

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

- X QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE QUARTERLY PERIOD ENDED April 1, 2000 OR
TRANSITION REPORT PURSUANT TO SECTION 13 OF 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
(State or other jurisdiction
of incorporation or organization)

36-3795742
(I.R.S. Employer
Identification No.)

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

60016
(Zip Code)

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

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 whether the Registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

Yes X No

As of April 1, 2000, 19,578,598 shares of common stock, \$.01 par value, of the Registrant and warrants to purchase 2,435,915 shares of common stock, \$.01 par value, of the Registrant were outstanding.

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CONDENSED CONSOLIDATED
STATEMENTS OF INCOME
(In thousands, except per share data)
(unaudited)

	April 1, 2000	For the Three Months Ended April 3, 1999
Net sales	\$ 95,319	\$ 68,971
Cost of sales	56,090	43,184
	-----	-----
Gross profit	39,229	25,787
Selling, general and administrative expenses	17,772	12,596
Research and development expenses	2,531	2,387
Amortization of intangibles	1,725	1,742
	-----	-----
Operating income	17,201	9,062
Interest expense	1,225	1,342
Other (income) /expense	(234)	(382)
	-----	-----
Income before income taxes	16,210	8,102
Income taxes	5,997	3,079
Net income	\$ 10,213	\$ 5,023
	=====	=====
Net income per share	\$ 0.52	\$ 0.25
	=====	=====
	\$ 0.46	\$ 0.23
	=====	=====
Weighted-average shares and Equivalent shares outstanding	19,531	19,806
	=====	=====
	22,000	21,913
	=====	=====

CONDENSED CONSOLIDATED
BALANCE SHEETS
(In thousands)
(unaudited)

	April 1, 2000	January 1, 2000
ASSETS		
Cash and cash equivalents	\$ 3,440	\$ 1,888
Receivables	66,260	59,583
Inventories	55,553	48,916
Other current assets	11,387	8,750
	-----	-----
Total current assets	\$ 136,640	\$ 119,137
Property, plant, and equipment, net	90,394	91,791
Reorganization value, net	33,236	33,943
Other intangible assets, net	28,766	29,570
Other assets	1,267	1,257
	-----	-----
	\$ 290,303	\$ 275,698
	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities excluding current portion of long-term debt	59,327	57,241
Current portion of long-term debt	23,085	20,974
	-----	-----
Total current liabilities	82,412	78,215
Long-term debt	54,977	55,460
Deferred income taxes	4,490	4,490
Other long-term liabilities	1,182	501
Shareholders' equity	147,242	137,032
	-----	-----
	\$ 290,303	\$275,698
	=====	=====

CONSOLIDATED CONDENSED
STATEMENTS OF CASH FLOWS
(In thousands)
(unaudited)

	For the Three Months Ended	
	April 1, 2000	April 3, 1999
Operating activities:		
Net income	\$ 10,213	\$ 5,023
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	4,962	4,268
Amortization	1,725	1,742
Changes in operating assets and liabilities:		
Accounts receivable	(6,931)	(6,409)
Inventories	(6,712)	(682)
Accounts payable and accrued expenses	2,119	1,398
Other, net	(2,609)	(836)
	-----	-----
Net cash provided by operating activities	\$ 2,767	\$ 4,504
Cash used in investing activities:		
Purchases of property, plant, and equipment, net	(3,836)	(5,003)
	-----	-----
	\$ (3,836)	\$ (5,003)
Cash provided by (used in) financing activities:		
Borrowings/ (Payments) of long-term debt, net	2,173	(121)
Proceeds from exercise of stock options and warrants	806	68
Purchase of common stock and warrants	(108)	(9,833)
	-----	-----
	\$ 2,871	\$ (9,886)
Effect of exchange rate changes on cash	(251)	(130)
	-----	-----
Increase/ (decrease) in cash and cash equivalents	1,551	(10,515)
Cash and cash equivalents at beginning of period	1,888	27,961
	-----	-----
Cash and cash equivalents at end of period	\$ 3,440	\$ 17,446
	=====	=====

Notes to Condensed Consolidated Financial Statements
(Unaudited)

April 1, 2000

1. Basis of Presentation

The accompanying unaudited consolidated condensed financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information. Accordingly, they do not include all of the information and notes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments, consisting of normal recurring accruals, considered necessary for a fair presentation have been included. Operating results for the period ended April 1, 2000, are not necessarily indicative of the results that may be expected for the year ending December 30, 2000. For further information, refer to the Company's consolidated financial statements and the notes thereto incorporated by reference in the Company's Annual Report on Form 10-K for the year ended January 1, 2000.

2. Inventories

The components of inventories are as follows (in thousands):

	April 1, 2000	January 1, 2000
Raw material	\$13,441	\$ 12,684
Work in process	16,415	14,854
Finished goods	25,697	21,378
	-----	-----
Total	\$55,553	\$ 48,916
	=====	=====

3. Per Share Data

Net income per share amounts for the three months ended April 1, 2000 and April 3, 1999 are based on the weighted average number of common and common equivalent shares outstanding during the periods as follows (in thousands, except per share data):

	Three months ended	
	April 1, 2000	April 3, 1999
	-----	-----
Average shares outstanding	19,531	19,806
Net effect of dilutive stock options, warrants and restricted shares		
- Basic	-	-
- Diluted	2,469	2,107
	-----	-----
Average shares outstanding		
- Basic	19,531	19,806
- Diluted	22,000	21,913
	=====	=====
Net income	\$ 10,213	\$ 5,023
	=====	=====
Net income per share		
- Basic	\$ 0.52	\$ 0.25
- Diluted	\$ 0.46	\$ 0.23
	=====	=====

4. Comprehensive Income

In accordance with Statement of Financial Accounting Standards No. 130, "Reporting Comprehensive Income," total comprehensive income for the three months ended April 1, 2000, and April 3, 1999, was approximately \$9.5 million and \$3.6 million, respectively. The adjustment for comprehensive income is related to the Company's foreign currency translation.

Item 2. Management's Discussion and Analysis
of Financial Condition and Results of Operations

Results of Operations

Sales increased 38 % to \$95.3 million in the first quarter this year compared to \$69.0 million in the first quarter of 1999. Gross margin was 41.2% this year compared to 37.4 % in the same period of the prior year. Operating income increased to 18.0% of sales in the first quarter of 2000 compared to 13.1% in the prior year. Net income increased 103% to \$10.2 million in the first quarter this year compared to \$5.0 million in the first quarter of last year and diluted earnings per share increased approximately 100% to \$0.46 in the first quarter this year compared to \$0.23 per diluted share in the same quarter last year.

First quarter 2000 sales increased \$26.3 million compared to the same quarter in the prior year. Continued growth in worldwide demand for electronic products, particularly in the telecom, datacom and wireless markets, was the driving force behind the first quarter sales increase. Sales in the Americas increased 45% over the first quarter of 1999 primarily due to continued strength in the electronics market. Europe sales grew 27% in dollars and 37% in constant currency. Increased Southeast Asia and Korea electronic sales contributed to a 31% sales increase in the Asia-Pacific region.

Electronic sales increased to \$57.0 million in the first quarter of 2000 from \$33.2 million in the same quarter of last year for an increase of \$23.8 million or 72%. This was the first full quarter of suppression product sales following the acquisition of the Harris suppression products group. Electronic sales excluding suppression sales were up 40% compared to the same period last year. Automotive sales increased to \$27.7 million in the first quarter 2000 from \$26.3 million the same quarter last year for an increase of \$1.4 million or 5%. Automotive sales excluding suppression products were flat compared to the prior year. Strength in U.S. car builds as well as higher aftermarket product sales contributed to a 9% increase in U.S. automotive sales for the quarter. This increase was offset by a 17% decrease in Europe due to a weaker Euro combined with lower automotive sales as compared with the same period last year. Power fuse sales grew to \$10.6 million in the first quarter 2000 from \$9.5 million in the same quarter last year for an increase of \$1.1 million or 11 %.

Gross profit was \$39.2 million or 41.2% of sales for the first quarter of 2000 compared to \$25.8 million or 37.4% in the same quarter last year. The key factors behind the increase in gross profit were increased unit volume, allocation of some capacity constrained products to higher gross margin opportunities and continued cost reduction efforts.

Operating expenses, excluding amortization, were \$20.3 million or 21.3% of sales for the first quarter of 2000 compared to \$15.0 million or 21.7% of sales for the same quarter in the prior year. Amortization of the reorganization value and other intangibles decreased to 1.8% of sales for the first quarter of 2000, from 2.5 % of sales in the first quarter of 1999 due to increased sales. Total operating expenses, including intangible amortization, were 23.1% of sales in the first quarter 2000 compared to 24.2% of sales in the same quarter last year.

Operating income was \$17.2 million or 18.0 % of sales for the first quarter 2000 compared to \$9.1 million or 13.1 % of sales for the same quarter of last year.

Interest expense was \$1.2 million in the first quarter of this year compared to \$1.3 million in the first quarter of last year due to lower average debt levels. Other income was \$0.2 million for the first quarter of 2000 compared to \$0.4 million of other expense in the first quarter of the prior year.

Income before income taxes was \$16.2 million for the first quarter 2000 compared to \$8.1 million for the first quarter of 1999. Income taxes were \$6.0 million with an effective tax rate of 37% for the first quarter of 2000 compared to \$3.1 million with an effective tax rate of 38 % in the first quarter of last year.

Net income for the first quarter 2000 was \$10.2 million or \$0.46 per diluted share compared to \$5.0 million or \$0.23 per diluted share for the same quarter of last year.

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 current debt obligations for the foreseeable future.

Littelfuse started the 2000 year with \$1.9 million of cash. Net cash provided by operations was \$2.8 million for the first three months. Net cash used to invest in property, plant and equipment was \$3.8 million. Cash used to repay long term debt and to repurchase stock was \$0.2 million. In addition, proceeds from warrant and stock option exercises were \$0.8 million and proceeds from

borrowings were \$2.2 million, resulting in net cash provided by financing activities of \$2.8 million. The net increase in cash for the three months ended April 1, 2000 was \$1.6 million. This left the Company with a cash balance of approximately \$3.4 million at April 1, 2000.

The ratio of current assets to current liabilities was 1.7 to 1 at the end of the first quarter 2000 compared to 1.6 to 1 at year end 1999 and 2.0 to 1 at the end of the first quarter 1999. The days sales in receivables was approximately 63 days at the end of the first quarter 2000 compared to 68 days at year end 1999 and 59 days at first quarter end 1999. The system transition difficulties that caused an increase in accounts receivable in 1999 have been mitigated and days sales outstanding in accounts receivable has been favorably reduced in the first quarter of this year. The days inventory outstanding was approximately 83 days at first quarter end 2000 compared to 94 days at year-end 1999 and 77 days at first quarter end 1999. Despite the increased working capital required to support higher sales, management is committed to improve working capital levels in the remainder of 2000.

The Company's capital expenditures were \$3.8 million for the first quarter 2000. The Company expects that capital expenditures, which will be primarily for new machinery, equipment and information systems, will be approximately \$22-23 million in 2000.

The long-term debt at the end of the first quarter 2000 consisted of five types totaling \$78.0 million. They are as follows: (1) private placement notes totaling \$64.0 million, (2) foreign revolver borrowings totaling \$9.1 million, (3) notes payable relating to mortgages totaling \$0.4 million, (4) U.S. revolver borrowings totaling \$3.0 million and (5) other long-term debt, including capital leases, totaling \$1.5 million. These five items include \$23.1 million of senior notes and mortgage notes, which are considered to be current liabilities. This leaves net long-term debt totaling \$54.9 million at April 1, 2000. The private placement notes carry interest rates of 6.31% and 6.16%. The Company has a \$55.0 million revolver in the U.S., of which \$52.0 million was available at April 1, 2000. The bank revolver loan notes carry an interest rate of prime or LIBOR plus 0.375%, which currently is approximately 6.6%. The Company also has a \$8.0 million letter of credit facility, of which approximately \$1.6 million was being used at April 1, 2000

Business Segment Information

The Company designs, manufactures and sells circuit protection devices throughout the world. The Company has three reportable geographic segments: The Americas, Europe and Asia-Pacific. The circuit protection market in these geographical segments is categorized into three major product areas: electronic, automotive and power fuses.

The Company evaluates the performance of each geographic segment based on its net income or loss. The Company also accounts for intersegment sales as if the sales were to third parties.

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

Information concerning the operations in these geographic segments for the period ended April 1, 2000 and April 3, 1999, is as follows (in thousands):

Revenues	2000 Q1	1999 Q1
The Americas	56,452	39,047
Europe	17,522	13,836
Asia-Pacific	21,345	16,088
	-----	-----
Combined Total	95,319	68,971
Corporate	-	-
Reconciliation	-	-
Consolidated Total	95,319	68,971
Intersegment Revenues	2000 Q1	1999 Q1
The Americas	9,689	8,085
Europe	3,631	2,656
Asia-Pacific	1,439	773
	-----	-----
Combined Total	14,759	11,514
Corporate	-	-
Reconciliation	(14,759)	(11,514)
	-----	-----
Consolidated Total	-	-

Interest Expense	2000 Q1	1999 Q1
The Americas	1,123	1,281
Europe	37	-
Asia-Pacific	65	61
	-----	-----
Combined Total	1,225	1,342
Corporate	-	-
Reconciliation	-	-
Consolidated Total	1,225	1,342
	=====	=====

Depreciation and Amortization	2000 Q1	1999 Q1
The Americas	2,900	2,527
Europe	702	330
Asia-Pacific	988	899
	-----	-----
Combined Total	4,590	3,756
Corporate	2,097	2,254
	-----	-----
Reconciliation	-	-
Consolidated Total	6,687	6,010
	=====	=====

Other income (loss)	2000 Q1	1999 Q1
The Americas	(2)	291
Europe	137	111
Asia-Pacific	99	(20)
	-----	-----
Combined Total	234	382
Corporate	-	-
Reconciliation	-	-
Consolidated Total	234	382
	=====	=====

Income Tax Expense	2000 Q1	1999 Q1
The Americas	3,714	891
Europe	1,383	1,319
Asia-Pacific	900	869
	-----	-----
Combined Total	5,997	3,079
Corporate	-	-
Reconciliation	-	-
Consolidated Total	5,997	3,079
	=====	=====

Net Income	2000 Q1	1999 Q1
The Americas	7,114	3,960
Europe	3,128	2,362
Asia-Pacific	2,087	955
	-----	-----
Combined Total	12,329	7,277
Corporate	(2,116)	(2,254)
Reconciliation	-	-
Consolidated Total	10,213	5,023
	=====	=====

	2000 Q1 Revenues	1999 Q1 Revenues
Electronic	57,077	33,198
Automotive	27,692	26,287
Power Fuse	10,550	9,486
	-----	-----
Consolidated Total	95,319	68,971
	=====	=====

Revenues from no single customer of the Company amount to 10% or more for the quarter ended April 1, 2000.

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

The preceding commentary presents management's discussion and analysis of the

Company's financial condition and results of operations for the periods presented. Certain of the statements included above, including those regarding future financial performance or results or those that are not historical facts, are or contain "forward-looking" information as that term is defined in the Securities Exchange Act of 1934, as amended. The words "expect," "believe," "anticipate," "project," "estimate," and similar expressions are intended to identify forward-looking statements. The Company cautions readers that any such statements are not guarantees of future performance or events and such statements involve risks, uncertainties and assumptions, including, but not limited to, product demand and market acceptance risks, the effect of economic conditions, the impact of competitive products and pricing, product development and patent protection, commercialization and technological difficulties, capacity and supply constraints or difficulties, actual purchases under agreements, the effect of the Company's accounting policies, and other factors discussed above and in the Company's Annual Report on Form 10-K for the year ended January 1, 2000. Should one or more of these risks or uncertainties materialize or should the underlying assumptions prove incorrect, actual results and outcomes may differ materially from those indicated or implied in the forward-looking statements. This report should be read in conjunction with information provided in the financial statements appearing in the Company's Annual Report on Form 10-K for the year ended January 1, 2000.

PART II - OTHER INFORMATION

Item 6: Exhibits and Reports on Form 8-K

(a)	Exhibit	Description
	Exhibit No. 27	Financial Data Schedule

(b) There were no reports on Form 8-K during the quarter ended April 1, 2000.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Quarterly Report on Form 10-Q for the quarter ended April 1, 2000, to be signed on its behalf by the undersigned thereunto duly authorized.

Littelfuse, Inc.

Date: May 8, 2000

By /s/ Philip G. Franklin

Philip G. Franklin Vice
President, Treasurer, and
Chief Financial Officer (As
duly authorized officer and
as the principal financial
and accounting officer)

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Apr-01-2000

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