



August 02, 2013

Dear Valued Customer,

TT electronics has been undertaking actions throughout our global operations to improve and optimize our capacity, delivery and quality for customers. These actions are necessary for the long-term health and success of our business.

Currently, TT electronics manufactures a range of legacy resistor products at the plant in Smithfield, North Carolina which have reached the end of their product life cycle. We see the impact of this in our demand profile for these items which has significantly dropped over recent years to the extent that it is now no longer viable to maintain production.

As a result, we have to announce our plans to exit our business in the Smithfield plant. Products which have a strong diminishing demand will be going end of life and those product lines which have still a viable future will be transferred to our manufacturing site in Mexicali, Mexico.

Details which product families will be transferred and which ones are made obsolete are provided in the Product Change Notifications enclosed. For obsolete parts we would like draw your attention to the fact that orders can only be placed until October 18<sup>th</sup>, 2013. After that date, order acceptance cannot be guaranteed and pricing would be subject to quote and existing pricing will be void.

With this announcement, we ask you to review future demand you may have for these products and plan accordingly in a timely manner.

If you have any questions or concerns, please do not hesitate to contact your sales representative. Additionally, the Resistors Management team is available to answer your questions as TT electronics works through this process.

Respectfully,

A handwritten signature in black ink that reads 'Klaus Zwerschina'.

Klaus Zwerschina  
Global Sales Director

Resistors Business Unit  
TT electronics plc