

Dennis C. Lause Senior Vice President, Worldwide Sales

November 9, 2012

Subject: Rare Earth Minerals Status

## To whom it may concern:

In an effort to provide continuing communication regarding the continuity of supplies used in Bourns, Inc.'s ("Bourns") products, Bourns is pleased to provide the following information pertaining to China's announcement of its plans to cut production of Rare Earth Elements ("REE") in the future.

## REEs referred to herein are:

CeriumLanthanumScandiumDysprosiumLutetiumTerbiumErbiumNeodymiumThuliumEuropiumPraseodymiumYtterbiumGadoliniumPromethiumYttrium

Holmium Samarium

Bourns has researched its supply chain and is pleased to advise that currently Bourns is not adversely affected by China's announcement. Further, Bourns does not anticipate any adverse effect to its future sources of supply or shipments to its customers because of China's announcement.

In the unlikely event that any shipments of Bourns® products to you will be affected by China's announcement, you will be contacted promptly by Bourns.

Best Regards, BOURNS, INC.

Dennis C. Lause

Senior Vice President, Worldwide Sales