

Edgar Filing: VISHAY INTERTECHNOLOGY INC - Form 8-K/A

VISHAY INTERTECHNOLOGY INC

Form 8-K/A

February 26, 2003

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K/A
AMENDMENT NO. 1 TO FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): December 13, 2002

VISHAY INTERTECHNOLOGY, INC.
(Exact name of registrant as specified in its charter)

Delaware	1-7416	38-1686453
(State or other jurisdiction of incorporation or organization)	(Commission file number)	(I.R.S. employer identification no.)

63 Lincoln Highway	
Malvern, Pennsylvania	19355-2120
(Address of principal executive offices)	(Zip code)

Registrant's telephone number, including area code: (610) 644-1300

(Former name or former address, if changed since last report.)

This Form 8-K/A amends the Form 8-K filed by the Registrant on December 23, 2002. The following items have been amended:

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits

(a) Financial Statements of BCcomponents Holdings B.V.

Consolidated Balance Sheet (Unaudited) -- December 31, 2000 and 2001.

Consolidated Statement of Income (Unaudited) -- Year ended December 31, 2000 and 2001.

Edgar Filing: VISHAY INTERTECHNOLOGY INC - Form 8-K/A

Consolidated Statement of Cash Flow (Unaudited) -- Year ended
December 31, 2000 and 2001.

Notes to Consolidated Financial Statements (Unaudited).

Consolidated Balance Sheet (Unaudited)-- September 30, 2002.

Consolidated Statements of Income (Unaudited) -- Nine Months
ended September 30, 2001 and 2002.

Consolidated Statements of Cash Flows (Unaudited) -- Nine
Months ended September 30, 2001 and 2002.

(b) Pro Forma Financial Information.

Pro Forma Condensed Consolidated Balance Sheet (Unaudited) --
September 30, 2002.

Pro Forma Condensed Consolidated Statement of Income
(Unaudited) -- Year ended December 31, 2001 and Nine Months
ended September 30, 2002.

Notes to Pro Forma Condensed Consolidated Financial Statements
(Unaudited).

-2-

Consolidated balance sheet (Unaudited)
At December 31, 2001

(Before appropriation of net income)
(Currency - Millions of Euros)

	2001 (euro)	2000 (euro)
ASSETS		
Fixed assets		
Financial fixed assets	1.6	--
Intangible fixed assets	0.6	0.8
Tangible fixed assets	94.4	90.5
	-----	-----
	96.6	91.3
	-----	-----
Current assets		
Inventory		
Raw materials and supplies	14.0	17.1
Work in process	7.8	12.3
Finished products and trade goods	26.9	37.2
	-----	-----
	48.7	66.6
	-----	-----
Accounts receivable trade	40.0	67.3
Other receivables	3.9	3.9

Edgar Filing: VISHAY INTERTECHNOLOGY INC - Form 8-K/A

Prepaid expenses	1.4	0.8
	-----	-----
	45.3	72.0
	-----	-----
Cash	22.1	14.0
	-----	-----
	116.1	152.6
	-----	-----
	212.7	243.9
	=====	=====

Consolidated balance sheet (Unaudited)
At December 31, 2001

(Before appropriation of net income)
(Currency - Millions of Euros)

	2001 (euro)	2000 (euro)
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity	(211.9)	(207.8)
Minority interest	(0.0)	(0.1)
	-----	-----
	(211.9)	(207.9)
	-----	-----
Provisions		
Pensions	20.3	16.5
Other provisions	37.4	36.4
	-----	-----
	57.7	52.9
	-----	-----
Long-term liabilities	275.7	269.2
	-----	-----
Short-term liabilities		
Bank overdrafts and short-term loans	35.0	49.2
Accounts payable trade	27.8	42.8
Taxes and social security contributions	9.5	13.2
Other debts	5.5	5.9
Accrued liabilities	13.4	18.6
	-----	-----
	91.2	129.7
	-----	-----
	212.7	243.9
	=====	=====

Consolidated statement of income (Unaudited)

Edgar Filing: VISHAY INTERTECHNOLOGY INC - Form 8-K/A

For the year ended December 31, 2001

(Currency - Millions of Euros)

	2001 (euro)	2000 (euro)
Revenues		
Net sales	366.1	456.8
Change in inventory of finished products and work in process	(18.8)	11.1
Production costs capitalized for own business activities	6.3	7.7
	-----	-----
	353.6	475.6
	-----	-----
Cost of revenues		
Cost of raw materials and supplies	(122.0)	(181.1)
Wages and salaries	(93.7)	(97.3)
Social security	(28.2)	(28.0)
Pension cost	(4.8)	(4.1)
Depreciation of fixed assets	(18.8)	(16.8)
Other cost of revenues	(86.1)	(98.4)
	-----	-----
	(353.6)	(425.7)
Operating income before restructuring expenses	--	49.9
	-----	-----
Restructuring expenses	(14.6)	--
	-----	-----
Operating income / (loss)	(14.6)	49.9
	-----	-----
Financial income and expense		
Interest income	0.4	2.7
Interest expense	(29.1)	(31.0)
Currency exchange loss	(3.4)	(5.2)
	-----	-----
	(32.1)	(33.5)
	-----	-----
Income / (loss) on ordinary activities before taxation	(46.7)	16.4
	-----	-----
Provision for tax on income on ordinary activities	2.6	2.3
	-----	-----
Income / (loss) on ordinary activities after taxation	(49.3)	14.1
	-----	-----
Minority interest	(0.1)	--
	-----	-----
Net income / (loss)	(49.4)	14.1
	=====	=====

Edgar Filing: VISHAY INTERTECHNOLOGY INC - Form 8-K/A

Consolidated cash flow statement (Unaudited)
For the year ended December 31, 2001

(Currency - Millions of Euros)

	2001 (euro)	2000 (euro)
Cash flows from operating activities		
Net income	(49.4)	14.1
	-----	-----
Depreciation of fixed assets	18.8	16.8
Valuation adjustment of fixed assets	(0.6)	(0.7)
Decrease/increase in minority interest	0.1	(0.8)
Decrease/increase provisions	4.8	(11.2)
	-----	-----
	23.1	4.1
	-----	-----
Decrease/increase in inventory	17.9	(12.6)
Decrease/increase in current assets other than inventory and cash	26.7	(8.6)
Decrease/increase in short-term liabilities other than loans and bank overdrafts	(24.3)	1.4
	-----	-----
Change in working capital	20.3	(19.8)
	-----	-----
Net cash used in operating activities	(6.0)	(1.6)
	-----	-----
Cash flows from investing activities		
Net additions to fixed assets	(21.9)	(22.1)
Participations	(1.6)	--
	-----	-----
Net cash used in investing activities	(23.5)	(22.1)
	-----	-----
Cash flows from financing activities		
Issuance of share capital	46.2	30.0
Adjustment to goodwill	--	(8.1)
Proceeds from loans and short-term bank liabilities	12.7	40.4
Redemption of loans and short-term bank liabilities	(20.5)	(41.0)
	-----	-----
Net cash from financing activities	38.4	21.3
	-----	-----
Translation differences on cash	(0.8)	(0.3)
	-----	-----
Net decrease/increase in cash	8.1	(2.7)
	=====	=====

Notes to consolidated financial statements (Unaudited)
At December 31, 2001

Edgar Filing: VISHAY INTERTECHNOLOGY INC - Form 8-K/A

(Currency - Millions of Euros)

1. General

BCcomponents Holdings B.V. ("the company"), having its legal seat in Eindhoven, The Netherlands, is engaged in the development of a broad line of electronic components.

The company was disentangled from Philips Electronics as of January 1, 1999 and for this transaction a shelf company was used (later renamed into BCcomponents Holdings B.V.).

A summary of the management report is included in the annual report. The full management report is available at the office of the company upon request.

2. Principles of Consolidation

All significant intercompany balances and transactions are eliminated in consolidation. The consolidated financial statements integrally include the financial statements of the company and the following group companies, which are economically and organisationally linked to the company:

Name -----	Country -----	Percentage Ownership -----
BCcomponents Holdings (Netherlands) B.V.	Netherlands	100%
BCcomponents B.V.	Netherlands	100%
BCcomponents International B.V.	Netherlands	100%
BCcomponents Austria GmbH	Austria	100%
BCcomponents Holdings GmbH	Germany	100%
BCcomponents Beyschlag GmbH	Germany	100%
BCcomponents Vertriebs GmbH	Germany	100%
BC Components, Inc.	USA	100%
BCcomponents SAS	France	100%
BCcomponents Estate N.V. (previously known as BCcomponents Holding N.V.)	Belgium	100%
BCcomponents N.V.	Belgium	100%
BCcomponents UK Ltd.	United Kingdom	100%
BC Components South Europe SRL	Italy	100%
Valen Ltd.	Hong Kong	100%
BCcomponents (Shanghai) Company Ltd.	China	95%
BCcomponents Trading (Shanghai) Co. Ltd.	China	100%
BCcomponents India Pvt. Ltd.	India	100%
BCcomponents Hong Kong Ltd.	Hong Kong	100%
BCcomponents China Ltd.	Hong Kong	100%
BCcomponents Singapore Pte. Ltd.	Singapore	100%
BCcomponents (Taiwan) Ltd.	Taiwan	100%

Edgar Filing: VISHAY INTERTECHNOLOGY INC - Form 8-K/A

In 2001, BC Components Inc. started a joint venture of 49% in Capfoil, LLC. This joint venture is not consolidated, but stated at its net asset value presented under financial fixed assets.

The relevant part of total group equity and net result attributable to third parties is included as minority interest in the consolidated balance sheet and statement of income respectively.

Assets, shareholders' equity and liabilities of foreign group companies not denominated in euros are for consolidation purposes translated into euros at the rates of exchange prevailing at yearend. Income and expense are translated at the average rates of exchange for the year. Gains and losses resulting from the translation are recorded directly in shareholders' equity.

3. Accounting Principles

a) General

The accounting principles of the company are summarized below. These accounting principles have all been applied consistently throughout the year and the preceding year.

Assets and liabilities are stated at face value unless indicated otherwise.

Assets and liabilities denominated in foreign currencies are translated into euros at the rates of exchange prevailing at yearend. Transactions in foreign currencies are translated at the rates of exchange prevailing at the date of the transaction. The exchange results are recorded under financial income and expense in the statement of income.

b) Comparative figures

Certain reclassifications have been made to the 2000 financial statements in order to conform to the current year's presentation.

c) Intangible fixed assets

Capitalized costs in connection with software development included in intangible fixed assets are amortized on a straight-line basis over a period of 2-5 years.

Goodwill originating from the acquisition of investments represents the difference of the (company's share in) net asset value and the acquisition cost of the investments at the time of the acquisition.

Intangible fixed assets are revalued in case of any permanent impairment.

d) Tangible fixed assets

Tangible fixed assets are stated at the acquisition cost, less straight-line depreciation. The depreciation is calculated on the basis of acquisition cost less residual value and the estimated useful life of the related asset. The estimated useful lives are:

Buildings	10 - 25 years
Machinery and equipment	5 - 10 years
Other tangible fixed assets	2 - 5 years

Tangible fixed assets are revalued in case of any permanent impairment.

Tangible fixed assets under construction are stated at the lower of production

Edgar Filing: VISHAY INTERTECHNOLOGY INC - Form 8-K/A

cost or net realizable value. Production cost includes materials, direct labor, an attributable proportion of manufacturing overheads based on normal levels of activity. Net realizable value is based on estimated selling price, less further costs expected to be incurred for completion and disposal.

e) Financial fixed assets

Investments in subsidiaries and associating companies are stated at net asset value if the company effectively exercises influence of significance over the operational and financial activities of these investments. The net asset value is determined on the basis of the accounting principles applied by the company.

f) Inventory

Raw materials, supplies and trade goods are stated at the lower of (first-in, first-out) purchase price or net realizable value. Finished products and work in process are stated at the lower of production cost or net realizable value.

Production cost includes materials, direct labor, an attributable proportion of manufacturing overheads based on normal levels of activity. Net realizable value is based on estimated selling price, less further costs expected to be incurred for completion and disposal.

g) Accounts receivable

Accounts receivable are stated at face value, less an allowance for possible uncollectable accounts.

h) Income taxes

Income taxes are calculated based on the corporate income tax systems applicable in the respective countries. The value of inventories, tangible fixed assets, accounts receivable and provisions for tax purposes are different from the value in the statutory accounts. Deferred tax assets resulting from fiscal loss compensation are valued at nil.

i) Financial instruments

On-balance sheet financial instruments are stated at nominal value unless indicated otherwise.

The company uses an off-balance sheet financial instrument (interest cap) to hedge its potential exposure to movement in interest rates.

j) Recognition of income

Net sales are determined on the basis of the value (excluding taxes) of goods invoiced, less discounts, rebates and similar charges granted to customers. Sales are recognized upon delivery of the goods. Cost of sales is recorded in the same period as sales are recognized.

Other revenues and expenses are recorded in the period in which they originate.

4. Financial Fixed Asset

The movement in investments in unconsolidated companies is as follows:

Book value January 1	(euro)	-
Acquisition of 49% interest in Capfoil LLC	(euro)	1.6

Edgar Filing: VISHAY INTERTECHNOLOGY INC - Form 8-K/A

Book value December 31	(euro)	1.6
		=====

5. Intangible Fixed Asset

The movement in capitalized software recorded under intangible fixed assets is as follows:

Book value January 1	(euro)	0.8
Additions	(euro)	0.1
Amortization	(euro)	(0.3)
 Book value December 31	 (euro)	 0.6
		=====
 Historical Cost	 (euro)	 0.9
Accumulated amortization	(euro)	(0.3)
 Book value December 31	 (euro)	 0.6
		=====

6. Tangible Fixed Assets

The movement in tangible fixed assets is as follows:

	Land And Buildings (euro)	Machinery And Equipment (euro)	Other Tangible Fixed Assets (euro)	Total (euro)
Book Value January 1	28.1	54.2	8.2	90.5
 Translation Gain	 0.2	 1.2	 0.1	 1.5
Additions	1.3	21.0	2.8	25.1
Retirements	(0.4)	(2.4)	(0.5)	(3.3)
Valuation adjustments	(0.1)	(0.8)	--	(0.9)
Depreciation	(2.2)	(12.9)	(3.4)	(18.5)
	----	----	----	-----
 Book value December 31	 26.9	 60.3	 7.2	 94.4
	=====	=====	=====	=====
 Historical Cost	 34.7	 74.0	 14.5	 123.2
Accumulated Depreciation	(7.8)	(13.7)	(7.3)	(28.8)
	----	----	----	-----
 Balance December 31	 26.9	 60.3	 7.2	 94.4
	=====	=====	=====	=====

7. Accounts Receivable

Accounts receivable as presented under current assets are specified as follows:

Edgar Filing: VISHAY INTERTECHNOLOGY INC - Form 8-K/A

	2001 (euro) Remaining period			2000 (euro) Remaining period	
	Not exceeding 1 year	More Than 1 year	Total	Up To 1 year	More Than 1 year
Trade	39.7	0.3	40.0	66.9	0.4
Other receivable	3.7	0.2	3.9	3.7	0.2
Prepaid expenses	1.4	--	1.4	0.8	--
	----	----	----	----	----
	44.8	0.5	45.3	71.4	0.6
	=====	=====	=====	=====	=====

Accounts receivable at December 31, 2001 are substantially denominated in foreign currencies. The foreign currencies include the currencies of those countries in which the group has its operations.

8. Cash

Cash at December 31, 2001 includes short-term time deposits for the amount of (euro) 9.3 (2000 - (euro) 2.4). Otherwise no restrictions on usage of cash exist.

9. Provisions

Pension provisions are determined by actuarial calculation. Pension benefits of Dutch employees are insured with the "Bedrijfspensioenfonds voor de Metaalindustrie". Pension provisions included in the consolidated balance sheet primarily represent non-insured pension

liabilities related to foreign subsidiaries. These provisions are predominantly of a long term nature.

Other provisions include those for expected expenditures related to planned reorganisation, restructuring and rationalisation measures. The short-term portion of other provisions amounts to (euro) 24.3 (2000 - (euro) 23.6).

The movement in other provisions is specified as follows:

	2001 (euro)	2000 (euro)
Balance January 1	36.4	41.5
Translation effects	-	0.3
Use of Provisions	(13.6)	(10.5)
Addition to provision	14.6	5.1
	-----	-----
Balance December 31	37.4	36.4
	=====	=====

10. Liabilities

Liabilities with a remaining period up to 1 year, including the short-term

Edgar Filing: VISHAY INTERTECHNOLOGY INC - Form 8-K/A

portion of long-term liabilities, are presented under short-term liabilities.

The carrying amount of the long-term debt at December 31, 2001 is at nominal value. Liabilities at December 31, 2001 are partially denominated in foreign currencies. The foreign currencies include a mezzanine loan amounting to USD 105.7 million (2000 - USD 105 million) and loans for the equivalent of (euro) 40.8 (2000 - (euro) 40.7) denominated in USD and/or the local currencies in which the relevant group companies operate. The mezzanine loan is subordinated in right of payment to other loan facilities amounting to (euro) 192.0 (2000 - (euro) 193.9). The interest rate on the Euro denominated loans is based upon LIBOR plus a margin. The interest rate on the USD 105 million mezzanine loan amounts to 13% (2000 - 12%), 12% of which is paid in cash and 1 % of which is added to the principal on a quarterly accrual basis.

Liabilities with a remaining period of more than 1 year are specified as follows:

	2001 (euro) Remaining period			2000 (euro) Remaining p	
	Up To 5 years	More Than 5 years	Total	Up To 5 years	More T 5 ya
	-----	-----	-----	-----	-----
Bank Loans	152.6	119.7	272.3	118.3	146.
Other long-term liabilities	3.4	--	3.4	4.0	--
	-----	-----	-----	-----	-----
	156.0	119.7	275.7	122.3	146.
	=====	=====	=====	=====	=====

The company has granted security over its assets in favour of the financial institutions to support borrowings from those financial institutions by the company and its subsidiaries within the BCcomponents Holdings group.

11. Income Taxes

The company and its Dutch wholly owned subsidiaries constitute a fiscal entity. The group has a loss carryforward of approximately (euro) 150.0 (2000 - (euro) 100.0), which is available to reduce future tax liabilities.

12. Credit Facilities

The company and its subsidiaries have credit facilities available under a revolving arrangement and local loans amounting to (euro) 72.5 (2000 - (euro) 72.3). At December 31, 2001 these facilities were used for an amount of (euro) 53.6 (2000 - (euro) 46.1).

The credit facilities with certain banks are secured by pledging of the company's assets. In addition the company is not allowed to pledge assets to other third parties.

13. Commitments

Edgar Filing: VISHAY INTERTECHNOLOGY INC - Form 8-K/A

a) Purchase commitments

The company and its group companies have in their ordinary course of business activities entered into purchase commitments for raw materials and supplies, which amount to approximately (euro) 3.9 at December 31, 2001 (2000 - (euro) 24.6).

Purchase commitments in connection with the acquisition of fixed assets amount to approximately (euro) 1.0 (2000 - (euro) 4.6).

b) Rental obligations and operational lease commitments

Total commitments in connection with rental obligations and operational lease agreements amount to approximately (euro) 10.4 (2000 - (euro) 11.4). The short-term portion of these commitments amounts to approximately (euro) 2.7 (2000 - (euro) 2.4). The portion that is due after 5 years amounts to approximately (euro) 2.8 (2000 - (euro) 2.9).

c) Guarantees

The guarantees provided by the company on behalf of third parties amount to (euro) 2.1 (2000 - (euro) 1.0) and relate to bank guarantees.

14. Segment Information

a) Business Segments

The business segment composition of the consolidated net sales is as follows:

	2001 (euro)	2000 (euro)
Capacitors	196.9	235.9
Resistors	159.7	187.6
Other	9.5	33.3
	-----	-----
	366.1	456.8
	=====	=====

b) Geographical Segments

The geographical composition of the consolidated net sales is as follows:

	2001 (euro)	2000 (euro)
The Netherlands	15.5	19.5
Other European countries	188.0	225.6
North America	67.7	93.8
Central and South America	3.4	3.9
Asia	88.2	108.9
Africa	0.5	1.0
Australia	2.8	4.1
	-----	-----
	366.1	456.8
	=====	=====

15. Personnel

Edgar Filing: VISHAY INTERTECHNOLOGY INC - Form 8-K/A

The average number of personnel during the year was approximately 3.930 (2000 - 4.092) employed in the following functional areas:

	2001	2000
Production and engineering	3.041	3.212
Sales and marketing	212	207
Distribution and Administration	677	673
	-----	-----
	3.930	4.092
	=====	=====

The number of personnel does not include the 1.057 (2000 - 1.184) (sub) contractors in Danshui (China).

16. Financial Instruments

The company (uses in the normal course of business) various types of financial instruments. Financial instruments include those recognized in the balance sheet (on-balance sheet) and off-balance sheet financial instruments.

The estimated fair value of a financial instrument is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Fair values are determined from listed market prices, price quotations from banks or from pricing models.

The company has procedures and policies in place to control risks related to financial instruments. These policies and procedures include a clear segregation of duties between operating, settlement, accounting and controlling of all financial instruments used. (In addition, the geographical spread of the company's activities limits the exposures to concentrations of credit or market risk.) The company's management is involved in the risk management process.

a) On-balance sheet instruments

Financial instruments in the balance sheet substantially include accounts receivable trade/ cash/ securities/ long-term loans/ short-term loans/ accounts payable trade.

The estimated fair values of on-balance financial instruments at December 31, 2001 approximate their carrying amounts unless indicated otherwise.

The remainder of this note relates to off-balance sheet instruments.

b) Interest derivatives

Interest derivatives are mostly related to long-term financing arrangements and are used to manage exposure to movements in interest rates and/or to adjust the fixed rate or floating rate nature of financing arrangements.

An interest rate cap of (euro) 30.0 with a strike of 5.5% against one-month EURIBOR is still outstanding, to expire on May 22, 2002. The fair value of this interest rate cap is not significant.

c) Interest rates

The variable interest rate, substantially based on LIBOR to be paid will change to the extent that rates fluctuate. Such changes may be substantial.

Edgar Filing: VISHAY INTERTECHNOLOGY INC - Form 8-K/A

17. Cash Flow Statement

The cash flow statement is derived from the statement of income and other changes between the opening and closing balance sheets, eliminating the effect of currency translation differences upon consolidation. The cash in the cash flow statement includes time deposits. Movements in provisions for assets have been included under the item provided for.

	(in thousands) September 30, 2002 (euro)
Consolidated Balance Sheet (Unaudited)	
Fixed assets	
Intangible Fixed Assets	373
Tangible Fixed Assets	84,396

	84,769

Participations	--

Currents assets	
Inventory	
Raw materials and supplies	14,158
Work in process	7,219
Finished products and trade goods	20,696

	42,073

Accounts receivable trade	40,206
Other receivables	2,737
Prepaid expenses	1,921

	44,864

Cash	10,791

Total	182,497
	=====

	(in thousands) September 30, 2002 (euro)
Consolidated Balance Sheet (Unaudited) - continued	
Share Capital	55,258
Translation Differences	1,238
Reserves	-258,992
Current Year Results	-43,460

Edgar Filing: VISHAY INTERTECHNOLOGY INC - Form 8-K/A

Shareholders'Equity	-245,956

Minority interest	--

	-245,956

Provisions	
Pensions	17,091
Other provisions	24,129
	41,220

Long-term liabilities	247,907

Short-term liabilities	
Bank overdrafts and short-term liabilities	58,492
Trade Accounts Payable	34,173
Accrued liabilities	46,661

	139,326

	182,497
	=====

Statement of Income	2002 YTD Sept.	2001 YTD Sept.
Revenues		
Net Sales	222,154	294,791
Change in Inventory	-4,453	-11,674
Production costs capitalised	-----	-----
	217,701	283,117
	-----	-----
Cost of revenues		
Costs of raw materials	85,557	98,765
Wages & salaries	89,368	105,308
Social security	--	--
Pension Costs	--	--
Depreciation of Fixed Assets	12,759	13,757
Other costs of revenues	48,748	54,571
	-----	-----
	236,432	272,401
	-----	-----
	0	
Operating Income	-18,731	10,716
	-----	-----
Financial Income & Charges		

Edgar Filing: VISHAY INTERTECHNOLOGY INC - Form 8-K/A

Interest Income	175	322
Interest Expense	-24,841	-22,938
Currency exchange loss	6,075	-940
	-----	-----
	-18,591	-23,556
	-----	-----
Income on Ordinary activities	-37,322	-12,840
	-----	-----
Taxation	59	-1,647
	-----	-----
Income after Tax	-37,263	-14,487
	-----	-----
Non ordinary expenses	-7,000	--
	-----	-----
Net Income	-44,263	-14,487
	=====	=====

Cashflow	2002 YTD Sept.	2001 YTD Sept.
Cash flows from operating activities		
Net income	-43.5	-14.0
	-----	-----
Depreciation of fixed assets	12.8	13.8
Valuation adjustment of fixed assets	--	--
Decrease/increase in minority interest	--	0.1
Decrease/increase provisions	-16.5	-4.8
	-----	-----
	-3.7	9.1
	-----	-----
Decrease/Increase in inventory	6.6	11.9
Decrease/Increase in current assets other than inventory and cash	0.4	19.6
Decrease/increase in short-term liabilities other than loans and bank overdrafts	24.8	-12.6
	-----	-----
Change in working capital	31.8	18.9
	-----	-----
Net cash used in operating activities	-15.4	13.9
	-----	-----
Cash flows from investing activities		
Net additions to tangible fixed assets	-2.6	-18.6
Participations	1.6	0.0
	-----	-----
Net cash used in investing activities	-1.0	-18.6
	-----	-----
Cash flows from financing activities		
Issuance of share capital	9.4	44.2
Adjustment to goodwill	--	--

Edgar Filing: VISHAY INTERTECHNOLOGY INC - Form 8-K/A

Proceeds from loans and short-term bank liabilities	-4.3	-30.4
Redemption of loans and short-term bank liabilities	--	--
	-----	-----
Net cash from financing activities	5.1	13.8
	-----	-----
Translation differences on cash	--	--
	-----	-----
Net decrease/increase in cash	-11.3	9.1
	-----	-----

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The following unaudited pro forma condensed consolidated financial statements give pro forma effect to the acquisition using the purchase method of accounting and the assumptions and adjustments set forth in the accompanying notes to the pro forma financial statements. On December 13, 2002, Vishay Intertechnology, Inc. ("Vishay") acquired BCcomponents Holdings B.V. ("BCcomponents" or "BCC"), a leading manufacturer of passive components with operations in Europe, India and the Far East. The product lines of BCcomponents include linear and non-linear resistors; ceramic, film and aluminum electrolytic capacitors; and switches and trimming potentiometers.

Vishay acquired the outstanding shares of BCcomponents in exchange for ten-year warrants to acquire 7,000,000 shares of Vishay common stock at an exercise price of \$20.00 per share and ten-year warrants to acquire 1,823,529 shares of Vishay common stock at an exercise price of \$30.30 per share. In the transaction, outstanding obligations of BCcomponents, including indebtedness and transaction fees and expenses, in the amount of approximately \$224 million were paid (\$191 million) or assumed (\$33 million). Also, \$105 million in principal amount of BCcomponents' mezzanine indebtedness and certain other securities of BCcomponents were exchanged for \$105 million principal amount of floating rate unsecured loan notes of Vishay due 2102. The Vishay notes bear interest at LIBOR plus 1.5% through December 31, 2006 and at LIBOR thereafter. The interest note could be further reduced to 50% of LIBOR after December 31, 2010 if the price of Vishay common stock trades above a specified target price, as provided in the notes. The notes are subject to a put and call agreement under which the holders may at any time put the notes to Vishay in exchange for 6,176,471 shares of Vishay common stock in the aggregate, and Vishay may call the notes in exchange for cash or for shares of its common stock after 15 years from the date of issuance. Vishay has granted registration rights for the warrants and the shares of common stock issuable in respect of the warrants.

The unaudited pro forma condensed consolidated statements of operations for the year ended December 31, 2001 and the nine months ended September 30, 2002 are based on the individual historical statements of operations of Vishay and BCcomponents and combine the results of operations of Vishay and BCcomponents for the year ended December 31, 2001 and the nine months ended September 30, 2002, as if the acquisition had occurred as of January 1, 2001. The unaudited pro forma consolidated condensed balance sheet as of September 30, 2002 is based on the individual historical balance sheets of Vishay and BCcomponents and gives effect to the acquisition as if it had occurred on September 30, 2002.

The unaudited pro forma condensed consolidated financial statements are based on estimates and assumptions. These estimates and assumptions are preliminary and have been made solely for purposes of developing this pro forma information. Unaudited pro forma consolidated financial information is presented

Edgar Filing: VISHAY INTERTECHNOLOGY INC - Form 8-K/A

for illustrative purposes only and is not necessarily indicative of the combined financial position or results of operations of future periods or the results that actually would have occurred had the acquisition occurred on the dates indicated. The pro forma consolidated financial information does not give effect to any cost savings that may result from the integration of the Vishay and the BCcomponents businesses. The pro forma adjustments are subject to change pending a final analysis of the fair values of the assets acquired and liabilities assumed. The impact of these changes could be material.

This unaudited pro forma consolidated financial information is based upon the respective historical consolidated financial statements of Vishay and BCcomponents and related notes thereto, and should be read in conjunction with those statements and the related notes.

PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET (UNAUDITED)

	September 30, 2002		Pro Forma Adjustments
	Vishay	BCC	
	-----	---	-----
	(In thousands)		
ASSETS			
Cash and cash equivalents	\$ 408,071	\$ 10,533	(\$ 75,000) (B)
Accounts receivable	341,625	41,916	
Inventories	556,312	41,069	
Deferred income taxes	70,435	0	
Other current assets	130,243	1,875	
	-----	-----	-----
Total Current Assets	1,506,686	95,391	(75,000)
Property and equipment, net	1,128,203	82,378	
Goodwill	1,105,784	0	380,417 (B)
Other Intangible Assets	78,855	364	
Other assets	49,672	0	
	-----	-----	-----
	\$ 3,869,200	\$ 178,133	\$ 305,417
	=====	=====	=====

LIABILITIES AND STOCKHOLDERS' EQUITY

Accounts and notes payable	\$ 113,868	\$ 33,356	\$ 0
Other current liabilities	329,078	45,545	3,000
			85,000

Edgar Filing: VISHAY INTERTECHNOLOGY INC - Form 8-K/A

Current portion of long-term debt	336	57,093	
	-----	-----	-----
Total Current Liabilities	443,282	135,994	88,000
			(180,000)
Long-term debt	485,644	241,979	116,000
Deferred income taxes	91,494	0	
Deferred income	33,638	0	
Minority Interest	72,871	0	
Other liabilities	139,266	23,552	
Accrued pension costs	160,066	16,682	300
Stockholders' equity			
Common stock	14,428	0	
Class B Common stock	1,538	0	
Capital in excess of par value	1,871,115	0	41,000
Retained earnings (deficit)	647,119	(240,074)	240,117
Accumulated other comprehensive loss	(90,763)	0	
Unearned Compensation	(498)	0	
	-----	-----	-----
Total stockholders' equity	2,442,939	(240,074)	281,117
	-----	-----	-----
	\$ 3,869,200	\$ 178,113	\$ 305,417
	=====	=====	=====

See notes to pro forma condensed consolidated financial statements.

PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
(UNAUDITED)

	Year Ended December 31, 2001	
	As Reported	
	Vishay	BCComponents
	-----	-----
	(In thousands, except	
Net sales	\$ 1,655,346	\$ 326,438
Costs of products sold	1,273,827	244,115
	-----	-----
Gross profit	381,519	82,323
Selling, general, and administrative expenses	278,171	82,323
Restructuring expense	61,908	13,018

Edgar Filing: VISHAY INTERTECHNOLOGY INC - Form 8-K/A

Purchased research and development expense	16,000	0
Amortization of goodwill	11,190	0
	-----	-----
Operating income (loss)	14,250	(13,018)
Other income (expense):		
Interest expense	(16,848)	(25,947)
Other	12,701	(2,675)
	-----	-----
	(4,147)	(28,622)
	-----	-----
Earnings (loss) before income taxes and minority interest	10,103	(41,640)
Income taxes	5,695	2,318
Minority Interest	3,895	89
	-----	-----
Net earnings (loss)	\$ 513	(\$ 44,047)
	=====	=====
Basic earnings (loss) per share	\$ 0.00	
Diluted earnings (loss) per share	\$ 0.00	
Weighted average shares outstanding - basic	141,171	
Weighted average shares outstanding - diluted	142,514	

See notes to pro forma condensed consolidated financial statements.

PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
(UNAUDITED)

	Nine Months September 30, 2002		Pro F Adjus Not
	As Reported		
	Vishay	BCC	
	-----	-----	
	(In thousands, except per s		
Net sales	\$ 1,363,436	\$ 205,191	\$
Costs of products sold	1,061,707	166,108	(
	-----	-----	-----
Gross profit	301,729	39,083	
Selling, general, and administrative expenses	228,583	56,383	
Restructuring expense	7,498	6,465	(
Amortization of goodwill	0	0	
	-----	-----	-----
Operating income (loss)	65,648	(23,765)	
Other income (expense):			

Edgar Filing: VISHAY INTERTECHNOLOGY INC - Form 8-K/A

Interest expense	(21,156)	(22,942)	1
Other	4,755	5,772	
	-----	-----	
	(16,401)	(17,170)	1
	-----	-----	
Earnings (loss) before income taxes and minority interest	49,247	(40,935)	2
Income taxes	11,499	(54)	
Minority Interest	6,597	0	
	-----	-----	
Net earnings (loss)	\$ 31,151	(\$ 40,881)	\$ 1
	=====	=====	=====
Basic earnings per share	\$ 0.20		
Diluted earnings per share	\$ 0.19		
Weighted average shares outstanding - basic	159,371		
Weighted average shares outstanding - diluted	160,725		

See notes to pro forma condensed consolidated financial statements.

NOTES TO UNAUDITED PRO FORMA CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
(Dollars in thousands)

(A) Pro forma adjustments to record the acquisition reflect the following:

Vishay acquired the outstanding shares of BCcomponents in exchange for ten-year warrants to acquire 7,000,000 shares of Vishay common stock at an exercise price of \$20.00 per share and ten-year warrants to acquire 1,823,529 shares of Vishay common stock at an exercise price of \$30.30 per share. Vishay has preliminarily estimated the value of the warrants to be \$41 million using the Black-Scholes option pricing model. Vishay also paid cash consideration of \$191 million for the payment of indebtedness and transaction fees and expenses.

The purchase price and related costs are as follows:

Cash consideration:	
Existing Cash.....	75,000
Borrowings.....	116,000
Warrants issued.....	41,000
Acquisition costs.....	3,000

Total purchase price.....	\$235,000
	=====

(B) Under purchase accounting, the total purchase price is allocated to assets acquired and liabilities assumed based on their estimated fair values. The final allocation of the purchase price will be determined upon completion of an evaluation of the fair value of BCcomponents' tangible and identifiable intangible assets acquired and liabilities assumed at the date of the

Edgar Filing: VISHAY INTERTECHNOLOGY INC - Form 8-K/A

acquisition. Purchase accounting adjustments have been preliminarily estimated by Vishay's management based upon currently available information. There can be no assurance, however, that the estimated adjustments represent the final purchase accounting adjustments that will ultimately be determined. The following pro forma adjustments have been made to reflect the estimated fair values of the acquired assets and liabilities assumed.

	Net Assets
	Increase (Decrease)
Estimated restructuring costs.....	(85,000)
BCC debt paydown.....	180,000
Pension obligations.....	(300)
Elimination of BCC components deficit	(240,074)
Cost in excess of net assets acquired.....	380,374
	\$235,000
	=====

(C) For purposes of determining the pro forma effect of the BCC components acquisition on the Vishay consolidated statement of operations, the following estimated pro forma adjustments have been made:

	Increase (Decrease)
	Income
	Year Ended
	12/31/2001
1. Reconciling items of Dutch GAAP to U.S. GAAP	
Restructuring expense - record expense provisions in proper period under U.S. GAAP	(12,456)
2. Adjust costs of products sold for U.S. manufacturing operations not acquired	7,368
3. Interest expense reduction due to refinancing of BCC debt by Vishay	11,788
4. Income tax expense applicable to adjustments at a 38% assumed rate.....	(4,479)
	\$ 2,221

Under Statement of Financial Accounting Standards No. 142, "Goodwill and Other Intangible Assets", goodwill and intangible assets deemed to have indefinite lives are no longer amortized and are subject to annual impairment tests. Vishay adopted this new standard effective January 1, 2002, except that the new rules were effective for any business combination completed after June 30, 2001. The pro forma financial statements, therefore, do not reflect any amortization expense relating to the goodwill arising from the acquisition. Beginning January 1, 2002, Vishay no longer records amortization on its goodwill, but no adjustment for this has been reflected in the pro forma presentation for the year ended December 31, 2001.

Edgar Filing: VISHAY INTERTECHNOLOGY INC - Form 8-K/A

	Increase (Decrease) Income Nine Months Ended 9/30/2002
1. Adjust reported BComponents from Dutch GAAP to U.S. GAAP	
Selling, general & administrative expense - reflect expenses in accordance with U.S. GAAP	(51)
Restructuring expense - record in proper expense provisions period under U.S. GAAP	3,451
2. Adjust cost of products sold for U.S. manufacturing operations not acquired	4,699
3. Interest expense reduction due to refinancing of BCC debt by Vishay	16,019
4. Income tax expense applicable to adjustments at a 38% assumed rate.....	(6,087)
	----- \$18,031

(D) Amounts for Bcomponents have been translated from Euros to U.S. Dollars as follows:

Balance Sheet Data - at the approximate exchange rate in effect as of September 30, 2002 (1.0245 Euro per U.S. \$1)

Income Statement Data - at the approximate average exchange rate in effect for the year ended December 31, 2001 (1.1215 Euro per U.S. \$1)

Income Statement Data - at the approximate average exchange rate in effect for the nine months ended September 30, 2002 (1.0826 Euro per U.S. \$1)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, Vishay Intertechnology, Inc. has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: February 26, 2002

VISHAY INTERTECHNOLOGY, INC.

By: /s/ Avi D. Eden

Avi D. Eden
Executive Vice President
and General Counsel

