

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

FORM 8-K

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

Date of report (Date of earliest event reported): February 17, 2017

BEL FUSE INC.
(Exact Name of Registrant as Specified in its Charter)

| | | |
|--------------------------|--------------------------|--------------------------------------|
| NEW JERSEY | 0-11676 | 22-1463699 |
| (State of incorporation) | (Commission File Number) | (I.R.S. Employer Identification No.) |

| | |
|---|------------|
| 206 Van Vorst Street, Jersey City, New Jersey | 07302 |
| (Address of principal executive offices) | (Zip Code) |

Registrant's telephone number, including area code: (201) 432-0463

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On February 17, 2017, Bel Fuse Inc. (the "Company") issued a press release regarding results for the three months and year ended December 31, 2016. A copy of this press release is being furnished as Exhibit 99.1 to this Current Report on Form 8-K.

In accordance with General Instruction B.2 of Form 8-K, the information in Item 2.02 of this Current Report on Form 8-K, including Exhibit 99.1, shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

ITEM 5.02. DEPARTURE OF DIRECTORS OR CERTAIN OFFICERS; ELECTION OF DIRECTORS; APPOINTMENT OF CERTAIN OFFICERS; COMPENSATORY ARRANGEMENTS OF CERTAIN OFFICERS.

On February 17, 2017, the Company issued a press release announcing that Colin Dunn, Vice President of Finance, will be retiring from his position with the Company effective as of the date of the 2017 Annual Meeting of Shareholders, scheduled for May 23, 2017. The Company has named Craig Brosious, age 60, to succeed Mr. Dunn as Vice President of Finance, also effective as of the date of the 2017 Annual Meeting. A copy of this press release is filed as Exhibit 99.2 to this Current Report on Form 8-K, and is incorporated into this Item 5.02 by reference.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.**(d) Exhibits**

As described in Item 2.02 of this Report, the following Exhibit is furnished as part of this Current Report on Form 8-K:

99.1 Press Release of Bel Fuse Inc. dated February 17, 2017, related to the financial results of the Company for the three months and year ended December 31, 2016.

As described in Item 5.02 of this Report, the following Exhibit is filed as part of this Current Report on Form 8-K:

99.2 Press Release of Bel Fuse Inc. dated February 17, 2017, announcing the retirement of Colin Dunn, VP of Finance effective as of the date of the 2017 Annual Meeting of Shareholders, and naming Craig Brosious to succeed Mr. Dunn in that position, also effective as of the date of the 2017 Annual Meeting of Shareholders.

SIGNATURE

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 hereunto duly authorized.

Date: February 17, 2017

BEL FUSE INC.
(Registrant)

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

EXHIBIT INDEX

| Exhibit No. | Description |
|-------------|---|
| 99.1 | Press release issued by the Company, dated February 17, 2017, related to the financial results of the Company for the three months and year ended December 31, 2016. |
| 99.2 | Press release issued by the Company, dated February 17, 2017, announcing the retirement of Colin Dunn, VP of Finance effective as of the date of the 2017 Annual Meeting of Shareholders, and naming Craig Brosious to succeed Mr. Dunn in that position, also effective as of the date of the 2017 Annual Meeting of Shareholders. |



FOR IMMEDIATE RELEASE

Bel Fuse Inc.
 206 Van Vorst Street
 Jersey City, NJ 07302
 www.belfuse.com
 tel 201.432.0463
 fax 201.432.9542

Investor Contact:

Darrow Associates
 tel 516.419.9915
 pseltzberg@darrowir.com

Company Contact:

Daniel Bernstein
 President
 ir@belf.com

Bel Reports Fourth Quarter and Full Year 2016 Results

JERSEY CITY, NJ, Friday, February 17, 2017 – Bel Fuse Inc. (NASDAQ:BELFA and NASDAQ:BELFB) today announced preliminary financial results for the fourth quarter and full year 2016.

Fourth Quarter 2016 Highlights

- Net sales were \$118.5 million for the fourth quarter of 2016, representing a 12.4% decline from \$135.2 million in the fourth quarter of 2015.
- Gross profit margin improved to 20.7% in the fourth quarter of 2016, up from 19.3% in the fourth quarter of 2015.
- Net earnings increased to \$3.4 million in the fourth quarter of 2016 compared to \$2.9 million in the same period of 2015.
- The fourth quarter 2016 results were favorably impacted by foreign currency gains of \$2.7 million (compared to foreign currency losses of \$0.5 million in the fourth quarter of 2015) and a \$1.0 million gain on sale of our San Diego property. These factors were offset by \$1.5 million in restructuring charges (compared to \$0.8 million in the same period of 2015) and an increase in our effective tax rate during the quarter to 46.9% (compared to 9.4% during the fourth quarter of 2015).
- Class A EPS was \$0.27 on a GAAP basis (compared to \$0.23 in the fourth quarter of 2015) and \$0.31 on a Non-GAAP basis (compared to \$0.33 in the fourth quarter of 2015).
- Class B EPS was \$0.29 on a GAAP basis (compared to \$0.25 in the fourth quarter of 2015) and \$0.33 on a Non-GAAP basis (compared to \$0.35 in the fourth quarter of 2015).

Full Year 2016 Highlights

- Net sales were \$500.2 million in 2016, representing a decline of 11.8% from \$567.1 million in 2015.
- Gross profit margin improved to 20.0% in 2016, up from 19.2% in 2015.
- Net loss was \$(64.8) million in 2016 compared to net earnings of \$19.2 million in 2015.
- The full year 2016 results were unfavorably impacted by a \$106.0 million impairment charge on goodwill and other intangible assets, offset by \$18.2 million in acquisition-related settlements and \$2.7 million of gains on sales of properties.
- Class A loss per share was \$(5.25) on a GAAP basis (compared to earnings per share of \$1.53 in 2015) and earnings per share of \$1.40 on a Non-GAAP basis (compared to earnings per share of \$1.73 in 2015).
- Class B loss per share was \$(5.48) on a GAAP basis (compared to earnings per share of \$1.64 in 2015) and earnings per share of \$1.50 on a Non-GAAP basis (compared to earnings per share of \$1.85 in 2015).

Non-GAAP financial measures, such as Non-GAAP EPS, exclude the impact of impairment charges, acquisition-related costs, restructuring charges and certain other items. Please refer to the financial information included with this press release for reconciliations of GAAP financial measures to Non-GAAP financial measures and why we present Non-GAAP financial measures.

CEO Comments

Daniel Bernstein, President and CEO, said, "With the operating efficiencies the Company identified in 2015 and 2016 and \$17 million in annual cost savings now fully implemented, we are pleased with the financial performance that we achieved in the year, despite the sales decline. That said, we are working hard to pursue every path available to us to reinvigorate the top line and grow the business in 2017. The recent addition of Vincent Vellucci to the Board was key to the signing of our global agreement with Arrow in the fourth quarter. As the former President of Americas Components at Arrow, he has provided valuable insights as to how to improve our utilization of this channel to increase Bel's revenue. Our North American sales organization has been realigned to implement better accountability programs for our sales team and reward them for clearly defined performance. In Europe, we shifted from a single sales organization for all our products to two distinct groups, each with their own areas of concentration. One group will support the Cinch brand with focus on the military and aerospace markets; the other group will be under the Bel umbrella and will serve networking, data storage, industrial and telecommunications customers. Our pipeline for new opportunities is growing, which bodes well for future sales, and we will continue to invest in our R&D to meet this demand."

"This was a challenging year for our Power Solutions business as our engineering and sales teams worked hard to generate new design wins following missed design cycles due to pre-acquisition quality issues. Despite the decline in sales in the fourth quarter, we are pleased with our new design efforts made within our Power Solutions business this year. Much of our focus has been on data center initiatives, as well as in the area of e-Mobility, and these efforts have started to translate into a recent increase in our backlog for these products.

"Bel's Cinch Connectivity Solutions business saw sales decline in the fourth quarter as a result of general weakness within the military and industrial segments as well as through distribution where reduced demand from broadline distributors offset increases from our value-added distributors. We expect to see a slight improvement in sales of our connectivity products in 2017, primarily within the commercial aerospace segment, and to a lesser extent in the military segment. Our labor efficiencies continue to improve within this group, including the previously-announced closure of our Shanghai manufacturing facility in the fourth quarter of 2016. We anticipate profitability within this group to increase in 2017 on marginally improved sales.

"Bel's Magnetic Solutions group continues to be the market leader in the deployment of 10-gigabit Ethernet connector modules, though sales volumes were impacted by general market weakness during the fourth quarter. We have now completed initial development and are actively working with strategic customers to begin shipments of our next generation multi-gigabit Ethernet connector modules that now include 2.5 and 5-gigabit options. These new products address the need for a more flexible and cost effective solution between the currently available 1-gigabit and 10-gigabit devices on the market today," concluded Mr. Bernstein.

Financial Summary

All comparative percentages are on a year-over-year basis, unless otherwise noted.

Fourth Quarter 2016 Results

Net Sales

Net sales were \$118.5 million, down 12.4% from last year's fourth quarter. By geographic segment, North America was down by 18.2%, Asia was down by 8.6% and Europe was up by 3.4%. By product group, Power Solutions and Protection sales were 21.3% lower, Connectivity Solutions was down by 9.8% and Magnetics Solutions was down by 4.2%. During the fourth quarter of 2016, 34% of our sales related to our Power Solutions and Protection products (compared to 37% for the same period of 2015), 33% related to our Connectivity Solutions products (compared to 32% in 2015) and 34% related to our Magnetic Solutions products (compared to 31% in 2015).

Of the \$16.7 million decline in fourth quarter sales year-over-year, \$10.0 million was specific to the Power Solutions business due to a general reduction in networking hardware sales coupled with a further delay of datacenter shipments to the first quarter of 2017. The remaining decline is primarily attributable to weakness in distribution sales during the fourth quarter, as previously discussed.

Gross Profit

Gross profit margin improved to 20.7%, up from 19.3% in the fourth quarter of 2015, driven by several factors. Our connectivity products generate the highest of our margins while power products generate lower ones. The shift in product mix noted above had a favorable impact on our margins during the fourth quarter of 2016. Our margin also benefited from lower material costs in the People's Republic of China (PRC) and lower labor and overhead costs at our facilities in Mexico and the PRC, due to the strengthening of the U.S. dollar compared to the Mexican Peso and Chinese Renminbi during the quarter. Restructuring initiatives have resulted in cost savings in direct labor costs and overhead costs from last year, and quality improvement efforts have served to reduce costs associated with warranties, repair work and scrap.

Selling, General and Administrative Expenses (SG&A)

SG&A expenses were \$16.0 million, down from \$20.4 million in the fourth quarter of 2015. Fluctuation in currency exchange rates resulted in a \$3.2 million favorable variance within SG&A as compared to the fourth quarter of 2015 (this fluctuation equated to an increase of approximately \$0.19 per Class A share and \$0.20 per Class B share in 2016). Other factors contributing to the decrease included lower commissions from reduced sales volumes and a decrease in fixed SG&A costs due to cost saving measures implemented in late-2015.

Gain on Sale of Property

The Company closed on the sale of a property in San Diego in the fourth quarter of 2016, which resulted in a pre-tax gain of \$1.0 million.

Operating Income

Operating income was \$7.6 million, up from \$4.8 million in the fourth quarter of 2015, with an operating margin of 6.4% compared to 3.5% in the fourth quarter of 2015.

Income Taxes

The provision for income taxes was \$3.0 million in the fourth quarter of 2016 as compared with \$0.3 million during the same period of 2015. The Company's income tax provision can fluctuate significantly based upon the geographic segment in which the pre-tax profits and losses are earned. Of the geographic segments in which the company operates, the U.S. has the highest tax rates; Europe tax rates are generally lower than those of the U.S.; and Asia has the lowest tax rates. During the fourth quarter of 2016, a greater percentage of our pre-tax earnings were generated in our North America segment as compared to the fourth quarter of 2015. Also, within our foreign operations, a higher percentage of profits were generated in higher tax jurisdictions in 2016 versus 2015. These factors resulted in an effective tax rate of 46.9% during the fourth quarter of 2016, compared to an effective tax rate of 9.4% during the same quarter last year.

Net Earnings

Net earnings were \$3.4 million in the fourth quarter of 2016 as compared with \$2.9 million in the fourth quarter of 2015.

Full Year December 31, 2016 Results**Net Sales**

Net sales were \$500.2 million, down 11.8%. By geographic segment, North America was down by 15.6%, Asia was down by 10.5% and Europe was up by 0.4%. By product group, Power Solutions and Protection was down by 19.8%, Connectivity Solutions was down by 7.1% and Magnetics Solutions was down by 6.7%. During 2016, 34% of our sales related to our Power Solutions and Protection products (compared to 38% for the same period of 2015), 34% related to our Connectivity Solutions products (compared to 32% in 2015) and 32% related to our Magnetic Solutions products (compared to 30% in 2015).

Of the \$66.9 million decline in sales in 2016 compared to 2015, \$34.4 million was specific to the Power Solutions business, primarily due to missed design cycles in prior quarters and general market weakness which impacted all product lines during the year.

Gross Profit

Gross profit margin was 20.0%, up from 19.2% in 2015. Lower material costs, lower warranty costs and a favorable mix of products sold resulted in a favorable impact to gross profit margin in 2016 as compared with 2015. In addition, the restructuring efforts taken last year and strengthening of the U.S. dollar versus the Mexican Peso and Chinese Renminbi throughout 2016 also resulted in reduced direct labor and fixed overhead costs during the 2016 period.

Selling, General and Administrative Expenses

SG&A expenses declined to \$71.0 million in 2016 compared to \$78.0 million in 2015. In 2016, Bel recorded a benefit of \$5.2 million for certain value-added and business tax items recorded in connection with the acquisition of Power Solutions. The 2016 period also benefited from cost savings initiatives in North America and Europe implemented during the earlier part of 2016. These factors were partially offset by a decrease in net foreign currency exchange gains of \$2.0 million in 2016 as compared with 2015.

Goodwill and Other Intangible Assets Impairment

During the first half of 2016, we recorded an impairment charge related to our goodwill and other intangible assets of \$106.0 million. As previously disclosed, this impairment charge will not result in any future cash expenditures, impact liquidity, affect the ongoing business or financial performance of our reporting units, or impact compliance with our debt covenants.

Operating (Loss) Income

Operating loss was \$(76.5) million in 2016 as compared with operating income of \$28.6 million in 2015.

Income Taxes

Income tax benefit was \$(17.7) million in 2016 as compared with a provision of \$6.5 million in 2015. The income tax benefit in 2016 included a net benefit related to the resolution of certain liabilities for uncertain tax positions of \$13.0 million and a net benefit related to the goodwill and other intangible assets impairment of \$4.4 million. In addition, the mix of pre-tax earnings and losses in different jurisdictions contributed to the benefit in 2016.

Net (Loss) Earnings

Net loss was \$(64.8) million in 2016 as compared with net earnings of \$19.2 million in 2015.

Balance Sheet Data

As of December 31, 2016, working capital was \$163.1 million, including \$73.4 million of cash and cash equivalents with a current ratio of 2.8-to-1. In comparison, as of December 31, 2015, working capital was \$158.6 million, including \$85.0 million of cash and cash equivalents with a current ratio of 2.3-to-1. Total debt at December 31, 2016 was \$141.2 million as compared to \$183.5 million at December 31, 2015, reflecting \$42.3 million of debt repayments made during 2016.

Conference Call

Bel has scheduled a conference call at 11:00 a.m. EST today. To participate, dial (719) 325-2345, conference ID number: 6990529. A simultaneous webcast of the conference call may be accessed online from the Events and Presentations link of the Investors page under the "About Bel" tab at www.BelFuse.com. The webcast replay will be available for a period of 20 days at this same Internet address. For a telephone replay, dial (412) 317-6671, conference ID number: 6990529 after 2:00 p.m. EST.

About Bel

Bel (www.belfuse.com) designs, manufactures and markets a broad array of products that power, protect and connect electronic circuits. These products are primarily used in the networking, telecommunications, computing, military, aerospace, transportation and broadcasting industries. Bel's product groups include Magnetic Solutions (integrated connector modules, power transformers, power inductors and discrete components), Power Solutions and Protection (front-end, board-mount and industrial power products, module products and circuit protection), and Connectivity Solutions (expanded beam fiber optic, copper-based, RF and RJ connectors and cable assemblies). The Company operates facilities around the world.

Forward-Looking Statements

Non-historical information contained in this press release (including the statements regarding sales growth, R&D spending and profitability of Bel's connectivity solutions business) are forward-looking statements (as described under the Private Securities Litigation Reform Act of 1995) that involve risks and uncertainties. Actual results could differ materially from Bel's projections. Among the factors that could cause actual results to differ materially from such statements are: the market concerns facing our customers; the continuing viability of sectors that rely on our products; the effects of business and economic conditions; difficulties associated with integrating recently acquired companies; capacity and supply constraints or difficulties; product development, commercialization or technological difficulties; the regulatory and trade environment; risks associated with foreign currencies; uncertainties associated with legal proceedings; the market's acceptance of the Company's new products and competitive responses to those new products; and the risk factors detailed from time to time in the Company's SEC reports. In light of the risks and uncertainties impacting our business, there can be no assurance that any forward-looking statement will in fact prove to be correct. We undertake no obligation to update or revise any forward looking statements.

Non-GAAP Financial Measures

The non-GAAP measures identified in this press release as well as in the supplementary information to this press release (Non-GAAP EPS, Non-GAAP EBITDA and Adjusted Non-GAAP EBITDA) are not measures of performance under accounting principles generally accepted in the United States of America ("GAAP"). These measures should not be considered a substitute for, and the reader should also consider, income from operations, net earnings, earnings per share and other measures of performance as defined by GAAP as indicators of our performance or profitability. Our non-GAAP measures may not be comparable to other similarly-titled captions of other companies due to differences in the method of calculation. We present results adjusted to exclude the effects of certain unusual or special items and their related tax impact that would otherwise be included under U.S. GAAP, to aid in comparisons with other periods. We may use Non-GAAP financial measures to determine performance-based compensation and management believes that this information may be useful to investors.

Website Information

We routinely post important information for investors on our website, www.belfuse.com, in the "Investor Relations" section. We use our website as a means of disclosing material, otherwise non-public information and for complying with our disclosure obligations under Regulation FD. Accordingly, investors should monitor the Investor Relations section of our website, in addition to following our press releases, SEC filings, public conference calls, presentations and webcasts. The information contained on, or that may be accessed through, our website is not incorporated by reference into, and is not a part of, this document.

[Financial tables follow]

Bel Fuse Inc.
Supplementary Information⁽¹⁾
Condensed Consolidated Statements of Operations
(in thousands, except per share amounts)
(unaudited)

| | Three Months Ended December 31, | | Year Ended December 31, | |
|---|------------------------------------|-------------------|----------------------------|-------------------|
| | 2016 | 2015 | 2016 | 2015 |
| Net sales | \$ 118,539 | \$ 135,246 | \$ 500,153 | \$ 567,080 |
| Cost of sales | 93,960 | 109,203 | 400,245 | 458,253 |
| Gross profit | 24,579 | 26,043 | 99,908 | 108,827 |
| <i>As a % of net sales</i> | 20.7% | 19.3% | 20.0% | 19.2% |
| Selling, general and administrative expenses | 16,000 | 20,354 | 71,005 | 77,952 |
| <i>As a % of net sales</i> | 13.5% | 15.0% | 14.2% | 13.7% |
| Impairment of goodwill and other intangible assets ⁽²⁾ | - | - | 105,972 | - |
| (Gain) loss on sale of property, plant and equipment ⁽³⁾ | (561) | 96 | (2,644) | 161 |
| Restructuring charges | 1,518 | 798 | 2,087 | 2,114 |
| Income from operations | 7,622 | 4,795 | (76,512) | 28,600 |
| <i>As a % of net sales</i> | 6.4% | 3.5% | -15.3% | 5.0% |
| Interest expense | (1,419) | (1,623) | (6,662) | (7,588) |
| Interest income and other, net | 157 | 22 | 622 | 4,720 |
| Earnings (loss) before provision (benefit) for income taxes | 6,360 | 3,194 | (82,552) | 25,732 |
| Provision (benefit) for income taxes | 2,983 | 299 | (17,718) | 6,535 |
| <i>Effective tax rate</i> | 46.9% | 9.4% | 21.5% | 25.4% |
| Net earnings (loss) available to common stockholders | \$ 3,377 | \$ 2,895 | \$ (64,834) | \$ 19,197 |
| <i>As a % of net sales</i> | 2.8% | 2.1% | -13.0% | 3.4% |
| Weighted average number of shares outstanding: | | | | |
| Class A common shares - basic and diluted | <u>2,175</u> | <u>2,175</u> | <u>2,175</u> | <u>2,175</u> |
| Class B common shares - basic and diluted | <u>9,806</u> | <u>9,710</u> | <u>9,749</u> | <u>9,698</u> |
| Net earnings (loss) per common share: | | | | |
| Class A common shares - basic and diluted | <u>\$ 0.27</u> | <u>\$ 0.23</u> | <u>\$ (5.25)</u> | <u>\$ 1.53</u> |
| Class B common shares - basic and diluted | <u>\$ 0.29</u> | <u>\$ 0.25</u> | <u>\$ (5.48)</u> | <u>\$ 1.64</u> |

(1) The supplementary information included in this press release for 2016 is preliminary and subject to change prior to the filing of our upcoming Annual Report on Form 10-K with the Securities and Exchange Commission. Some prior period amounts have been reclassified to conform to the current year presentation. These reclassifications, individually and in the aggregate, had no impact on our consolidated statements of operations.

(2) During the year ended December 31, 2016, we recorded a non-cash impairment charge of \$106.0 million related to our goodwill and other intangible assets. As previously disclosed, this impairment will not result in any future cash expenditures, impact liquidity, affect the ongoing business or financial performance of our reporting units, or impact compliance with our debt covenants.

(3) During the fourth quarter of 2016, we recorded a gain on sale of our San Diego property of \$0.1 million, offset by \$0.4 million of fixed asset writeoffs. The year ended December 31, 2016 also included a gain on the sale of our Hong Kong property of \$2.1 million.

Bel Fuse Inc.
Supplementary Information⁽¹⁾⁽²⁾
Condensed Consolidated Balance Sheets
(in thousands, unaudited)

| | December 31, | |
|--|---------------------|-------------------|
| | 2016 | 2015 |
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 73,411 | \$ 85,040 |
| Accounts receivable, net | 74,416 | 86,268 |
| Inventories | 98,871 | 98,510 |
| Other current assets | 8,744 | 10,653 |
| Total current assets | 255,442 | 280,471 |
| Property, plant and equipment, net | 48,755 | 57,611 |
| Goodwill and other intangible assets, net ⁽³⁾ | 92,779 | 209,461 |
| Other assets | 29,764 | 30,962 |
| Total assets | \$ 426,740 | \$ 578,505 |
| Liabilities and Stockholders' Equity | | |
| Current liabilities: | | |
| Accounts payable | \$ 47,235 | \$ 49,798 |
| Current portion of long-term debt | 11,395 | 24,772 |
| Other current liabilities | 33,697 | 47,282 |
| Total current liabilities | 92,327 | 121,852 |
| Long-term debt | 129,850 | 158,776 |
| Other liabilities | 46,129 | 64,755 |
| Total liabilities | 268,306 | 345,383 |
| Stockholders' equity | 158,434 | 233,122 |
| Total liabilities and stockholders' equity | \$ 426,740 | \$ 578,505 |

(1) The supplementary information included in this press release for 2016 is preliminary and subject to change prior to the filing of our upcoming Annual Report on Form 10-K with the Securities and Exchange Commission.

(2) In accordance with recent accounting pronouncements, the December 31, 2015 balance sheet has been revised to present deferred tax assets and deferred tax liabilities as noncurrent and a reclassification of deferred financing costs from other assets to long-term debt. These revisions were not material to the Condensed Consolidated Balance Sheet.

(3) See Note 2 to the Condensed Consolidated Statements of Operations on page 6 of this release for details of the change in goodwill and other intangible assets, net.

Bel Fuse Inc.
Supplementary Information⁽¹⁾
Reconciliation of U.S. GAAP Net Earnings Available to Common Stockholders to Non U.S. GAAP EBITDA⁽²⁾
(in thousands, unaudited)

| | Three Months Ended | | Year Ended | |
|--|---------------------------|------------------|---------------------|------------------|
| | December 31, | | December 31, | |
| | 2016 | 2015 | 2016 | 2015 |
| U.S. GAAP Net earnings available to common stockholders | \$ 3,377 | \$ 2,895 | \$ (64,834) | \$ 19,197 |
| Interest expense | 1,419 | 1,623 | 6,662 | 7,588 |
| Provision (benefit) for income taxes | 2,983 | 299 | (17,718) | 6,535 |
| Depreciation and amortization | 5,409 | 5,884 | 21,778 | 23,008 |
| Non U.S. GAAP EBITDA | \$ 13,188 | \$ 10,701 | \$ (54,112) | \$ 56,328 |
| <i>% of net sales</i> | <i>11.1%</i> | <i>7.9%</i> | <i>-10.8%</i> | <i>9.9%</i> |
| Unusual or special items: | | | | |
| Impairment of goodwill and other intangible assets | - | - | 105,972 | - |
| Gain on sale of properties | (985) | - | (3,092) | - |
| Restructuring charges | 1,518 | 798 | 2,099 | 2,114 |
| Acquisition related costs and settlements | - | 161 | (4,993) | (3,203) |
| Information technology migration and rebranding costs | - | 186 | - | 1,124 |
| ERP system assessment costs | - | - | 371 | - |
| Adjusted Non U.S. GAAP EBITDA | \$ 13,721 | \$ 11,846 | \$ 46,245 | \$ 56,363 |
| <i>% of net sales</i> | <i>11.6%</i> | <i>8.8%</i> | <i>9.2%</i> | <i>9.9%</i> |

(1) The supplementary information included in this press release for 2016 is preliminary and subject to change prior to the filing of our upcoming Annual Report on Form 10-K with the Securities and Exchange Commission.

(2) In this press release and supplemental information, we have included non-U.S. GAAP financial measures, including Non-U.S. GAAP EPS and EBITDA. We present results adjusted to exclude the effects of certain specified items and their related tax impact that would otherwise be included under U.S GAAP, to aid in comparisons with other periods. We may use Non-U.S GAAP financial measures to determine performance-based compensation and management believes that this information may be useful to investors.

The following tables reconcile our US GAAP net earnings per common Class A and Class B basic and diluted shares ("GAAP EPS") to Non US GAAP net earnings per common Class A and Class B basic and diluted shares ("Non GAAP EPS"). Non GAAP EPS for the 2015 periods presented below has been revised to reflect the impact of the Power Solutions acquisition related items and settlements included in selling, general and administrative expenses and income taxes in order to provide comparable presentation in the prior year periods presented. In 2015, Non GAAP EPS was previously presented as \$0.24 per Class A share and \$0.26 per Class B share for the three months ended December 31, 2015 and \$1.48 per Class A share and \$1.58 per Class B share for the year ended December 31, 2015.

| | Three Months Ended December 31, | | | | Year Ended December 31, | | | |
|------------------------|---------------------------------|---------|---------|---------|-------------------------|-----------|---------|---------|
| | 2016 | | 2015 | | 2016 | | 2015 | |
| | Class A | Class B | Class A | Class B | Class A | Class B | Class A | Class B |
| US GAAP EPS | \$ 0.27 | \$ 0.29 | \$ 0.23 | \$ 0.25 | \$ (5.25) | \$ (5.48) | \$ 1.53 | \$ 1.64 |
| Reconciling items | | | | | | | | |
| (a) | 0.04 | 0.04 | 0.10 | 0.10 | 6.65 | 6.98 | 0.20 | 0.21 |
| Non US GAAP EPS | \$ 0.31 | \$ 0.33 | \$ 0.33 | \$ 0.35 | \$ 1.40 | \$ 1.50 | \$ 1.73 | \$ 1.85 |

(a) The following tables detail the impact of certain unusual or special items had on the Company's net earnings per common Class A and Class B basic and diluted shares and the line items these items were included on the condensed consolidated statements of operations.

| Reconciling Items | Three Months Ended December 31, 2016 | | | | | Three Months Ended December 31, 2015 | | | | |
|--|--------------------------------------|------------|---------------------|--------------------|--------------------|--------------------------------------|------------|---------------------|--------------------|--------------------|
| | Gross Impact | Tax Effect | Net Earnings Impact | Class A EPS Impact | Class B EPS Impact | Gross Impact | Tax Effect | Net Earnings Impact | Class A EPS Impact | Class B EPS Impact |
| Gain on sale of San Diego property | \$ (985) | \$ (374) | \$ (611) | \$ (0.05) | \$ (0.05) | \$ - | \$ - | \$ - | \$ - | \$ - |
| Restructuring charges | 1,518 | 401 | 1,117 | 0.09 | 0.09 | 798 | 288 | 510 | 0.04 | 0.04 |
| Items included in selling, general and administrative expenses: | | | | | | | | | | |
| Power Solutions acquisition related items and settlements | - | - | - | - | - | 107 | 39 | 68 | 0.01 | 0.01 |
| Acquisition related costs | - | - | - | - | - | 54 | 21 | 33 | - | - |
| Information technology migration and rebranding costs | - | - | - | - | - | 186 | 66 | 120 | 0.01 | 0.01 |
| Power Solutions acquisition related items and settlements included in income taxes | - | - | - | - | - | - | (532) | 532 | 0.04 | 0.04 |
| Total reconciling items | \$ 533 | \$ 27 | \$ 506 | \$ 0.04 | \$ 0.04 | \$ 1,145 | \$ (118) | \$ 1,263 | \$ 0.10 | \$ 0.10 |

| Reconciling Items | Year Ended December 31, 2016 | | | | | Year Ended December 31, 2015 | | | | |
|--|------------------------------|------------|---------------------|--------------------|--------------------|------------------------------|------------|---------------------|--------------------|--------------------|
| | Gross Impact | Tax Effect | Net Earnings Impact | Class A EPS Impact | Class B EPS Impact | Gross Impact | Tax Effect | Net Earnings Impact | Class A EPS Impact | Class B EPS Impact |
| Impairment of goodwill and other intangible assets | \$105,972 | \$ 4,385 | \$101,587 | \$ 8.18 | \$ 8.59 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Restructuring charges | 2,099 | 613 | 1,486 | 0.12 | 0.13 | 2,114 | 708 | 1,406 | 0.11 | 0.12 |
| Gain on sale of Hong Kong and San Diego properties | (3,092) | (374) | (2,718) | (0.22) | (0.23) | - | - | - | - | - |

Items included in selling, general and administrative expenses:

| | | | | | | | | | | |
|--|-------------------------|------------------------|-------------------------|-----------------------|-----------------------|---------------------|-------------------------|------------------------|-----------------------|-----------------------|
| Acquisition related costs | 162 | 61 | 101 | 0.01 | 0.01 | 605 | 227 | 378 | 0.03 | 0.03 |
| Power Solutions acquisition related items and settlements | (5,155) | (780) | (4,375) | (0.35) | (0.37) | 425 | 153 | 272 | 0.02 | 0.02 |
| ERP system assessment costs | 371 | 96 | 275 | 0.02 | 0.02 | - | - | - | - | - |
| Acquisition related settlement payment | - | - | - | - | - | (4,233) | (1,609) | (2,624) | (0.21) | (0.22) |
| Information technology migration and rebranding costs | - | - | - | - | - | 1,124 | 409 | 715 | 0.06 | 0.06 |
| Power Solutions acquisition related items and settlements included in income taxes | - | 13,809 | (13,809) | (1.11) | (1.17) | - | (2,383) | 2,383 | 0.19 | 0.20 |
| Total reconciling items | <u>\$100,357</u> | <u>\$17,810</u> | <u>\$ 82,547</u> | <u>\$ 6.65</u> | <u>\$ 6.98</u> | <u>\$ 35</u> | <u>\$(2,495)</u> | <u>\$ 2,530</u> | <u>\$ 0.20</u> | <u>\$ 0.21</u> |



FOR IMMEDIATE RELEASE

Bel Fuse Inc.
206 Van Vorst Street
Jersey City, NJ 07302
www.belfuse.com
tel 201.432.0463
fax 201.432.9542

Bel Announces Retirement of Colin Dunn, VP of Finance Craig Brosious Named Successor, Effective as of 2017 Annual Meeting

JERSEY CITY, N.J.— (GlobeNewsWire – February 17, 2017) – Bel Fuse Inc. (NASDAQ:BELFA and NASDAQ:BELFB) ("Bel" or "the Company") today announced that Colin Dunn will retire from the Company after 26 years of service, substantially all in the role of VP of Finance. Mr. Dunn's retirement is expected to be effective on May 23, 2017, the date of the Company's 2017 Annual Meeting of Shareholders. Craig Brosious, a veteran financial executive with nearly 40 years of experience as a financial manager and 13 years with Bel and its affiliates, has been named to succeed Mr. Dunn as VP of Finance, also effective May 23, 2017.

Daniel Bernstein, President and CEO, said, "We greatly appreciate Colin's hard work, commitment, and dedication to Bel for the better part of the past three decades, and we wish him the best in his retirement and future endeavors. He was a key contributor to our success between 1991 and today, in which annual sales grew from under \$40 million to over \$500 million, with Bel closing and integrating more than a dozen acquisitions and other corporate transactions valued in the aggregate at over \$400 million."

"The Board, Colin, and I have worked closely with Craig during the past 24 months to plan for a smooth succession and we are excited to have him join the senior executive team. Having come into Bel through our acquisition of Stewart Connector Systems in 2003, Craig's familiarity with our company, his expertise in international accounting rules and standards, his ability to work well with our auditors, and his leadership qualities should contribute nicely to our team's ability to execute Bel's future growth objectives and create value for our shareholders," concluded Mr. Bernstein.

Mr. Brosious has been with Bel and its subsidiaries or acquired properties since 1994, and began his career with KPMG as a staff auditor in 1978. He joined Dentsply International, a multi-national manufacturer of dental supplies and equipment, in 1982 as a Senior Internal Auditor, responsible for financial and internal control audits of the North American locations. In 1984, he joined Ferranti International, a global provider of defense and security systems and technology, as Cost Accounting Manager, and later, was promoted to Controller of the Defense Systems Division. He joined the ESCOD Industries division of Insilco Corporation as the Controller in 1994, and in 1998 was appointed the Controller of the Stewart Connector Systems division. In 2000, he was promoted to Director of Finance of the Insilco Technologies Group, the parent company of Stewart and ESCOD, a position he held until Bel's acquisition of the group in 2003. Since that time, Craig has been responsible for Bel's financial accounting operations at Bel locations worldwide, and has been active in Bel's M&A activities and tax strategy development.

About Bel

Bel (www.belfuse.com) designs, manufactures and markets a broad array of products that power, protect and connect electronic circuits. These products are primarily used in the networking, telecommunications, computing, military, aerospace, transportation and broadcasting industries. Bel's product groups include Magnetic Solutions (integrated connector modules, power transformers, power inductors and discrete components), Power Solutions and Protection (front-end, board-mount and industrial power products, module products and circuit protection), and Connectivity Solutions (expanded beam fiber optic, copper-based, RF and RJ connectors and cable assemblies). The Company operates facilities around the world.

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Investor Contact:

Darrow Associates:
Peter Seltzberg, Managing Director
516.419.9915
pseltzberg@darrowir.com

Company Contact:

Daniel Bernstein
President
ir@BelFuse.com
