

Littelfuse Reports Fourth Quarter and 2003 Results

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DES PLAINES, Illinois, February 3, 2004 - Littelfuse, Inc. (NASDAQ/NMS:LFUS) today reported sales and earnings for the fourth quarter and full year of 2003.

Sales for the fourth quarter of 2003 were \$102.0 million, a 47% increase from sales of \$69.3 million in the fourth quarter of 2002. Teccor Electronics, which was acquired on July 7, 2003, contributed \$21.1 million in sales for the quarter. Diluted earnings per share were \$0.19 in the fourth quarter of 2003, including a \$0.09 charge related to downsizing the company's Ireland operation, compared to earnings of \$0.12 per diluted share for the fourth quarter of 2002.

"We are pleased with the recent operating trends in our businesses and in particular with the smooth integration and better than expected financial performance of Teccor," said Howard B. Witt, Chairman, President and Chief Executive Officer. "Our strong top-line growth and continued margin improvement are evidence that we have positioned the company well for the economic recovery which now appears to be underway." For the full year 2003, sales were \$339.4 million, a 20% increase from sales of \$283.3 million in 2002. Diluted earnings per share for 2003 increased to \$0.70 compared to \$0.44 in 2002.

By geographic segment, sales for the fourth quarter of 2003 compared to the prior year period were up 49% in the Americas, 27% in Europe and 58% in Asia. These sales increases were driven by the addition of Teccor, the beginning of a broad-based economic recovery, an extra week in the fourth quarter of 2003 and favorable currency effects.

Excluding the Teccor acquisition, sales for the fourth quarter were up 17% over the prior year period. Each of the three markets contributed to the revenue growth, with electronics up 22%, automotive up 11% and electrical up 11%. Favorable currency effects contributed 5 percentage points to the overall growth rate, with electronic and automotive benefiting 5 points and 6 points respectively.

"In our electronics market, the strength we have been seeing throughout the year in Asia related to consumer electronics, notebook computers and handheld products has now broadened to include other markets, such as telecom and industrial, and both the North American and European regions," said Witt. "In the fourth quarter, we also saw positive year-over-year revenue comparisons in both automotive and electrical for the first time this year," added Witt.

"Teccor was approximately \$0.04 accretive to earnings per share for the quarter due to higher than expected volume and excellent progress on cost reduction and other integration initiatives," said Phil Franklin, Vice President, Operations Support and Chief Financial Officer. "In addition, margins for the base Littelfuse business continue to improve, reflecting the recently completed cost reduction programs, favorable currency impacts and higher overhead absorption resulting from increasing production volumes," added Franklin.

"Cash flow for the year was outstanding as we generated \$47.2 million of cash from operating activities, even after a pension contribution of \$3.0 million in December. This easily exceeded last year's record operating cash performance of \$40.8 million," said Franklin. "Improving margins and increased inventory and receivables turnover were the major contributors."

"Looking ahead to 2004, we are anticipating high single-digit growth in our electronics market, whereas the automotive and electrical markets are expected to grow in the lower single digits," said Franklin. "In our ongoing push for cost savings, we will initiate a series of projects in 2004 to further consolidate and reduce costs in our global manufacturing and distribution operations. These and other programs are expected to generate sufficient cost savings to more than offset price erosion in 2004. At the same time, we plan to increase R&D spending to accelerate new product development, which will help to drive our future top-line growth. These programs collectively should move us toward our longer term corporate objective of a 15% pre-tax operating margin," added Franklin.

"We have a clear strategy to be the world leader in circuit protection and now have in place the management team, the product portfolio and the cost position to execute on the strategy," said Witt. "Without question there is more work to do, but our recent financial performance indicates that we are on the right track."

Littelfuse will host a conference call today, Tuesday, February 3, 2004, at 11:00 a.m. Eastern/10:00 a.m. Central time to discuss the fourth quarter results. The call will be broadcast live over the Internet and can be accessed through the company's Web site: www.littelfuse.com. Listeners should go to the Web site at least 15 minutes prior to the call to download and install any necessary audio software. The call will be available for replay through Tuesday, February 10, 2004, and can be accessed through the Web site listed above.

Littelfuse is a global company offering the broadest line of circuit protection products in the industry. In addition to its Des Plaines world headquarters, Littelfuse has manufacturing facilities in England, Ireland, Switzerland, Mexico, China and the Philippines, as well as in Des Plaines and Arcola, Illinois and Irving, Texas. It also has sales, engineering and distribution facilities in the Netherlands, Singapore, Hong Kong, Korea, Taiwan, Japan and Brazil.

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