

Juba Merger Customer Q&A

Question	How long will the merger review process take and when I will be advised of the result?
Answer	<i>The review process takes approximately 4 weeks. Kaschke and Bourns will continue to explore strategic alliance opportunities during this period. Once the process is completed Kaschke and Bourns will publish a press release and advise our key customers and suppliers about the outcome and our definitive plans for the future</i>
Question	How does the merger application impact existing Customer, Representatives and Supplier relationships?
Answer	<i>The merger application is pending and therefore has no impact to the existing contracts, liabilities, warranties, purchase orders or agreements with existing customers, suppliers or representatives. No matter what the result we can assure all partners all existing responsibilities and commitments will be honored.</i>
Question	How will I, the Customer, gain from this merger? What are the benefits to me?
Answer	<i>No final decision can be made until the merger review has been completed by the German Federal Cartel Office and the strategic alliance discussion have been completed between Bourns and Kaschke. The benefits of a successful alliance will be that Kaschke Components get access to a larger experienced worldwide organization. This will bring synergistic technical and commercial advantages. Kaschke Components will be able to bring additional value to customers in terms of performance, quality, cost and technology. The benefit to Bourns is gaining in-depth ferrite knowledge from the Kaschke team and their expert insights into custom design and manufacturing.</i>
Question	Is there any planned headcount reduction as a result of the merger application?
Answer	<i>No final decision can be made until the merger review has been completed by the German Federal Cartel Office and the strategic alliance discussion have been completed between Bourns and Kaschke. Irrespective of the outcome, the business is growing and needs the full support of the existing team. There are no plans for consolidation of resources and, in fact, plans are already in place to expand the team in order to support additional customers and bring enhanced value to existing customers.</i>
Question	Are there any planned site closures as a result of the merger application?
Answer	<i>No final decision can be made until the merger review has been completed by the German Federal Cartel Office and the strategic alliance discussion have been completed between Bourns and Kaschke. No matter what outcome, both companies recognize and appreciate that the Kaschke operations are well managed. No matter what happens, plans are in place to expand and invest in the existing sites so the businesses can grow. We both want to expand the capability at all sites so extra value can be brought to customers and help ensure the business continues to track and respond to emerging market needs.</i>
Question	Are there any planned site closures as a result of the merger application?
Answer	<i>The Kaschke sites are well managed and the Kaschke team has plans in place to expand and invest in existing sites to grow their business. We have an understanding that no matter what the form of strategic alliance, it will have no impact to the existing manufacturing site plans that support customers. The business will continue to follow the existing strategic plan and should an alliance be agreed, Bourns will bring their experience and insights into future plans.</i>
Question	Will warranties be changed in any way?
Answer	<i>The form of strategic alliance will have no impact on Kaschke warranties already agreed upon.</i>
Question	Will customer service or quality policies change?
Answer	<i>The existing high standards of service and quality will be maintained. Should a strategic alliance be agreed and the merger review is successful, Bourns can provide an additional layer of experience to enhance quality and service where opportunities arise.</i>
Question	Will inventory and capacity levels remain the same?
Answer	<i>The Kaschke business is experiencing increased demand and intends to invest in expanding capacity to meet the growing demand. To ensure on time delivery, inventory investments will be made to meet all customers demands. None of this will be impacted by the ongoing strategic alliance discussions.</i>
Question	Will outstanding quotes be honored?
Answer	<i>All outstanding quotes by Kaschke will be honored.</i>
Question	Who do I call if I have a problem or concern?
Answer	<i>The Kaschke team remain the point of contact. The existing management team continue to be the leaders of the business with full ownership and responsibility of all customer issues.</i>
Question	How will the merger application impact the strategy of Kaschke?
Answer	<i>Kaschke will support the well defined existing business plan developed by the experienced existing Kaschke management team. We will accelerate investment in engineering resources to further enhance the customization capability of the Kaschke engineering team as necessary. The merger application will have no effect on Kaschke's plan. Should some form of strategic alliance be agreed with Bourns, we believe that will have a positive impact on Kaschke's plans.</i>