UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(MARK ONE)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the Quarterly Period Ended June 30, 2014

or

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from ___________ to ____________

Commission File No. 0-11676

BEL FUSE INC.

206 Van Vorst Street
Jersey City, NJ 07302
(201) 432-0463

(Address of principal executive offices and zip code)
(Registrant's telephone number, including area code)

NEW JERSEY	22-1463699
(State of incorporation)	(I.R.S. Employer Identification No.)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes [X] No [ ]

Indicate by checkmark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer [ ] Accelerated filer [X] Non-accelerated filer [ ] (Do not check if a smaller reporting company) Smaller reporting company [ ]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes [ ] No [X]

Title of Each Class	*Number of Shares of Common Stock Outstanding as of August 1, 2014*
Class A Common Stock ($0.10 par value)	2,174,912
Class B Common Stock ($0.10 par value)	9,702,877

BEL FUSE INC.

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PART I. Financial Information

Item 1. Financial Statements (Unaudited)

Certain information and footnote disclosures required under accounting principles generally accepted in the United States of America ("U.S. GAAP") have been condensed or omitted from the following condensed consolidated financial statements pursuant to the rules and regulations of the Securities and Exchange Commission. The following condensed consolidated financial statements should be read in conjunction with the year-end consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2013.

The results of operations for the three and six months ended June 30, 2014 are not necessarily indicative of the results for the entire fiscal year or for any other period.

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BEL FUSE INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(dollars in thousands, except share and per share data)
(Unaudited)

	June 30, 2014	December 31, 2013
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 87,769	$ 62,123
Accounts receivable - less allowance for doubtful accounts of $1,900 and $941 at June 30, 2014 and December 31, 2013, respectively	97,507	63,849
Inventories	98,706	70,019
Prepaid expenses and other current assets	7,486	3,519
Refundable income taxes	2,446	1,650
Deferred income taxes	4,963	2,995
Total Current Assets	298,877	204,155
Property, plant and equipment - net	67,051	40,896
Deferred income taxes	3,537	1,680
Intangible assets - net	49,689	29,472
Goodwill	55,644	18,490
Other assets	20,045	13,448
TOTAL ASSETS	$ 494,843	$ 308,141
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	$ 58,369	$ 29,518
Accrued expenses	40,435	22,442
Short-term borrowings under revolving credit line	-	12,000
Current maturities of long-term debt	7,250	
Notes payable	479	739
Income taxes payable	1,562	1,496
Dividends payable	843	786
Total Current Liabilities	108,938	66,981
Long-term Liabilities:		
Long-term debt, noncurrent	137,750	-
Liability for uncertain tax positions	1,687	1,218
Minimum pension obligation and unfunded pension liability	11,376	10,830
Other long-term liabilities	508	410
Total Long-term Liabilities	151,321	12,458
Total Liabilities	260,259	79,439
Commitments and Contingencies		
Stockholders' Equity:		
Preferred stock, no par value, 1,000,000 shares authorized; none issued	-	-
Class A common stock, par value $.10 per share, 10,000,000 shares authorized; 2,174,912 shares outstanding at each date (net of 1,072,769 treasury shares)	217	217
Class B common stock, par value $.10 per share, 30,000,000 shares authorized; 9,330,877 and 9,335,677 shares outstanding, respectively (net of 3,218,307 treasury shares)	933	933
Additional paid-in capital	20,089	18,914
Retained earnings	211,994	207,993
Accumulated other comprehensive income	1,351	645
Total Stockholders' Equity	234,584	228,702
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 494,843	$ 308,141

See notes to unaudited condensed consolidated financial statements.

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BEL FUSE INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(dollars in thousands, except share and per share data)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	2013	2014	2013
Net Sales	$ 99,439	$ 93,981	$ 182,085	$ 157,009
Costs and expenses:				
Cost of sales	81,493	78,717	150,069	132,649
Selling, general and administrative	13,176	12,342	24,365	22,741
Restructuring charges	1,056	1,263	1,056	1,387
	95,725	92,322	175,490	156,777
Income from operations	3,714	1,659	6,595	232
Interest expense	(225)	(5)	(255)	(8)
Interest income and other, net	49	69	100	107
Earnings before provision (benefit) for income taxes	3,538	1,723	6,440	331
Provision (benefit) for income taxes	473	34	872	(800)
Net earnings	$ 3,065	$ 1,689	$ 5,568	$ 1,131
Earnings per share:				
Class A common share - basic and diluted	$ 0.25	$ 0.14	$ 0.45	$ 0.09
Class B common share - basic and diluted	$ 0.27	$ 0.15	$ 0.49	$ 0.10
Weighted-average shares outstanding:				
Class A common share - basic and diluted	2,174,912	2,174,912	2,174,912	2,174,912
Class B common share - basic and diluted	9,331,982	9,213,178	9,333,460	9,217,119
Dividends paid per share:				
Class A common share	$ 0.06	$ 0.06	$ 0.12	$ 0.12
Class B common share	$ 0.07	$ 0.07	$ 0.14	$ 0.14

See notes to unaudited condensed consolidated financial statements.

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BEL FUSE INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(dollars in thousands)
(Unaudited)

	Three Months Ended June 30, 2014	Three Months Ended June 30, 2013	Six Months Ended June 30, 2014	Six Months Ended June 30, 2013
Net earnings	$ 3,065	$ 1,689	$ 5,568	$ 1,131
Other comprehensive income:				
Currency translation adjustment, net of taxes of $89, $5, $123 and ($216), respectively	368	231	537	(1,182)
Unrealized holding losses on marketable securities arising during the period, net of taxes of $48, ($63), $65 and ($11), respectively	78	(103)	106	(18)
Change in unfunded SERP liability, net of taxes of $14, $24, $28 and ($4), respectively	32	53	63	(8)
Other comprehensive income (loss)	478	181	706	(1,208)
Comprehensive income (loss)	$ 3,543	$ 1,870	$ 6,274	$ (77)

See notes to unaudited condensed consolidated financial statements.

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BEL FUSE INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(dollars in thousands)
(Unaudited)

	Six Months Ended June 30, 2014	Six Months Ended June 30, 2013
Cash flows from operating activities:		
Net earnings	$ 5,568	$ 1,131
Adjustments to reconcile net earnings to net cash provided by (used in) operating activities:		
Depreciation and amortization	6,507	5,397
Stock-based compensation	1,143	934
Gain on disposal of property, plant and equipment	-	(13)
Other, net	269	471
Deferred income taxes	(475)	(1,120)
Changes in operating assets and liabilities (see page 6)	(318)	(10,661)
Net Cash Provided by (Used in) Operating Activities	12,694	(3,861)
Cash flows from investing activities:		
Increase in cash equivalents within Rabbi Trust	(2,936)	-
Purchase of company-owned life insurance (COLI)	(2,820)	-
Purchase of property, plant and equipment	(2,969)	(3,088)
Payment for acquisition, net of cash acquired (see page 6)	(109,879)	(20,932)
Proceeds from surrender of COLI	5,756	-
Proceeds from disposal of property, plant and equipment	20	13
Net Cash Used in Investing Activities	(112,828)	(24,007)
Cash flows from financing activities:		
Dividends paid to common shareholders	(1,511)	(1,512)
Deferred financing costs	(5,422)	-
Repayments under revolving credit line	(12,000)	-
(Decrease) increase in notes payable	(255)	149
Proceeds from long-term debt	145,000	-
Purchase and retirement of Class B common stock	-	(3,356)
Net Cash Provided by (Used In) Financing Activities	125,812	(4,719)
Effect of exchange rate changes on cash	(32)	(76)
Net Increase (Decrease) in Cash and Cash Equivalents	25,646	(32,663)
Cash and Cash Equivalents - beginning of period	62,123	71,262
Cash and Cash Equivalents - end of period	$ 87,769	$ 38,599

(Continued)

See notes to unaudited condensed consolidated financial statements.

BEL FUSE INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)
(dollars in thousands)
(Unaudited)

	Six Months Ended June 30, 2014	Six Months Ended June 30, 2013
Changes in operating assets and liabilities consist of:		
Increase in accounts receivable	$ (4,235)	$ (7,894)
Decrease (increase) in inventories	4,539	(4,497)
Increase in prepaid expenses and other current assets	(701)	(1,071)
Increase in other assets	(312)	(27)
Increase in accounts payable	2,692	2,487
Decrease in accrued expenses	(2,298)	(428)
Increase in other liabilities	6	29
Increase in accrued restructuring costs	-	1,069
Decrease in income taxes payable	(9)	(329)
	$ (318)	$ (10,661)
Supplementary information:		
Cash paid during the period for:		
Income taxes, net of refunds received	$ 1,387	$ 651
Interest	60	6
Details of acquisitions:		
Fair value of identifiable net assets acquired	$ 93,258	$ 28,108
Goodwill	37,534	1,240
Fair value of net assets acquired	$ 130,792	$ 29,348
Fair value of net assets acquired	$ 130,792	$ 29,348
Less: Cash acquired in acquisition	(20,913)	(8,388)
Deferred consideration	-	(28)
Cash paid for acquisitions, net of cash acquired	$ 109,879	$ 20,932

See notes to unaudited condensed consolidated financial statements.

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BEL FUSE INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PRESENTATION AND ACCOUNTING POLICIES

The condensed consolidated balance sheet as of June 30, 2014, and the condensed consolidated statements of operations, comprehensive income and cash flows for the periods presented herein have been prepared by Bel Fuse Inc. (the "Company" or "Bel") and are unaudited. In the opinion of management, all adjustments (consisting solely of normal recurring adjustments) necessary to present fairly the financial position, results of operations and cash flows for all periods presented have been made. The results for the three and six months ended June 30, 2014 should not be viewed as indicative of the Company's annual results or the Company's results for any other period. The information for the condensed consolidated balance sheet as of December 31, 2013 was derived from audited financial statements. These financial statements should be read in conjunction with the consolidated financial statements and footnotes thereto included in the Bel Fuse Annual Report on Form 10-K for the year ended December 31, 2013.

On March 9, 2012, the Company completed its acquisition of 100% of the issued and outstanding capital stock of GigaCom Interconnect AB ("GigaCom"). On July 31, 2012, the Company consummated its acquisition of 100% of the issued and outstanding capital stock of Fibreco Ltd. ("Fibreco"). On September 12, 2012, the Company completed its acquisition of 100% of the issued and outstanding capital stock of Powerbox Italia S.r.L ("Powerbox"). The acquisitions of GigaCom, Fibreco and Powerbox may hereafter be referred to collectively as either the "2012 Acquisitions" or the "2012 Acquired Companies". Accordingly, as of the respective acquisition dates, all of the assets acquired and liabilities assumed were recorded at their preliminary fair values. The accompanying condensed consolidated statement of operations for the three and six months ended June 30, 2013 have been restated to reflect immaterial measurement period adjustments related to the applicable 2012 Acquisitions.

On March 29, 2013, the Company completed its acquisition of 100% of the issued and outstanding capital stock of Transpower Technologies (HK) Limited ("Transpower") and certain other tangible and intangible assets related to the Transpower magnetics business of TE Connectivity ("TRP"). On August 20, 2013, the Company completed its acquisition of 100% of the issued and outstanding capital stock of Array Connector Corporation ("Array"). The acquisitions of TRP and Array may hereafter be referred to collectively as either the "2013 Acquisitions" or the "2013 Acquired Companies". Accordingly, as of the respective acquisition dates, all of the assets acquired and liabilities assumed were recorded at their preliminary fair values. The Company's condensed consolidated results of operations include the operating results of the 2013 Acquisitions since their respective acquisition dates. The accompanying condensed consolidated financial statements as of December 31, 2013 and for the three and six months ended June 30, 2013 have been restated to reflect measurement period adjustments, as further described in Note 3, related to the TRP acquisition.

On June 19, 2014, the Company completed its acquisition of 100% of the issued and outstanding capital stock of the Power-One Power Solutions business ("Power Solutions") of ABB Ltd. The Company's condensed consolidated results of operations for the three and six months ended June 30, 2014 include the operating results of Power Solutions from the acquisition date through June 30, 2014.

Recent Accounting Pronouncements

The Company's significant accounting policies are summarized in Note 1 of the Company's Annual Report on Form 10-K for the year ended December 31, 2013. There were no significant changes to these accounting policies during the six months ended June 30, 2014.

Recently Adopted Standards

In July 2013, the FASB issued revised guidance to address the diversity in practice related to the financial statement presentation of unrecognized tax benefits when a net operating loss carryforward, a similar tax loss, or a tax credit carryforward exists. The Company adopted this guidance as of January 1, 2014, on a prospective basis. The adoption did not have a material impact on the Company's financial statements.

Standards Issued Not Yet Adopted

In April 2014, the FASB issued guidance for the reporting of discontinued operations, which also contains new disclosure requirements for both discontinued operations and other disposals that do not meet the definition of a discontinued operation. This guidance is effective for fiscal years, and interim periods within those years, beginning after December 15, 2014. Management believes that the adoption of this guidance will not have a material impact on the Company's financial statements.

In May 2014, the FASB issued guidance on the accounting for revenue from contracts with customers that will supersede most existing revenue recognition guidance, including industry-specific guidance. The core principle requires an entity to recognize revenue to depict the transfer of goods and services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. In addition, the guidance requires enhanced disclosures regarding the nature, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. This guidance is effective for fiscal years, and interim periods within those years, beginning after December 15, 2016. Entities can choose to apply the guidance using either the full retrospective approach or a modified retrospective approach. Management is currently evaluating the impact that this guidance will have on the Company's financial statements, if any, including which transition method it will adopt.

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2. EARNINGS PER SHARE

The Company utilizes the two-class method to report its earnings per share. The two-class method is an earnings allocation formula that determines earnings per share for each class of common stock according to dividends declared and participation rights in undistributed earnings. The Company's Certificate of Incorporation, as amended, states that Class B common shares are entitled to dividends at least 5% greater than dividends paid to Class A common shares, resulting in the two-class method of computing earnings per share. In computing earnings per share, the Company has allocated dividends declared to Class A and Class B based on amounts actually declared for each class of stock and 5% more of the undistributed earnings have been allocated to Class B shares than to the Class A shares on a per share basis. Basic earnings per common share are computed by dividing net earnings by the weighted-average number of common shares outstanding during the period. Diluted earnings per common share, for each class of common stock, are computed by dividing net earnings by the weighted-average number of common shares and potential common shares outstanding during the period. There were no potential common shares outstanding during the three or six months ended June 30, 2014 or June 30, 2013 which would have had a dilutive effect on earnings per share.

The earnings and weighted-average shares outstanding used in the computation of basic and diluted earnings per share are as follows (dollars in thousands, except share and per share data):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	2013	2014	2013
Numerator:				
Net earnings	$ 3,065	$ 1,689	$ 5,568	$ 1,131
Less Dividends declared:				
Class A	131	131	261	261
Class B	653	643	1,307	1,275
Undistributed earnings (loss)	$ 2,281	$ 915	$ 4,000	$ (405)
Undistributed earnings (loss) allocation - basic and diluted:				
Class A undistributed earnings (loss)	$ 414	$ 168	$ 726	$ (74)
Class B undistributed earnings (loss)	1,867	747	3,274	(331)
Total undistributed earnings (loss)	$ 2,281	$ 915	$ 4,000	$ (405)
Net earnings allocation - basic and diluted:				
Class A net earnings	$ 545	$ 299	$ 987	$ 187
Class B net earnings	2,520	1,390	4,581	$ 944
Net earnings	$ 3,065	$ 1,689	$ 5,568	$ 1,131
Denominator:				
Weighted-average shares outstanding:				
Class A common share - basic and diluted	2,174,912	2,174,912	2,174,912	2,174,912
Class B common share - basic and diluted	9,331,982	9,213,178	9,333,460	9,217,119
Earnings per share:				
Class A common share - basic and diluted	$ 0.25	$ 0.14	$ 0.45	$ 0.09
Class B common share - basic and diluted	$ 0.27	$ 0.15	$ 0.49	$ 0.10

3. ACQUISITIONS

2014 Acquisition:

On June 19, 2014, the Company completed its acquisition of Power Solutions for $110.0 million, net of cash acquired. Power Solutions is a leading provider of high-efficiency and high-density power conversion products for server, storage and networking equipment, industrial applications and power systems. Power Solutions offers a premier line of standard, modified-standard and custom designed AC/DC, DC/DC and other specific power conversion products for a variety of technologies in data centers, telecommunications and industrial applications. The acquisition of Power Solutions brings a complementary, industry-leading power product portfolio to Bel's existing line of power products, expands our current customer base in the areas of server, storage and networking equipment and adds industrial and additional transportation applications to the Company's product offering.

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During the three and six months ended June 30, 2014, the Company incurred $1.0 million and $1.0 million, respectively, of acquisition-related costs associated with the acquisition of Power Solutions. These costs are included in selling, general and administrative expense in the accompanying condensed consolidated statements of operations for the three and six months ended June 30, 2014.

While the initial accounting related to the acquisition of Power Solutions is not complete as of the filing date of this Quarterly Report on Form 10-Q, the following table depicts the Company's current estimate of the respective acquisition date fair values of the consideration paid and identifiable net assets acquired (in thousands):

	Acquisition-Date Fair Values	
Cash and cash equivalents	$ 20,913	
Accounts receivable	29,388	
Inventories	33,156	(a)
Other current assets	5,387	
Property, plant and equipment	28,176	(b)
Intangible assets	21,188	(c)
Other assets	536	
Total identifiable assets	138,744	
Accounts payable	(26,180)	
Accrued expenses	(20,290)	
Income taxes payable	223	
Deferred income tax liability, noncurrent	860	
Other long-term liabilities	(99)	
Total liabilities assumed	(45,486)	
Net identifiable assets acquired	93,258	
Goodwill	37,534	(d)
Net assets acquired	$ 130,792	
Cash paid	$ 130,792	
Deferred consideration	-	
Fair value of consideration transferred	$ 130,792	

(a) The determination of fair value related to the inventory acquired was still in progress as of the date of this filing. The amount above represents only the carrying value of the inventory on Power Solutions' balance sheet as of the acquisition date.
(b) The appraisals related to machinery and equipment acquired were incomplete as of this filing date and, as such, the amount noted above represents only the carrying value of those assets on Power Solutions' balance sheet as of the acquisition date.
(c) The Company has identified certain intangible assets related to the Power Solutions acquisition, including trademarks and trade names, developed technology and potential in-process research and development, license agreements, non-compete agreements, an investment in a 49%-owned joint venture and customer relationships, which are being valued by a third-party appraiser. These appraisals were not complete as of the date of this filing.
(d) The amount of goodwill is provisional as of the filing date, as the fair value determination of inventory acquired, and appraisals related to property, plant and equipment, various intangible assets and certain liabilities such as lease liabilities are still underway. As the final amount of goodwill has not yet been determined or allocated by segment, the Company is unable to determine at this time the portion of goodwill, if any, that will be deductible for tax purposes.

The results of operations of Power Solutions have been included in the Company's consolidated financial statements for the period subsequent to the June 19, 2014 acquisition date. During each of the three and six months ended June 30, 2014, the Power Solutions acquisition contributed revenue of $7.2 million and a net loss of approximately $0.8 million to the Company's consolidated financial results. The net loss resulted primarily from severance payments incurred by the Company immediately subsequent to the acquisition date.

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The following unaudited pro forma information presents a summary of the combined results of operations of the Company and the aggregate results of TRP, Array and Power Solutions for the periods presented as if the 2013 Acquisitions had occurred on January 1, 2012 and the acquisition of Power Solutions had occurred on January 1, 2013, along with certain pro forma adjustments. These pro forma adjustments give effect to the amortization of certain definite-lived intangible assets, adjusted depreciation based upon estimated fair value of assets acquired, interest expense and amortization of deferred financing costs related to the financing of the business combinations, and related tax effects. The 2014 unaudited pro forma net earnings were adjusted to exclude $10.2 million ($6.9 million after tax) of non-recurring expenses which were incurred in connection with the Power Solutions business combination. The 2013 unaudited pro forma net earnings were adjusted to include these charges in addition to an estimated non-recurring expense related to a fair value adjustment to acquisition-date inventory of $1.8 million and $4.4 million ($1.1 million and $2.7 million after tax) during the three and six months ended June 30, 2013, respectively. The pro forma results do not reflect the realization of any potential cost savings, or any related integration costs. Certain cost savings may result from the acquisition of Power Solutions; however, there can be no assurance that these cost savings will be achieved. The unaudited pro forma results are presented for illustrative purposes only and are not necessarily indicative of the results that would have actually been obtained if the acquisitions had occurred on the assumed dates, nor is the pro forma data intended to be a projection of results that may be obtained in the future (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	2013	2014	2013
Revenue	$ 136,984	$ 161,481	$ 278,451	$ 305,250
Net earnings	(3,336)	1,382	233	(5,977)
Earnings per Class A common share - basic and diluted	(0.28)	0.11	0.01	(0.51)
Earnings per Class B common share - basic and diluted	(0.29)	0.12	0.02	(0.53)

2013 Acquisitions:

On March 29, 2013, the Company completed its acquisition of TRP for $21.0 million, net of cash acquired. The Company’s purchase of TRP consisted of the integrated connector module (“ICM”) family of products, including RJ45, 10/100 Gigabit, 10G, PoE/PoE+, MRJ21 and RJ.5, a line of modules for smart-grid applications, and discrete magnetics.

On August 20, 2013, the Company completed its acquisition of Array, a manufacturer of aerospace and mil-spec connector products based in Miami, Florida, for $10.0 million in cash. The acquisition of Array expands the Company’s portfolio of connector products that can be offered to the combined customer base, and provides an opportunity to sell other products that Bel manufactures to Array’s customers. Array has become part of Bel’s Cinch Connector business.

During the three and six months ended June 30, 2014, the Company incurred $0.1 million and $0.1 million, respectively, of acquisition-related costs associated with 2012 and 2013 Acquisitions. During the three and six months ended June 30, 2013, the Company incurred acquisition costs of $0.3 million and $0.7 million, respectively, related to the 2012 and 2013 Acquisitions. These costs are included in selling, general and administrative expense in the accompanying condensed consolidated statements of operations for the three and six months ended June 30, 2014 and 2013.

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The purchase price allocations for TRP and Array were finalized during the first quarter of 2014. The following table depicts the finalized respective acquisition date fair values of the consideration paid and identifiable net assets acquired (in thousands):

	TRP			Array			2013 Acquisitions
	March 29, 2013	Measurement Period Adjustments	March 29, 2013 (As finalized)	August 20, 2013	Measurement Period Adjustments	August 20, 2013 (As finalized)	Acquisition-Date Fair Values (As finalized)
Cash	$ 8,388	$ -	$ 8,388	$ -	$ -	$ -	$ 8,388
Accounts receivable	11,580	(39)	11,541	994	-	994	12,535
Inventories	6,258	1,097	7,355	2,588	(1,595)	993	8,348
Other current assets	1,953	(334)	1,619	83	345	428	2,047
Property, plant and equipment	4,693	1,097	5,790	2,285	1,225	3,510	9,300
Intangible assets	-	6,110	6,110	-	1,470	1,470	7,580
Other assets	1,151	198	1,349	84	1,663	1,747	3,096
Total identifiable assets	34,023	8,129	42,152	6,034	3,108	9,142	51,294
Accounts payable	(8,565)	331	(8,234)	(677)	1	(676)	(8,910)
Accrued expenses	(4,003)	(462)	(4,465)	(206)	(79)	(285)	(4,750)
Other current liabilities	(25)	(734)	(759)	(214)	214	-	(759)
Noncurrent liabilities	-	(586)	(586)	(643)	(1,105)	(1,748)	(2,334)
Total liabilities assumed	(12,593)	(1,451)	(14,044)	(1,740)	(969)	(2,709)	(16,753)
Net identifiable assets acquired	21,430	6,678	28,108	4,294	2,139	6,433	34,541
Goodwill	8,278	(7,038)	1,240	5,666	(2,094)	3,572	4,812
Net assets acquired	$ 29,708	$ (360)	$ 29,348	$ 9,960	$ 45	$ 10,005	$ 39,353
Cash paid	$ 22,400	$ 6,948	$ 29,348	$ 9,960	$ 45	$ 10,005	$ 39,353
Assumption of severance payment	109	(109)	-	-	-	-	-
Fair value of consideration transferred	22,509	6,839	29,348	9,960	45	10,005	39,353
Deferred consideration	7,199	(7,199)	-	-	-	-	-
Total consideration paid	$ 29,708	$ (360)	$ 29,348	$ 9,960	$ 45	$ 10,005	$ 39,353

The measurement period adjustments noted above primarily relate to adjustments to fair value based on the appraisals on inventory, property, plant and equipment, and intangible assets. In addition, various other asset and liability accounts had measurement period adjustments related to deferred taxes.

The results of operations of the 2013 Acquired Companies have been included in the Company's consolidated financial statements for the period subsequent to their respective acquisition dates. During the three and six months ended June 30, 2014, the 2013 Acquired Companies contributed revenue of $19.7 million and $37.6 million, respectively, and net earnings of $3.7 million and $4.8 million, respectively, to the Company's consolidated financial results. During each of the three and six months ended June 30, 2013, the 2013 Acquired Companies contributed revenue of $22.2 million and net earnings of $3.3 million to the Company's consolidated financial results.

4. FAIR VALUE MEASUREMENTS

Fair value is defined as an exit price, representing the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants based upon the best use of the asset or liability at the measurement date. Entities are required to use a fair value hierarchy which maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value. There are three levels of inputs that may be used to measure fair value:

Level 1 – Observable inputs such as quoted market prices in active markets

Level 2 – Inputs other than quoted prices in active markets that are either directly or indirectly observable

Level 3 – Unobservable inputs about which little or no market data exists, therefore requiring an entity to develop its own assumptions

As of June 30, 2014 and December 31, 2013, the Company held certain financial assets that are measured at fair value on a recurring basis. These consisted of securities that are among the Company's investments in a Rabbi Trust which are intended to fund the Company's Supplemental Executive Retirement Plan ("SERP") obligations, and other marketable securities described below. The securities that are held in the Rabbi Trust are categorized as available-for-sale securities and are included as other assets in the accompanying condensed consolidated balance sheets at June 30, 2014 and December 31, 2013. The gross unrealized gains associated with the investment securities held in the Rabbi Trust were $0.6 million and $0.4 million at June 30, 2014 and December 31, 2013, respectively. Such unrealized gains are included, net of tax, in accumulated other comprehensive income.

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As of June 30, 2014 and December 31, 2013, the Company had other marketable securities with a combined fair value of less than $0.1 million at each date, and gross unrealized gains of less than $0.1 million at each date. Such unrealized gains are included, net of tax, in accumulated other comprehensive income. The fair value of the equity securities is determined based on quoted market prices in public markets and is categorized as Level 1. The Company does not have any financial assets measured at fair value on a recurring basis categorized as Level 3, and there were no transfers in or out of Level 1, Level 2 or Level 3 during the first six months of 2014. There were no changes to the Company's valuation techniques used to measure asset fair values on a recurring or nonrecurring basis during the first six months of 2014.

The following table sets forth by level, within the fair value hierarchy, the Company's financial assets accounted for at fair value on a recurring basis as of June 30, 2014 and December 31, 2013 (dollars in thousands).

		Assets at Fair Value Using		
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
As of June 30, 2014				
Available-for-sale securities:				
Investments held in Rabbi Trust	$ 3,485	$ 3,485	$ -	$ -
Marketable securities	4	4	-	-
Total	$ 3,489	$ 3,489	$ -	$ -
As of December 31, 2013				
Available-for-sale securities:				
Investments held in Rabbi Trust	$ 3,313	$ 3,313	$ -	$ -
Marketable securities	3	3	-	-
Total	$ 3,316	$ 3,316	$ -	$ -

The Company has other financial instruments, such as cash equivalents, cash equivalents held within the Rabbi Trust, accounts receivable, notes receivable, accounts payable, notes payable and accrued expenses, which are not measured at fair value on a recurring basis but are recorded at amounts that approximate fair value due to their liquid or short-term nature. The fair value of the Company's long-term debt is estimated using a discounted cash flow method based on interest rates that are currently available for debt issuances with similar terms and maturities. At June 30, 2014, the estimated fair value of long-term debt was $144.8 million compared to a carrying amount of $145.0 million. The Company did not have any other financial liabilities within the scope of the fair value disclosure requirements as of June 30, 2014 or December 31, 2013.

Nonfinancial assets and liabilities, such as goodwill, indefinite-lived intangible assets and long-lived assets, are accounted for at fair value on a nonrecurring basis. These items are tested for impairment on the occurrence of a triggering event or, in the case of goodwill and indefinite-lived intangible assets, on at least an annual basis. There were no triggering events that occurred during the six months ended June 30, 2014 or 2013 that would warrant interim impairment testing.

5. INVENTORIES

The components of inventories are as follows (dollars in thousands):

	June 30, 2014	December 31, 2013
Raw materials	$ 48,873	$ 29,428
Work in progress	12,261	8,783
Finished goods	37,572	31,808
	$ 98,706	$ 70,019

At June 30, 2014, Power Solutions inventory with a book value of $33.4 million is included in the table above.

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6. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consist of the following (dollars in thousands):

	June 30, 2014	December 31, 2013
Land	$ 3,315	$ 3,229
Buildings and improvements	31,156	25,216
Machinery and equipment	107,032	82,420
Construction in progress	5,291	4,042
	146,794	114,907
Accumulated depreciation	(79,743)	(74,011)
	$ 67,051	$ 40,896

At June 30, 2014, Power Solutions property, plant and equipment with a book value of $28.2 million is included in the table above.

7. BUSINESS SEGMENT INFORMATION

The Company operates in one industry with three reportable operating segments, which are geographic in nature. The segments consist of North America, Asia and Europe. The primary criteria by which financial performance is evaluated and resources are allocated are sales and income from operations. The following is a summary of key financial data (dollars in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	2013	2014	2013
Total segment sales:				
North America	$ 39,405	$ 32,301	$ 70,859	$ 61,523
Asia	61,968	64,036	111,860	96,760
Europe	16,550	10,591	27,441	20,716
Total segment sales	117,923	106,928	210,160	178,999
Reconciling item:				
Intersegment sales	(18,484)	(12,947)	(28,075)	(21,990)
Net sales	$ 99,439	$ 93,981	$ 182,085	$ 157,009
Income from operations:				
North America	$ (1,617)	$ (2,012)	$ (734)	$ (3,495)
Asia	4,715	3,776	6,388	3,112
Europe	616	(105)	941	615
	$ 3,714	$ 1,659	$ 6,595	$ 232

	June 30, 2014	December 31, 2013
Total Assets:		
North America	$ 175,953	$ 117,261
Asia	202,476	148,780
Europe	78,880	42,100
	457,309	308,141
Unallocated Goodwill	37,534	-
	$ 494,843	$ 308,141

<u>Recent Acquisitions</u> – At June 30, 2014, Power Solutions' total assets of $181.4 million are included in the table above.

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The acquisitions of TRP in March 2013, Array in August 2013 and Power Solutions in June 2014 contributed to Bel's segment sales, income from operations and total assets as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	2013	2014	2013
Sales to External Customers:				
North America:				
Array	$ 1,903	$ -	$ 3,544	$ -
Power Solutions	5,037	-	5,037	-
	6,940	-	8,581	-
Asia:				
TRP	17,227	21,788	32,831	21,788
Power Solutions	357	-	357	-
	17,584	21,788	33,188	21,788
Europe:				
TRP	555	392	1,186	392
Power Solutions	1,839	-	1,839	-
	2,394	392	3,025	392
Net sales from 2013-2014 acquisitions	26,918	22,180	44,794	22,180
Income from operations:				
North America:				
Array	(175)	-	(682)	-
Power Solutions	(1,125)	-	(1,125)	-
	(1,300)	-	(1,807)	-
Asia:				
TRP	3,710	3,596	5,110	3,587
Power Solutions	(162)	-	(162)	-
	3,548	3,596	4,948	3,587
Europe:				
TRP	128	104	228	104
Power Solutions	297	-	297	-
	425	104	525	104
Total income from operations from 2013-2014 acquisitions	$ 2,673	$ 3,700	$ 3,666	$ 3,691

Segment Sales – Segment sales are attributed to individual segments based on the geographic source of the billing for such customer sales. Transfers between geographic areas include finished products and semi-finished components manufactured in any one of the geographic segments and transferred to any of the other geographic segments for sale or further processing. Income from operations represents net sales less operating costs and expenses.

8. INCOME TAXES

At June 30, 2014 and December 31, 2013, the Company has approximately $2.5 million and $2.2 million, respectively, of liabilities for uncertain tax positions ($0.8 million and $1.0 million, respectively, included in income taxes payable and $1.7 million and $1.2 million, respectively, included in liability for uncertain tax positions) all of which, if recognized, would reduce the Company's effective tax rate.

The Company and its subsidiaries file income tax returns in the U.S. federal jurisdiction and various states and foreign jurisdictions. The Company is no longer subject to U.S. federal examinations by tax authorities for years before 2010 and for state examinations before 2007. Regarding foreign subsidiaries, the Company is no longer subject to examination by tax authorities for years before 2008 in Asia and generally 2006 in Europe.

As a result of the expiration of the statute of limitations for specific jurisdictions, it is reasonably possible that the related unrecognized benefits for tax positions taken regarding previously filed tax returns may change materially from those recorded as liabilities for uncertain tax positions in the Company's condensed consolidated financial statements at June 30, 2014. A total of $0.8 million of previously recorded liabilities for uncertain tax positions relates principally to the 2010 tax year. The statute of limitations related to these liabilities is scheduled to expire on September 15, 2014.

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The Company's policy is to recognize interest and penalties related to unrecognized tax benefits arising from uncertain tax positions as a component of the current provision for income taxes. During each of the six months ended June 30, 2014 and 2013, the Company recognized an immaterial amount of interest and penalties in the condensed consolidated statements of operations. The Company has approximately $0.2 million accrued for the payment of such interest and penalties at June 30, 2014 and December 31, 2013, a portion of which is included in each of income taxes payable and liability for uncertain tax positions in the accompanying condensed consolidated balance sheets at each date.

Upon completion of the acquisition of Power Solutions, it had deferred tax assets of $3.0 million, arising from various temporary differences, which are included in the condensed consolidated balance sheet at June 30, 2014. At June 30, 2014, the fair market value reports have not been completed and therefore the Company had no additional deferred tax amounts relating to this acquisition.

The Company intends to make elections to step up the tax basis of the 2014 acquisitions to fair value under IRC Section 338(g).

Upon the acquisition of TRP, TRP had a deferred tax asset in the amount of $2.2 million arising from various timing differences related to depreciation and accrued expenses. Upon the acquisition of Array, Array had a deferred tax liability of $0.7 million arising from timing differences related to depreciation and a deferred tax asset of $2.1 million arising from the NOL acquired. In connection with the 2013 Acquisitions, the Company was required to complete a fair market value report of property, plant and equipment and intangibles. As a result of that report, the Company established deferred tax liabilities at the date of acquisition in the amount of $0.6 million and $1.0 million respectively for the TRP and Array acquisitions. At June 30, 2014, a net deferred tax asset of $1.5 million remains on the condensed consolidated balance sheet.

The Company does not intend to make any election to step up the tax basis of the 2013 acquisitions to fair value under IRC Section 338(g).

On December 31, 2013, under the "American Taxpayer Relief Act" ("ATRA"), the Research and Experimentation credit ("R&E") expired. The Company did not recognize any R&E credits during the six months ended June 30, 2014. If the R&E credit is extended back to January 1, 2014, the Company will recognize the R&E credit at that time. The annual R&E credit is approximately $0.4 million. During the first quarter of 2013, the Company recognized a $0.4 million R&E credit from 2012 as an increase in the March 31, 2013 quarterly benefit for income taxes.

The Company continues to monitor proposed legislation affecting the taxation of transfers of U.S. intangible property and other potential tax law changes.

9. ACCRUED EXPENSES

Accrued expenses consist of the following (dollars in thousands):

	June 30, 2014	December 31, 2013
Sales commissions	$ 1,903	$ 1,431
Subcontracting labor	2,218	2,406
Salaries, bonuses and related benefits	24,609	13,674
Litigation reserve	726	723
Warranty accrual	3,667	-
Other	7,312	4,208
	$ 40,435	$ 22,442

Warranty Accrual - Power Solutions generally offers its customers a standard two-year warranty on power products sold, although warranty periods may vary by product type and application. The Company reviews its warranty liability quarterly based on an analysis of actual expenses and failure rates by specific product lines and estimated future costs and projected failure rate trends by specific product lines. Factors taken into consideration when evaluating the Company's warranty reserve are (i) historical claims for each product, (ii) the maturity of the product within its life cycle, (iii) volume increases, (iv) life of warranty, (v) historical warranty repair costs and (vi) other factors. To the extent that actual experience differs from our estimate, the provision for product warranties will be adjusted in future periods. Actual warranty repair costs are charged against the reserve balance as incurred.

A tabular presentation of the activity within the warranty accrual account for the period from the acquisition date of Power Solutions through June 30, 2014 is presented below (in thousands):

		June 30, 2014
Beginning balance as of June 19, 2014	$	4,111
Charges and costs accrued		45
Adjustments related to pre-existing warranties (including changes in estimates)		-
Less repair costs incurred		(521)
Change due to foreign currency		32
Ending balance as of June 30, 2014	$	3,667

10. DEBT

At December 31, 2013, the Company maintained a $30 million line of credit with Bank of America (the "Credit Agreement"), which was due to expire on October 14, 2016. At December 31, 2013, the borrowings under the line of credit amounted to $12.0 million and the balance available under the Credit Agreement was $18.0 million. The Credit Agreement bore interest at LIBOR plus 1.00% to 1.50% based on certain financial statement ratios maintained by the Company. The interest rate in effect on the borrowings outstanding at December 31, 2013 was 1.4%. The Company incurred interest expense of less than $0.1 million related to the borrowings under the Credit Agreement during the six months ended June 30, 2014. There was no interest expense related to the line of credit during the six months ended June 30, 2013 as there were no borrowings outstanding during that period. Under the terms of the Credit Agreement, the Company was required to maintain certain financial ratios and comply with other financial conditions. During the six months ended June 30, 2014, the Company repaid the full $12.0 million balance outstanding and terminated the Credit Agreement.

On June 19, 2014, the Company entered into a senior Credit and Security Agreement with KeyBank National Association ("KeyBank"), as administrative agent and lender, which was amended on June 30, 2014 principally to add a syndicate of additional lenders (as so amended, the "New Secured Credit Agreement"). The maturity date of the New Secured Credit Agreement is June 18, 2019.

The New Secured Credit Agreement consists of (i) a $50 million revolving credit facility ("Revolver"), (ii) a $145 million term loan facility ("Term Loan") and (iii) a $70 million delayed draw term loan ("DDTL"). Under the terms of the New Secured Credit Agreement, the Company is entitled, subject to the satisfaction of certain conditions, to request additional commitments under the revolving credit facility or term loans in the aggregate principal amount of up to $100 million to the extent that existing or new lenders agree to provide such additional commitments and/or term loans.

The obligations of the Company under the New Secured Credit Agreement are guaranteed by certain of the Company's material U.S. subsidiaries (together with the Company, the "Loan Parties") and are secured by a first priority security interest in substantially all of the existing and future personal property of the Loan Parties, certain material real property of the Loan Parties and certain of the Loan Parties' material U.S. subsidiaries, including 65% of the voting capital stock of certain of the Loan Parties' direct foreign subsidiaries.

The borrowings under the New Secured Credit Agreement will bear interest at a rate equal to, at the Company's option, either (1) LIBOR, plus a margin ranging from 1.75% per annum to 3.00% per annum depending on the Company's leverage ratio, or (2)(a) an "Alternate Base Rate," which is the highest of (i) the federal funds rate plus 0.50%, (ii) KeyBank's prime rate and (iii) the LIBOR rate with a maturity of one month plus 1.00%, plus (b) a margin ranging from 0.75% per annum to 2.00% per annum, depending on the Company's leverage ratio. The interest rate in effect at June 30, 2014 was 3.0%, which consists of LIBOR of 0.25% plus the Company's margin of 2.75%.

The New Secured Credit Agreement contains customary representations and warranties, covenants and events of default and financial covenants that measure (i) the ratio of the Company's total funded indebtedness, on a consolidated basis, to the amount of the Company's consolidated EBITDA, as defined, ("Leverage Ratio") and (ii) the ratio of the amount of the Company's consolidated EBITDA to the Company's consolidated fixed charges ("Fixed Charge Coverage Ratio"). If an event of default occurs, the lenders under the New Secured Credit Agreement would be entitled to take various actions, including the acceleration of amounts due thereunder and all actions permitted to be taken by a secured creditor. At June 30, 2014, the Company was in compliance with its most restrictive covenant, the Leverage Ratio. The unused credit available under the credit facility at June 30, 2014 was $120 million, of which we had the ability to incur total additional indebtedness of $100.1 million without violating our Leverage Ratio covenant based on the Company's existing consolidated EBITDA.

Concurrent with its entry into the New Secured Credit Agreement on June 19, 2014, the Company borrowed $145.0 million under the Term Loan to complete its acquisition of Power Solutions. During the three and six months ended June 30, 2014, the Company recorded $5.4 million in deferred financing costs, which will be amortized over the five-year term, and incurred $0.2 million of interest expense. At June 30, 2014, borrowings outstanding related solely to the $145.0 million Term Loan. The $70.0 million DDTL and $50.0 million Revolver were fully available at June 30, 2014.

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Scheduled principal payments of the long-term debt outstanding at June 30, 2014 are as follows (in thousands):

2014	$	3,625
2015		9,063
2016		10,875
2017		12,687
2018		16,313
Thereafter		92,437
Total long-term debt		145,000
Less: Current maturities of long-term debt		(7,250)
Noncurrent portion of long-term debt	$	137,750

See Note 14 for discussion of additional borrowings under the New Secured Credit Agreement subsequent to the June 30, 2014 quarter-end.

11. RETIREMENT FUND AND PROFIT SHARING PLAN

The Company maintains the Bel Fuse Inc. Employees' Savings Plan (the "U.S. Plan"), a defined contribution plan that is intended to meet the applicable requirements for tax-qualification under sections 401(a) and (k) of the IRC. The U.S. Plan allows eligible employees to voluntarily contribute a percentage of their eligible compensation, subject to Code limitations, which contributions are matched by the Company. The Company's matching contributions are equal to 100% of the first 1% of compensation contributed by participants, and 50% of the next 5% of compensation contributed by participants. The expense for the three months ended June 30, 2014 and 2013 amounted to approximately $0.1 million in each period. The expense for the six months ended June 30, 2014 and 2013 amounted to approximately $0.3 million in each period. Prior to January 1, 2012, the U.S. Plan's structure provided for a Company match and discretionary profit sharing contributions that were made in the form of the Company's common stock. As of June 30, 2014, the U.S. Plan owned 14,886 and 182,539 shares of Bel Fuse Inc. Class A and Class B common stock, respectively.

The Company also has a retirement fund in Asia (the "Asia Plan") which covers substantially all of its Hong Kong-based full-time employees. Eligible employees contribute up to 5% of salary to the fund. In addition, the Company must contribute a minimum of 5% of eligible salary, as determined by Hong Kong government regulations. The Company currently contributes 7% of eligible salary in cash or Company stock. The expense for the three months ended June 30, 2014 and 2013 amounted to approximately $0.1 million in each period. The expense for the six months ended June 30, 2014 and 2013 amounted to approximately $0.1 million in each period. As of June 30, 2014, the Asia Plan owned 3,323 and 17,342 shares of Bel Fuse Inc. Class A and Class B common stock, respectively.

The Company maintains a SERP, which is designed to provide a limited group of key management and highly compensated employees of the Company with supplemental retirement and death benefits.

The components of SERP expense are as follows (dollars in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	2013	2014	2013
Service cost	$ 138	$ 139	$ 276	$ 278
Interest cost	135	112	270	224
Amortization of adjustments	46	77	92	154
Total SERP expense	$ 319	$ 328	$ 638	$ 656

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	June 30, 2014		December 31, 2013
Balance sheet amounts:			
Minimum pension obligation			
and unfunded pension liability	$	11,376	$	10,830
Amounts recognized in accumulated			
other comprehensive loss, pretax:			
Prior service cost	$	1,140	$	1,230
Net loss		1,004		1,004
	$	2,144	$	2,234

12. ACCUMULATED OTHER COMPREHENSIVE INCOME

The components of accumulated other comprehensive income at June 30, 2014 and December 31, 2013 are summarized below (dollars in thousands):

		June 30, 2014		December 31, 2013
Foreign currency translation adjustment, net of taxes of $200 and $77 at June 30, 2014 and December 31, 2013	$	2,441	$	1,904
Unrealized holding gains on available-for-sale securities, net of taxes of $234 and $169 as of June 30, 2014 and December 31, 2013		388		282
Unfunded SERP liability, net of taxes of ($665) and ($693) as of June 30, 2014 and December 31, 2013		(1,478)		(1,541)
Accumulated other comprehensive income	$	1,351	$	645

Changes in accumulated other comprehensive loss by component during the six months ended June 30, 2014 are as follows. All amounts are net of tax (dollars in thousands).

	Foreign Currency Translation Adjustment	Unrealized Holding Gains on Available-for-Sale Securities	Unfunded SERP Liability		Total
Balance at January 1, 2014	$ 1,904	$ 282	$ (1,541)		$ 645
Other comprehensive income (loss) before reclassifications	537	106	-		643
Amounts reclassified from accumulated other comprehensive income (loss)	-	-	63	(a)	63
Net current period other comprehensive income (loss)	537	106	63		706
Balance at June 30, 2014	$ 2,441	$ 388	$ (1,478)		$ 1,351

(a) This reclassification relates to the amortization of prior service costs associated with the Company's SERP.
This expense is allocated between cost of sales and selling, general and administrative expense based upon the employment

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13. COMMITMENTS AND CONTINGENCIES

Leases

The Company leases various facilities under operating leases expiring through March 2023. At December 31, 2013, the Company's total future minimum lease payments for operating leases amounted to $15.3 million. The Company incurred additional lease commitments upon the acquisition of Power Solutions and at June 30, 2014, Power Solutions' lease commitments totaled $3.9 million.

Other Commitments

The Company submits purchase orders for raw materials to various vendors throughout the year for current production requirements, as well as forecasted requirements. Certain of these purchase orders relate to special purpose material and, as such, the Company may incur penalties if the order is cancelled. At December 31, 2013, the Company had outstanding purchase orders related to purchases of raw materials in the aggregate amount of $23.4 million and purchase orders related to capital expenditures of $3.0 million. The Company incurred additional commitments upon the acquisition of Power Solutions and at June 30, 2014, Power Solutions' purchase orders related to the purchase of raw materials totaled $15.5 million and capital expenditures totaled $0.4 million.

Legal Proceedings

The Company is party to a number of legal actions and claims, none of which individually or in the aggregate, in the opinion of management, are expected to have a material adverse effect on the Company's results of operations or financial position. See the Company's Annual Report on Form 10-K for the year ended December 31, 2013 for the details of all of Bel's material pending lawsuits. Certain developments that have arisen in legal proceedings subsequent to the filing of the Company's Annual Report on Form 10-K are described below.

The Company was a defendant in a lawsuit captioned SynQor, Inc. v. Artesyn Technologies, Inc., et al. brought in the United States District Court, Eastern District of Texas in November 2007 ("SynQor I case"). The plaintiff alleged that eleven defendants, including Bel, infringed its patents covering certain power products. With respect to the Company, the plaintiff claimed that the Company infringed its patents related to unregulated bus converters and/or point-of-load (POL) converters used in intermediate bus architecture power supply systems. The case initially went to trial in December 2010. A decision was ultimately rendered in November 2013 in favor of the plaintiff, and the Company released a payment to SynQor of $10.9 million. The Company subsequently received a $2.1 million payment from one of its customers related to an indemnification agreement and reimbursement of certain legal fees.

In a related matter, on September 29, 2011, the United States District Court for the Eastern District of Texas ordered SynQor, Inc.'s continuing causes of action for post-verdict damages to be severed from the original action and assigned to a new case number. The new action captioned SynQor, Inc. v. Artesyn Technologies, Inc., et al. (Case Number 2:11cv444) is a patent infringement action for damages in the form of lost profits and reasonable royalties for the period beginning January 24, 2011 ("SynQor II case"). SynQor, Inc. also seeks enhanced damages. The Company has an indemnification agreement in place with one of its customers specifically covering post-verdict damages related to this case. This case went to trial on July 30, 2013. In April 2014, a final judgment was rendered in this case, whereby the Company was assessed an additional $0.7 million in post-verdict damages. This amount was accrued at June 30, 2014, was subsequently paid in July 2014, and is subject to reimbursement per the terms of the previously-mentioned indemnification agreement.

The Company is a plaintiff in a lawsuit captioned Bel Fuse Inc. et al. v. Molex Inc. brought in the United District Court of New Jersey in April 2013. The Company claims that Molex infringed three of the Company's patents related to integrated magnetic connector products. Molex filed a motion to dismiss the complaint on August 6, 2013. The Company filed an amended complaint and response on August 20, 2013. Molex withdrew its original Motion to Dismiss and filed a second, revised Motion to Dismiss on September 6, 2013. The Company filed its response on October 7, 2013. The Court denied Molex's revised Motion to Dismiss on June 16, 2014. In June 2014, Molex initiated an Inter Partes Review (IPR) at the U.S. Patent and Trademark Office for one of the three patents associated with this case.

14. SUBSEQUENT EVENTS

On July 25, 2014, the Company completed its acquisition of the U.S. and U.K. entities of the Emerson Network Power Connectivity Solutions business ("CS") from Emerson Electric Co. with a payment, net of cash acquired and including a working capital adjustment, of $90.7 million. A remaining payment of approximately $9 million is expected to be paid by the end of the third quarter of 2014, upon the closing of the China portion of the transaction. CS is a leading provider of high-performance RF/Microwave and Harsh Environment Optical Connectors and Assemblies for military, aerospace, wireless communications, data communications, broadcast and industrial applications. CS is headquartered in Bannockburn, Illinois, and has manufacturing facilities in North America, the U.K. and China. CS will become part of Bel's Connectivity Solutions product group under the Cinch Connector business. Management believes the acquisition of CS will enable the Company to further expand into the aerospace and military markets where long-term product reliability resulting from highly engineered solutions is critical. The addition of the CS Stratos brand with our Fibreco/Gigacom Interconnect products will also give the Company a solid position in the expanded beam fiber optic market place. The CS group will also significantly expand the Company's existing copper-based product offerings with the addition of RF/Microwave components and assemblies. Given the proximity of the closing date of the CS transaction to the filing date of this Quarterly Report on Form 10-Q, the Company has not yet had the opportunity to complete the purchase price allocation and other related disclosure requirements.

During each of the three and six months ended June 30, 2014, the Company incurred $0.4 million in acquisition-related costs associated with the CS transaction.

In July 2014, in connection with the acquisition of CS, the Company borrowed an additional $90.0 million under the New Secured Credit Agreement ($70.0 million through the DDTL and $20.0 million under the Revolver).

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The Company's quarterly and annual operating results are impacted by a wide variety of factors that could materially and adversely affect revenues and profitability, including the risk factors described in the Company's Annual Report on Form 10-K for the year ended December 31, 2013. As a result of these and other factors, the Company may experience material fluctuations in future operating results on a quarterly or annual basis, which could materially and adversely affect its business, financial condition, operating results, and stock prices. Furthermore, this document and other documents filed by the Company with the Securities and Exchange Commission (the "SEC") contain certain forward-looking statements under the Private Securities Litigation Reform Act of 1995 ("Forward-Looking Statements") with respect to the business of the Company. These Forward-Looking Statements are subject to certain risks and uncertainties, including those detailed in Item 1A of the Company's Annual Report on Form 10-K for the year ended December 31, 2013, which could cause actual results to differ materially from these Forward-Looking Statements. The Company undertakes no obligation to publicly release the results of any revisions to these Forward-Looking Statements which may be necessary to reflect events or circumstances after the date such statements are made or to reflect the occurrence of unanticipated events. An investment in the Company involves various risks, including those which are detailed from time to time in the Company's SEC filings.

Overview

Our Company

The Company is primarily engaged in the design, manufacture, and sale of products used in aerospace, data transmission, military, transportation, and consumer electronics. Bel's product groups include Magnetic Solutions (discrete components, power transformers and MagJack® connectors with integrated magnetics), Power Solutions and Protection (AC-DC power supplies, DC-DC converters, custom designs, miniature, micro, surface mount and resettable fuses) and Connectivity Solutions (micro, circular, filtered D Sub, fiber optic, RF connectors, microwave components, passive jacks, plugs and cable assemblies).

Bel's business is operated through three geographic segments: North America, Asia and Europe. During the six months ended June 30, 2014, 52% of the Company's revenues were derived from Asia, 35% from North America and 13% from its Europe operating segment. Sales of the Company's Magnetic Solutions products represented approximately 46% of its total net sales during the six months ended June 30, 2014. The remaining revenues related to sales of the Company's Connectivity Solutions products (34%) and Power Solutions and Protection products (20%).

The Company's expenses are driven principally by the cost of labor where the factories that Bel uses are located, the cost of the materials that it uses and its ability to effectively and efficiently manage overhead costs. As labor and material costs vary by product line, any significant shift in the mix of higher- versus lower-margin product lines will have an associated impact on the Company's costs of sales. Costs are recorded as incurred for all products manufactured. Such amounts are determined based upon the estimated stage of production and include labor cost and fringes and related allocations of factory overhead. The Company's products are manufactured at various facilities in: the People's Republic of China ("PRC"); Glen Rock, Pennsylvania; Inwood, New York; McAllen, Texas; Miami, Florida; Haina, Dominican Republic; Reynosa and Cananea, Mexico; Louny, Czech Republic; Worksop and Great Dunmow, England; and Dubnica nad Vahom, Slovakia.

In the PRC, where the Company generally enters into processing arrangements with several independent third-party contractors and also has its own manufacturing facilities, the availability of labor is cyclical and is significantly affected by the migration of workers in relation to the annual Lunar New Year holiday as well as economic conditions in the PRC. In addition, the Company has little visibility into the ordering habits of its customers and can be subjected to large and unpredictable variations in demand for its products. Accordingly, the Company must continually recruit and train new workers to replace those lost to attrition each year and to address peaks in demand that may occur from time to time. These recruiting and training efforts and related inefficiencies, and overtime required in order to meet demand, can add volatility to the costs incurred by the Company for labor in the PRC.

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Trends Affecting our Business

The Company believes the key factors affecting Bel's results for the three and six months ended June 30, 2014 and/or future results include the following:

- Recent Acquisitions – The Company completed its acquisitions of TRP and Array during late March and mid-August 2013, respectively, and its acquisition of Power Solutions in mid-June 2014. During the three and six months ended June 30, 2014, these acquisitions contributed a combined $26.9 million and $44.8 million of sales, respectively, and a combined $2.7 million and $3.7 million of income from operations, respectively. TRP contributed sales of $22.2 million and income from operations of $3.7 million during both the three and six months ended June 30, 2013. Due to the timing of the acquisition dates, there were no contributions of operating results related to the acquisitions of Array or Power Solutions during the three and six months ended June 30, 2013.

- Revenues – Excluding the revenue contributions from the 2013 and 2014 acquisitions described above, the Company's revenues for the three and six months ended June 30, 2014 increased by $0.7 million and $2.5 million, respectively, as compared to the same periods of 2013.

- Product Mix – Material and labor costs vary by product line and any significant shift in product mix between higher- and lower-margin product lines will have a corresponding impact on the Company's gross margin percentage. During the first half of 2014, the Company experienced a favorable shift in the mix of products sold as compared to the same period of 2013.

- Pricing and Availability of Materials – Pricing and availability of components that constitute raw materials in our manufacturing processes have been stable for most of the Company's product lines, although lead times on electrical components are still extended. While pricing of electrical components during the first half of 2014 was consistent with the same period of 2013, there have been recent pricing pressures in this area which may impact future quarters. With regard to commodity pricing, the cost of certain commodities that are contained in components and other raw materials, such as gold and copper, were lower during the first half of 2014 as compared to the same period of 2013. Any fluctuations in component prices and other commodity prices associated with Bel's raw materials will have a corresponding impact on Bel's profit margins.

- Labor Costs – Labor costs as a percentage of sales decreased slightly from 14.0% during the first half of 2013 to 13.8% during the first half of 2014. During the first half of 2013, the Company incurred higher labor costs due to inefficiencies associated with the Cinch reorganization. These additional costs did not recur in 2014. This decrease in labor costs as a percentage of sales was largely offset by rising labor costs in the PRC and the strengthening of the Chinese Renminbi. With the addition of TRP and prior to the Power Solutions acquisition, approximately half of Bel's total sales were generated from labor-intensive magnetic products, which are primarily manufactured in the PRC.

- Acquisition-Related Costs – In connection with the acquisition of Power Solutions in June 2014 and the subsequent acquisition of Connectivity Solutions which closed in July 2014, the Company incurred $1.4 million during the first half of 2014, primarily during the second quarter. Various purchase accounting adjustments and professional fees, associated with the valuations of Power Solutions and Connectivity Solutions and related to ongoing audits of the historical financial statements of the acquirees, are also expected in future quarters.

- Effective Tax Rate – The Company's effective tax rate will fluctuate based on the geographic segment in which the pretax profits are earned. Of the geographic segments in which the Company operates, the U.S. has the highest tax rates; Europe's tax rates are generally lower than U.S. tax rates; and Asia has the lowest tax rates of the Company's three geographical segments. The change in the effective tax rate during the six months ended June 30, 2014 compared to the same period in 2013 is primarily attributed to a significantly lower pretax loss in the North America segment for the six months ended June 30, 2014 compared to the same period in 2013. In addition, for the six months ended June 30, 2013, the Company recognized an additional $0.4 million in R&E credits related to the year ended December 31, 2012. See Note 8 of the condensed consolidated financial statements.

Based on historical results of Bel and the recently acquired businesses (including CS), the Company is at a current run rate of approximately $700 million in annual sales. The focus going forward will be on improving quality at the factory levels, working closely with our large customers and their engineering teams, and continued overhead cost containment internally. Management has already implemented annual cost savings of over $5.0 million related to the acquisitions of Power Solutions and Connectivity Solutions and has identified additional opportunities to streamline the consolidated businesses in the future. Statements regarding future results constitute Forward-Looking Statements and could be materially adversely affected by the risk factors identified by the Company in Item 1A of the Company's Annual Report on Form 10-K for the year ended December 31, 2013.

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Summary by Reportable Operating Segment

Net sales to external customers by reportable operating segment for the three and six months ended June 30, 2014 and 2013 were as follows (dollars in thousands):

	Three Months Ended June 30,				Six Months Ended June 30,			
	2014		2013		2014		2013	
North America	$ 35,064	35%	$ 28,628	30%	$ 63,795	35%	$ 55,444	35%
Asia	51,223	52%	55,157	59%	94,271	52%	81,573	52%
Europe	13,152	13%	10,196	11%	24,019	13%	19,992	13%
	$ 99,439	100%	$ 93,981	100%	$ 182,085	100%	$ 157,009	100%

Net sales and income from operations by reportable operating segment for the three and six months ended June 30, 2014 and 2013 were as follows (dollars in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	2013	2014	2013
Total segment sales:				
North America	$ 39,405	$ 32,301	$ 70,859	$ 61,523
Asia	61,968	64,036	111,860	96,760
Europe	16,550	10,591	27,441	20,716
Total segment sales	117,923	106,928	210,160	178,999
Reconciling item:				
Intersegment sales	(18,484)	(12,947)	(28,075)	(21,990)
Net sales	$ 99,439	$ 93,981	$ 182,085	$ 157,009
Income from operations:				
North America	$ (1,617)	$ (2,012)	$ (734)	$ (3,495)
Asia	4,715	3,776	6,388	3,112
Europe	616	(105)	941	615
	$ 3,714	$ 1,659	$ 6,595	$ 232

During the three and six months ended June 30, 2014 as compared to the same periods of 2013, the 2013 acquisitions of TRP and Array contributed significantly to Bel's Asia and North America segment sales, and TRP's income from operations in Asia more than offset Bel's loss from operations in North America. The acquisition of Power Solutions in June 2014 contributed significantly to Bel's North America segment sales, and to a lesser extent Europe segment sales during the three and six months ended June 30, 2014 as compared to the same periods of 2013. See Note 7 to the accompanying condensed consolidated financial statements for further details. Within North America, the improvement in income from operations during the three and six months ended June 30, 2014 as compared to the same periods of 2013 was also attributable to the recovery of the Cinch operations. Both sales and income from operations during the first half of 2013 were negatively impacted by the relocation of Cinch's North American manufacturing operations. Manufacturing inefficiencies resulted in reduced production levels and lower overall sales of Cinch products. In addition, various other costs associated with the Cinch reorganization further reduced our income from operations in North America during early 2013. These transition issues were resolved by the end of 2013.

Overview of Financial Results

Sales for the six months ended June 30, 2014 increased by 16.0% to $182.1 million from $157.0 million for the same period of 2013. Sales were favorably impacted by the contributions made by the acquisitions of TRP, Array and Power Solutions, and the rebounding of Cinch sales after the relocation of its manufacturing operations in early 2013. Pricing to customers was adjusted during the latter half of 2013 to recover some of the higher labor costs in China and other cost increases resulting from the continued strengthening of the Chinese Renminbi. These increased prices are reflected in the first half of 2014 sales figures above. Selling, general and administrative expense was $1.6 million higher in the first six months of 2014 as compared to the same period of 2013, primarily due to the inclusion of expenses from the recent acquisitions. These factors led to net earnings of $5.6 million for the first half of 2014 as compared to $1.1 million for the same period of 2013. Additional details related to these factors affecting the six-month results are described in the Results of Operations section below.

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Critical Accounting Policies

Management's discussion and analysis of Bel's financial condition and results of operations are based upon the Company's condensed consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of these financial statements requires the Company to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. On an on-going basis, the Company evaluates its estimates, including those related to product returns, bad debts, inventories, goodwill, intangible assets, investments, warranties, SERP expense, income taxes and contingencies and litigation. The Company bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Recent Accounting Pronouncements

The discussion of new financial accounting standards applicable to the Company is incorporated herein by reference to Note 1 to the Company's Financial Statements, "Basis of Presentation and Accounting Policies," included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

Results of Operations

The following table sets forth, for the periods presented, the percentage relationship to net sales of certain items included in the Company's condensed consolidated statements of operations.

	Percentage of Net Sales Three Months Ended June 30,		Percentage of Net Sales Six Months Ended June 30,	
	2014	2013	2014	2013
Net sales	100.0 %	100.0 %	100.0 %	100.0 %
Cost of sales	82.0	83.8	82.4	84.5
Selling, general and administrative ("SG&A") expenses	13.3	13.1	13.4	14.5
Restructuring charges	1.1	1.3	0.6	0.9
Interest expense	(0.2)	-	(0.1)	-
Interest income and other, net	-	0.1	0.1	0.1
Earnings before provision (benefit) for income taxes	3.6	1.8	3.5	0.2
Provision (benefit) for income taxes	0.5	-	0.5	(0.5)
Net earnings	3.1	1.8	3.1	0.7

The following table sets forth the year over year percentage increase of certain items included in the Company's condensed consolidated statements of operations.

	Increase from Prior Period	Increase from Prior Period
	Three Months Ended June 30, 2014 Compared with Three Months Ended June 30, 2013	Six Months Ended June 30, 2014 Compared with Six Months Ended June 30, 2013
Net sales	5.8 %	16.0 %
Cost of sales	3.5	13.1
SG&A expenses	6.8	7.1
Net earnings	81.5	392.3

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Sales

Net sales increased 5.8% from $94.0 million during the three months ended June 30, 2013 to $99.4 million during the three months ended June 30, 2014. Net sales increased 16.0% from $157.0 million during the six months ended June 30, 2013 to $182.1 million during the six months ended June 30, 2014. The Company's net sales by product group for the three and six months ended June 30, 2014 and 2013 were as follows (dollars in thousands):

	Three Months Ended June 30,				Six Months Ended June 30,			
	2014		2013		2014		2013	
Magnetic solutions	$ 44,732	45%	$ 48,758	52%	$ 84,029	46%	$ 70,015	45%
Connectivity solutions	32,197	32%	27,093	29%	62,367	34%	53,205	34%
Power solutions and protection	22,510	23%	18,130	19%	35,689	20%	33,789	21%
	$ 99,439	100%	$ 93,981	100%	$ 182,085	100%	$ 157,009	100%

Sales of the Company's Magnetic Solutions products for the first six months of 2014 include $34.0 million of TRP integrated connector module (ICM) products, as compared to $22.2 million for the same period of 2013 (as TRP was acquired in late-March 2013). The acquisition of Array in August 2013 contributed $1.9 million and $3.5 million of sales, respectively, to the Company's Connectivity Solutions product group during the three and six months ended June 30, 2014. During the first half of 2013, the Company experienced a reduction in sales of Cinch's Connectivity Solutions products due to the relocation of its manufacturing operations. Cinch's sales have since rebounded, and are a contributing factor to the increase in Connectivity Solutions sales in the 2014 periods noted above, as compared to 2013. The acquisition of Power Solutions in mid-June 2014 contributed sales of $7.2 million to the three and six-month Power Solutions and Protection sales figures noted above for the 2014 periods. This increase in Power Solutions and Protection sales was partially offset by a reduction in legacy-Bel DC/DC converter sales of $3.9 million and $5.4 million, respectively, during the three and six months ended June 30, 2014 as compared to the same periods of 2013.

Cost of Sales

The Company's cost of sales as a percentage of consolidated net sales for the three and six months ended June 30, 2014 and 2013 was comprised of the following:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	2013	2014	2013
Material costs	44.4%	44.4%	43.4%	45.2%
Labor costs	13.5%	15.0%	13.8%	14.0%
Research and development expenses	4.1%	4.0%	4.1%	4.3%
Other expenses	20.0%	20.4%	21.1%	21.0%
Total cost of sales	82.0%	83.8%	82.4%	84.5%

Material costs as a percentage of sales were lower in the first six months of 2014 as compared to the first six months of 2013, primarily due to the reduction in sales of legacy-Bel DC/DC converters, which have a higher material content than Bel's other products. An increase in sales of Cinch and Array products in 2014 also contributed to the decrease, as these products have lower material content than Bel's other products. Material costs during the first half of 2013 were also unusually high as the Company experienced start-up issues related to the relocation of Cinch's U.S. manufacturing operations resulting in higher purchase prices and inbound freight costs for materials.

Labor costs during 2014 decreased as a percentage of sales as compared to 2013, primarily during the second quarter. The Company faced certain challenges with the relocation of Cinch's U.S. manufacturing facility, which resulted in $2.8 million of unanticipated costs during the three and six months ended June 30, 2013. These costs did not recur in 2014 and the Company began to realize cost savings from that initiative. This reduction in labor costs as a percentage of sales was partially offset by the addition of TRP and Array in 2013, a higher proportion of sales of Bel integrated magnetic products and Cinch products, and the shift in product mix away from the low-labor content products described above. Government-mandated wage increases in the PRC and the strengthening of the Chinese Renminbi further increased labor costs over the prior year.

Included in cost of sales are research and development (R&D) expenses of $4.0 million and $3.7 million for the three-month periods ended June 30, 2014 and 2013, respectively, and $7.4 million and $6.8 million for the six-month periods ended June 30, 2014 and 2013, respectively. The majority of the increase relates to the inclusion of R&D expenses associated with TRP, Array and Power Solutions, which have been included in Bel's results since their respective acquisition dates.

Selling, General and Administrative Expenses ("SG&A")

For the three months ended June 30, 2014, SG&A expense was $0.8 million higher as compared to the same period of 2013. Of this increase, $0.3 million related to the inclusion of SG&A expenses of Array and Power Solutions. Other contributing factors included a $1.3 million increase in acquisition-related costs and additional bad debt expense of $0.4 million, partially offset by favorable fluctuations in foreign currency exchange rates of $0.3 million, a reduction in legal and professional fees of $0.6 million and a decrease in other SG&A expenses of $0.3 million.

For the six months ended June 30, 2014, SG&A expense was $1.6 million higher as compared to the same period of 2013. Of this increase, $0.7 million related to the inclusion of SG&A expenses of Array and Power Solutions. Other contributing factors included a $0.9 million increase in acquisition-related costs, higher wage and fringe-related items of $0.6 million and additional bad debt expense of $0.3 million, partially offset by a reduction in legal and professional fees of $0.4 million, an improvement in freight costs of $0.2 million and a decrease in other SG&A expenses of $0.3 million.

Provision (Benefit) for Income Taxes

The Company's effective tax rate will fluctuate based on the geographic segment in which the pretax profits are earned. Of the geographic segments in which the Company operates, the U.S. has the highest tax rates; Europe's tax rates are generally lower than U.S. tax rates; and Asia has the lowest tax rates of the Company's three geographical segments.

The provision for income taxes for the three months ended June 30, 2014 was $0.5 million compared to less than $0.1 million for the three months ended June 30, 2013. The Company's earnings before income taxes for the three months ended June 30, 2014 are approximately $1.8 million higher than the same period in 2013. The Company's effective tax rate, the income tax provision as a percentage of earnings before provision for income taxes, was 13.4% and 2.0% for the three-month periods ended June 30, 2014 and 2013, respectively. The change in the effective tax rate during the three months ended June 30, 2014 compared to the second quarter of 2013 is primarily attributed to the increase of the Europe and Asia segments' profitability.

The provision for income taxes for the six months ended June 30, 2014 was $0.9 million compared to a benefit of ($0.8) million for the six months ended June 30, 2013. The Company's earnings before income taxes for the six months ended June 30, 2014 are approximately $6.1 million higher than the same period in 2013. The Company's effective tax rate, the income tax provision (benefit) as a percentage of earnings before provision (benefit) for income taxes, was 13.5% and (241.7%) for the six-month periods ended June 30, 2014 and 2013, respectively. The change in the effective tax rate during the six months ended June 30, 2014 compared to the same period in 2013 is primarily attributed to a significantly lower pretax loss in the North America segment for the six months ended June 30, 2014 compared to the same period in 2013. In addition, for the six months ended June 30, 2013, the Company recognized an additional $0.4 million in R&E credits related to the year ended December 31, 2012. See Note 8 of the condensed consolidated financial statements.

Liquidity and Capital Resources

Historically, the Company has financed its capital expenditures primarily through cash flows from operating activities and has financed acquisitions through cash flows from operating activities, cash reserves, borrowings, and the issuance of Bel Fuse Inc. common stock. Management believes that the cash flow from operations after payments of dividends and mandatory principal payments of long-term debt combined with its existing capital base, the Company's cash reserves and available line of credit will be sufficient to fund its operations for at least the next twelve months. Such statement constitutes a Forward-Looking Statement. Factors which could cause the Company to require additional funding include, among other things, a softening in the demand for the Company's existing and recently-acquired products; an inability to respond to customer demand for new products; an inability to successfully integrate the recent acquisitions discussed below, which could require substantial capital; future expansion of the Company's operations and net losses that would result in net cash being used in operating activities, resulting in net decreases in cash and cash equivalents. Net losses may impact availability under our credit facility and preclude the Company from raising debt or equity financing in the capital markets on affordable terms or otherwise.

On April 25, 2014, the Company entered into a Stock and Asset Purchase Agreement with ABB Ltd. ("ABB") pursuant to which the Company agreed to acquire the Power-One Power Solutions business from ABB for approximately $117.0 million, subject to adjustments based on working capital and the amount of cash at closing. On June 19, 2014, the Company completed its acquisition of Power Solutions with a cash payment, net of cash acquired and including a working capital adjustment, of $110.0 million. The Power Solutions acquisition was funded through bank borrowings, as discussed below.

On May 16, 2014, the Company entered into a Stock Purchase Agreement with Emerson Electric Co. ("Emerson") pursuant to which the Company agreed to acquire the Emerson Network Power Connectivity Solutions ("CS") business from Emerson for $98.0 million, subject to adjustments based on working capital and the amount of cash at closing. On July 25, 2014, the Company completed its acquisition of the U.S. and U.K. entities of the CS business from Emerson with a payment, net of cash acquired and including a working capital adjustment, of $90.7 million. This portion of the CS acquisition was funded primarily through additional bank borrowings and with $3.9 million funded from Bel's cash on hand. A remaining payment of approximately $9 million is expected to be paid by the end of the third quarter, upon the closing of the China portion of the acquisition.

At December 31, 2013, the Company maintained a $30 million line of credit with Bank of America (the "Credit Agreement"), which was due to expire on October 14, 2016. At December 31, 2013, borrowings under the line of credit amounted to $12.0 million and the balance available under the Credit Agreement was $18.0 million. The Credit Agreement bore interest at LIBOR plus 1.00% to 1.50% based on certain financial statement ratios maintained by the Company. The interest rate in effect on the borrowings outstanding at December 31, 2013 was 1.4%. The Company incurred interest expense of less than $0.1 million related to the borrowings under the Credit Agreement during the six months ended June 30, 2014. There was no interest expense related to the line of credit during the six months ended June 30, 2013 as there were no borrowings outstanding during that period. Under the terms of the Credit Agreement, the Company was required to maintain certain financial ratios and comply with other financial conditions. During the six months ended June 30, 2014, the Company repaid the full $12.0 million balance outstanding and terminated the Credit Agreement.

On June 19, 2014, the Company entered into a senior Credit and Security Agreement with KeyBank National Association ("KeyBank"), as administrative agent, and lender, which was amended on June 30, 2014 principally to add a syndicate of additional lenders (as so amended, the "New Secured Credit Agreement"). The maturity date of the New Secured Credit Agreement is June 18, 2019.

The New Secured Credit Agreement consists of (i) a $50 million revolving credit facility ("Revolver"), (ii) a $145 million term loan facility ("Term Loan") and (iii) a $70 million delayed draw term loan ("DDTL"). Under the terms of the New Secured Credit Agreement, the Company is entitled, subject to the satisfaction of certain conditions, to request additional commitments under the revolving credit facility or term loans in the aggregate principal amount of up to $100 million to the extent that existing or new lenders agree to provide such additional commitments and/or term loans.

The obligations of the Company under the New Secured Credit Agreement are guaranteed by certain of the Company's material U.S. subsidiaries (together with the Company, the "Loan Parties") and are secured by a first priority security interest in substantially all of the existing and future personal property of the Loan Parties, certain material real property of the Loan Parties and certain of the Loan Parties' material U.S. subsidiaries, including 65% of the voting capital stock of certain of the Loan Parties' direct foreign subsidiaries.

The borrowings under the New Secured Credit Agreement will bear interest at a rate equal to, at the Company's option, either (1) LIBOR, plus a margin ranging from 1.75% per annum to 3.00% per annum depending on the Company's leverage ratio, or (2)(a) an "Alternate Base Rate," which is the highest of (i) the federal funds rate plus 0.50%, (ii) KeyBank's prime rate and (iii) LIBOR with a maturity of one month plus 1.00%, plus (b) a margin ranging from 0.75% per annum to 2.00% per annum, depending on the Company's leverage ratio. The interest rate in effect at June 30, 2014 was 3.0%, which consists of LIBOR of 0.25% plus the Company's margin of 2.75%.

The New Secured Credit Agreement contains customary representations and warranties, covenants and events of default and financial covenants that measure (i) the ratio of the Company's total funded indebtedness, on a consolidated basis to the amount of the Company's consolidated EBITDA, as defined, ("Leverage Ratio") and (ii) the ratio of the amount of the Company's consolidated EBITDA to the Company's consolidated fixed charges ("Fixed Charge Coverage Ratio"). If an event of default occurs, the lenders under the New Secured Credit Agreement would be entitled to take various actions, including the acceleration of amounts due thereunder and all actions permitted to be taken by a secured creditor. At June 30, 2014, the Company was in compliance with its most restrictive covenant, the Leverage Ratio. The unused credit available under the credit facility at June 30, 2014 was $120 million, of which we had the ability to incur total additional indebtedness of $100.1 million without violating our Leverage Ratio covenant based on the Company's existing consolidated EBITDA.

KeyBank and certain of the agents and lenders party to the New Secured Credit Agreement (and each of their respective subsidiaries or affiliates) have provided and may in the future provide investment banking, cash management, underwriting, lending, commercial banking, trust, leasing services, foreign exchange and other advisory services to, or engage in transactions with, the Company and its subsidiaries or affiliates. Certain of these parties have received, and these parties may in the future receive, customary compensation from the Company and its subsidiaries or affiliates, for such services.

Concurrent with its entry into the New Secured Credit Agreement on June 19, 2014, the Company borrowed $145.0 million under the Term Loan to complete its acquisition of Power Solutions. During the three and six months ended June 30, 2014, the Company recorded $5.4 million in deferred financing costs, which will be amortized over the five-year term, and incurred $0.2 million of interest expense. At June 30, 2014, borrowings outstanding of $145.0 million related solely to the Term Loan. The $70.0 million DDTL and $50.0 million Revolver were fully available at June 30, 2014.

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Scheduled principal payments of the long-term debt outstanding at June 30, 2014 are as follows (in thousands):

2014	$ 3,625
2015	9,063
2016	10,875
2017	12,687
2018	16,313
Thereafter	92,437
Total long-term debt	145,000
Less: Current maturities of long-term debt	(7,250)
Noncurrent portion of long-term debt	$ 137,750

Subsequent to the June 30, 2014 quarter-end, the Company borrowed the full $70.0 million available under the DDTL and $20.0 million of the Revolver in order to fund the acquisition of CS in July 2014.

Cash Flows

During the six months ended June 30, 2014, the Company's cash and cash equivalents increased by $25.6 million. This resulted primarily from $12.7 million provided by operating activities and $145.0 million of proceeds from long-term debt, partially offset by a $109.9 million payment, net of cash acquired, for the acquisition of Power Solutions, $12.0 million of repayments under the revolving credit line, $3.0 million paid for the purchase of property, plant and equipment and $1.5 million for payments of dividends. As compared to the six months ended June 30, 2013, cash provided by operating activities increased by $16.6 million, partially due to the improvement in net earnings in 2014 and a $4.5 million decrease in inventory levels during the first half of 2014, as compared to a $4.5 million increase in inventory levels during the first half of 2013.

Cash and cash equivalents, marketable securities and accounts receivable comprised approximately 37.4% and 40.9% of the Company's total assets at June 30, 2014 and December 31, 2013, respectively. The Company's current ratio (i.e., the ratio of current assets to current liabilities) was 2.7 to 1 and 3.0 to 1 at June 30, 2014 and December 31, 2013, respectively.

Contractual Obligations

The following table sets forth at December 31, 2013 the amounts of payments due under specific types of contractual obligations, aggregated by category of contractual obligation, for the time periods described below. This table excludes $2.2 million of unrecognized tax benefits as of December 31, 2013, as the Company is unable to make reasonably reliable estimates of the period of cash settlements, if any, with the respective taxing authorities.

	Payments due by period (dollars in thousands)				
Contractual Obligations	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
Capital expenditure obligations	$ 3,014	$ 3,014	$ -	$ -	$ -
Operating leases	15,305	4,522	5,630	2,654	2,499
Raw material purchase obligations	23,376	23,288	88	-	-
Total	$ 41,695	$ 30,824	$ 5,718	$ 2,654	$ 2,499

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During the six months ended June 30, 2014, in connection with the acquisition of Power Solutions and the associated borrowings under the New Secured Credit Agreement, the following additional contractual obligations exist as of June 30, 2014:

	Payments due by period (dollars in thousands)				
Contractual Obligations	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
Long-term debt obligations	$ 145,000	$ 7,250	$ 21,750	$ 116,000	$ -
Capital expenditure obligations	431	431	-	-	-
Operating leases	3,900	2,097	1,797	6	-
Raw material purchase obligations	15,533	15,504	29	-	-
Total	$ 164,864	$ 25,282	$ 23,576	$ 116,006	$ -

Subsequent to the June 30, 2014 quarter-end, the Company's long-term debt obligations increased by an additional $90.0 million in connection with its borrowings under the Revolver and the DDTL in order to fund the acquisition of CS in July 2014.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

The Company is exposed to market risk primarily from changes in foreign currency exchange rates and changes in interest rates associated with its long-term debt. There have not been any material changes with regard to market risk during the six months ended June 30, 2014. Refer to Item 7A, "Management's Discussion and Analysis of Financial Condition and Results of Operations," in the Company's Annual Report on Form 10-K for the year ended December 31, 2013 for further discussion of market risks.

Item 4. Controls and Procedures

Disclosure controls and procedures: As of the end of the Company's most recently completed fiscal quarter covered by this report, the Company carried out an evaluation, with the participation of the Company's management, including the Company's Chief Executive Officer and Vice President of Finance, of the effectiveness of the Company's disclosure controls and procedures pursuant to Securities Exchange Act Rule 13a-15. Based on that evaluation, the Company's Chief Executive Officer and Vice President of Finance concluded that the Company's disclosure controls and procedures were effective as of the end of the period covered by this report.

Changes in internal controls over financial reporting: There were no significant changes in the Company's internal controls over financial reporting that occurred during the Company's last fiscal quarter to which this report relates that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. Other Information

Item 1. Legal Proceedings

The information called for by this Item is incorporated herein by reference to Note 13 of the Company's Financial Statements, under "Legal Proceedings", as set forth in Part I, Item 1 of this Quarterly Report on Form 10-Q.

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Item 6. Exhibits

(a) Exhibits:

3.1*	Amended and Restated By-Laws of Bel Fuse Inc.
31.1*	Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of the principal accounting and financial officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification of the Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2**	Certification of the principal accounting and financial officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS***	XBRL Instance Document
101.SCH***	XBRL Taxonomy Extension Schema Document
101.CAL***	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF***	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB***	XBRL Taxonomy Extension Label Linkbase Document
101.PRE***	XBRL Taxonomy Extension Presentation Linkbase Document

* Filed herewith.
** Submitted herewith.
*** XBRL (Extensible Business Reporting Language) information is furnished and not filed herewith, is not a part of a registration statement or Prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, is deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, and otherwise is not subject to liability under these sections.

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SIGNATURES

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

BEL FUSE INC.

August 11, 2014

By:/s/ Daniel Bernstein
Daniel Bernstein
President and Chief Executive Officer

By:/s/ Colin Dunn
Colin Dunn
Vice President of Finance and Secretary
(Principal Financial Officer and Principal Accounting Officer)

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EXHIBIT INDEX

Exhibit 3.1* - Amended and Restated By-Laws of Bel Fuse Inc.

Exhibit 31.1* - Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

Exhibit 31.2* - Certification of the principal accounting and financial officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

Exhibit 32.1** - Certification of the Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

Exhibit 32.2** - Certification of the principal accounting and financial officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

Exhibit 101.INS*** – XBRL Instance Document

Exhibit 101.SCH*** – XBRL Taxonomy Extension Schema Document

Exhibit 101.CAL*** – XBRL Taxonomy Extension Calculation Linkbase Document

Exhibit 101.DEF*** – XBRL Taxonomy Extension Definition Linkbase Document

Exhibit 101.LAB*** – XBRL Taxonomy Extension Label Linkbase Document

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* Filed herewith.
** Submitted herewith.
*** XBRL (Extensible Business Reporting Language) information is furnished and not filed herewith, is not a part of a registration statement or Prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, is deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, and otherwise is not subject to liability under these sections.

Exhibit 3.1

AMENDED AND RESTATED BY-LAWS

OF

BEL FUSE INC.

Adopted May 13, 2014

ARTICLE I
OFFICES

SECTION 1. Principal Office. The principal office of the corporation shall be at 206 Van Vorst Street, in the City of Jersey City, County of Hudson, and State of New Jersey.

SECTION 2. Other Offices. The corporation may have other offices at such other places, within or without the State of New Jersey, as may from time to time be determined by the Board of Directors and as the business of the corporation shall require.

ARTICLE II
SHAREHOLDERS' MEETINGS

SECTION 1. Annual Meeting. The annual meeting of shareholders shall be held at the principal office of the corporation in the State of New Jersey, or at such other place within the State of New Jersey, as may be determined by the Board of Directors and as shall be designated in the notice of said annual meeting. Said annual meeting shall be held during May or June of each year on such date and at such hour as may be directed in said notice by the Board of Directors. Said annual meeting shall be held for the purpose of electing directors of the corporation, and for the transaction of such other business as may properly be brought before the meeting.

If the election of directors shall not be held on the day designated herein for any annual meeting, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the shareholders as soon thereafter as may be practicable. At such meeting the shareholders shall elect the directors and transact other business with the same force and effect as at an annual meeting duly called and held.

At an annual meeting of the shareholders, only such business shall be conducted as shall have been brought before the meeting (a) by or at the direction of the Board of Directors or (b) by any shareholder of the corporation who complies with the notice procedures set forth in this Section 1 of Article II. For business, including but not limited to, nominations for election to the Board of Directors, to be properly brought before an annual meeting by a shareholder, the shareholder must have given timely notice thereof, in writing, to the Secretary of the corporation at the principal executive offices of the corporation not later than the close of business on the 90th day nor earlier than the close of business on the 120th day prior to the first anniversary of the preceding year's annual meeting; provided, however, that if the date of the annual meeting is more than 30 days before or more than 60 days after such anniversary date, notice to be timely must be so delivered not earlier than the close of business on the 120th day prior to such annual meeting and not later than the close of business on the later of the 90th day prior to such annual meeting or the close of business on the 10th day following the day on which public announcement of the date of such meeting is first made by the corporation. The public announcement of an adjournment or postponement of an annual meeting will not commence a new time period (or extend any time period) for the giving of a notice as described above. A shareholder's notice to the Secretary shall set forth as to each matter the shareholder proposes to bring before the annual meeting (a) a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting, (b) the name and address, as they appear on the corporation's books and records, of the shareholder proposing such business, (c) the class and number of shares of the corporation which are beneficially owned by the shareholder proposing such business, and (d) any material interest of the shareholder in such business. In addition, in the event that the notice contains one or more nominations for election to the Board of Directors, the shareholder's notice shall set forth (a) all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors in an election contest, or is otherwise required, in each case pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended (including such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected), and (b) information that will enable the Nominating Committee of the Board of Directors to determine whether the candidate or candidates satisfy the criteria established pursuant to the Certificate of Incorporation for director candidates. Notwithstanding anything in these By-Laws to the contrary, no business shall be conducted at an annual meeting except in accordance with these procedures. The presiding officer of an annual meeting shall, if the facts warrant, determine and declare to the meeting that business was not properly brought before the meeting in accordance with these provisions (including, but not limited to, a nomination for director not being made in accordance with the foregoing procedures), and if he should so determine, he shall so declare to the meeting, and any such business not properly brought before the meeting shall not be transacted or, in the case of a defective nomination, shall be disregarded.

SECTION 2. Special Meetings. Special meetings of the shareholders may be called on the order of the President or of a majority of the Board of Directors. Such special meetings shall be held at the principal offices of the corporation in the State of New Jersey or at such other place within the State of New Jersey as may be designated in the notice of said meeting. Except as required by law, special meetings of shareholders may not be called by the shareholders of the corporation.

SECTION 3. Notice of Meetings. Written notice of all meetings of the shareholders shall be mailed to or delivered to each shareholder at least 10 days prior to the meeting. Notice of any special meeting shall state in general terms the purposes for which the meeting is to be held. If mailed, such notice shall be directed to each shareholder at his address as it appears on the stock book. At any meeting at which all shareholders shall be present, or of which all shareholders not present have waived notice in writing, the giving of notice as required herein may be dispensed with.

SECTION 4. Quorum. A quorum at all meetings of shareholders shall consist of the holders of record of a majority of the shares of the capital stock of the corporation, issued and outstanding, entitled to vote at the meeting, present in person or by proxy, except as otherwise provided by law. In the absence of a quorum at any meeting or any adjournment thereof, a majority of those present in person or by proxy, and entitled to vote, may adjourn such meeting from time to time. At any such adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally called.

SECTION 5. Organization. Meetings of the shareholders shall be presided over by the President, or if he is not present, by the Vice President, or if neither the President nor the Vice President is present, by a chairman to be chosen by a majority of the shareholders entitled to vote who are present in person or by proxy at the meeting. The Secretary of the corporation, or in his absence, an Assistant Secretary, shall act as secretary of every meeting. If neither the Secretary nor an Assistant Secretary is present, the meeting may choose any person present to act as secretary of the meeting.

SECTION 6. Voting. In accordance with the Restated Certificate of Incorporation of the corporation (as it may be further amended or restated from time to time, the “Certificate of Incorporation”), voting power in the election of directors and for all other purposes shall be vested exclusively in the holders of Class A Common Stock, and each holder of Class A Common Stock shall be entitled to one vote for each share of Class A Common Stock held. Notwithstanding anything to the contrary contained in the Certificate of Incorporation or these By-Laws, no action may be taken without the affirmative vote of a majority of the votes cast by the holders of the outstanding shares of Class A Common Stock with respect to any (i) amendment of the Certificate of Incorporation, (ii) merger or consolidation of the corporation with one or more other corporations, (iii) sale, conveyance, lease, mortgage, pledge, or exchange of all or substantially all of the corporation's property or assets or (iv) liquidation, dissolution, or winding up of the corporation, except as otherwise provided in the New Jersey Business Corporation Act. Holders of the Class B Common Stock shall have no voting rights on any matters except as otherwise required by law or expressly provided in the Certificate of Incorporation.

Every shareholder entitled to vote at a meeting may do so either in person or by written proxy, which proxy shall be filed with the Secretary of the meeting before being voted. Such proxy shall entitle the holders thereof to vote at any adjournment of such meeting, but shall not be valid after the final adjournment thereof.

SECTION 7. Inspectors. At all elections of directors, the polls shall be opened and closed, the ballots and proxies received, and all questions touching upon the qualifications of owners shall be determined by two inspectors of election, who shall be chosen by the presiding officers. No such inspectors shall be a candidate for election as a director.

SECTION 8. List of Shareholders. A complete list of the shareholders entitled to vote at the ensuing election, arranged in alphabetical order, and showing the address of each shareholder and the number of shares registered in the name of the shareholder, shall be prepared by the Secretary or other officer of the corporation having charge of said stock ledger. Such list shall be open to the examination of any shareholder during ordinary business hours for a period of at least 10 days prior to the election either at the place within the municipality where the election is to be held, which place shall be specified in the notice of the meeting, or at the principal office of the corporation, and the list shall be produced and kept at the time and place of the election during the whole time thereof, subject to the inspection of any shareholder who may be present.

SECTION 9. Action by Written Consent. Unless otherwise provided in the Certificate of Incorporation, any action required to be taken at any annual or special meeting of shareholders of the corporation, or any action which may be taken at any annual or special meeting of such shareholders, may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those shareholders who have not consented in writing.

ARTICLE III
DIRECTORS

SECTION 1. Powers, Number, Qualifications, Term, Quorum and Vacancies. The property, affairs and business of the corporation shall be managed by its Board of Directors, consisting of not less than three nor more than eleven persons. The precise number of directors shall be fixed by the Board of Directors each year prior to the annual meeting of shareholders.

A majority of members of the Board of Directors, acting at a meeting duly assembled, shall constitute a quorum for the transaction of business, but if at any meeting of the Board of Directors there shall be less than a quorum present, a majority of those present may adjourn the meeting without further notice, from time to time, until a quorum shall have been obtained.

Any vacancy in the Board of Directors, including a vacancy caused by an increase in the number of directors, may be filled only by a vote of three-quarters of the full Board of Directors.

SECTION 2. Meetings. Meetings of the Board of Directors shall be held at such place within or without the State of New Jersey as may from time to time be fixed by resolution of the Board of Directors, or as may be specified in the notice of the meeting. Regular meetings of the Board of Directors shall be held at such times as may from time to time be fixed by resolution of the Board of Directors, and special meetings may be held at any time upon call of the Chairman of the Board of Directors, the President, Vice President, or Secretary or any two directors, by written notice, electronic mail, telex or telegram, or oral notice to each director, not less than one (1) day before such meeting. The annual meeting of the Board of Directors, of which no notice shall be necessary, shall be held immediately following the annual meeting of the shareholders or immediately following any adjournment thereof for the purpose of the organization of the Board and the election and appointment of officers for the ensuing year and for the transaction of such other business as may conveniently and properly be brought before such meeting.

Notice need not be given of regular meetings of the Board of Directors. Meetings may be held at any time without notice if all of the directors are present, or if at any time before or after the meeting those not present waive notice of the meeting in writing.

SECTION 3. Committees. The Board of Directors may appoint from among its members an Executive Committee of not less than two (2) nor more than five (5) members, one of whom shall be the President, and shall designate one of such members as chairman of the committee. The Board of Directors may also appoint from its own numbers a Finance Committee, Audit Committee, Compensation Committee, Nominating Committee and such other committees as the Board may determine, which shall in each case consist of not less than two (2) directors and which shall have such powers and duties as shall from time to time be prescribed by the Board. The President shall be a member ex officio of each committee appointed by the Board of Directors. The Board may also designate one or more of its members as alternates to serve as a member of any committee in the absence of a regular member. The Board of Directors reserves to itself alone the power to declare dividends, issue stock, recommend to shareholders any action requiring their approval, change the membership of any committee at any time, fill vacancies therein, and discharge any committee either with or without cause at any time. Subject to the foregoing limitations, the Executive Committee shall possess and exercise all other powers of the Board of Directors during the intervals between meetings.

SECTION 4. Dividends. Subject always to the provisions of applicable law and the Certificate of Incorporation the Board of Directors shall have full power to determine whether any, and if any, what part of any, funds legally available for the payment of dividends shall be declared as dividends and paid to shareholders; the division of the whole or any part of such funds of the corporation shall rest wholly within the lawful discretion of the Board of Directors, and it shall not be required at any time, against such discretion, to divide or pay any part of such funds among or to the shareholders as dividends or otherwise; and the Board of Directors may fix a sum which may be set aside or reserved over and above the paid-in capital of the corporation as working capital for the corporation or as a reserve for any proper purpose, and from time to time may increase, diminish, and vary the same in its absolute judgment and discretion.

SECTION 5. Voting. At all meetings of the Board of Directors, each director is to have one (1) vote irrespective of the number of shares of stock that he may hold.

SECTION 6. Indemnification of Directors and Officers. Every person who is or was a director or officer of the corporation, or any such person who serves or served in any similar capacity with any other enterprise at the request of the corporation, shall be indemnified by the corporation to the fullest extent permitted by law against all expenses and liabilities reasonably incurred by or imposed upon him in connection with any proceeding to which he may be made, or threatened to be made, a party, or in which he may become involved by reason of his being or having been a director or officer of the corporation, or of serving or having served such other enterprise in such capacity, whether or not he is a director or officer of the corporation, or continues to serve such other enterprise in such capacity, at the time the expenses or liabilities are incurred.

SECTION 7. Informal Action. Any action required or permitted to be taken at any meeting of the Board of Directors or any committee thereof may be taken without a meeting if prior to or subsequent to such action a written consent thereto is signed by all members of the Board or of the committee, as the case may be, and such written consent is filed with the minutes of proceedings of the Board or the committee.

SECTION 8. Contracts. No contract or other transaction between the corporation and any other corporation and no other act of the corporation shall, in the absence of fraud, in any way be affected or invalidated by the fact that any of the directors of the corporation are pecuniarily or otherwise interested in, or are directors or officers of, such other corporation. Any director of the corporation individually or any firm or association of which any director may be a member, may be a party to, or may be pecuniarily or otherwise interested in, any contract or transaction of the corporation, provided that the fact that he individually or such firm or association is so interested shall be disclosed or shall have been known to the Board of Directors or a majority of such members thereof as shall be present at any meeting of the Board of Directors at which action upon any such contract or transaction shall be taken. Any director of the corporation who is also a director or officer of such other corporation or who is so interested may be counted in determining the existence of a quorum at any meeting of the Board of Directors which shall authorize any such contract or transaction, and may vote thereat to authorize any such contract or transaction, with like force and effect as if he were not such director or officer of such other corporation or not so interested. Any director of the corporation may vote upon any contract or other transaction between the corporation and any subsidiary or affiliated corporation without regard to the fact that he is also a director of such subsidiary or affiliated corporation.

ARTICLE IV
OFFICERS

SECTION 1. Number. At the first meeting after their election, the Board of Directors shall elect the officers of the corporation. The Board shall elect a President, a Secretary and a Treasurer. It may also elect a Chairman of the Board, and may from time to time elect one or more Vice Presidents. The Board of Directors may also elect one or more Assistant Secretaries and one or more Assistant Treasurers, and such other officers, agents and employees as it may deem proper. Any two offices may be held by the same person.

SECTION 2. Term and Removal. The term of office of all officers shall be one year and until their respective successors are elected and qualify, but any officer may be removed from office with or without cause, at any time by the affirmative vote of the majority of the whole number of Directors then in office. A vacancy in any office arising from any cause shall be filled for the unexpired portion of the term by the Board of Directors.

SECTION 3. Powers and Duties. The officers of the corporation shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as from time to time may be conferred by the Board of Directors. The Chairman of the Board, if any, shall preside over all board meetings. If no Chairman of the Board is present, the President shall exercise this power. The Vice President or Vice Presidents, the Assistant Secretary or Assistant Secretaries and the Assistant Treasurer or Assistant Treasurers shall, in the order of their respective seniorities, in the absence or disability of the President, Secretary or Treasurer, respectively, perform the duties of such officer and shall generally assist the President, Secretary or Treasurer, respectively.

SECTION 4. Voting Corporation's Securities. Unless otherwise ordered by the Board of Directors, the President, or in the event of his inability to act, any Vice President shall have full power and authority on behalf of the corporation to attend and to act and to vote at any meetings of security holders of corporations in which the corporation may hold securities, and at such meetings shall possess and may exercise any and all rights and powers incident to the ownership of such securities which the corporation, as owner, might exercise if present. The Board of Directors may confer like power upon any other person or persons by resolutions adopted from time to time.

ARTICLE V
CORPORATE SEAL

The seal of the corporation shall be as follows:

ARTICLE VI
CERTIFICATES OF STOCK

SECTION 1. Issuance, Form and Transfers. The Board of Directors by resolution may authorize the issuance and sale of authorized but unissued shares of the stock of the corporation for such consideration, but no less than par value, as fixed by resolution. No shareholder shall have any pre-emptive rights to such shares.

The interest of each shareholder of the corporation shall be evidenced by certificates for shares of stock, certifying the number of shares represented thereby and in such form not inconsistent with the Certificate of Incorporation as the Board of Directors may from time to time prescribe, or the Board of Directors may provide by resolution or resolutions that some or all of any or all classes or series of stock of the corporation shall be uncertificated shares of stock.

Transfers of the shares of capital stock of the corporation shall be made only on the books of the corporation by the registered holder thereof, or by his attorney thereunto authorized by power of attorney duly executed and filed with the Secretary of the corporation, or with a transfer clerk or a transfer agent appointed as in Section 4 of this Article, and with respect to certificated shares on surrender of the certificate or certificates for such shares properly endorsed and the payment of all taxes thereon. The person in whose name shares of stock stand on the books of the corporation shall be deemed the owner thereof for all purposes as regards the corporation; provided that whenever any transfer of shares shall be made for collateral security, and not absolutely, such fact, if known to the Secretary of the corporation, shall be so expressed in the entry of transfer. The Board may, from time to time, make such additional rules and regulations as it may deem expedient, not inconsistent with these By-Laws, concerning the issue, transfer, and registration of certificates for shares of the capital stock of the corporation or concerning uncertificated shares.

The certificates of stock shall be signed by the President or a Vice President and by the Secretary or an Assistant Secretary or the Treasurer or an Assistant Treasurer, and sealed with the seal of the corporation. Such seal may be a facsimile, engraved or printed. Where any such certificate is signed by a transfer agent or a transfer clerk and by a registrar, the signatures of the President, Executive Vice President, Vice President, Secretary, Assistant Secretary, Treasurer or Assistant Treasurer upon such certificate may be facsimile, engraved or printed. Where in case any such officer who has signed or whose facsimile signature has been placed upon such certificate shall have ceased to be such before such certificate is issued, it may be issued by the corporation with the same effect as if such officer had not ceased to be such at the time of its issue.

SECTION 2. Closing of Transfer Books. The Board of Directors shall have power to close the stock transfer books of the corporation for a period not exceeding sixty (60) days before any shareholders' meeting, or the last day on which the consent or dissent of shareholders may be effectively expressed for any purpose without a meeting, or the date fixed for the payment of any dividend or the making of any distribution, or for the delivery of evidences or rights or evidences of interests arising out of any change, conversion or exchange of capital stock. Provided, however, that in lieu of closing the stock transfer books as aforesaid the Board of Directors may in its discretion fix a time not more than sixty (60) days before the date of any meeting of shareholders, or the last day on which the consent or dissent of shareholders may be effectively expressed for any purpose without a meeting, or the date fixed for the payment of any dividend or for the delivery of evidences of rights or evidences of interests arising out of any change, conversion or exchange of capital stock, as the time as of which shareholders entitled to notice of and to vote at such meeting or whose consent or dissent is required or may be expressed for any purpose or entitled to receive any such dividend, distribution, rights or interests shall be determined; and all persons who are holders of record of voting stock at such time and no others shall be entitled to notice of and to vote at such meeting or to express their consent or dissent, as the case may be, and only shareholders of record at the time so fixed shall be entitled to receive such dividend, distributions, rights or interests.

SECTION 3. Lost, Stolen, Destroyed, or Mutilated Certificates. In case of the loss, stolen, mutilation or destruction of a certificate of stock, a duplicate may be issued upon such terms as the Board of Directors shall prescribe.

SECTION 4. Transfer Agent and Registrar. The Board of Directors may appoint one or more transfer clerks or one or more transfer agents and one or more registrars, and may require all certificates of stock to bear the signature or signatures of any of them.

SECTION 5. Examination of Books by Shareholders. Subject to law, the Board shall have power to determine, from time to time, whether and to what extent and at what times and places and under what conditions and regulations the accounts and books and documents of the corporation, or any of them, shall be open to the inspection of the shareholders; and no shareholder shall have any right to inspect any account or book or document of the corporation.

ARTICLE VII
FISCAL YEAR

The fiscal year of the corporation shall begin on the first day of January in each year and shall end on the thirty-first day of December next following, unless otherwise determined by the Board of Directors.

ARTICLE VIII
AMENDMENTS

The power to alter, amend or repeal the By-Laws, or to adopt new By-Laws shall be vested in the Board of Directors; provided, however, that any By-Laws or amendment thereto as adopted by the Board of Directors may be altered, amended or repealed by vote of the shareholders entitled to vote for the election of the Directors, or a new By-Law in lieu thereof may be adopted by the vote of such shareholders. No By-Law which has been altered, amended or adopted by such vote of the shareholders may be altered, amended or repealed by the Board of Directors until two years have expired since such action by vote of the shareholders.

Except as otherwise provided in the last sentence of this paragraph, any alteration, amendment, repeal or adoption of new By-Laws by the Board of Directors shall be by majority vote of the Board of Directors. Except as otherwise provided in the last sentence of this paragraph, any alteration, amendment, repeal or adoption of new By-Laws by the shareholders shall be by the affirmative vote of a majority in interest of the shareholders of the corporation present in person or by proxy at any annual or special meeting of shareholders at which a quorum is present. Notwithstanding the foregoing, the following sections of the By-Laws may be altered, amended or repealed only upon the affirmative vote of at least three-quarters of the Board of Directors or the holders of at least two-thirds of the shares entitled to vote thereon: Section 1 of Article II; Section 2 of Article II; the last two paragraphs of Section 1 of Article III and this paragraph of Article VIII.

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Exhibit 31.1

CERTIFICATION

I, Daniel Bernstein, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Bel Fuse Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 11, 2014

/s/ Daniel Bernstein
Daniel Bernstein
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Colin Dunn, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Bel Fuse Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 11, 2014

/s/ Colin Dunn
Colin Dunn
Vice President of Finance and Secretary
(principal financial officer and principal accounting officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report of Bel Fuse Inc. (the "Company") on Form 10-Q for the quarter ended June 30, 2014 filed with the Securities and Exchange Commission (the "Report"), I, Daniel Bernstein, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the consolidated financial condition of the Company as of the dates presented and consolidated results of operations of the Company for the periods presented.

Date: August 11, 2014

/s/ Daniel Bernstein
Daniel Bernstein
President and Chief Executive Officer

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report of Bel Fuse Inc. (the "Company") on Form 10-Q for the quarter ended June 30, 2014 filed with the Securities and Exchange Commission (the "Report"), I, Colin Dunn, Vice President of Finance (principal financial officer and principal accounting officer) and Secretary of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the consolidated financial condition of the Company as of the dates presented and consolidated results of operations of the Company for the periods presented.

Date: August 11, 2014

/s/ Colin Dunn
Colin Dunn
Vice President of Finance and Secretary
(principal financial officer and principal accounting officer)