# Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

**2011**

**This Form is Open to Public Inspection**

## Part I Annual Report Identification Information

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

**A** This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

**B** This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

**C** If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

**D** Check box if filing under:
- [ ] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

## Part II Basic Plan Information—enter all requested information

**1a** Name of plan
BOURNS, INC. PROFIT SHARING & RETIREMENT SAVINGS PLAN

**1b** Three-digit plan number (PN) ▶ 003

**1c** Effective date of plan 01/01/1993

**2a** Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan)

BOURNS, INC.

1200 COLUMBIA AVE
RIVERSIDE, CA 92507-2129

**2b** Employer Identification Number (EIN) 95-1747120

**2c** Sponsor's telephone number 951-781-5523

**2d** Business code (see instructions) 335900

**Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.**

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

| | | | |
|---|---|---|---|
| **SIGN HERE** | Filed with authorized/valid electronic signature. | 07/24/2012 | GERALD T YOUNG |
| | **Signature of plan administrator** | Date | Enter name of individual signing as plan administrator |
| **SIGN HERE** | | | |
| | **Signature of employer/plan sponsor** | Date | Enter name of individual signing as employer or plan sponsor |
| **SIGN HERE** | | | |
| | **Signature of DFE** | Date | Enter name of individual signing as DFE |

**3a** Plan administrator's name and address (if same as plan sponsor, enter "Same")
BOURNS, INC.

1200 COLUMBIA AVE
RIVERSIDE, CA 92507-2129

**3b** Administrator's EIN
95-1747120

**3c** Administrator's telephone number
951-781-5523

**4** If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

**a** Sponsor's name

**4b** EIN

**4c** PN

| | | | |
|---|---|---|---|
| **5** | Total number of participants at the beginning of the plan year | **5** | 933 |
| **6** | Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**). | | |
| **a** | Active participants | **6a** | 320 |
| **b** | Retired or separated participants receiving benefits | **6b** | 65 |
| **c** | Other retired or separated participants entitled to future benefits | **6c** | 462 |
| **d** | Subtotal. Add lines **6a**, **6b**, and **6c** | **6d** | 847 |
| **e** | Deceased participants whose beneficiaries are receiving or are entitled to receive benefits | **6e** | 13 |
| **f** | Total. Add lines **6d** and **6e** | **6f** | 860 |
| **g** | Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | 839 |
| **h** | Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | 15 |
| **7** | Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) | **7** | |

**8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
2A 2E 2F 2G 2J 2K 2R 2S 2T 3D 3H

**b** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

**9a** Plan funding arrangement (check all that apply)

| | | |
|---|---|---|
| **(1)** | | Insurance |
| **(2)** | | Code section 412(e)(3) insurance contracts |
| **(3)** | X | Trust |
| **(4)** | | General assets of the sponsor |

**9b** Plan benefit arrangement (check all that apply)

| | | |
|---|---|---|
| **(1)** | | Insurance |
| **(2)** | | Code section 412(e)(3) insurance contracts |
| **(3)** | X | Trust |
| **(4)** | | General assets of the sponsor |

**10** Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

**a Pension Schedules**

| | | |
|---|---|---|
| **(1)** | X | **R** (Retirement Plan Information) |
| **(2)** | | **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary |
| **(3)** | | **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary |

**b General Schedules**

| | | |
|---|---|---|
| **(1)** | X | **H** (Financial Information) |
| **(2)** | | **I** (Financial Information – Small Plan) |
| **(3)** | | **A** (Insurance Information) |
| **(4)** | X | **C** (Service Provider Information) |
| **(5)** | X | **D** (DFE/Participating Plan Information) |
| **(6)** | | **G** (Financial Transaction Schedules) |

| SCHEDULE C (Form 5500) | Service Provider Information | OMB No. 1210-0110 |
|---|---|---|
| Department of the Treasury<br>Internal Revenue Service<br>Department of Labor<br>Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br>▶ **File as an attachment to Form 5500.** | **2011**<br>**This Form is Open to Public Inspection.** |

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

**A** Name of plan
BOURNS, INC. PROFIT SHARING & RETIREMENT SAVINGS PLAN

**B** Three-digit plan number (PN) ▶ 003

**C** Plan sponsor's name as shown on line 2a of Form 5500
BOURNS, INC.

**D** Employer Identification Number (EIN)
95-1747120

## Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

### 1 Information on Persons Receiving Only Eligible Indirect Compensation

**a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . ☐ Yes ☒ No

**b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

THE VANGUARD GROUP, INC.

23-1945930

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 15 25 26 33 37 52 | NONE | 35873 | Yes [X] No [ ] | Yes [X] No [ ] | 0 | Yes [ ] No [ ] |

**(a)** Enter name and EIN or address (see instructions)

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| | | | Yes [ ] No [ ] | Yes [ ] No [ ] | | Yes [ ] No [ ] |

**(a)** Enter name and EIN or address (see instructions)

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| | | | Yes [ ] No [ ] | Yes [ ] No [ ] | | Yes [ ] No [ ] |

**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| | | | Yes ☐ No ☐ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**(a)** Enter name and EIN or address (see instructions)

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| | | | Yes ☐ No ☐ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**(a)** Enter name and EIN or address (see instructions)

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| | | | Yes ☐ No ☐ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

## Part I Service Provider Information (continued)

**3** If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| | | |
| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. | |
| | | |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| | | |
| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. | |
| | | |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| | | |
| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. | |
| | | |

## Part II Service Providers Who Fail or Refuse to Provide Information

**4** Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

## Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

# SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

## DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

**2011**

**This Form is Open to Public Inspection.**

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

**A** Name of plan
BOURNS, INC. PROFIT SHARING & RETIREMENT SAVINGS PLAN

**B** Three-digit plan number (PN) ▶ 003

**C** Plan or DFE sponsor's name as shown on line 2a of Form 5500
BOURNS, INC.

**D** Employer Identification Number (EIN)
95-1747120

**Part I** **Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)**
(Complete as many entries as needed to report all interests in DFEs)

**a** Name of MTIA, CCT, PSA, or 103-12 IE: VANGUARD RETIREMENT SAVINGS TRUST

**b** Name of sponsor of entity listed in (a): VANGUARD FIDUCIARY TRUST COMPANY

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103 12 IE at end of year (see instructions) |
|---|---|---|
| 23-2186884-022 | C | 18359139 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103 12 IE at end of year (see instructions) |
|---|---|---|
| | | |

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103- 12 IE at end of year (see instructions) |
|---|---|---|
| | | |

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103- 12 IE at end of year (see instructions) |
|---|---|---|
| | | |

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103- 12 IE at end of year (see instructions) |
|---|---|---|
| | | |

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103- 12 IE at end of year (see instructions) |
|---|---|---|
| | | |

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

## Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

| | |
|---|---|
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |

# SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

**2011**

**This Form is Open to Public Inspection**

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

**A** Name of plan
BOURNS, INC. PROFIT SHARING & RETIREMENT SAVINGS PLAN

**B** Three-digit plan number (PN) ▶ 003

**C** Plan sponsor's name as shown on line 2a of Form 5500
BOURNS, INC.

**D** Employer Identification Number (EIN)
95-1747120

## Part I Asset and Liability Statement

**1** Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

| Assets | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **a** Total noninterest-bearing cash | 1a | | |
| **b** Receivables (less allowance for doubtful accounts): | | | |
| **(1)** Employer contributions | 1b(1) | 1500000 | 1350000 |
| **(2)** Participant contributions | 1b(2) | | |
| **(3)** Other | 1b(3) | 0 | |
| **c** General investments: | | | |
| **(1)** Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | | |
| **(2)** U.S. Government securities | 1c(2) | | |
| **(3)** Corporate debt instruments (other than employer securities): | | | |
| **(A)** Preferred | 1c(3)(A) | | |
| **(B)** All other | 1c(3)(B) | | |
| **(4)** Corporate stocks (other than employer securities): | | | |
| **(A)** Preferred | 1c(4)(A) | | |
| **(B)** Common | 1c(4)(B) | 908678 | 506653 |
| **(5)** Partnership/joint venture interests | 1c(5) | | |
| **(6)** Real estate (other than employer real property) | 1c(6) | | |
| **(7)** Loans (other than to participants) | 1c(7) | | |
| **(8)** Participant loans | 1c(8) | 949003 | 1088658 |
| **(9)** Value of interest in common/collective trusts | 1c(9) | 18240903 | 18359139 |
| **(10)** Value of interest in pooled separate accounts | 1c(10) | | |
| **(11)** Value of interest in master trust investment accounts | 1c(11) | | |
| **(12)** Value of interest in 103-12 investment entities | 1c(12) | | |
| **(13)** Value of interest in registered investment companies (e.g., mutual funds) | 1c(13) | 69332426 | 66095677 |
| **(14)** Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | | |
| **(15)** Other | 1c(15) | | |

| | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **1d** Employer-related investments: | | | |
| **(1)** Employer securities | 1d(1) | | |
| **(2)** Employer real property | 1d(2) | | |
| **e** Buildings and other property used in plan operation | 1e | | |
| **f** Total assets (add all amounts in lines 1a through 1e) | 1f | 90931010 | 87400127 |
| **Liabilities** | | | |
| **g** Benefit claims payable | 1g | | |
| **h** Operating payables | 1h | | |
| **i** Acquisition indebtedness | 1i | | |
| **j** Other liabilities | 1j | 0 | |
| **k** Total liabilities (add all amounts in lines 1g through1j) | 1k | 0 | 0 |
| **Net Assets** | | | |
| **l** Net assets (subtract line 1k from line 1f) | 1l | 90931010 | 87400127 |

## Part II Income and Expense Statement

**2** Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

| Income | | (a) Amount | (b) Total |
|---|---|---|---|
| **a Contributions:** | | | |
| **(1)** Received or receivable in cash from: **(A)** Employers | 2a(1)(A) | 2204144 | |
| **(B)** Participants | 2a(1)(B) | 1829258 | |
| **(C)** Others (including rollovers) | 2a(1)(C) | 646230 | |
| **(2)** Noncash contributions | 2a(2) | | |
| **(3)** Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)** | 2a(3) | | 4679632 |
| **b Earnings on investments:** | | | |
| **(1)** Interest: | | | |
| **(A)** Interest-bearing cash (including money market accounts and certificates of deposit) | 2b(1)(A) | | |
| **(B)** U.S. Government securities | 2b(1)(B) | | |
| **(C)** Corporate debt instruments | 2b(1)(C) | | |
| **(D)** Loans (other than to participants) | 2b(1)(D) | | |
| **(E)** Participant loans | 2b(1)(E) | 47117 | |
| **(F)** Other | 2b(1)(F) | | |
| **(G)** Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | 47117 |
| **(2)** Dividends: **(A)** Preferred stock | 2b(2)(A) | | |
| **(B)** Common stock | 2b(2)(B) | 7195 | |
| **(C)** Registered investment company shares (e.g. mutual funds) | 2b(2)(C) | 1595197 | |
| **(D)** Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)** | 2b(2)(D) | | 1602392 |
| **(3)** Rents | 2b(3) | | |
| **(4)** Net gain (loss) on sale of assets: **(A)** Aggregate proceeds | 2b(4)(A) | 1343154 | |
| **(B)** Aggregate carrying amount (see instructions) | 2b(4)(B) | 1495318 | |
| **(C)** Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result | 2b(4)(C) | | -152164 |

| | | (a) Amount | (b) Total |
|---|---|---|---|
| **2b** (5) Unrealized appreciation (depreciation) of assets: (A) Real estate | 2b(5)(A) | | |
| (B) Other | 2b(5)(B) | -60170 | |
| (C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B) | 2b(5)(C) | | -60170 |
| (6) Net investment gain (loss) from common/collective trusts | 2b(6) | | 527227 |
| (7) Net investment gain (loss) from pooled separate accounts | 2b(7) | | |
| (8) Net investment gain (loss) from master trust investment accounts | 2b(8) | | |
| (9) Net investment gain (loss) from 103-12 investment entities | 2b(9) | | |
| (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds) | 2b(10) | | -1546395 |
| **c** Other income | 2c | | |
| **d** Total income. Add all **income** amounts in column (b) and enter total | 2d | | 5097639 |
| **Expenses** | | | |
| **e** Benefit payment and payments to provide benefits: | | | |
| (1) Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 8584983 | |
| (2) To insurance carriers for the provision of benefits | 2e(2) | | |
| (3) Other | 2e(3) | 6180 | |
| (4) Total benefit payments. Add lines 2e(1) through (3) | 2e(4) | | 8591163 |
| **f** Corrective distributions (see instructions) | 2f | | |
| **g** Certain deemed distributions of participant loans (see instructions) | 2g | | |
| **h** Interest expense | 2h | | |
| **i** Administrative expenses: (1) Professional fees | 2i(1) | | |
| (2) Contract administrator fees | 2i(2) | | |
| (3) Investment advisory and management fees | 2i(3) | | |
| (4) Other | 2i(4) | 37359 | |
| (5) Total administrative expenses. Add lines 2i(1) through (4) | 2i(5) | | 37359 |
| **j** Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 8628522 |
| **Net Income and Reconciliation** | | | |
| **k** Net income (loss). Subtract line 2j from line 2d | 2k | | -3530883 |
| **l** Transfers of assets: | | | |
| (1) To this plan | 2l(1) | | |
| (2) From this plan | 2l(2) | | |

## Part III Accountant's Opinion

**3** Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

**a** The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [ ] Unqualified (2) [ ] Qualified (3) [X] Disclaimer (4) [ ] Adverse

**b** Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

**c** Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: GRANT THORNTON LLP (2) EIN: 36-6055558

**d** The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. (2) [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

## Part IV Compliance Questions

**4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

| | | Yes | No | Amount |
|---|---|---|---|---|
| **a** | Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.) | | | |
| | **4a** | | X | |
| **b** | Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.) | | | |
| | **4b** | | X | |
| **c** | Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) | | | |
| | **4c** | | X | |
| **d** | Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.) | | | |
| | **4d** | | X | |
| **e** | Was this plan covered by a fidelity bond? | | | |
| | **4e** | X | | 5000000 |
| **f** | Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? | | | |
| | **4f** | | X | |
| **g** | Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? | | | |
| | **4g** | | X | |
| **h** | Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? | | | |
| | **4h** | | X | |
| **i** | Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) | | | |
| | **4i** | X | | |
| **j** | Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.) | | | |
| | **4j** | X | | |
| **k** | Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? | | | |
| | **4k** | | X | |
| **l** | Has the plan failed to provide any benefit when due under the plan? | | | |
| | **4l** | | X | |
| **m** | If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) | | | |
| | **4m** | | X | |
| **n** | If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. | | | |
| | **4n** | | | |

**5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If "Yes," enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☒ **No** **Amount:**

**5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

| **5b(1)** Name of plan(s) | **5b(2)** EIN(s) | **5b(3)** PN(s) |
|---|---|---|
| | | |
| | | |
| | | |
| | | |

# SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

**2011**

**This Form is Open to Public Inspection.**

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

**A** Name of plan
BOURNS, INC. PROFIT SHARING & RETIREMENT SAVINGS PLAN

**B** Three-digit plan number (PN) ▶ 003

**C** Plan sponsor's name as shown on line 2a of Form 5500
BOURNS, INC.

**D** Employer Identification Number (EIN)
95-1747120

## Part I Distributions

**All references to distributions relate only to payments of benefits during the plan year.**

**1** Total value of distributions paid in property other than in cash or the forms of property specified in the instructions ..... **1**

**2** Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 23-2186884

**Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.**

**3** Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year. ..... **3**

## Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

**4** Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

**If the plan is a defined benefit plan, go to line 8.**

**5** If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

**If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.**

**6 a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) ..... **6a**

**b** Enter the amount contributed by the employer to the plan for this plan year ..... **6b**

**c** Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) ..... **6c**

**If you completed line 6c, skip lines 8 and 9.**

**7** Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

**8** If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

## Part III Amendments

**9** If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

## Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

**10** Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

**11 a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

**b** If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

**12** Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

## Part V Additional Information for Multiemployer Defined Benefit Pension Plans

**13** Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

**14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

| | | |
|---|---|---|
| **a** The current year | **14a** | |
| **b** The plan year immediately preceding the current plan year | **14b** | |
| **c** The second preceding plan year | **14c** | |

**15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

| | | |
|---|---|---|
| **a** The corresponding number for the plan year immediately preceding the current plan year | **15a** | |
| **b** The corresponding number for the second preceding plan year | **15b** | |

**16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

| | | |
|---|---|---|
| **a** Enter the number of employers who withdrew during the preceding plan year | **16a** | |
| **b** If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers | **16b** | |

**17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

## Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

**18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

**19** If the total number of participants is 1,000 or more, complete items (a) through (c)

**a** Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

**b** Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

**c** What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

Audit – Tax – Advisory

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Los Angeles, CA 90071-2201

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**Report of Independent Certified Public Accountants**

Bourns, Inc. as Plan Administrator of
Bourns, Inc. Profit Sharing and Retirement Savings Plan

We were engaged to audit the accompanying statements of net assets available for benefits of Bourns, Inc. Profit Sharing and Retirement Savings Plan (the "Plan") as of December 31, 2011 and 2010, and the related statement of changes in net assets available for benefits for the year ended December 31, 2011, and the supplemental schedules of (1) Schedule H, line 4i-Schedule of Assets (Held At Year End), and (2) Schedule H, line 4j-Schedule of Reportable Transactions as of or for the year ended December 31, 2011. These financial statements and supplemental schedules are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Vanguard Fiduciary Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedules. We have been informed by the Plan administrator that the trustee holds the certified Plan assets and executes the related transactions. The Plan administrator has obtained certifications from the trustee as of December 31, 2011 and 2010, and for the year ended December 31, 2011, that the information provided to the Plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to express, and we do not express, an opinion on the accompanying financial statements and supplemental schedules taken as a whole. The supplemental schedules are presented for purposes of additional analysis and are not a required part of the financial statements, but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America established by the American Institute of Certified Public Accountants and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Grant Thornton LLP

Los Angeles, California
June 29, 2012



# Bourns, Inc. Profit Sharing and Retirement Savings Plan

**Financial Statements and**

**Supplementary Information with**

**Independent Auditors Report**

**December 31, 2011 and 2010**

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Bourns, Inc. as Plan Administrator of
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As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Vanguard Fiduciary Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedules. We have been informed by the Plan administrator that the trustee holds the certified Plan assets and executes the related transactions. The Plan administrator has obtained certifications from the trustee as of December 31, 2011 and 2010, and for the year ended December 31, 2011, that the information provided to the Plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to express, and we do not express, an opinion on the accompanying financial statements and supplemental schedules taken as a whole. The supplemental schedules are presented for purposes of additional analysis and are not a required part of the financial statements, but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America established by the American Institute of Certified Public Accountants and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Grant Thornton LLP

Los Angeles, California
June 29, 2012

**Bourns, Inc. Profit Sharing and Retirement Savings Plan**

**Statements of Net Assets Available for Benefits**

| | December 31, 2011 | 2010 |
|---|---|---|
| ASSETS | | |
| Investments, at fair value | $85,947,393 | $89,309,660 |
| Receivables | | |
| Employer contribution receivable | 1,350,000 | 1,500,000 |
| Notes receivable from participants | 1,088,658 | 949,003 |
| Total receivables | 2,438,658 | 2,449,003 |
| Net assets available for benefits, at fair value | 88,386,051 | 91,758,663 |
| Adjustments from fair value to contract value for fully benefit-responsive investment contracts | (985,924) | (827,653) |
| Net assets available for benefits | $87,400,127 | $90,931,010 |

*The accompanying notes are an integral part of these financial statements.*

## Bourns, Inc. Profit Sharing and Retirement Savings Plan

## Statement of Changes in Net Assets Available for Benefits

For the Year Ended December 31, 2011

| | |
|---|---|
| **Additions** | |
| Interest and dividend income on investments | $2,129,619 |
| Interest income on notes receivable from participants | 47,117 |
| | 2,176,736 |
| Contributions | |
| Participant | 1,829,258 |
| Employer | 2,204,144 |
| Rollover | 646,230 |
| | 4,679,632 |
| Total additions | 6,856,368 |
| **Deductions** | |
| Benefits paid to participants | 8,584,983 |
| Administrative expenses | 43,539 |
| Net depreciation in fair value of investments | 1,758,729 |
| Total deductions | 10,387,251 |
| Net decrease | (3,530,883) |
| **Net assets available for benefits** | |
| Balance, beginning of year | 90,931,010 |
| Balance, end of year | $87,400,127 |

*The accompanying notes are an integral part of this financial statement.*

## Bourns, Inc. Profit Sharing and Retirement Savings Plan

## Notes to Financial Statements

### 1. Description of the Plan

The following description of the Bourns, Inc. Profit Sharing and Retirement Savings Plan (the Plan) provides only general information. A complete description of the Plan's provisions is contained in the Plan document.

#### General

The Plan is a defined contribution profit sharing and 401(k) plan established by Bourns, Inc. on January 1, 1993, at which time the assets from four previously existing plans were transferred into the Plan. The Plan covers all United States employees and, in addition, Bourns, Inc. has made an election to cover eligible employees of certain foreign affiliates. To be eligible for the Company's profit sharing contribution, employees must be at least 21 years of age and have one year of service as an employee of Bourns, Inc., its subsidiary, Recon Optical, Inc., or a foreign affiliate that has adopted the Plan (collectively referred to as the Company). To be eligible to participate in the 401(k) portion of the Plan, employees must be at least 21 years of age and have completed three months of service. Starting in 2008, new employees who have met the 401(k) eligibility requirements are automatically enrolled in the Plan at a contribution rate of 2 percent for the first year, increasing automatically by 1 percent each year to a maximum of 10 percent. Participation in the 401(k) plan is voluntary and the employee has the option to opt-out of the Plan and also to opt-out of the automatic 1 percent increase. Contribution rates for employees enrolled prior to 2008 do not increase automatically unless the employee elects to participate in the automatic increase option.

Vanguard Fiduciary Trust Company (Vanguard) serves as trustee and custodian of the trust assets. The trustee accounts for all assets of the trust, independently determines the value of trust investments, and is required to regularly provide an accounting of all receipts, disbursements and transactions made on behalf of the trust.

Under the terms of the Plan, the Investment Review Committee (the IRC), consisting of members appointed for indefinite terms by the Board of Directors of the Company, has primary oversight authority for matters related to plan investments and plan investment choices. The Audit Committee of Bourns, Inc. has primary oversight authority for matters related to the financial statements of the Plan. The Executive Compensation Committee of Bourns, Inc. has primary oversight authority for matters related to plan design and plan benefits. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA) and is in conformity with all subsequent applicable tax law changes.

#### Contributions

The Company may, but is not required to, make a profit sharing contribution to the Plan in an amount determined at the sole discretion of the Company's Board of Directors. Company profit sharing contributions are allocated among eligible participants in the ratio that each eligible participant's number of credits bears to the total number of credits of all eligible participants. Each eligible participant receives one credit for each $100 of eligible compensation, subject to maximum compensation limitations, and one credit for each year of service. For the 2011 Plan year, the Company made a contribution of $1,350,000 to the profit sharing portion of the Plan.

**1. Description of the Plan** (Continued)

**Contributions** (Continued)

Under the 401(k) plan, participants may elect to defer up to 50 percent of eligible compensation per pay period up to the amount allowed by the Internal Revenue Code (IRC) on either a pre-tax or after tax basis. In 2011, the Company provided a discretionary matching contribution of $853,601, equal to 100 percent of each participant's contribution up to three percent of eligible compensation and 50 percent of each participant's contribution above three percent up to a maximum of five percent of eligible compensation for the 2011 Plan year. Both Company and participant contributions are allocated to various investment funds based on the elections made by the participant.

**Vesting**

Participants are 100 percent vested in their contributions, the Company matching contributions and any earnings thereon. Participants become vested in the Company profit sharing contributions and any earnings thereon in the following manner:

| Years of Service | Percent Vested |
|---|---|
| Less than 2 | 0% |
| 2 but less than 3 | 20% |
| 3 but less than 4 | 40% |
| 4 but less than 5 | 60% |
| 5 but less than 6 | 80% |
| 6 or more | 100% |

In the event of termination of employment at age 60 or above, permanent disability or death, participants are 100 percent vested in the Company profit sharing contributions regardless of the number of years of service.

**Participant Accounts**

An account is maintained for each participant. The participant's account is credited with the participant's contributions, employer matching contributions, employer's profit sharing contributions, and the participant's plan earnings and losses. Participants' contributions are credited to their participant accounts at the time the contribution is made.

Participants direct the investment of their account balance into various investment options offered by the Plan and may change their investment options at any time, subject to the terms of the investments. Plan earnings are credited to a participant's account according to the type of investments in which balances are invested. Participant-directed redemptions may be redeemed daily with the exception that an exchange out of Vanguard Retirement Savings Trust must be exchanged into a noncompeting fund and remain in the noncompeting fund for 90 days before that amount can be exchanged into a competing fixed income fund.

**1. Description of the Plan** (Continued)

**Forfeitures**

In the event a participant terminates employment prior to becoming fully vested, the participant is entitled to receive a distribution of the vested portion of his or her account balance. The non-vested portion of the participant's account balance becomes a forfeiture. Forfeitures are maintained in a separate account and are allocated among eligible participants based on the same formula used to allocate Company profit sharing contributions. $14,002 and $12,000 in forfeitures were allocated to participants in 2011 and 2010, respectively. At December 31, 2011 and 2010, forfeited non-vested accounts totaled $30,016 and $11,895, respectively.

**Payment of Benefits**

Upon death or termination of employment with the Company, or anytime thereafter, a participant (or if the participant is deceased, the beneficiary) may request a distribution of vested benefits. If no request for distribution is made, a participant's vested benefit will remain in the Plan until the participant is required to begin distributions in accordance with IRC section 401(a)(9)(c). A participant eligible for a distribution may elect one (or a combination) of the following methods of distribution: (1) one-time partial distribution; (2) lump-sum distribution; or (3) installment payments. If the participant's vested account balance does not exceed $1,000, the participant's account will be distributed in a lump sum upon death or termination of employment with the Company. In addition, in accordance with IRC section 401(k)-1(d)(3)(i), hardship withdrawals are allowed to satisfy an immediate and heavy financial need.

**Plan Termination**

While the Company has not expressed any intent to discontinue the Plan, the Company has the right to discontinue contributions at any time and terminate the Plan. In the event the Plan is terminated, the accounts of all participants will become fully vested and all assets remaining in the Plan shall be converted into cash, and the net amount realized after the payment of fees and expenses associated with the conversion shall be distributed to the participants in proportion to the participants' relative account balances as of the date of such termination.

During the year ended December 31, 2010, the Company terminated certain employees in connection with the downsizing of a business component. In the aggregate, the terminations represented a partial termination of the Plan. As a result of the partial termination, affected participants became fully vested upon termination of employment with the Company.

**Plan Earnings**

The net investment gain (loss) from the trust investment accounts results primarily from interest and dividends, realized gains or losses on sales of investments, net unrealized gains or losses, trustee and management fees, and other payments in accordance with provisions of the trust agreement.

**1. Description of the Plan** (Continued)

**Administrative Expenses**

Administrative expenses consist of recordkeeping, account maintenance and other administrative fees.

**Participant Directed Funds**

Participants may elect to direct their investments into the following options:

Vanguard Intermediate-Term Treasury Fund Investor Shares

This fund seeks to provide a high level of current income by investing in intermediate-term United States Treasury Bonds. Although participants continue to hold investments in this fund, additional contributions are not accepted.

Vanguard Total Bond Market Index Fund Investor Shares

This fund seeks to track the performance of a broad, market-weighted bond index.

Vanguard 500 Index Fund Investor Shares

This portfolio attempts to provide investment results that correspond to the price and yield performance of publicly traded stocks, in the aggregate, as represented by the Standard & Poor's 500 Composite Stock Price Index.

Vanguard Small-Cap Index Fund Investor Shares

This fund is designed to provide investors with a low-cost method of passively capturing the returns of small-sized companies.

Vanguard Mid-Cap Index Fund Investor Shares

This fund seeks to track the performance of a benchmark index that measures the investment return of mid-capitalization stocks.

Vanguard Emerging Markets Stock Index Fund Investor Shares

This fund intends to invest assets in securities that parallel the Morgan Stanley Capital International Select Emerging Markets Index with a small portion in cash reserves for liquidity purposes.

Vanguard International Growth Fund Investor Shares

This fund seeks long-term capital growth and diversification overseas by investing in common stocks of companies based outside of the United States. The portfolio includes common stocks of seasoned foreign companies, which are chosen based on their potential for capital appreciation.

**1. Description of the Plan** (Continued)

**Participant Directed Funds** (Continued)

Vanguard Prime Money Market Fund

The money market fund seeks to provide stability of principal while paying a varying level of income based on current market interest rates. It invests in short-term securities such as certificates of deposit, banker's acceptances, commercial paper, and United States government securities.

Vanguard PRIMECAP Fund Investor Shares

This fund seeks long-term growth of capital by investing principally in common stocks; dividend income is incidental to this objective. The fund is designed principally for growth.

Vanguard Wellington Fund Investor Shares

This fund is designed to provide conservative investors with a prudent investment program through investment in bonds and common stocks. The investment objectives include conservation of principal, reasonable income return, and profits without undue risks.

Vanguard Windsor II Fund Investor Shares

This fund pursues a growth and income objective of long-term capital appreciation and dividend income by investing in common stocks, which have great potential for capital growth over long periods of time.

Vanguard Target Retirement Funds

These funds invest in other Vanguard mutual funds according to asset allocation strategies designed for investors either in retirement or targeting various retirement dates. The various funds offer target retirement dates of 2005, 2010, 2015, 2020, 2025, 2030, 2035, 2040, 2045, 2050, 2055 and a retirement income fund.

Vanguard Retirement Savings Trust

The objective of the Vanguard Retirement Savings Trust is to provide an attractive rate of interest and safety of principal. The fund invests primarily in investment contracts issued by insurance companies, commercial banks and other similar types of fixed principal investments.

Vanguard Brokerage Option Fund

This option is designed for experienced investors and allows investment in individual company stocks and bonds issues as well as in a large selection of mutual funds. A commission is charged for each security purchased or sold.

**1. Description of the Plan** (Continued)

**Notes Receivable from Participants**

Participants may borrow from their fund accounts a minimum of $500 up to a maximum equal to the lesser of $50,000 or 50 percent of their account balance. The loans are secured by the balance in the participant's account and bear interest at Prime Rate plus 1 percent. Principal and interest is paid ratably through bi-weekly payroll deductions. A participant may only have one new loan per year and a maximum of two outstanding loans at any time.

**2. Significant Accounting Policies**

**Basis of Accounting**

The accompanying financial statements have been prepared on the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America.

**Income Recognition**

Interest income is recorded on the cash basis that approximates the accrual basis. Dividend income is recorded on the ex-dividend date.

**Valuation of Investments**

The Plan's investments are stated at fair value. The trustee determines the value of mutual fund, individual company stock and bond issue investments based on available quoted market prices. Vanguard Retirement Savings Trust, a common/collective trust, is valued by the trustee at its contract value. The Plan's investment in Vanguard Retirement Savings Trust is reported at fair value in the accompanying Statements of Net Assets Available for Benefits. See Note 5, *Vanguard Retirement Saving Trust (Stable Value Fund)*, for more information. Purchases and sales of securities are recorded on a trade-date basis.

**Payment of Benefits**

Benefits are recorded when paid.

**Notes Receivable from Participants**

Notes receivable from participants are measured at their unpaid balance plus any accrued but unpaid interest. Delinquent loans are reclassified as distributions based upon the terms of the Plan document.

**2. Significant Accounting Policies** (Continued)

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Recent Accounting Pronouncements**

In January 2010, the Financial Accounting Standards Board (FASB) issued an amendment to the fair value measurement and disclosure standard improving disclosures about fair value measurements. This amendment requires disclosures about recurring or nonrecurring fair value measurements, including transfers in and out of Levels 1 and 2 and activity in Level 3 fair value measurements. Separate disclosures on amounts of significant transfers in and out and reasons for the transfers for Level 1 and Level 2 fair value measurements are required. In Level 3 reconciliations, the activity, including information about purchases, sales, issuances and settlements, must be presented separately. The guidance for the Level 1 and Level 2 disclosures and clarifications is effective on January 1, 2010. The guidance for the activity in Level 3 disclosures is effective on January 1, 2011. As the amended guidance affects disclosure requirements only, the adoption of the amendment did not have an impact on the Plan's Statements of Net Assets Available for Benefits and Statement of Changes in Net Assets Available for Benefits.

In September 2010, the FASB issued Accounting Standards Update (ASU) No. 2010-25, Plan Accounting – Defined Contribution Pension Plans (Topic 952): *Reporting Loans to Participants by Defined Contribution Pension Plans,* to provide guidance on how loans to participants should be classified and measured by defined contribution plans. That guidance requires participant loans to be classified as notes receivable from participants, which are segregated from plan investments and measured at their unpaid principal balance plus any accrued but unpaid interest. The Plan adopted this new guidance in its December 31, 2010 financial statements. Net assets of the Plan were not affected by the adoption of the new guidance.

## 3. Information Certified by the Trustee

The Plan Administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Vanguard, the trustee of the Plan, has certified that the following data included in the accompanying financial statements and supplemental schedules is complete and accurate:

- Investments and notes receivable from participants, as shown in the Statements of Net Assets Available for Benefits as of December 31, 2011 and 2010.
- Investment income and interest income on notes receivable from participants, as shown in the Statement of Changes in Net Assets Available for Benefits for the year ended December 31, 2011.
- Investments as shown in Note 4.
- Schedule H, line 4i – Schedule of Assets (held at end of year) as of December 31, 2011 (contract value for the Vanguard Retirement Savings Trust).
- Schedule H, line 4j – Schedule of Reportable Transactions for the year ended December 31, 2011.

## 4. Investments

The fair values of individual investments that represent 5 percent or more of the Plan's net assets as of December 31 are as follows:

| | 2011 | 2010 |
|---|---|---|
| Vanguard 500 Index Fund Investor Shares | $ 7,406,346 | $ 8,262,343 |
| Vanguard PRIMECAP Fund Investor Shares | $ 7,092,075 | $ 8,482,406 |
| Vanguard Prime Money Market Fund | $ 8,113,447 | $ 8,486,139 |
| Vanguard Total Bond Market Index Fund Investor Shares | $ 6,289,490 | $ 5,062,259 |
| Vanguard Wellington Fund Investor Shares | $ 6,947,421 | $ 7,048,040 |
| Vanguard Windsor II Fund Investor Shares | $ 8,011,281 | $ 8,599,192 |
| Vanguard Retirement Savings Trust (at contract value) | $18,359,139 | $18,240,903 |

During 2011, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) depreciated in value by $1,758,729 as shown below:

| | |
|---|---|
| Investments, principally in common stock, held in brokerage accounts | $ (366,036) |
| Vanguard mutual funds | (1,392,693) |
| | $ (1,758,729) |

## 5. Vanguard Retirement Savings Trust (Stable Value Fund)

The Vanguard Retirement Savings Trust holds certain guaranteed investment contracts and other fixed income securities (the Contracts) that are reported at estimated fair value based on current interest rates for similar investments at December 31, 2011 and 2010. The Contracts are fully benefit-responsive, which allows participants to initiate all permitted transactions, such as withdrawals, loans or transfers to other funds within the Plan at contract value. Contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. As required by the FASB, the statements of net assets available for benefits present the fair value of the investment contracts as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The statement of changes in net assets available for benefits is prepared on a contract value basis. In addition, the Plan is required to provide a one-year redemption notice to liquidate its entire share in the Vanguard Retirement Savings Trust.

Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include the following: (1) amendments to the plan documents (including complete or partial plan termination or merger with another plan), (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the Plan sponsor or other Plan sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, or (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA. The Plan had a partial termination in 2010. However, such transaction did not limit the ability of the Plan to transact at contract value with the issuer.

During the years ended December 31, 2011 and 2010, the average annual yield earned by the Vanguard Retirement Savings Trust was 3.09 percent and 3.36 percent, respectively, and the average annual yield paid to participants was 2.68 percent and 3.01 percent, respectively.

## 6. Fair Value Measurements

The FASB has issued guidance that establishes a framework for measuring fair value. Fair value is defined as the price that would be received from selling an asset or paid to transfer a liability in the principal or most advantageous market for the asset of liability in an orderly transaction between market participants at the measurement date. The framework also provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB's guidance are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted market prices for identical assets or liabilities in active markets that the Plan has the ability to access.

**6. Fair Value Measurements** (Continued)

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means;
- If the asset or liability has a specific (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

However, the determination of what constitutes observable inputs requires judgment by the Plan's management. Plan management considers observable data to be that market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by multiple independent sources that are actively involved in the relevant market.

The categorization of an investment within the fair value hierarchy is based upon the pricing transparency of the investment and does not necessarily correspond to Plan management's perceived risk of that investment.

Following is a description of the valuation methodologies used for assets measured at fair value:

Mutual funds – Valued at the quoted prices on nationally recognized securities exchanges.

Common stocks – Valued at the closing price reported on the active market on which the individual securities are traded.

Common/collective trust funds – Valued at the net asset value provided by the administrator of the fund. The net asset value is based on the fair value of the underlying assets owned by the fund, minus its liabilities, divided by the number of units outstanding. The fair value differs from the contract value by the change in the market value of the underlying assets. The common/collective trust funds are included at fair value in the line "Investments, at fair value" and adjusted to contract value in the line "Adjustments from fair value to contract value for fully

**6. Fair Value Measurements** (Continued)

benefit responsive investment contracts" to derive on the line "Net assets available for benefits" in the accompanying Statements of Net Assets Available for Benefits. Contract value is the relevant measurement attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. The Plan believes its valuation methods are appropriate and consistent with other market participants. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**6. Fair Value Measurements** (Continued)

The following estimated fair value amounts have been determined by the Plan using available market information and appropriate valuation methodologies. The estimates presented herein are not necessarily indicative of the amounts that the Plan could realize in a current market exchange. The following tables sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of December 31, 2011 and 2010:

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **December 31, 2011** | | | | |
| Mutual funds | | | | |
| Domestic equity funds | | | | |
| Large cap | $ 22,509,702 | $ - | $ - | $ 22,509,702 |
| Mid cap | 928,299 | - | - | 928,299 |
| Small cap | 2,891,341 | - | - | 2,891,341 |
| Total domestic equity funds | 26,329,342 | - | - | 26,329,342 |
| International equity funds | 4,789,336 | - | - | 4,789,336 |
| Bond funds | 7,629,955 | - | - | 7,629,955 |
| Balanced funds | 19,189,171 | - | - | 19,189,171 |
| Money market funds | 8,157,873 | - | - | 8,157,873 |
| Total mutual funds | 66,095,677 | - | - | 66,095,677 |
| Common stocks | | | | |
| Basic materials | 868 | - | - | 868 |
| Consumer goods | 70,025 | - | - | 70,025 |
| Exchange traded funds | 133,118 | - | - | 133,118 |
| Financial | 55,701 | - | - | 55,701 |
| Healthcare | 5,866 | - | - | 5,866 |
| Industrial goods | 54,503 | - | - | 54,503 |
| Oil and gas | 42,155 | - | - | 42,155 |
| Technology | 142,215 | - | - | 142,215 |
| Utilities | 2,202 | - | - | 2,202 |
| Total common stocks | 506,653 | - | - | 506,653 |
| Common/collective trust | - | 19,345,063 | - | 19,345,063 |
| Total investments, at fair value | $ 66,602,330 | $ 19,345,063 | $ - | $ 85,947,393 |

**6. Fair Value Measurements** (Continued)

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **December 31, 2010** | | | | |
| Mutual funds | | | | |
| Domestic equity funds | | | | |
| Large cap | $ 25,343,941 | $ - | $ - | $ 25,343,941 |
| Mid cap | 1,091,133 | - | - | 1,091,133 |
| Small cap | 2,804,806 | - | - | 2,804,806 |
| Total domestic equity funds | 29,239,880 | - | - | 29,239,880 |
| International equity funds | 6,318,452 | - | - | 6,318,452 |
| Bond funds | 6,355,206 | - | - | 6,355,205 |
| Balanced funds | 18,756,065 | - | - | 18,756,066 |
| Money market funds | 8,662,823 | - | - | 8,662,823 |
| Total mutual funds | 69,332,426 | - | - | 69,332,426 |
| Common stocks | | | | |
| Basic materials | 2,030 | - | - | 2,030 |
| Conglomerates | 18,425 | - | - | 18,425 |
| Consumer goods | 3,853 | - | - | 3,853 |
| Department stores | 14,750 | - | - | 14,750 |
| Exchange traded funds | 51,975 | - | - | 51,975 |
| Financial | 266,309 | - | - | 266,309 |
| Healthcare | 3,675 | - | - | 3,675 |
| Industrial goods | 484,733 | - | - | 484,733 |
| Oil and gas | 37,546 | - | - | 37,546 |
| Shipping | 1,383 | - | - | 1,383 |
| Technology | 23,999 | - | - | 23,999 |
| Total common stocks | 908,678 | - | - | 908,678 |
| Common/collective trust | - | 19,068,556 | - | 19,068,556 |
| Total investments, at fair value | $ 70,241,104 | $ 19,068,556 | $ - | $ 89,309,660 |

## 7. Income Tax Status

The Internal Revenue Service (IRS) issued a determination letter dated March 31, 2008 indicating that the Plan qualifies, in form, under Section 401(a) of the Internal Revenue Code of 1986, as amended (the Code), and the underlying trust is, therefore, exempt from federal income taxes under Section 501(a) of the Code. The Plan is required to operate in accordance with the Code to maintain its tax exemption status. The Plan has been amended since receiving the determination letter. However, the Plan Administrator believes the Plan is designed and is being operated in compliance with the applicable provisions of the Code and, therefore, believes that the Plan is qualified and the related trust is exempt from tax.

## 8. Party-In-Interest Transactions

The Plan has not considered Company contributions to the Plan or benefits accrued or paid by the Plan for participants as party-in-interest transactions.

The Company provides certain services, such as accounting and auditing, to the Plan without compensation.

Certain Plan investments are shares of mutual funds managed by Vanguard Investment Group. Vanguard Fiduciary Trust Company is the trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest. Fees paid by the Plan for administrative expenses were $43,539 for the year ended December 31, 2011.

## 9. Risk and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the Statement of Net Assets Available for Benefits.

## 10. Subsequent Events

Subsequent events have been evaluated through June 29, 2012, which is the date the financial statements were available to be issued. The Plan is not aware of any subsequent events which would require recording or disclosing in the financial statements.

**SUPPLEMENTAL SCHEDULES**

**Bourns, Inc. Profit Sharing and Retirement Savings Plan**

**EIN: 95-1747120 Plan: 003**

**Schedule H, Line 4i - Schedule of Assets (Held at End of Year)**

December 31, 2011

| (a) | (b) Identity of Issuer | (c) Description of Investment | (d) Cost | (e) Current Value |
|---|---|---|---|---|
| * | Vanguard Intermediate-Term Treasury Fund Investor Shares | Registered investment company 114,569.677 shares | $ 1,277,859 | $ 1,340,465 |
| * | Vanguard 500 Index Fund Investor Shares | Registered investment company 63,958.081 shares | 6,407,195 | 7,406,346 |
| * | Vanguard Small-Cap Index Fund Investor Shares | Registered investment company 86,618.958 shares | 2,460,557 | 2,891,341 |
| * | Vanguard Emerging Markets Stock Index Fund Investor Shares | Registered investment company 79,857.059 shares | 1,798,204 | 1,925,354 |
| * | Vanguard International Growth Fund Investor Shares | Registered investment company 174,827.271 shares | 3,239,534 | 2,858,426 |
| * | Vanguard Mid-Cap Index Fund Investor Shares | Registered investment company 47,241.685 shares | 818,335 | 928,299 |
| * | Vanguard Prime Money Market Fund | Registered investment company 8,113,446.710 shares | 8,113,447 | 8,113,447 |
| * | Vanguard PRIMECAP Fund Investor Shares | Registered investment company 114,870.014 shares | 6,585,846 | 7,092,075 |
| * | Vanguard Wellington Fund Investor Shares | Registered investment company 221,679.053 shares | 6,400,599 | 6,947,421 |
| * | Vanguard Windsor II Fund Investor Shares | Registered investment company 310,755.686 shares | 8,391,013 | 8,011,281 |
| * | Vanguard Target Retirement 2005 Fund | Registered investment company 50,180.979 shares | 560,375 | 601,168 |
| * | Vanguard Target Retirement 2010 Fund | Registered investment company 41,702.416 shares | 906,247 | 935,385 |
| * | Vanguard Target Retirement 2015 Fund | Registered investment company 213,630.403 shares | 2,554,533 | 2,627,654 |
| * | Vanguard Target Retirement 2020 Fund | Registered investment company 19,188.672 shares | 396,356 | 416,202 |
| * | Vanguard Target Retirement 2025 Fund | Registered investment company 288,854.631 shares | 3,524,746 | 3,544,246 |
| * | Vanguard Target Retirement 2030 Fund | Registered investment company 31,183.858 shares | 643,569 | 652,366 |
| * | Vanguard Target Retirement 2035 Fund | Registered investment company 99,380.940 shares | 1,269,368 | 1,243,256 |
| * | Vanguard Target Retirement 2040 Fund | Registered investment company 3,929.803 shares | 79,414 | 80,561 |
| * | Vanguard Target Retirement 2045 Fund | Registered investment company 44,653.116 shares | 551,584 | 574,686 |

**Bourns, Inc. Profit Sharing and Retirement Savings Plan**

**EIN: 95-1747120 Plan: 003**

**Schedule H, Line 4i - Schedule of Assets (Held at End of Year)**

December 31, 2011

| (a) | (b) Identity of Issuer | (c) Description of Investment | (d) Cost | (e) Current Value |
|---|---|---|---|---|
| * | Vanguard Target Retirement 2050 Fund | Registered investment company 4,677.471 shares | $ 94,625 | $ 95,467 |
| * | Vanguard Target Retirement 2055 Fund | Registered investment company 161.916 shares | 3,771 | 3,539 |
| * | Vanguard Target Retirement Income | Registered investment company 127,252.233 shares | 1,378,571 | 1,467,218 |
| * | Vanguard Total Bond Market Index Fund Investor Shares | Registered investment company 571,771.823 shares | 5,965,074 | 6,289,490 |
| * | Vanguard Retirement Savings Trust | Common/Collective trust 18,359,138.860 units | 18,359,139 | 19,345,063 |
| * | Alcoa Inc. | Common stock | 1,040 | 868 |
| * | Altria Group Inc. | Common stock | 1,961 | 2,241 |
| * | Apple Computer Inc. | Common stock | 106,195 | 121,500 |
| * | AT&T Inc. | Common stock | 1,185 | 1,228 |
| * | Bank of America | Common stock | 1,345 | 1,114 |
| * | BP Plc Spons Adr | Common stock | 2,011 | 2,157 |
| * | BP Prudhoe Bay Royalty Trust | Common stock | 1,060 | 1,160 |
| * | Bristol-Myers Squibb Company | Common stock | 557 | 712 |
| * | Carrizo Oil & Gas Inc. | Common stock | 3,554 | 2,635 |
| * | Caterpillar Inc. | Common stock | 22,779 | 33,423 |
| * | Citigroup Inc. | Common stock | 95,586 | 52,674 |
| * | ConocoPhillips | Common stock | 3,525 | 3,644 |
| * | Consolidated Edison Inc. | Common stock | 1,079 | 1,266 |
| * | Deere & Company | Common stock | 4,040 | 3,889 |
| * | eResearch Technology Inc. | Common stock | 10,631 | 2,345 |
| * | Exxon Mobil Corp. | Common stock | 18,064 | 22,241 |
| * | Ford Motor Co Del Com Par | Common stock | 81,804 | 64,560 |
| * | Honeywell International Inc. | Common stock | 2,880 | 2,757 |
| * | International Paper Company | Common stock | 1,428 | 1,494 |
| * | Kinder Morgan Energy Partners LP | Common stock | 5,703 | 6,900 |
| * | Lilly Eli & Company | Common stock | 1,981 | 2,078 |
| * | Markland Technologies Inc. | Common stock | 882 | - |
| * | Micron Technology Inc. | Common stock | 14,064 | 14,467 |
| * | National Oilwell Inc. | Common stock | 3,630 | 3,418 |
| * | Sanofi Synthelabo Spons Adr | Common stock | 710 | 731 |
| * | Southern Company | Common stock | 815 | 936 |
| * | SPDR Gold Tr Gold Shares | Common stock | 11,033 | 9,879 |
| * | Stevia Corp. | Common stock | 1,757 | 1,730 |
| * | Technest Holdings Inc. | Common stock | 504 | - |
| * | United States Steel Corp. | Common stock | 24,644 | 13,765 |
| * | Verizon Communications | Common stock | 3,723 | 4,121 |
| * | Waster Management Inc. | Common stock | 630 | 669 |

**Bourns, Inc. Profit Sharing and Retirement Savings Plan**

**EIN: 95-1747120 Plan: 003**

**Schedule H, Line 4i - Schedule of Assets (Held at End of Year)**

December 31, 2011

| (a) | (b) Identity of Issuer | (c) Description of Investment | (d) Cost | (e) Current Value |
|---|---|---|---|---|
| * | Weyerhaeuser Company | Common stock | 2,236 | 1,913 |
| * | Windstream Corp. | Common stock | 963 | 899 |
| * | VBO Money Market Sweep Fund | Registered investment company | 44,427 | 44,427 |
| * | Amana Mutual Fund Trust Growth Fund | Registered investment company | 4,682 | 5,557 |
| * | Direxion Daily Financial Bear | Registered investment company | 148,507 | 123,239 |
| * | Notes Receivable from Participants | Loans, ranging 1-5 years maturity with interest rates 4.25% to 9.25% | 1,088,658 | 1,088,658 |
| | | | $83,500,234 | $87,036,051 |

* A party-in-interest as defined by ERISA

**Bourns, Inc. Profit Sharing and Retirement Savings Plan**

**EIN: 95-1747120 Plan: 003**

**Schedule H, Line 4j - Schedule of Reportable Transactions**

Year Ended December 31, 2011

| (a)Identity of Party | (b) Description of Asset | (c) Purchase Price | (d) Selling Price | (e) Historical Cost of Asset | (f) Current Value of Asset on Transaction Date | (g) Historical Gain (Loss) |
|---|---|---|---|---|---|---|
| The Vanguard Group | Vanguard Retirement Savings Trust | $2,678,057 | $ - | $ - | $2,678,057 | $ - |
| The Vanguard Group | Vanguard Retirement Savings Trust | $ - | $2,559,874 | $2,559,874 | $2,559,874 | $ - |

**Bourns, Inc. Profit Sharing and Retirement Savings Plan**

**EIN: 95-1747120 Plan: 003**

**Schedule H, Line 4i - Schedule of Assets (Held at End of Year)**

December 31, 2011

| (a) | (b) Identity of Issuer | (c) Description of Investment | (d) Cost | (e) Current Value |
|---|---|---|---|---|
| * | Vanguard Intermediate-Term Treasury Fund Investor Shares | Registered investment company 114,569.677 shares | $ 1,277,859 | $ 1,340,465 |
| * | Vanguard 500 Index Fund Investor Shares | Registered investment company 63,958.081 shares | 6,407,195 | 7,406,346 |
| * | Vanguard Small-Cap Index Fund Investor Shares | Registered investment company 86,618.958 shares | 2,460,557 | 2,891,341 |
| * | Vanguard Emerging Markets Stock Index Fund Investor Shares | Registered investment company 79,857.059 shares | 1,798,204 | 1,925,354 |
| * | Vanguard International Growth Fund Investor Shares | Registered investment company 174,827.271 shares | 3,239,534 | 2,858,426 |
| * | Vanguard Mid-Cap Index Fund Investor Shares | Registered investment company 47,241.685 shares | 818,335 | 928,299 |
| * | Vanguard Prime Money Market Fund | Registered investment company 8,113,446.710 shares | 8,113,447 | 8,113,447 |
| * | Vanguard PRIMECAP Fund Investor Shares | Registered investment company 114,870.014 shares | 6,585,846 | 7,092,075 |
| * | Vanguard Wellington Fund Investor Shares | Registered investment company 221,679.053 shares | 6,400,599 | 6,947,421 |
| * | Vanguard Windsor II Fund Investor Shares | Registered investment company 310,755.686 shares | 8,391,013 | 8,011,281 |
| * | Vanguard Target Retirement 2005 Fund | Registered investment company 50,180.979 shares | 560,375 | 601,168 |
| * | Vanguard Target Retirement 2010 Fund | Registered investment company 41,702.416 shares | 906,247 | 935,385 |
| * | Vanguard Target Retirement 2015 Fund | Registered investment company 213,630.403 shares | 2,554,533 | 2,627,654 |
| * | Vanguard Target Retirement 2020 Fund | Registered investment company 19,188.672 shares | 396,356 | 416,202 |
| * | Vanguard Target Retirement 2025 Fund | Registered investment company 288,854.631 shares | 3,524,746 | 3,544,246 |
| * | Vanguard Target Retirement 2030 Fund | Registered investment company 31,183.858 shares | 643,569 | 652,366 |
| * | Vanguard Target Retirement 2035 Fund | Registered investment company 99,380.940 shares | 1,269,368 | 1,243,256 |
| * | Vanguard Target Retirement 2040 Fund | Registered investment company 3,929.803 shares | 79,414 | 80,561 |
| * | Vanguard Target Retirement 2045 Fund | Registered investment company 44,653.116 shares | 551,584 | 574,686 |

**Bourns, Inc. Profit Sharing and Retirement Savings Plan**

**EIN: 95-1747120 Plan: 003**

**Schedule H, Line 4i - Schedule of Assets (Held at End of Year)**

December 31, 2011

| (a) | (b) Identity of Issuer | (c) Description of Investment | (d) Cost | (e) Current Value |
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| * | Honeywell International Inc. | Common stock | 2,880 | 2,757 |
| * | International Paper Company | Common stock | 1,428 | 1,494 |
| * | Kinder Morgan Energy Partners LP | Common stock | 5,703 | 6,900 |
| * | Lilly Eli & Company | Common stock | 1,981 | 2,078 |
| * | Markland Technologies Inc. | Common stock | 882 | - |
| * | Micron Technology Inc. | Common stock | 14,064 | 14,467 |
| * | National Oilwell Inc. | Common stock | 3,630 | 3,418 |
| * | Sanofi Synthelabo Spons Adr | Common stock | 710 | 731 |
| * | Southern Company | Common stock | 815 | 936 |
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| * | United States Steel Corp. | Common stock | 24,644 | 13,765 |
| * | Verizon Communications | Common stock | 3,723 | 4,121 |
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**Bourns, Inc. Profit Sharing and Retirement Savings Plan**

**EIN: 95-1747120 Plan: 003**

**Schedule H, Line 4i - Schedule of Assets (Held at End of Year)**

December 31, 2011

| (a) | (b) Identity of Issuer | (c) Description of Investment | (d) Cost | (e) Current Value |
|---|---|---|---|---|
| * | Weyerhaeuser Company | Common stock | 2,236 | 1,913 |
| * | Windstream Corp. | Common stock | 963 | 899 |
| * | VBO Money Market Sweep Fund | Registered investment company | 44,427 | 44,427 |
| * | Amana Mutual Fund Trust Growth Fund | Registered investment company | 4,682 | 5,557 |
| * | Direxion Daily Financial Bear | Registered investment company | 148,507 | 123,239 |
| * | Notes Receivable from Participants | Loans, ranging 1-5 years maturity with interest rates 4.25% to 9.25% | 1,088,658 | 1,088,658 |
| | | | $83,500,234 | $87,036,051 |

* A party-in-interest as defined by ERISA

**Bourns, Inc. Profit Sharing and Retirement Savings Plan**

**EIN: 95-1747120 Plan: 003**

**Schedule H, Line 4j - Schedule of Reportable Transactions**

Year Ended December 31, 2011

| (a)Identity of Party | (b) Description of Asset | (c) Purchase Price | (d) Selling Price | (e) Historical Cost of Asset | (f) Current Value of Asset on Transaction Date | (g) Historical Gain (Loss) |
|---|---|---|---|---|---|---|
| The Vanguard Group | Vanguard Retirement Savings Trust | $2,678,057 | $ - | $ - | $2,678,057 | $ - |
| The Vanguard Group | Vanguard Retirement Savings Trust | $ - | $2,559,874 | $2,559,874 | $2,559,874 | $ - |