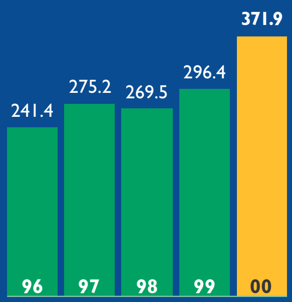
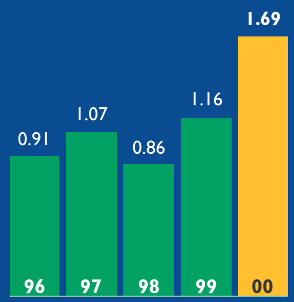
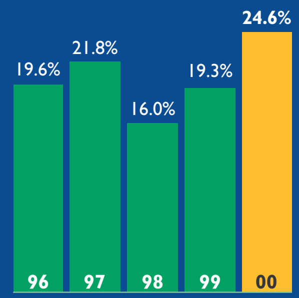
Contents



SALES
(in millions of dollars)



EARNINGS PER SHARE – DILUTED
(in dollars per share)

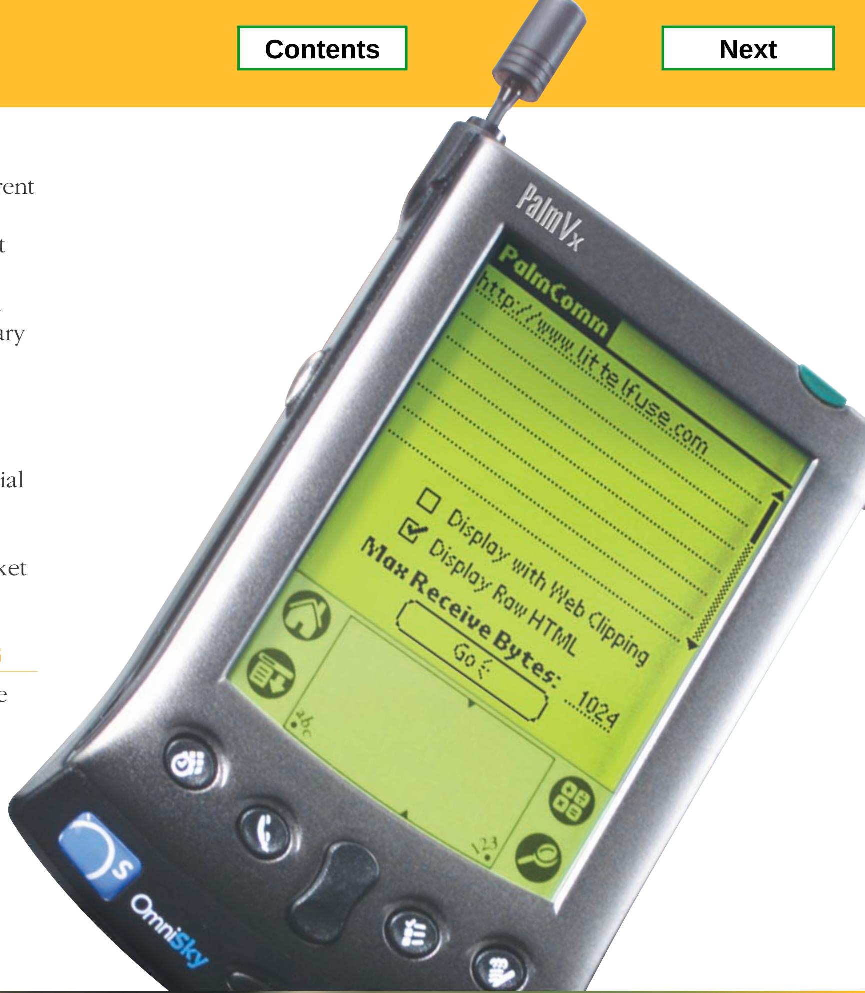


RETURN ON EQUITY

FINANCIAL Highlights

(dollars in thousands, except per share data)	2000	1999	% CHANGE
Net sales	$371,920	$296,367	25%
Gross profit	150,648	117,255	28%
Operating income	61,748	44,624	38%
Net income	37,298	25,220	48%
Earnings per share – diluted	1.69	1.16	45%
Operating cash flow	48,687	38,851	25%
Capital expenditures, net	21,958	19,975	10%
Research and development	11,152	9,455	18%
Return on equity	24.6%	19.3%	28%

ELECTRONICS



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

Littelfuse focuses on three segments of the electronics market with outstanding growth potential including:

TELECOMMUNICATIONS AND DATA NETWORKING

Telecommunications switching equipment, telephones, mobile telephones, routers, and cable, dial-up and satellite modems.

GROWTH DRIVERS

Growth in worldwide telecommunications infrastructure, increased use of wireless technology and the increasing need for high speed data transfer. Littelfuse works with industry leaders to provide innovative "next level" circuit protection solutions for these applications.

AUTOMOTIVE

Nine out of every ten cars in the world rely on Littelfuse designed products to protect electrical circuits and wiring. The company's customers include major auto makers in North America, Europe and Asia, wiring harness manufacturers and automotive parts suppliers. Littelfuse products are also found in aftermarket outlets such as auto parts retailers and mass merchandisers. A Japanese licensee supplies fuses for vehicles manufactured in that country.

ELECTRICAL

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

GROWTH DRIVERS

The award winning Indicator™ fuse line continues to gain strength in its markets. The down-sized Class CC fuse for motor protection has also gained strong market position. Recently introduced Tele-GARD™ products are designed specifically for power distribution systems of the telecommunications infrastructure.

GEOGRAPHIC SALES

Americas 46%
Asia-Pacific 39%
Europe 15%

COMPUTERS AND PERIPHERALS

Personal computers, notebook computers, Personal Digital Assistants (PDAs), Internet appliances, hard disk drives, data storage equipment, printers and other computer peripherals.

GROWTH DRIVERS

Growth in computing and the use of servers to support increased demand for the Internet, eCommerce, and LANs. Littelfuse's expertise in protecting electronic circuits coupled with the broadest product offering in the industry allow Littelfuse to meet the requirements of tomorrow's new products.

CONSUMER ELECTRONICS AND APPLIANCES

Products include home entertainment electronics, TVs, DVDs, digital cameras, alarm systems and home appliances.

GROWTH DRIVERS

Miniaturization and proliferation of electronics, portability of electronic products, growing use of battery power sources and the convergence of consumer electronics and communications.

Electronic Products, Customers and Competitors

KEY PRODUCTS

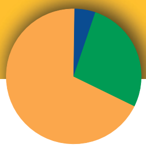
- Fuses & Protectors
- Resettable PTCs
- Varistors
- ESD suppressors
- Thyristors/Diode arrays

REPRESENTATIVE CUSTOMERS

Acer, Arrow, Celestica, Cisco, Compaq, Dell, Future Electronics, Hewlett Packard, GE, IBM, Intel, Lucent, Motorola, Nokia, Nortel, Panasonic, Samsung, Solectron and Sony.

PRIMARY COMPETITORS

AVX, Bel Fuse, Bourns, Cooper Electronics, EPCOS, Panasonic, Raychem Division of TYCO, San-O Industrial, Semtech, STMicroelectronics, Teccor and Wickmann Division of Wickmann-Werke.



GEOGRAPHIC SALES

Americas 68%
Asia-Pacific 5%
Europe 27%

GROWTH DRIVERS

As auto manufacturers add more electronics to vehicles the number of fuses used in new cars will continue to increase. Over the long term, the development of electric and hybrid electric vehicles will increase demand for power fuses. Also, there are opportunities to cross-sell overvoltage products to existing automotive customers.

Automotive Products, Customers and Competitors

KEY PRODUCTS

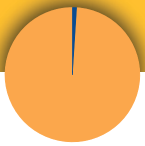
- MINI® blade fuses
- MIDI®
- JCASE
- Varistors
- MEGA®
- MAXI™ blade fuses
- EV fuses
- ATO® blade fuses

REPRESENTATIVE CUSTOMERS AND END CUSTOMERS

Alcoa Fujikawa, AutoZone, BMW, DaimlerChrysler, Delphi Automotive, Ford, General Motors, Lear, Pep Boys, Toyota and Yazaki.

PRIMARY COMPETITORS

Cooper Bussmann and Pudenz Division of Wickmann-Werke



GEOGRAPHIC SALES

Americas 99%
Asia-Pacific 1%

Electrical Products, Customers and Competitors

KEY PRODUCTS

- Power fuses
- Indicating power fuses
- Tele-GARD™ fuses
- Fuseholders and accessories

REPRESENTATIVE END CUSTOMERS

International Paper, John Deere, U.S. Steel, Otis Elevator, Procter & Gamble, Heinz, Rockwell, Carrier, Marconi and GE.

PRIMARY COMPETITORS

Cooper Bussmann and Ferraz Shawmut

Letter to SHARE

Our strategy is working. The decision to focus on the fast growing electronics market as our growth engine generated record results for Littelfuse in 2000. Sales increased 25% for the year and earnings climbed 45%.

This performance reflects the strong demand during the last year for portable computers, cell phones, personal digital assistants and Internet infrastructure equipment, along with an ever growing array of new electronic and Web-based products. It also indicates the strength of our core competency—producing the sophisticated miniature circuit protection devices that are an integral part of today's electronic applications.

A WORLDWIDE LEADER IN CIRCUIT PROTECTION

In 2000, we completed the successful integration of our first major acquisition, the Suppression Products Group of the Harris Corporation. The acquisition added approximately $44 million to 2000 sales and even more importantly, made a healthy contribution to earnings.

As a result of this acquisition, Littelfuse has the broadest line of overcurrent and overvoltage circuit protection products in the industry, serving an estimated market of over $2 billion. This helps us in several ways. As our customers increasingly

"Our position as the worldwide leader in circuit protection, as well as our capability to introduce innovative new products, will be important drivers for our continuing success in 2001 and beyond."

HOLDERS

reduce their number of suppliers and outsource more components, our ability to serve as a one-stop source for circuit protection puts us in an ideal position to be their supplier of choice. Our broad product line also appeals to electronic component distributors, which account for a significant portion of our electronic sales.

No other company in the industry has the breadth of products, technical support and worldwide distribution capabilities of Littelfuse. This is our competitive advantage, and the framework for our future growth.

ELECTRONICS IS OUR FASTEST GROWING MARKET

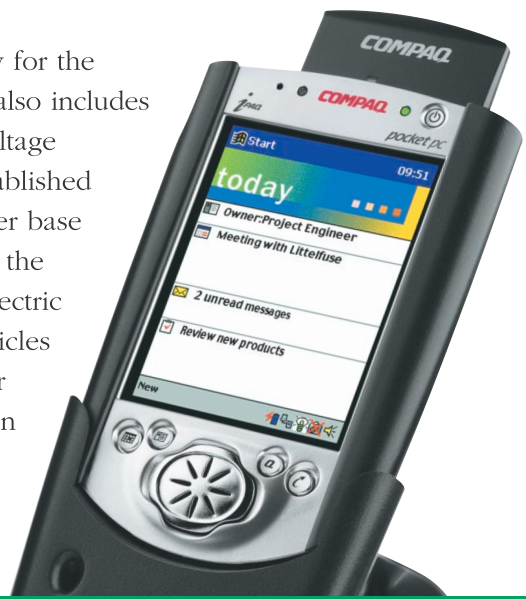
Our growth strategy focuses on the highest growth segments of the electronics market: telecom, datacom, computers and wireless communications, with a customer list that includes the leading companies in each of these industries. These segments comprise more than half of our electronic sales in a market where over one billion consumer electronic products are manufactured each year, all requiring circuit protection. And as products become increasingly smaller and more sophisticated, they require leading edge circuit protection devices, providing additional growth opportunities for Littelfuse.

ELECTRONICS EXTENDS INTO OUR OTHER BUSINESSES

The growth of the electronics industry extends into our other two businesses: automotive and electrical.

Littelfuse continues to dominate the automotive circuit protection market. We continue to benefit from increases in the number of fuses per vehicle, although at a slower rate than in the past. A good growth opportunity for Littelfuse's automotive business is the increased electronic content in vehicles as they become mobile offices and entertainment centers. All of the electronics for the computerized operating, navigational and communications systems in today's new vehicles require circuit protection products to keep them operating. And wherever there's a need for circuit protection, there are opportunities for Littelfuse.

Our growth strategy for the automotive market also includes cross-selling overvoltage products to our established overcurrent customer base and participating in the growth of hybrid electric vehicles. These vehicles have a higher dollar content of fuses than



conventional autos. Although this market is still small, it is expanding, with Japanese auto manufacturers becoming more aggressive in the worldwide introduction of these energy conserving vehicles.

A challenge for us in the automotive business is taking additional cost out of the product in a market that is driven by the need for lower prices. Our small, flexible, focused factories and continued efforts to reduce material costs are helping us achieve this objective. We will keep up the pressure on cost reductions and continually seek new ways to improve manufacturing processes.

Our focus on electronic applications extends to our electrical circuit protection business as well, where we're addressing the needs of the telecommunications market. Here, we are developing a new product line we call Tele-GARD™, which is designed for the protection of telecom distribution systems. These systems are the backbone of the industry, providing the infrastructure needed for the expanding global cell phone and telecommunications market.

In this new business, as well as in our innovative and expanding line of "indicator" products for industrial equipment, we want to differentiate ourselves based on product innovation.

We believe we can expand our presence by working closely with customers and leveraging our circuit protection expertise to provide value-added solutions that enhance their products.

GROWTH STRATEGY GENERATES RECORD RESULTS

I've covered our growth strategy and the highlights of each business area. Now, let's look at some other aspects of the company, beginning with financial performance. Here, too, you can see the progress we are making as a result of our emphasis on electronics.

Sales increased 25% in 2000 to $371.9 million. Electronics accounted for 63% of sales in 2000, up from 52% last year and 49% in 1998. This was followed by automotive with 27% and electrical at 10%. Electronics had the biggest growth in sales by far, with a 51% increase for the year, boosted by suppression product sales. Automotive sales decreased 1% in 2000 and electrical sales decreased 4%. Geographically, there was balanced growth in all markets with sales increasing 25% in the Americas, 22% in Europe and 29% in Asia. International sales were over 48% of total sales in 2000.

The strong electronics sales helped to boost net income 48% to $37.3 million in 2000. Diluted earnings per share increased 45% to $1.69 for the year. Operating income was up 38% to $61.7 million in 2000 and the operating margin improved 1.5 percentage points to 16.6% of sales. The margin improvement was driven by increased volume, a firmer pricing environment and our ongoing cost reduction program, which reduced costs by over $7 million for the year. New product development is a key component of our growth strategy. We invested over $11 million in research and development in 2000, up from $9.5 million in 1999. Our R&D program focuses on delivering circuit protection solutions, with an emphasis on providing unique solutions for all of our customers.

TECHNOLOGY DRIVES OUR FUTURE

We recently introduced a new, smaller, thin film surface mount fuse and a new line of PTC resettable devices. We are also working to develop integrated products that utilize both overcurrent and overvoltage technology in a single device to meet the increasing need for miniaturization in the electronics market.

While internal development is our core growth strategy, it is not the only one. We are always evaluating acquisitions and potential business relationships that will enhance our product portfolio. Our successful integration of the Suppression Products Group shows that we have the expertise and infrastructure to efficiently and effectively absorb additional operations into our existing business. We also have the financial strength to pursue additional acquisitions.

In 2000, we continued the reorganization of our company into three worldwide business units: electronics, automotive and electrical. As a result of this change, we are already seeing benefits including increased responsiveness and improved customer service. For example, our U.S. and European automotive manufacturing facilities are now linking factories and sharing tooling to more quickly solve problems for customers anywhere in the world.

We are also using eCommerce and the Internet to better serve our customers. Through a specialized Web site, sales representatives can now access our order management system to obtain information on inventory availability, lead times and order status and make customer service inquiries. Customers can also contact us on the Web for technical assistance in solving their circuit protection problems. In addition, we are participating in the ePurchasing initiatives of our OEM customers.

LOOK INSIDE LITTELFUSE

When you look inside Littelfuse, what do you see?

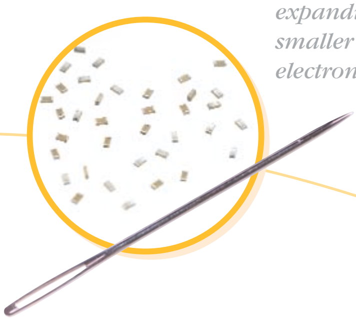
You see a company that has industry-leading products, proprietary manufacturing technology, worldwide distribution, a solid financial position and outstanding associates who make it all happen. The excellent performance in 2000 indicates we're on the right track. Our position as the worldwide leader in circuit protection, as well as our capability to introduce innovative new products, will be important drivers for our continuing success in 2001 and beyond.

When you look inside Littelfuse, you see a company that has determined its direction, has a strategy to get there and is effectively working to increase value for its shareholders.

Howard B. Witt

Howard B. Witt
Chairman, President and Chief Executive Officer

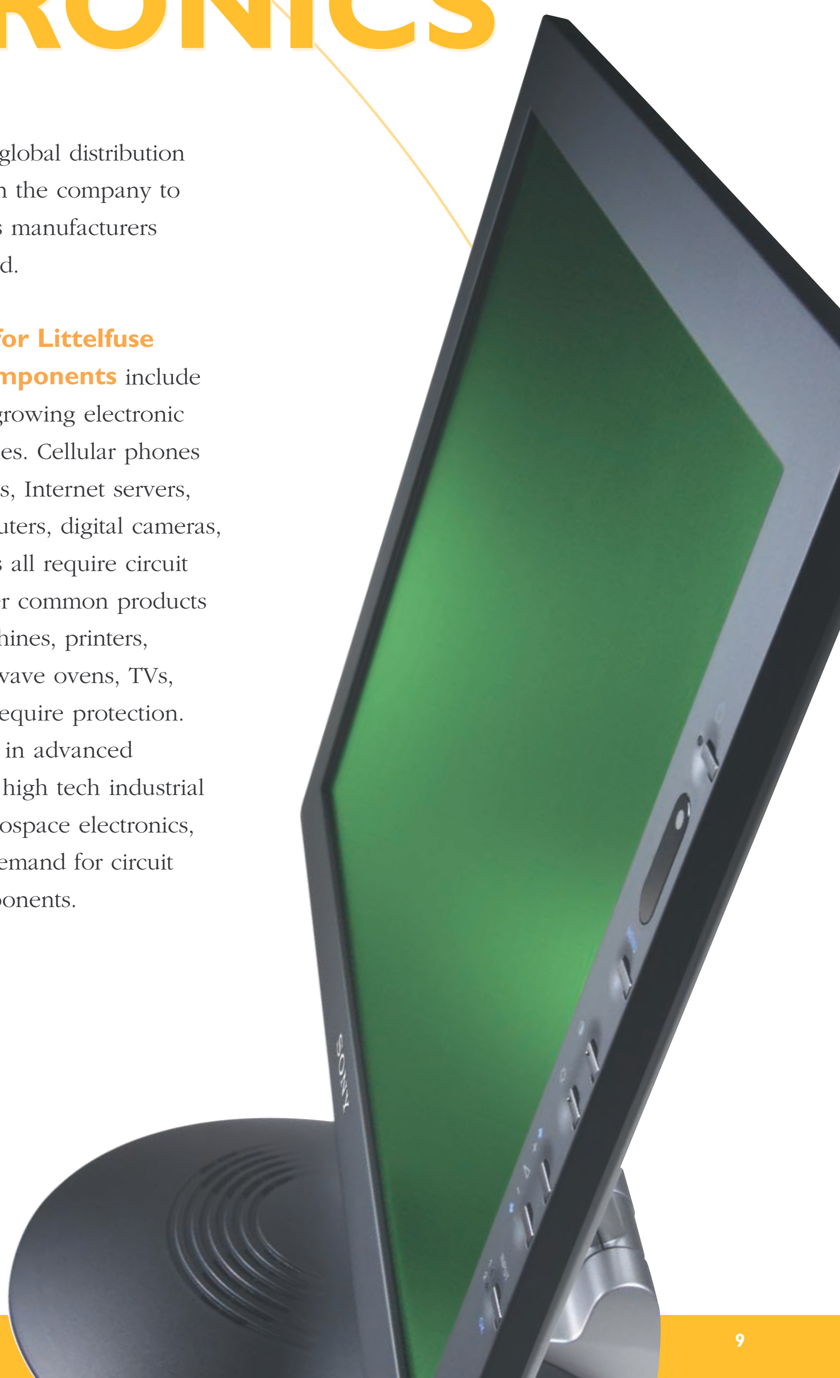
Computers and computer peripherals rely on circuit protection.



Littelfuse's 0402 surface mount fuses, the smallest in the world, protect an expanding array of smaller and smaller electronic devices.

Circuit protection keeps TVs, DVDs and VCRs performing safely.

look inside ELECTRONICS



With the broadest technical offering in the electronic circuit protection industry, Littelfuse's combination of overcurrent and overvoltage technology makes it a "one stop" shop for the fast-growing global electronics marketplace. Today, Littelfuse offers the most advanced circuit protection products available in the world. Littelfuse is positioned to meet the needs of emerging high-growth electronics markets and has targeted its resources to work with industry-leading customers who are creating tomorrow's electronic devices.

The successful integration of the Suppression Products Group, acquired in 1999, strengthened Littelfuse's position as the world market leader in electronic circuit protection components. With the expanded product offering, Littelfuse's served market has now doubled to more than $2 billion. Its sophisticated technology and global distribution network position the company to serve electronics manufacturers around the world.

Applications for Littelfuse electronic components include several rapidly growing electronic product categories. Cellular phones and base stations, Internet servers, notebook computers, digital cameras, DVDs and PDAs all require circuit protection. Other common products such as fax machines, printers, modems, microwave ovens, TVs, and VCRs also require protection. And the growth in advanced electronics, like high tech industrial controls and aerospace electronics, is also driving demand for circuit protection components.

Major cellular telephone producers rely on Littelfuse circuit protection technology.

Wireless home entertainment electronic equipment is among the growing markets for circuit protection devices.

Tiny Littelfuse overvoltage devices protect high speed data transmission applications from harmful overvoltage transients.

look inside ELECTRONICS

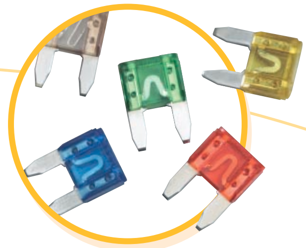
The surging growth of the Internet and telecommunications has created demand for products such as Internet servers and appliances, Web-enabled TVs, Personal Digital Assistants (PDAs) and telecommunications equipment. In turn, this growth has created an expanding market for circuit protection devices. The convergence of the Internet, telephones, television and other electronics are creating additional opportunities.

New products introduced during the past year include multi-layer PTC and polymer electrostatic discharge (ESD) devices. Littelfuse's new ESD device is the optimal technology for protecting high speed PDA and telecommunications applications. Littelfuse is meeting the market's demand for smaller and smaller access devices and the increased power levels required to support the telecommunications infrastructure.

As the world of electronics grows and electronic products become even smaller and more sophisticated, the need for circuit protection will increase. With its broad technology base and focus on providing technical assistance, Littelfuse is partnering with customers and market leaders to provide "next level" solutions for the electronic products of tomorrow.

Personal Digital Assistants (PDAs) are one of the growing markets for Littelfuse components.

New vehicles like the 2001 Ford Thunderbird sport high tech electronic systems requiring circuit protection.



The patented Littelfuse MINI® blade fuse is the worldwide standard in automotive circuit protection.

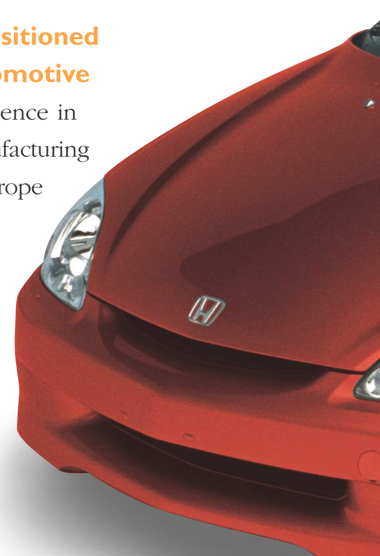
look inside AUTOMOTIVE

Littelfuse is the world's leading provider of circuit protection for the automotive industry. Inside nine out of every ten cars in the world, you'll find Littelfuse designed products protecting electrical circuits and wiring. As the market leader in automotive circuit protection, Littelfuse is well recognized for quality, innovation and service. For the second year in a row, *Automotive Industries* magazine ranked Littelfuse the "Best of the Best" component supplier in quality, delivery and service in its annual *Quest for Excellence* survey.

With an increasing fuse count in new vehicle models and as electric and hybrid electric vehicle production increases, the market for automotive fuses is expected to continue to grow. The additions of computerized operating, navigation and communication systems in today's vehicles are adding to vehicle fuse count as well.

As the leading provider of automotive circuit protection, Littelfuse is providing solutions to meet the emerging needs of the world's auto makers. New developments such as 42-volt systems provide additional opportunities for Littelfuse to work with auto makers and wiring harness producers to provide new circuit protection products that meet their needs. Cross-selling of overvoltage products to established overcurrent customers will also provide additional opportunities.

Littelfuse is uniquely positioned to serve the global automotive market, with a strong presence in the world's automotive manufacturing centers in North America, Europe and Asia. This has enabled Littelfuse to maintain strong relationships with virtually every auto manufacturer throughout the world.



More on-board electronics like navigation systems in some automobiles are increasing the number of fuses per vehicle.

Hybrid electric vehicles like the Honda Insight have eight times the dollar value of fuses as compared to conventional autos.

The third largest producer of power fuses in North America, Littelfuse's POWR-GARD® power fuses protect automated processing of products from food to paper.

Littelfuse is expanding its award-winning indicating technology to additional classes of fuses for protecting industrial motors and switchgear.

Littelfuse's innovative Indicator™ technology in the company's POWR-GARD® line is gaining a larger share of the industrial market.

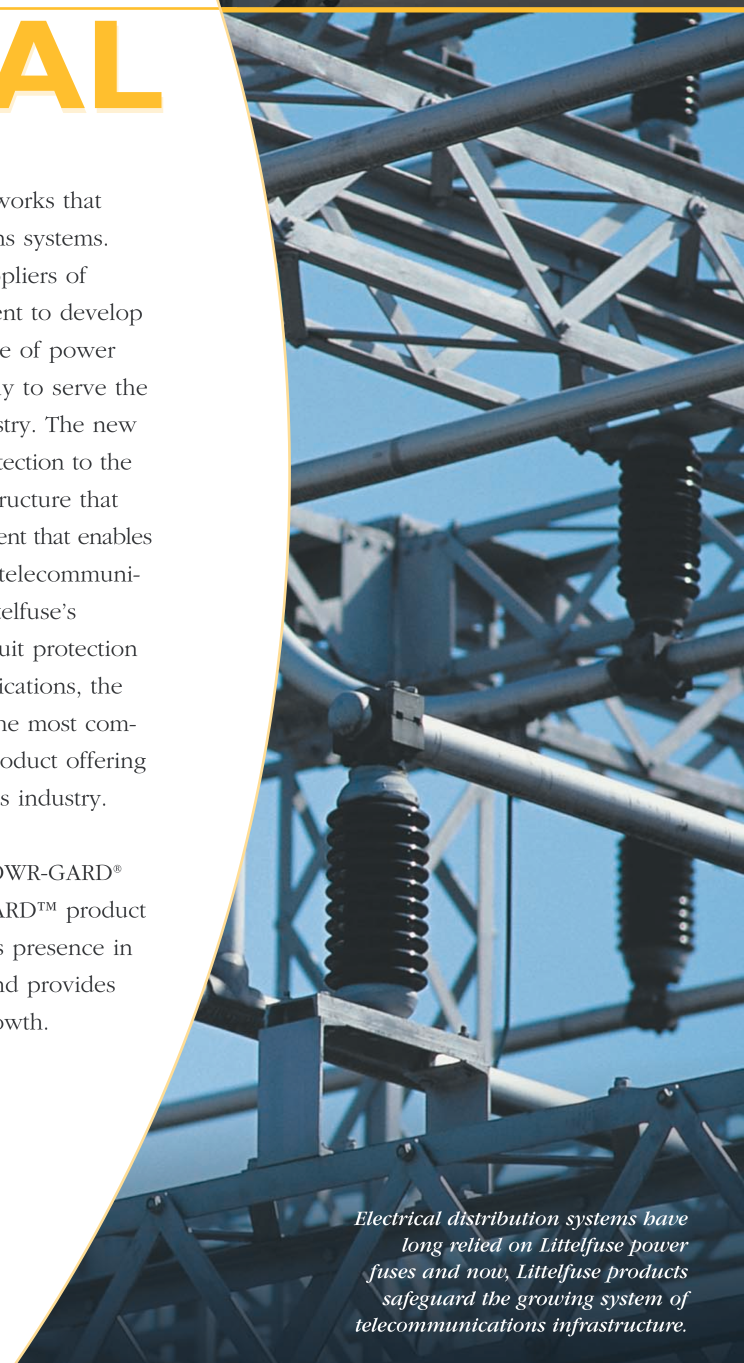
look inside ELECTRICAL

Littelfuse's POWR-GARD® fuses are used to protect circuits in industrial and commercial heating and cooling systems, lighting circuits and electrical distribution networks as well as in a wide variety of industrial equipment.

Industry-leading features like the unique and patented Indicator™ technology in Littelfuse's POWR-GARD® fuses continue to provide the company with a competitive advantage in the North American power fuse market. The company's award-winning Indicator™ technology allows service personnel to quickly spot a blown fuse, reducing maintenance time and trimming costly downtime on production equipment. Littelfuse has expanded its industry-leading Indicator line to two additional fuse classes that serve industrial markets.

Littelfuse's Electrical Business Unit, already the third largest producer of industrial power fuses in North America, is responding to growing opportunities in protecting the massive electrical distribution networks that power telecommunications systems. It partnered with key suppliers of communications equipment to develop the new Tele-GARD™ line of power fuses designed specifically to serve the telecommunications industry. The new product line provides protection to the power distribution infrastructure that supplies power to equipment that enables both wired and wireless telecommunications. Coupled with Littelfuse's offering of electronic circuit protection products for telecommunications, the company now provides the most complete circuit protection product offering to the telecommunications industry.

Littelfuse's established POWR-GARD® line and the new Tele-GARD™ product line strengthen Littelfuse's presence in the power fuse market and provides new opportunities for growth.



Electrical distribution systems have long relied on Littelfuse power fuses and now, Littelfuse products safeguard the growing system of telecommunications infrastructure.

Contents Next

Sales increased 25% in 2000 to $371.9 million and earnings per share increased 45% to $1.69. The record increases in sales and earnings were driven by electronics, where sales were up 51% due to increased demand in telecom, datacom and wireless applications.

Look Inside
OUR FINANCIALS

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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 22 for the three fiscal years ended December 30, 2000, January 1, 2000 and January 2, 1999, respectively.

Current Year Highlights

Sales increased 25% in 2000 to $371.9 million and earnings per share increased 45% to $1.69. The record increases in sales and earnings were driven by electronics, where sales were up 51% due to increased demand in telecom, datacom and wireless applications. Also contributing to the electronics sales growth was the successful integration of the Suppression Products Group, acquired in October 1999. Sales of suppression products accounted for just under half of the electronics sales growth in 2000.

Results of Operations — 2000 Compared with 1999

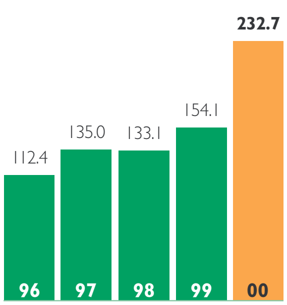
Sales increased 25% to $371.9 million in 2000 from $296.4 million in 1999. Electronic sales increased $78.6 million or 51% to $232.7 million in 2000 compared to $154.1 million in 1999. The strong electronics market, driven by communications demand and continued strength in the Asia-Pacific region, resulted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

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

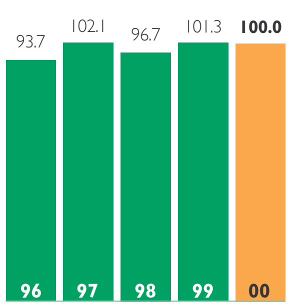
Selling, general and administrative expenses increased $15.0 million, representing 19.1% of sales in 2000 compared to 18.9% of sales in 1999. This increase was due primarily to higher sales and marketing expenses to support growth in electronic sales. Research and development costs increased $1.7 million,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

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

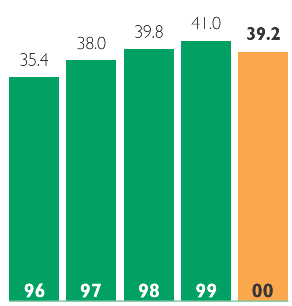
Interest expense was $4.7 million for 2000 compared to $5.3 million for 1999 due to lower average debt levels. Other income, net, consisting of interest income, royalties, minority interest and foreign currency items was $1.9 million compared to other income of $1.3 million



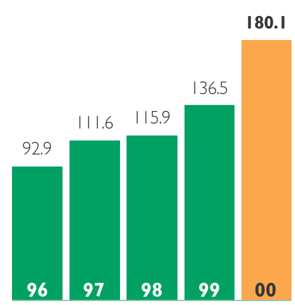
ELECTRONIC SALES
(in millions of dollars)



AUTOMOTIVE SALES
(in millions of dollars)



ELECTRICAL SALES
(in millions of dollars)



INTERNATIONAL SALES
(in millions of dollars)

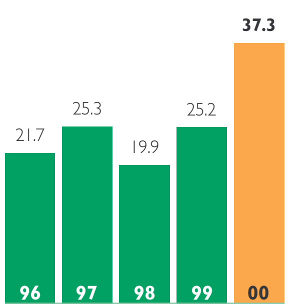
MANAGEMENT'S DISCUSSION
and Analysis of Financial Condition and Results of Operations

for the prior year. The increase in other income was due to foreign currency gains and a gain from the sale of a non-core product line.

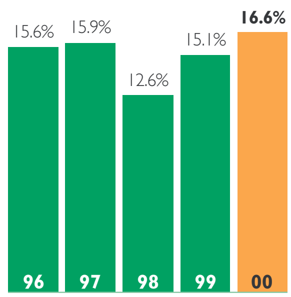
Income before taxes was $59.0 million in 2000 compared to $40.7 million in 1999. Income tax expense was $21.7 million in 2000 compared to $15.5 million for the prior year. Net income for the year was $37.3 million, compared to $25.2 million for the prior year. The Company's effective tax rate was 36.8 % in 2000 compared to 38.0 % in 1999. The lower effective tax rate in 2000 was due to the increase in foreign earnings as a percent to total earnings. Diluted earnings per share increased 45% to $1.69 in 2000 compared to $1.16 in 1999.

Results of Operations — 1999 Compared with 1998

Sales increased 10% to $296.4 million in 1999 from $269.5 million in 1998. Of the $26.9 million sales increase during 1999, $8.0 million was attributable to sales of suppression products since the date of the acquisition. Electronic sales increased $21.1 million or 16% to $154.1 million in 1999 compared to $133.1 million in 1998, due primarily to strength in the Asia-Pacific region. Automotive sales increased $4.6 million or 5% to $101.3 million in 1999 compared to $96.7 million in 1998, reflecting growth in the OEM markets in all regions of the world. Electrical sales increased $1.2 million or 3% to $41.0 million in 1999 compared to $39.8 million in 1998. Led by Asia-Pacific and European sales growth, international sales increased by 18% in 1999 to 46.1% of net sales from 43.0% of net sales in 1998.



NET INCOME
(in millions of dollars)



OPERATING MARGIN

Gross profit was $117.3 million or 39.6% of sales for 1999 compared to $100.2 million or 37.2% of sales for 1998. The gross margin increase resulted from successful worldwide cost reductions, increasing unit volumes during the year and firming of selling prices in the last half of 1999.

Selling, general and administrative expenses increased $5.2 million to 18.9% of sales in 1999, which was in line with 18.9% of sales in 1998. Research and development costs increased $1.1 million to 3.2% of sales in 1999 as compared to 3.1% of sales in 1998 due to continued focus on development of new products. Amortization of reorganization value and other intangibles was $7.1 million or 2.4% of sales for 1999 compared to $6.8 million or 2.5% of sales for the prior year. Total operating expenses, including intangible amortization, were 24.5% of sales for both years.

Operating income for 1999 increased to $44.6 million or 15.1% of sales compared to $34.1 million or 12.6% of sales for the prior year as a result of the factors discussed above.

Interest expense was $5.3 million for 1999 compared to $4.0 million for 1998 due to higher average debt levels. Other income, net, consisting of interest income, royalties, minority interest and foreign currency items was $1.3 million compared to other expense of $0.1 million for the prior year. The increase in other income was primarily the result of higher interest income in the year.

Income before taxes was $40.7 million in 1999 compared to $30.0 million in 1998. Income tax expense was $15.5 million in 1999 compared to $10.1 million for the prior year. Net income for the year was $25.2 million, compared to $19.9 million for the prior year. The Company's effective tax rate was 38.0 % in 1999 compared to 33.7 % in 1998. The lower effective tax rate in 1998 was due to a one-time benefit related to the liquidation of one of the Company's Korean subsidiaries. Diluted earnings per share increased 35% to $1.16 in 1999 compared to $0.86 in 1998. A 6% decline in average shares outstanding in 1999 as compared to the prior year, due to the Company's repurchase of common stock, contributed favorably to the increase in earnings per share.

Liquidity and Capital Resources

Assuming no material adverse changes in market conditions, management expects that the Company will have sufficient cash from operations to support both its operations and its debt obligations for the foreseeable future.

The Company started 2000 with $1.9 million in cash. Net cash provided by operations was $48.7 million for the year. Cash used in investing activities included $22.0 million in property, plant and equipment. Cash used in financing activities included net payments of long-term debt of $16.8 million. This left the Company with $55.0 million of borrowing capability under the revolving loan facility as of December 30, 2000. The repurchase of the Company's common stock for $11.2 million was partially offset by cash proceeds from the exercise of stock options and conversion of warrants of $5.8 million. The effect of exchange rate changes decreased cash by $0.9 million. The net of cash provided by operations, less investing activities, less financing activities, plus the effect of exchange rates resulted in a $3.6 million net increase in cash. This left the Company with a cash balance of $5.5 million at the end of 2000.

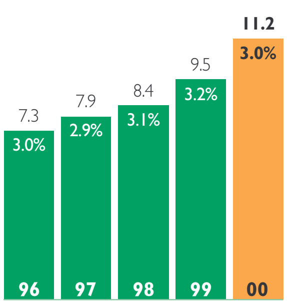
Increases in net working capital resulted in a $14.2 million use of cash in 2000. The major factors contributing to higher working capital were a $10.8 million increase in inventory and an $8.5 million decrease in accounts payable and accrued expenses, partially offset by a $5.0 million reduction in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

The Company started 1999 with $28.0 million in cash. Net cash provided by operations was $38.9 million for the year. Cash used in investing activities included $20.0 million in property, plant and equipment and $24.8 million for the Harris Corporation's Suppression Products Group acquisition. Cash used in financing activities included net payments of long-term debt of $9.1 million. The Company utilized borrowings under its revolving loan facility to finance the purchase of Harris Corporation's Suppression Products Group and had $6.0 million of this short-term debt remaining as of January 1, 2000. This left the Company with $49.0 million of borrowing capability under the revolving loan facility as of January 1, 2000. The repurchase of the Company's common stock for $12.8 million was partially offset by cash proceeds from the exercise of stock options and conversion of warrants of $1.6 million. The effect of exchange rate changes increased cash by $0.2 million. The net of cash provided by operations, less investing activities, less financing activities, plus the effect of exchange rates resulted in a $26.1 million net decrease in cash. This left the Company with a cash balance of $1.9 million at the end of 1999.

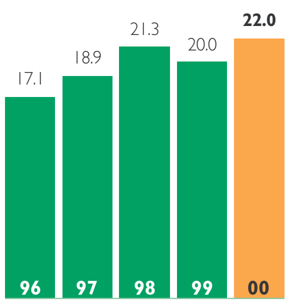
Net working capital used $8.4 million of cash flow from operations in 1999. Increases in accounts receivable of $14.3 million, inventory of $8.9 million and other asset and liability changes of $0.1 million were offset by an increase in accounts payable and accrued expenses of $14.9 million. Contributing to the increase in working capital in 1999 was an increase in sales as well as some information systems migration difficulties.

The Company's capital expenditures were $22.0 million in 2000, $20.0 million in 1999 and $21.3 million in 1998. The Company expects that capital expenditures will be approximately $23 to $25 million in 2001. The primary purposes for capital expenditures in 2001 will be for new product tooling and production equipment. As in 2000, capital expenditures in 2001 are expected to be financed by cash flow from operations.

The Company decreased total debt by $16.8 million in 2000, after decreasing debt by $9.1 million in 1999 and increasing debt by $33.9 million in 1998. The Company is required to repay $10.0 million of long-term debt in 2001. In two separate 1,000,000 share authorizations in



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



CAPITAL SPENDING
(in millions of dollars)

MANAGEMENT'S DISCUSSION
and Analysis of Financial Condition and Results of Operations

May and October of 2000, the Company's Board of Directors authorized the Company to repurchase up to 2,000,000 shares of its common stock or 2,000,000 of its warrants, or any combination not to exceed 2,000,000 shares of common stock or warrants, from time to time, depending on market conditions. The Company repurchased 369,000 common shares for $11.2 million in 2000, 707,500 common shares for $12.8 million in 1999 and 1,345,300 common shares for $26.8 million in 1998. As of December 30, 2000, the Company had over 1,600,000 shares remaining for repurchase under the Board of Directors authorization expiring in May of 2001.

Earnings before interest, taxes, depreciation, amortization and other income and expense (EBITDA) increased 26% to $88.5 million in 2000 compared to $70.2 million in 1999 and $56.3 million in 1998.

Net working capital (working capital less cash and the current portion of long-term debt), as a percent of sales was 20.0% at year-end 2000 compared to 20.2% at year-end 1999 and 17.3% at year-end 1998. The slight decrease in net working capital was due in part to the decrease in days sales outstanding in accounts receivable to approximately 58 days at year-end 2000 compared to 68 days at year-end 1999 and 61 days at year-end 1998. The improvement in accounts receivable was partially offset by higher days inventory outstanding of 109 days at year-end 2000 compared to 94 days at year-end 1999 and 81 days at year-end 1998.

The ratio of current assets to current liabilities was 2.0 to 1 at year-end 2000 compared to 1.5 to 1 at year-end 1999 and 2.1 to 1 at year-end 1998. The ratio of long-term debt to equity was 0.2 to 1 at year-end 2000 compared to 0.4 to 1 at year-end 1999 and 0.6 to 1 at year-end 1998.

Market Risk

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

The Company had long-term debt outstanding at December 30, 2000 in the form of Senior Notes at fixed interest rates. Since substantially all of the debt has fixed interest rates, the Company's interest expense is not sensitive to changes in interest rate levels.

A portion of the Company's operations consists of manufacturing and sales activities in foreign countries. The Company has manufacturing facilities in Mexico, England, Ireland, Switzerland, South Korea, China and the Philippines. During 2000, sales exported from the United States or manufactured and sold abroad accounted for 48.4% percent of total sales. Substantially all sales in Europe are denominated in Dutch Guilders, British Pound Sterling and Euros and substantially all sales in the Asia-Pacific region are denominated in United States Dollars, Japanese Yen and South Korean Won.

The Company's identifiable foreign exchange exposures result from the purchase and sale of products from affiliates, repayment of intercompany trade and loan amounts and translation of local currency amounts in consolidation of financial results. Changes in foreign currency exchange rates or weak economic conditions in the foreign countries in which it manufactures and distributes products could affect the Company's sales and financial results. The Company utilizes netting and intercompany offsets to reduce known foreign currency expenses. The Company does not use any material derivative financial instruments to mitigate its foreign currency risk at the present time.

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

Outlook

Sales for 2001 are expected to start slowly, reflecting softness in the electronics market and decreased car builds in the automotive market. However, sales are expected to increase in the second half of the year fueled by recovery in the electronics market and ramp-up of new product sales.

The Company will continue to emphasize implementation of cost reduction opportunities in 2001 to help offset a more challenging market environment and selling price pressure from customers.

The development of new products, global expansion, and reinvestment continue to be the Company's long-term growth strategy. The Company intends to continue its commitment to funding research and development, international market development, and investments in capital equipment and operations improvements.

"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 and patent protection, commercialization and technological difficulties, capacity and supply constraints or difficulties, interest and exchange rate fluctuations, commodity price fluctuations, 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
of Littelfuse, Inc.

We have audited the consolidated statements of financial condition of Littelfuse, Inc. and subsidiaries as of December 30, 2000 and January 1, 2000, and the related consolidated statements of income, shareholders' equity, and cash flows for each of the three years in the period ended December 30, 2000. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Littelfuse, Inc. and subsidiaries as of December 30, 2000 and January 1, 2000, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 30, 2000, in conformity with accounting principles generally accepted in the Unites States.

Ernst & Young LLP

Chicago, Illinois
January 26, 2001

Consolidated Statements of FINANCIAL CONDITION

(In Thousands)	December 30, 2000	January 1, 2000
ASSETS		
Current assets:		
Cash and cash equivalents	$ 5,491	$ 1,888
Accounts receivable, less allowances (2000 – $9,178; 1999 – $ 7,121)	53,152	59,583
Inventories	59,272	48,916
Deferred income taxes	4,664	5,265
Prepaid expenses and other current assets	4,115	3,485
Total current assets	126,694	119,137
Property, plant, and equipment:		
Land	8,687	8,370
Buildings	29,650	28,636
Equipment	174,837	157,296
	213,174	194,302
Less: Allowances for depreciation and amortization	120,501	102,511
	92,673	91,791
Intangible assets, net of amortization:		
Reorganization value in excess of amounts allocable to identifiable assets	30,913	33,943
Patents and licenses	2,087	4,356
Distribution network	5,440	5,918
Trademarks	2,775	3,022
Other	13,698	16,274
	54,913	63,513
Other assets	98	1,257
	$274,378	$275,698
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 11,066	$ 19,075
Accrued payroll	18,548	14,167
Accrued expenses	9,224	14,596
Accrued income taxes	7,862	9,403
Current portion of long-term debt	17,070	20,974
Total current liabilities	63,770	78,215
Long-term debt, less current portion	41,397	55,460
Deferred income taxes	2,153	4,490
Other long-term liabilities	331	501
Shareholders' equity:		
Preferred stock, par value $.01 per share: 1,000,000 shares authorized; no shares issued and outstanding	—	—
Common stock, par value $.01 per share: 34,000,000 shares authorized; shares issued and outstanding, 2000 – 19,849,894; 1999 – 19,489,143	198	195
Additional paid-in capital	60,223	55,241
Notes receivable – Common stock	(3,353)	(2,909)
Accumulated other comprehensive loss	(7,874)	(5,642)
Retained earnings	117,533	90,147
	166,727	137,032
	$274,378	$275,698

See accompanying notes.

Consolidated Statements of INCOME

(In Thousands, Except per Share Amounts)

Year Ended	December 30, 2000	January 1, 2000	January 2, 1999
Net sales	**$371,920**	$296,367	$269,540
Cost of sales	**221,272**	179,112	169,341
Gross profit	**150,648**	117,255	100,199
Selling, general and administrative expenses	**71,083**	56,098	50,936
Research and development expenses	**11,152**	9,455	8,387
Amortization of intangibles	**6,665**	7,078	6,780
Operating income	**61,748**	44,624	34,096
Interest expense	**4,652**	5,253	3,989
Other expense/(income), net	**(1,940)**	(1,306)	98
Income before income taxes	**59,036**	40,677	30,009
Income taxes	**21,738**	15,457	10,124
Net income	**$ 37,298**	$ 25,220	$ 19,885
Net income per share:			
Basic	**$ 1.88**	$ 1.29	$ 0.97
Diluted	**$ 1.69**	$ 1.16	$ 0.86
Weighted-average shares and equivalent shares outstanding:			
Basic	**19,834**	19,572	20,474
Diluted	**22,118**	21,751	23,154

See accompanying notes.

Consolidated Statements of CASH FLOWS

(In Thousands)

Year Ended	December 30, 2000	January 1, 2000	January 2, 1999
Operating activities			
Net income	$37,298	$25,220	$19,885
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	20,074	18,461	15,426
Amortization of intangibles	6,665	7,078	6,780
Provision for bad debts	275	614	626
Deferred income taxes	(1,810)	(3,922)	(896)
Other	337	(225)	326
Changes in operating assets and liabilities:			
Accounts receivable	4,978	(14,323)	(3,218)
Inventories	(10,802)	(8,850)	3,610
Accounts payable and accrued expenses	(8,514)	14,915	(4,992)
Prepaid expenses and other	186	(117)	1,757
Net cash provided by operating activities	48,687	38,851	39,304
Investing activities			
Purchases of property, plant, and equipment, net	(21,958)	(19,975)	(21,320)
Purchase of business, net of cash acquired	—	(24,754)	(2,751)
Other	(60)	(56)	(249)
Net cash used in investing activities	(22,018)	(44,785)	(24,320)
Financing activities			
Proceeds (payments) of long-term debt, net	(16,819)	(9,132)	33,851
Proceeds from exercise of stock options and warrants	5,831	1,645	6,308
Purchases of common stock and redemption of warrants	(11,203)	(12,833)	(26,803)
Net cash provided by (used in) financing activities	(22,191)	(20,320)	13,356
Effect of exchange rate changes on cash	(875)	181	(1,134)
Increase (decrease) in cash and cash equivalents	3,603	(26,073)	27,206
Cash and cash equivalents at beginning of year	1,888	27,961	755
Cash and cash equivalents at end of year	$ 5,491	$ 1,888	$27,961

See accompanying notes.

Consolidated Statements of
SHAREHOLDERS' EQUITY

(Thousands of Dollars)

Period from January 3, 1998 to December 30, 2000	Common Stock	Additional Paid-In Capital	Notes Receivable– Common Stock	Accumulated Other Comprehensive Income/(Loss)	Retained Earnings	Total
Balance at January 3, 1998	199	$52,540	$(1,960)	$(4,767)	$ 77,493	$123,505
Comprehensive income:						
Net income for the year	—	—	—	—	19,885	19,885
Foreign currency translation adjustment	—	—	—	1,041	—	1,041
Comprehensive income						20,926
Stock options and warrants exercised	15	7,693	(812)	—	—	6,896
Purchase of 1,345,300 shares of common stock	(14)	(4,696)	—	—	(22,093)	(26,803)
Balance at January 2, 1999	200	$55,537	$(2,772)	$(3,726)	$ 75,285	$124,524
Comprehensive income:						
Net income for the year	—	—	—	—	25,220	25,220
Foreign currency translation adjustment	—	—	—	(1,916)	—	(1,916)
Comprehensive income						23,304
Stock options and warrants exercised	2	2,172	(137)	—	—	2,037
Purchase of 707,500 shares of common stock	(7)	(2,468)	—	—	(10,358)	(12,833)
Balance at January 1, 2000	195	$55,241	$(2,909)	$(5,642)	$ 90,147	$137,032
Comprehensive income:						
Net income for the year	**—**	**—**	**—**	**—**	**37,298**	**37,298**
Foreign currency translation adjustment	**—**	**—**	**—**	**(2,232)**	**—**	**(2,232)**
Comprehensive income						**35,066**
Stock options and warrants exercised	**7**	**6,269**	**(444)**	**—**	**—**	**5,832**
Purchase of 369,000 shares of common stock	**(4)**	**(1,287)**	**—**	**—**	**(9,912)**	**(11,203)**
Balance at December 30, 2000	**198**	**$60,223**	**$(3,353)**	**$(7,874)**	**$117,533**	**$166,727**

See accompanying notes.

NOTES
to Consolidated Financial Statements

December 30, 2000 and January 1, 2000

1. Summary of Significant Accounting Policies and Other Information

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

Fiscal Year The Company's fiscal years ended December 30, 2000, January 1, 2000 and January 2, 1999, each contained 52 weeks.

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

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

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

Accounts Receivable The Company performs credit evaluations of customers' financial condition and generally does not require collateral. Credit losses are provided for in the financial statements 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.

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

Intangible Assets Reorganization value in excess of amounts allocable to identifiable assets and trademarks are amortized using the straight-line method over 20 years. Patents are amortized using the straight-line method over their estimated useful lives, which average approximately 10 years. The distribution network is amortized using an accelerated method over 20 years. Licenses are amortized using an accelerated method over their estimated useful lives, which average approximately 9 years. Other intangible assets consist principally of goodwill that is being amortized over 10 to 20 years. Accumulated amortization of these intangible assets was $59.9 million at December 30, 2000 and $53.2 million at January 1, 2000. If there are indicators that long-lived assets may be impaired, the Company assesses recoverability from future operations using undiscounted cash flows. Under this approach, the carrying value of the intangible asset would be reduced to a fair value if the Company's best estimate for expected undiscounted future cash flows of the related business would be less than the carrying amount of the intangible asset over its remaining amortization period.

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

Advertising Costs The Company expenses advertising costs as incurred which amounted to $2.1 million in 2000, $2.6 million in 1999 and $2.6 million in 1998.

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

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

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

Shipping and Handling Fees and Costs In September 2000, Emerging Issues Task Force (EITF) Issue No. 00-10, "Accounting for Shipping and Handling Fees and Costs," concluded that all amounts billed to customers in a sales transaction represent fees earned for the goods provided and, accordingly, amounts billed related to shipping and handling should be classified as revenue. The Company has adopted EITF 00-10 and has classified amounts billed related to shipping and handling in revenue. Costs incurred for shipping and handling of $3.9 million, $2.1 million, and $1.4 million in 2000, 1999, and 1998, respectively, are classified in Selling, General, and Administrative Expenses.

Accounting Pronouncements In June 1998, the FASB issued SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities" (SFAS 133) to establish accounting and reporting requirements for derivative instruments. This standard requires recognition of all derivative instruments in the statement of financial condition as either assets or liabilities, measured at fair value. This statement additionally requires changes in the fair value of derivatives to be recorded each period in current earnings or comprehensive income depending on the intended use of derivatives. The adoption of this new standard will not have a material impact on the Company's earnings or financial position.

2. Acquisition of Business and Liquidation

During the year ended January 2, 1999, the Company made two acquisitions for approximately $2.8 million. The acquisitions have been accounted for through the use of the purchase method of accounting; accordingly, the accompanying financial statements include the results of operations since the acquisition dates. Goodwill arising from these acquisitions of approximately $2.6 million is being amortized over 10 years. Pro forma results of operations, assuming these acquisitions had occurred as of January 4, 1998, would not differ materially from reported results of operations.

In March 1998, the Company consolidated its Korean operations into Littelfuse Triad. Pursuant to the consolidation, the Company incurred costs of approximately $400,000 to liquidate Sam Hwa Littelfuse, Inc.

On October 19, 1999, the Company acquired Harris Corporation's Suppression Products Group for $24.8 million in cash. The Suppression Products Group manufactures and markets a broad line of transient voltage suppression devices that provide circuit protection for products in numerous markets including consumer, computer, telecommunications, automotive, office equipment, industrial and power transmission. This acquisition has been accounted for through the use of the purchase method of accounting; accordingly, the accompanying financial statements include the results of its operations since the acquisition date. The purchase price has been allocated to the following net assets acquired based on fair value of such assets: accounts receivable of $7.4 million, inventory of $4.6 million, property, plant and equipment of $12.7 million, other assets of $0.4 million, goodwill of $4.8 million and liabilities assumed of $5.1 million. Purchase accounting liabilities recorded during 1999 consist of $0.5 million for transaction costs and $5.7 million for costs associated with exiting a product line and involuntary termination of employees in connection with the integration of the business. Goodwill arising from this acquisition of approximately $11.0 million is being amortized over 20 years. Pro forma sales of Littelfuse, Inc., assuming that this acquisition had occurred as of January 4, 1998, would have been $328.3 million in 1999 and $311.9 million in 1998 and pro forma results of operations would not have differed materially from reported results of operations.

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

NOTES
to Consolidated Financial Statements

3. Inventories

The components of inventories are as follows at December 30, 2000, and January 1, 2000 (in thousands):

	2000	1999
Raw materials	$14,488	$12,684
Work in process	15,288	14,854
Finished goods	29,496	21,378
	$59,272	$48,916

4. Long-Term Obligations

The carrying amounts of long-term debt, which approximate fair value, are as follows at December 30, 2000, and January 1, 2000 (in thousands):

	2000	1999
6.16% Senior Notes, maturing 2005	$50,000	$55,000
6.31% Senior Notes, maturing 2000	—	9,000
Revolving credit facility	—	6,000
Other obligations	6,742	4,964
Capital lease obligations	1,725	1,470
	58,467	76,434
Less: Current maturities	17,070	20,974
	$41,397	$55,460

The Company has unsecured financing arrangements consisting of Senior Notes with insurance companies and a credit agreement with banks that provides a $55.0 million revolving credit facility. The Senior Notes require minimum annual principal payments. No principal payments are required for borrowings against the revolving line of credit until the line matures on August 31, 2002. At December 30, 2000, the Company had available $55.0 million of borrowing capability under the revolving credit facility at an interest rate of LIBOR plus 0.375%.

The bank credit agreement provides for letters of credit of up to $8.0 million as part of the available credit line. At December 30, 2000 the Company had $1.6 million of outstanding letters of credit.

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

Aggregate maturities of long-term obligations at December 30, 2000, are as follows (in thousands):

2001	$17,070
2002	11,108
2003	10,062
2004	10,062
2005 and thereafter	10,165
	$58,467

Interest paid on long-term debt approximated $4.3 million in 2000, $4.9 million in 1999 and $3.8 million in 1998.

5. Benefit Plans

The Company has a defined-benefit pension plan covering substantially all of its North American employees. The amount of the retirement benefit is based on years of service and final average monthly pay. The plan also provides post-retirement medical benefits to retirees and their spouses if the retiree has reached age 62 and has provided at least ten years of service prior to retirement. Such benefits generally cease once the retiree attains age 65. The Company's contributions are made in amounts sufficient to satisfy ERISA funding requirements.

The Company also has a contributory defined-benefit pension plan covering most of its Ireland employees as a result of its acquisition of the Suppression Products Group in October 1999. The amount of the retirement benefit is based on years of service and final average monthly pay. The plan also provides death benefits to the plan participants.

In 1998, the Company adopted SFAS No. 132, "Employers' Disclosure about Pensions and Other Post-retirement Benefits." The statement standardizes the disclosure requirements for pensions and other post-retirement benefits.

(In Thousands)	U.S. 2000	U.S. 1999	Ireland 2000
Change in benefit obligation			
Benefit obligation at beginning of year	$44,104	$45,487	$14,942
Service cost	1,952	2,264	425
Interest cost	3,154	3,015	936
Plan participants' contributions	—	—	193
Actuarial loss/(gain)	(1,068)	(4,760)	—
Benefits paid	(2,200)	(1,902)	(329)
Effects of exchange rate movements	—	—	(1,095)
Benefit obligation at end of year	$45,942	$44,104	$15,072
Change in plan assets at fair value			
Plan assets at beginning of year	$47,511	$44,363	$16,566
Actual return on plan assets	711	5,050	1,461
Employer contributions	—	—	314
Plan participant contributions	—	—	193
Benefits paid	(2,200)	(1,902)	(329)
Effects of exchange rate movements	—	—	(1,246)
Fair value of plan assets at end of year	$46,022	$47,511	$16,959
Funded status	$ 80	$ 3,407	$ 1,887
Unrecognized prior service cost	112	178	—
Unrecognized net actuarial loss/(gain)	(1,687)	(3,910)	(210)
Unrecognized transition (asset)/obligation	—	—	(1,435)
Prepaid pension obligation	$(1,495)	$ (325)	$ 242
Weighted-average assumptions			
Discount	7.50%	7.50%	6.00%
Expected return on plan assets	9.00%	9.00%	7.00%
Salary growth rate	4.00%	4.50%	4.00%
Components of net periodic benefit cost			
Service cost	$ 1,952	$ 2,264	$ 618
Interest cost	3,154	3,015	936
Expected return on plan assets	(4,002)	(3,648)	(1,223)
Amortization of prior service cost	66	66	—
Amortization of transition (asset)/obligation	—	—	(96)
Recognized net actuarial loss	—	50	—
Total cost of the plan for the year	$ 1,170	$ 1,747	$ 235
Expected plan participants' contribution	—	—	193
Net periodic benefit cost	$ 1,170	$ 1,747	$ 42

The Company provides additional retirement benefits for certain key executives through its unfunded defined contribution Supplemental Executive Retirement Plan. The charge to expense for this plan amounted to $638,000, $1,058,000 and $852,000 in 2000, 1999 and 1998, 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 $667,000 in 2000, $632,000 in 1999 and $547,000 in 1998.

6. Shareholders' Equity

Stock Purchase Warrants Warrants to purchase 1,953,383 shares of common stock at $4.18 per share were outstanding at December 30, 2000. 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 rights of up to 3,400,000 shares of common stock to employees and directors, including an additional 600,000 shares authorized in April, 2000. The stock options vest over a five-year period and are exercisable over a ten-year period commencing from the date of vesting.

NOTES
to Consolidated Financial Statements

A summary of stock option information follows:

	2000		1999		1998	
	Options	Weighted-Average Exercise Price	Options	Weighted-Average Exercise Price	Options	Weighted-Average Exercise Price
Outstanding at beginning of year	**1,588,840**	**$18.02**	1,428,910	$16.91	1,361,310	$14.28
Options granted						
Option price equals market price	**358,250**	**35.07**	352,200	20.25	311,500	24.64
Option price less than market price	**—**	**—**	15,000	5.00	—	—
Total options granted	**358,250**	**35.07**	367,200	19.63	311,500	24.64
Exercised	**(217,465)**	**10.15**	(144,870)	9.34	(153,480)	6.49
Forfeited	**(37,550)**	**22.25**	(62,400)	21.98	(90,420)	15.31
Outstanding at end of year	**1,692,075**	**$22.53**	1,588,840	$18.02	1,428,910	$16.91
Exercisable at end of year	**794,450**		765,960		708,818	
Available for future grant	**952,940**		216,440		517,340	
Weighted-average value of options						
granted during the year		**$21.05**		$12.04		$11.81
Option price equals market price		**21.05**		11.79		11.81
Option price less than market price		**—**		17.75		—

As of December 30, 2000, the Company had the following outstanding options:

Exercise Price	Options Outstanding	Weighted-Average Exercise Price	Weighted-Average Remaining Life	Options Exercisable
$ 3.69 to $ 5.00	54,300	4.41	3.31	42,060
$ 7.50 to $11.16	134,500	10.28	2.82	134,500
$11.63 to $16.50	199,460	15.06	4.01	199,460
$17.81 to $25.50	870,235	21.57	6.71	372,032
$28.88 to $35.50	433,580	33.98	8.81	46,398

Disclosure of pro forma information regarding net income and net income per share is required by SFAS 123 and has been determined as if the Company had accounted for its stock options granted in 2000, 1999 and 1998 under the fair value method using the Black-Scholes option pricing model. The following assumptions were utilized in the valuation:

	2000	1999	1998
Risk-free interest rate	**5.16%**	6.52%	5.59%
Expected dividend yield	**0%**	0%	0%
Expected stock price volatility	**47.6%**	41.0%	30.0%
Expected life of options	**8 years**	8 years	8 years

Had compensation cost for the Company's stock options granted in 2000, 1999 and 1998 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:

	2000	1999	1998
Pro forma net income (in thousands of dollars)	**$35,792**	$24,341	$18,710
Pro forma basic net income per share	**$ 1.81**	$ 1.24	$ 0.91
Pro forma diluted net income per share	**$ 1.62**	$ 1.12	$ 0.81

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

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

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

7. Income Taxes

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

	2000	1999	1998
Current:			
Federal	$13,375	$ 10,078	$ 4,861
State	1,908	1,467	920
Foreign	8,265	6,180	5,239
	23,548	17,725	11,020
Deferred:			
Federal	(1,827)	(1,875)	(809)
Foreign	17	(393)	(87)
	(1,810)	(2,268)	(896)
	$21,738	$15,457	$10,124

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

	2000	1999	1998
Domestic	$28,906	$22,846	$15,337
Foreign	30,130	17,831	14,672
	$59,036	$40,677	$30,009

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):

	2000	1999	1998
Tax expense at statutory rate of 35%	$20,663	$14,237	$10,503
State and local taxes, net of federal tax benefit	1,179	904	598
Foreign income taxes	(1,437)	(735)	68
Sam Hwa Littelfuse, Inc. liquidation	—	—	(1,055)
Foreign losses for which no tax benefit is available	63	82	83
Other, net	1,270	969	(73)
	$21,738	$15,457	$10,124

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 30, 2000 and January 1, 2000, are as follows (in thousands):

NOTES
to Consolidated Financial Statements

	2000	1999
Deferred tax liabilities		
Tax over book depreciation and amortization	$2,097	$2,736
Prepaid expenses	(10)	1,250
Other	989	887
Total deferred tax liabilities	3,076	4,873
Deferred tax assets		
Accrued expenses	5,586	5,648
Foreign net operating loss carryforwards	341	258
Gross deferred tax assets	5,927	5,906
Less: Valuation allowance	(340)	(258)
Total deferred tax assets	5,587	5,648
Net deferred tax assets/(liabilities)	$2,511	$775

The deferred tax asset valuation allowance is related to deferred tax assets from foreign net operating losses. The net operating loss carryforwards have no expiration date. The Company received a one-time tax benefit associated with the liquidation of approximately $1.1 million for the year ended January 2, 1999. The Company paid income taxes of $23.2 million in 2000, $12.1 million in 1999 and $11.5 million in 1998.

8. Business Segment Information

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

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

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

Information concerning the operations in these geographic segments for the year ended December 30, 2000, is as follows (in thousands):

		The Americas	Europe	Asia-Pacific	Combined Total	Corporate	Reconciliation	Consolidated Total
Revenues	2000	$214,907	$61,634	$95,379	$371,920	$ —	$ —	$371,920
	1999	$172,122	$50,434	$73,811	$296,367	—	—	$296,367
Intersegment revenues	2000	44,599	38,185	6,523	89,307	—	(89,307)	—
	1999	32,250	18,884	3,883	55,017	—	(55,017)	—
Interest expense	2000	4,337	69	246	4,652	—	—	4,652
	1999	5,007	11	235	5,253	—	—	5,253
Depreciation and amortization	2000	11,563	2,810	4,213	18,586	8,153	—	26,739
	1999	10,831	1,969	3,700	16,500	9,039	—	25,539
Other income (loss)	2000	2,754	(893)	79	1,940	—	—	1,940
	1999	883	500	(77)	1,306	—	—	1,306
Income tax expense	2000	12,290	4,546	4,902	21,738	—	—	21,738
	1999	8,967	3,706	2,784	15,457	—	—	15,457
Net income (loss)	2000	24,493	9,124	11,856	45,473	(8,175)	—	37,298
	1999	21,007	8,156	5,101	34,264	(9,044)	—	25,220
Identifiable assets	2000	181,727	39,559	48,096	269,382	60,404	(55,408)	274,378
	1999	191,997	36,228	39,112	267,337	66,076	(57,715)	275,698
Capital expenditures, net	2000	13,929	1,875	6,154	21,958	—	—	21,958
	1999	13,303	2,978	3,694	19,975	—	—	19,975

Intersegment revenues and receivables are eliminated to reconcile to consolidated totals. Corporate identifiable assets consist primarily of cash and intangible assets.

The Company's revenues by product areas for the year ended December 30, 2000 and January 1, 2000, are as follows (in thousands):

Revenues	2000	1999
Electronic	$232,677	$154,141
Automotive	100,036	101,270
Electrical	39,207	40,956
Consolidated Total	$371,920	$296,367

No single customer of the Company accounted for 10% or more of the Company's revenues.

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 $1.5 million in 2000 and $0.9 million in 1999 and 1998. Future minimum payments for all noncancelable operating leases with initial terms of one year or more at December 30, 2000 are as follows (in thousands):

2001	1,163
2002	1,124
2003	298
2004	8
2005 and thereafter	—
	2,593

10. Earnings per Share

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

(In Thousands)	2000	1999	1998
Numerator:			
Net income	$37,298	$25,220	$19,885
Denominator:			
Denominator for basic earnings per share – Weighted-average shares	19,834	19,572	20,474
Effect of dilutive securities:			
Warrants	1,871	1,970	2,311
Employee stock options	413	209	369
Denominator for diluted earnings per share – Adjusted weighted-average shares and assumed conversions	22,118	21,751	23,154
Basic earnings per share	$ 1.88	$ 1.29	$ 0.97
Diluted earnings per share	$ 1.69	$ 1.16	$ 0.86

Selected FINANCIAL DATA

FIVE YEAR SUMMARY

	2000	1999	1998	1997	1996
Net sales	$371,920	$296,367	$269,540	$275,165	$241,446
Gross profit	150,648	117,255	100,199	111,131	98,288
Operating income	61,748	44,624	34,096	43,768	37,669
Net income	37,298	25,220	19,885	25,342	21,735
Net income per share – Diluted	1.69	1.16	0.86	1.07	0.91
Net working capital	74,503	60,008	46,685	41,548	31,343
Total assets	274,378	275,698	250,544	221,885	209,951
Long-term debt	41,397	55,460	70,061	40,385	44,556

QUARTERLY RESULTS OF OPERATIONS (unaudited)

	2000				1999			
	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q
Net sales	$82,883	$96,362	$97,356	$95,319	$82,009	$73,292	$72,094	$68,971
Gross profit	33,329	38,739	39,350	39,230	34,098	29,317	28,053	25,787
Operating income	11,545	16,271	16,730	17,202	13,162	11,538	10,862	9,062
Net income	6,710	9,728	10,647	10,213	7,604	6,588	6,005	5,023
Net income per share:								
Basic	0.34	0.49	0.54	0.51	0.39	0.34	0.31	0.25
Diluted	0.31	0.44	0.48	0.46	0.35	0.30	0.28	0.23

QUARTERLY STOCK PRICES

	2000				1999			
	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q
High	33.88	51.13	50.63	39.50	25.00	22.88	22.25	20.50
Low	24.38	29.00	30.50	21.50	20.00	18.75	17.50	16.25
Close	28.63	29.69	49.00	36.69	24.27	22.13	20.50	17.69

Officers and MANAGEMENT TEAM

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

(Please see Board of Directors)

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

Bill Barron, 58, is responsible for the company's Electronics Business Unit. Bill joined Littelfuse in 1991. Prior to joining Littelfuse, he held marketing and operations management positions with TRW, Inc. and Illinois Tool Works, Inc. He holds a Bachelor's degree in Engineering from the University of Illinois and an M.B.A. from Northwestern University.

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

Phil Franklin, 49, is responsible for the treasury, investor relations, financial control, financial reporting, information systems and global supply chain functions of the company. He joined the company in 1998 from OmniQuip International, a $450 million construction equipment manufacturer which he helped take public. He holds a Bachelor's degree cum laude in Economics and an M.B.A., both from Dartmouth College.

Hans Ouwehand
Vice President, European Operations

Hans Ouwehand, 54, is responsible for all sales, marketing and engineering activities in Europe. He joined Littelfuse in 1984 as sales manager for European electronics sales. Hans assumed his current responsibilities in 1986. In 1997, he was promoted to the position of Vice President. He holds a Bachelor's degree in Electrical Engineering from the Polytechnical University in The Hague, The Netherlands.

Dal Ferbert
General Manager, Electrical Business Unit

Dal Ferbert, 46, is responsible for the company's Electrical Business Unit. Ferbert joined Littelfuse in 1977 in distributor sales, served as a buyer in the purchasing department from 1980 to 1984, purchasing manager from 1985 to 1989 and was named to his present position in 1999. He holds a Bachelor's degree in Psychology and Business from Davidson College.

Michael P. Sammons
General Manager, Automotive Business Unit

Mike Sammons, 40, is responsible for the company's Automotive Business Unit. Sammons joined Littelfuse in 1985 as an application engineer in POWR-GARD Products. He also served as regional sales manager and marketing manager in POWR-GARD Products. He was named automotive division marketing and sales manager in 1995 and was appointed to his present position in 1999. He holds a Bachelor's degree in Engineering from the University of Wisconsin-Madison, a Bachelor's degree in Liberal Arts from Lake Forest College and an M.B.A. from Loyola University of Chicago.

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

Ken Audino, 57, is responsible for the company's overall quality, reliability and environmental compliance, quality systems, human resources and training efforts. Audino has worked for Littelfuse since 1964. He holds a Bachelor's degree in Business Administration from Northwestern University and an M.B.A., with high honors, from the Lake Forest Graduate School of Management.

Stephen J. Whitney
Director of Engineering

Steve Whitney, 50, is responsible for all aspects of new product design and engineering. He joined Littelfuse in 1998 as engineering manager, advanced products. Prior to joining Littelfuse, he was manager of product and market development for the Bussmann Division of Cooper Industries. Steve holds a Bachelor's degree in Electrical Engineering from the University of Wisconsin - Madison.

Mary S. Muchoney
Corporate Secretary

Mary Muchoney, 55, joined the company in 1977 and has served as Corporate Secretary since 1991. She is responsible for providing all secretarial and administrative functions for the President and Littelfuse Board of Directors. She is a member of the American Society of Corporate Secretaries.

Corporate INFORMATION

Annual Meeting

The annual meeting of Littelfuse, Inc. will be held at 9:00 a.m. on April 27, 2001, at the Littelfuse Corporate Headquarters. Proxy material and a copy of this report will be mailed in advance of the meeting to all shareholders of record on March 9, 2001.

Shareholder Information

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

Littelfuse news releases and other information are available on the Internet at: www.littelfuse.com.

Common Stock

Littelfuse, Inc. common stock is traded on The Nasdaq Stock Market under the symbol LFUS. Warrants to purchase common stock at an exercise price of $4.18 per share, expiring December 27, 2001, are traded under the symbol LFUSW. There are approximately 5,000 shareholders of record for the common stock.

Independent Auditors

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

Registrar and Transfer Agent

LaSalle National Bank
135 South LaSalle Street
Chicago, Illinois 60603

Legal Counsel

Chapman and Cutler
111 West Monroe Street
Chicago, Illinois 60603

World Headquarters

Littelfuse, Inc.
800 East Northwest Highway
Des Plaines, Illinois 60016 USA
(847) 824-1188
www.littelfuse.com

Research and Manufacturing Facilities

Arcola, Illinois, USA

Centralia, Illinois, USA

Des Plaines, Illinois, USA

Grenchen, Switzerland

Lipa, Philippines

Piedras Negras, Mexico

Suzhou, China

Washington, England

Dundalk, Ireland

Sales, Distribution and Engineering Facilities

Hong Kong, China

Singapore

Yokohama, Japan

Utrecht, The Netherlands

São Paulo, Brazil

Seoul, Korea

Taipei, Taiwan

Board OF DIRECTORS

Left to Right:
John Driscoll, John Nevin, John Major, Howard Witt, Bruce Karsh, Anthony Grillo

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

Howard B. Witt, 60, is Chairman, President and Chief Executive Officer of Littelfuse, Inc. He has worked for Littelfuse since 1979, was appointed President and Chief Executive Officer in 1990 and was elected Chairman of the Board in 1993. He holds a Bachelor's degree in Mechanical Engineering from Northwestern University and an M.B.A. from the Krannert School of Management of Purdue University where he graduated with honors as a Krannert Scholar.

John P. Driscoll
President
Jack Driscoll Enterprises, Inc.

Jack Driscoll, 65, is president of Jack Driscoll Enterprises, Inc., a management consulting firm. He retired in 1998 as Executive Vice President of Murata Electronics North America, Inc. He is a former Vice President of the Components Group of the Electronic Industry Alliance and a former member of its Board of Governors. For many years he was affiliated with The Electronics Component and Technology Conference. He is a member of Littelfuse's Compensation Committee. Jack serves as a member of the Board of Directors of Spectrum OEM Products, Inc. He received his degree in Industrial Management from Boston College and attended the Northeastern University Graduate School of Business.

Anthony Grillo
Partner
Joseph Littlejohn & Levy, Inc.

Anthony Grillo, 45, is a senior managing director of Joseph Littlejohn & Levy, a private equity firm. He is Chairman of Littelfuse's Audit Committee. He currently serves as a member of the Board of Directors of Hayes Lemmerz International, Inc., Lancer Industries, Iasis Healthcare and several privately held companies and non-profit organizations. He holds a Bachelor's degree in Economics and an M.B.A. in Finance from The Wharton School, University of Pennsylvania.

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

John Major, 55, is Chairman and Chief Executive Officer of Novatel Wireless, Inc., which provides wireless data access solutions for PDAs and notebook PCs. Previously, he held positions as Chairman and CEO of Wireless Knowledge, a Qualcomm and Microsoft joint venture, Corporate Executive Vice President of Qualcomm, Inc. and several executive leadership positions at Motorola; the last of which was Senior Vice President and Chief Technology Officer. He currently serves on the Board of Governors' Executive Committee for the Telecommunications Industry Association and the Electronics Industries Alliance. He also serves on the Board of Directors of Verilink, Identix, Arcoms and Lennox Corporations. He is a member of Littelfuse's Audit Committee. He received a B.S. in Mechanical and Aerospace Engineering from the University of Rochester and a M.S. in Mechanical Engineering from the University of Illinois. He also holds an M.B.A. with distinction from Northwestern University and a J.D. from Loyola University, as well as an honorary doctorate from Westminster College in 1995.

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

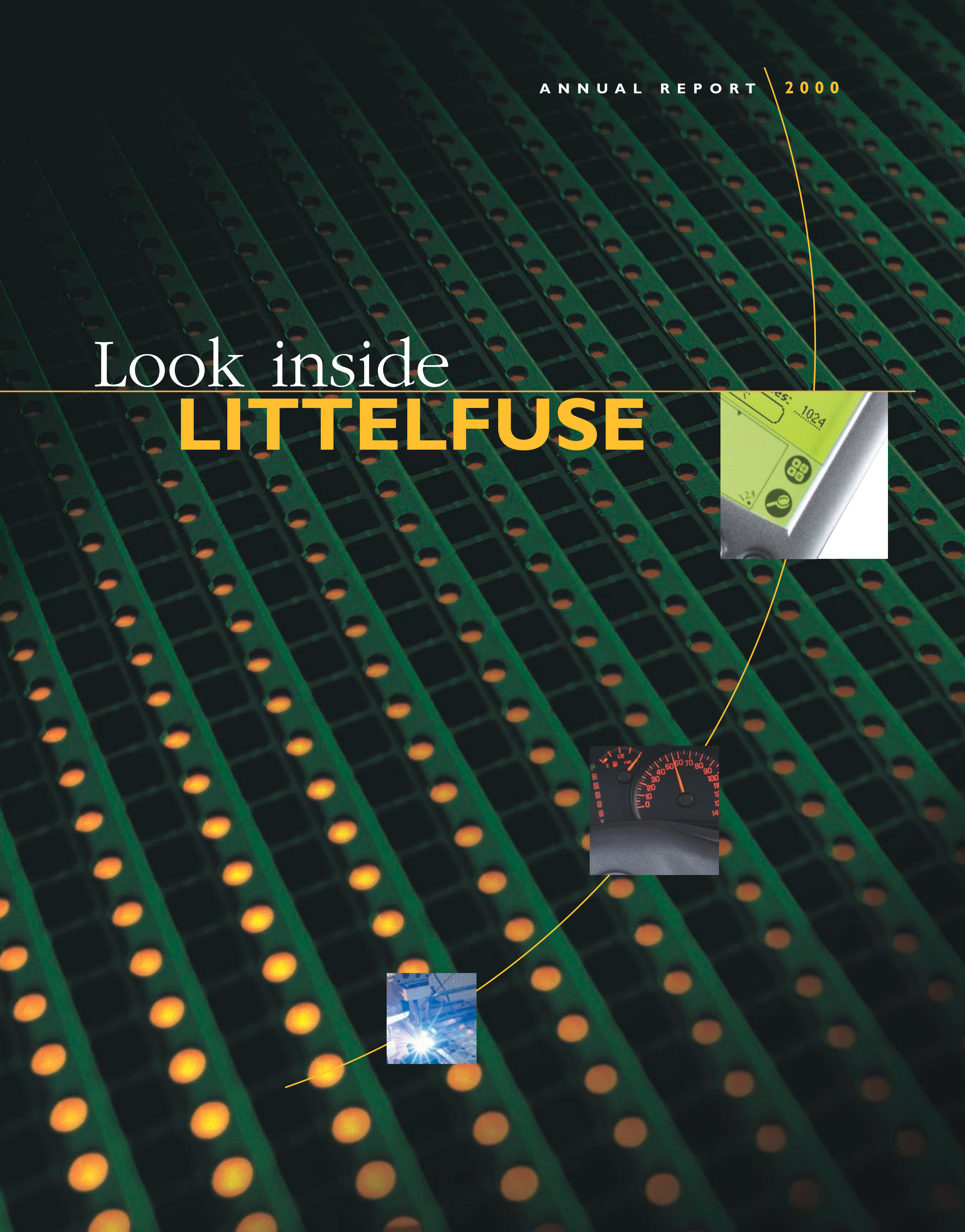
Bruce Karsh, 45, is president of and co-founder of Oaktree Capital Management, LLC, an investment advisory firm with over $18 billion of assets under management. He is Chairman of Littelfuse's Compensation Committee. He serves as a member of the Board of Directors of Furniture Brands International. He holds a Bachelor's degree in Economics from Duke University and a J.D. from the University of Virginia School of Law.

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

John Nevin, 74, is retired Chairman of the Board of Directors and CEO of Bridgestone/Firestone, Inc. He is a member of Littelfuse's Audit Committee and a life trustee of Northwestern University. He holds a Bachelor's degree in Business Administration from the University of California and received an M.B.A. from the Harvard Graduate School of Business.

ANNUAL REPORT 2000

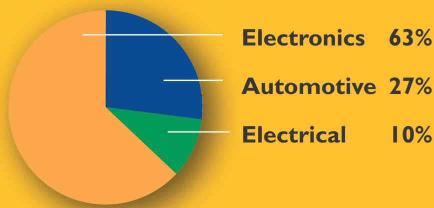
Look inside LITTELFUSE

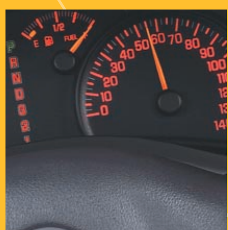


LITTELFUSE

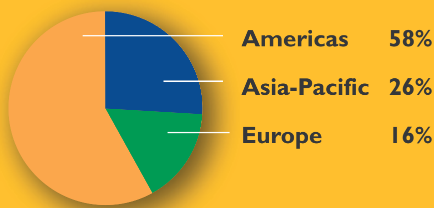
Littelfuse is a global company offering the broadest line of circuit protection products in the world. Littelfuse products are vital components in literally every product that uses electrical energy. Computers, cell phones, telecommunications and networking equipment, medical and test equipment, DVDs, Personal Digital Assistants (PDAs) and satellite television receivers typify the fast growing, high volume markets served by Littelfuse. The company is also the leading worldwide provider of circuit protection for the automotive industry and the third largest producer of power fuses in North America.

PERCENT OF TOTAL SALES





GEOGRAPHIC SALES



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ON THE COVER

Highly magnified thin film fuses in a fabricated panel await "dicing" or cutting into thousands of pepper-speck size components. These devices protect the delicate circuitry in advanced electronics including cellular phones, computers and networking equipment.

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Littelfuse®

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