



April 19, 2010

From: James Wynn
Subject: Business Interruption Update: Iceland Volcano

As you know, the eruption of the volcano in Iceland is disrupting transportation in many countries in Europe. Airports there remain closed as of today.

Knowles is working closely with our suppliers, our manufacturing facilities, transportation partners and customers to minimize the impacts to our supply chains globally. We believe that our inventory strategies and our flexible delivery models will minimize the impact of the disruption.

The Knowles procurement team is assessing the impact to raw material supplies to our factories. Our initial assessment is optimistic because very few suppliers are located in the affected region.

We are making the necessary adjustments to maintain high delivery performance to our customers. Where required, our transportation partners have shifted European inbound flights from affected airports to those that remain operational. From there, ground mode is being deployed to customer destinations.

Knowles will continue to monitor the situation, provide updates, and make appropriate adjustments as the situations changes. Feel free to contact me with question at 630 285-5844.

Best Regards,

James F. Wynn

VP – Global Supply Chain

Knowles Electronics