	\$ 59,078	\$ 52,444	\$ 54,688	\$ 56,949	\$ 55,454
Gross profit	24,794	24,535	24,847	24,112	21,681	22,204	23,225	22,762
Operating income	9,576	9,633	9,574	8,886	7,360	8,408	9,207	8,754
Net income	5,499	5,575	5,436	5,225	4,202	4,830	5,245	4,995
Net income per share:								
Primary	0.46	0.47	0.46	0.42	0.34	0.39	0.42	0.40
Fully diluted	0.46	0.47	0.46	0.42	0.34	0.39	0.42	0.40

Quarterly
Stock Price

	1996				1995			
	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q
High	48 5/8	39 3/4	40	38 1/2	38 1/2	35 1/4	36	29 1/2
Low	39	32 3/4	36	32 3/4	30 1/4	30 3/4	28 1/4	25 3/4
Close	48 1/2	38 3/4	37 1/2	37 3/4	36 3/4	32 1/2	31 1/3	28 1/2

Exhibit 22.1

SUBSIDIARIES

Littelfuse, S.A. de C.V.
Littelfuse FSC
Littelfuse Do Brazil

Littelfuse, B.V.
Littelfuse, A.G.
Littelfuse Limited

Littelfuse Far East PTE Ltd.
Littelfuse HK Limited
Littelfuse Holdings Pte Ltd
Suzhou Littelfuse OVS Ltd
Sam Hwa Littelfuse Inc. (65% owned)
Littelfuse KK

Consent of Independent Auditors

We consent to the incorporation by reference in Registration Statements (No. 33-55942, 33-64442, 33-95020, and 333-03260) on Form S-8 of our report dated January 20, 1997, with respect to the consolidated financial statements and schedule of Littelfuse, Inc. and subsidiaries included in the Annual Report (Form 10-K) for the year ended December 28, 1996.

/s/ Ernst & Young LLP

Chicago, Illinois
March 17, 1997

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 LITTELFUSE, INC.
 1,000

YEAR	YEAR	YEAR
	DEC-28-1996	DEC-31-1995
	DEC-28-1996	DEC-31-1995
	1,427	1,308
	0	0
	35,468	29,722
	5,057	3,901
	31,586	30,076
	73,809	65,023
	121,311	104,764
	57,422	43,535
	209,951	205,186
	51,044	45,817
	0	0
	0	0
	103	102
	(13,442)	(3,533)
209,951	205,186	
	241,446	219,535
	241,446	219,535
	143,158	129,663
	0	0
	0	0
	0	0
	4,235	4,279
	34,094	29,880
	12,359	10,608
	0	0
	0	0
	0	0
	0	0
	21,735	19,272
	1.81	1.55
	1.79	1.53