

Littelfuse The #1 Circuit Protection Brand in The World



2006 Circuit Protection Market Outlook

February 14, 2006

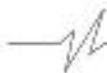
Sponsored by TTI



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Agenda

- Pricing Trends
- Lead Time Trends
- Impact of Raw Material Issues
- Effects of RoHS Compliant products on the supply chain
- Capacity Utilization
- New Products
- Market Segment Performance
- Summary



Pricing Trends

General Electronic Market Overview

- Pressure from competition and high volume customers will continue to affect pricing.
- Pricing for Custom/Special and NCNR products will remain stable as they demand a premium price compared to standard items.

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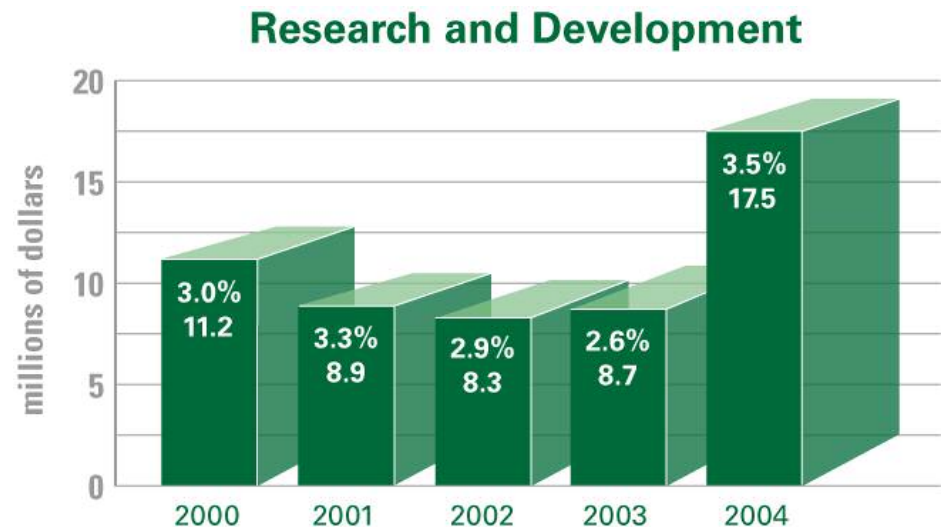
- Price erosion continues to affect the resale of commodity circuit protection technologies.
- New technology and product development are becoming increasingly more important to offset resale erosion.



Pricing Trends

Littelfuse Approach to Product Development and Price Erosion

- Continued development of customer and application specific solutions to meet the needs of Littelfuse customers and reduce resale erosion.
- Regulated market segments such as Telecom, Consumer Electronics and Automotive continue to be the focus of our research and development efforts .

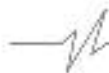


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Pricing Trends

Littelfuse Approach to Product Development and Price Erosion

- Littelfuse reduced its distribution network by 65% to ensure better application knowledge and inventory levels of circuit protection products.
 - Better serve the North American customer base with a trained distribution network focusing on circuit protection solutions



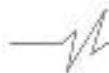
Lead Time Trends

General Electronic Market Overview

- Customers will continue to require access to accurate and up-to-date lead-time information for improved inventory management and production efficiencies.
- Suppliers will continue to maximize manufacturing methods to produce more accurate lead-times.

Circuit Protection Market Overview

- Manufacturers continue to implement new demand management tools to increase manufacturing efficiencies and improve communication throughout their supply chain.



Lead Time Trends

Littelfuse Supply Chain Improvements

- Implementation of Lean manufacturing and six sigma initiatives. Benefits to customers include:
 - Improved lead-time accuracy
 - Reduced lead-times
 - Significant Quality improvement
- Reduced distributor network allows higher inventory levels allowing key partners such as TTI to deliver Littelfuse components inside of the stated lead-times.
 - Customers are more capable of reacting to upside in the market



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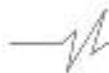
Raw Material Issues/Impacts/Predictions

General Electronic Market Overview

- The volatility of energy costs will continue to affect manufacturing costs.
- Manufacturers will continue to improve efficiencies in an effort to insulate themselves from volatility.

Circuit Protection Market Overview

- Transportation costs of circuit protection products will continue to be a major part of the manufacturer's costs associated with producing and delivering products to end customers.
- Increased global competition and the need to reduce costs will continue to increase the percentage of circuit protection products manufactured in low-cost regions.

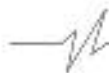


Raw Material Issues/Impacts/Predictions

Littelfuse Operational Improvements



- Development of regional distribution centers ensure that transportation costs are minimized.
- Continued expansion of manufacturing in low cost areas of the world helps to reduce manufacturing costs and reduce impact of increased raw material costs.



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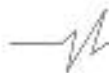
RoHS Impact/Challenges

General Electronic Market Overview

- RoHS compliance issues are causing distributors and customers to face substantial challenges in determining the quantity and type of products to inventory.
- North American environmental standards will continue to evolve; affecting the manufacturing processes of products destined for the US marketplace.

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- Manufacturers will continue to communicate their RoHS product offering to build awareness in the market.
- Manufacturers will continue to balance the mix between RoHS compliant and non-compliant products.



RoHS Impact/Challenges

Littelfuse – Supports both RoHS compliant and RoHS exempt circuit protection needs

- Littelfuse continues to be on the leading edge of RoHS compliant product development.
 - On track to have 100% of applicable products RoHS compliant by July 2006
- Littelfuse will also continue to meet the needs of those customers manufacturing applications that are exempt from RoHS, delivering the right solutions to meet their needs.



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Capacity Utilization

General Electronic Market Overview

- Increased demand for surface mount technology will have an impact on capacity utilization.
- Market forecast for 2006 is expected to improve over 2005.

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- Capacity for products available in RoHS compliant and non-compliant variants will continue to be strained.



Capacity Utilization

Littelfuse investments in infrastructure and technologies

- Global SAP infrastructure allows Littelfuse to get a better understanding of capacity utilization and forecasting.
 - Improved capacity utilization to meet the increased demand needed by our customers.



- Acquisition strategy allows for increased capacity through acquired technologies and factories.
 - Additional capacity helps Littelfuse meet the needs of our customers.
- Efficiencies created during the market slowdown position Littelfuse for improved manufacturing performance in key markets such as telecom.



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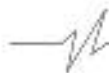
New Products in 2006

General Electronic Market Overview

- Consumer Electronics will remain a focus for suppliers as the power and space requirements are optimized.
- Increased safety and fuel efficiency demands will drive innovative product development for automotive electronic systems.

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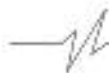
- Development of RoHS compliant and other environmentally friendly products will continue to drive product development.
- Lower voltage requirements and increased board density are driving the need for new circuit protection products.



New Products in 2006

Littelfuse - Leading the Industry with New Products

- Development of new integrated circuit protection devices to meet the size requirement needs of design engineers.
 - Delivering the right solution for your application
- Continued development and improvement of RoHS compliant product offering.
- Continued spend on new product development to meet the needs of today's cutting edge applications and the engineers who develop them.



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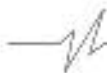
Market Segment Performance

General Electronic Market Overview

- Automotive electronic market segment will continue growing based on increased functionality demands in automobiles.
- Demand for smaller, faster, more efficient and less expensive applications will continue to drive growth in medical and consumer electronics markets.

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- Regulatory requirements increase the importance of application specific circuit protection solutions and design expertise.
- Continued differentiation between “low-cost” manufacturers and world class leaders with staying power.



Market Segment Performance

Littelfuse consistently delivers the Right Answer-- Broad and deep Understanding of Applications

- Application expertise will continue to help differentiate Littelfuse from low-cost competitors and better serve our customers by offering:
 - Application specific new products and expertise in the medical, consumer electronic, automotive electronic and industrial electronic
 - Design assistance and application testing
 - Industry leading channel partners



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Summary

Right Expertise. Right Answers. Right Now.

- **New Products and Segment Performance** – Littelfuse's application and regulatory expertise allows us to evaluate customer needs to develop a circuit protection solution that is right for them.
- **Pricing Trends** - Littelfuse has strategically located its manufacturing locations in lower cost regions to be price competitive on commodity products and continued to develop application specific solutions for more stringent customer requirements.
- **Lead Time** - Littelfuse's commitment to reduce lead time is backed by supply chain improvements including Lean Manufacturing.
- **Effects of RoHS** - Littelfuse offers a multitude of products that are RoHS compliant and can also meet applications that are exempt from RoHS.

