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

FORM 10-Q

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

For the quarterly period ended September 30, 2016 Commission file number: 0-31164

Preformed Line Products Company
(Exact Name of Registrant as Specified in Its Charter)

Ohio	34-0676895
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)
660 Beta Drive Mayfield Village, Ohio	44143
(Address of Principal Executive Office)	(Zip Code)

(440) 461-5200
(Registrant's telephone number, including area code)

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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).
Yes X__ No __

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

Large accelerated filer ____ Accelerated filer _X__
Non-accelerated filer____ (Do not check if a smaller reporting company) Smaller reporting company ____

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

The number of common shares outstanding as of November 1, 2016: 5,120,394.

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PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

PREFORMED LINE PRODUCTS COMPANY
CONSOLIDATED BALANCE SHEETS

(Thousands of dollars, except share and per share data)	September 30, 2016 (Unaudited)	December 31, 2015
ASSETS		
Cash and cash equivalents	$ 32,940	$ 30,393
Accounts receivable, less allowances of $3,149 ($2,326 in 2015)	69,473	63,626
Inventories - net	73,665	69,912
Prepaids	4,433	4,030
Prepaid taxes	5,511	5,585
Other current assets	6,203	6,343
TOTAL CURRENT ASSETS	192,225	179,889
Property, plant and equipment - net	107,327	91,965
Patents and other intangibles - net	11,245	11,288
Goodwill	16,556	15,821
Deferred income taxes	13,910	12,704
Other assets	11,355	11,703
TOTAL ASSETS	$ 352,618	$ 323,370
LIABILITIES AND SHAREHOLDERS' EQUITY		
Notes payable to banks	$ 324	$ 413
Current portion of long-term debt	1,569	110
Trade accounts payable	26,373	20,377
Accrued compensation and amounts withheld from employees	12,717	9,306
Accrued expenses and other liabilities	13,931	13,334
Accrued profit-sharing and other benefits	5,643	5,648
Dividends payable	1,040	1,057
Income taxes payable	1,221	1,423
TOTAL CURRENT LIABILITIES	62,818	51,668
Long-term debt, less current portion	44,227	31,754
Unfunded pension obligation	10,518	11,627
Income taxes payable	0	195
Deferred income taxes	2,516	2,467
Other noncurrent liabilities	6,073	6,675
SHAREHOLDERS' EQUITY		
Shareholders' equity:		
Common shares - $2 par value per share, 15,000,000 shares authorized, 5,125,849 and 5,221,062 issued and outstanding, at September 30, 2016 and December 31, 2015, respectively	12,498	12,478
Common shares issued to rabbi trust, 297,281 and 296,635 shares at September 30, 2016 and December 31, 2015, respectively	(12,054)	(12,052)
Deferred compensation liability	12,054	12,052
Paid-in capital	24,200	22,916
Retained earnings	299,351	292,311
Treasury shares, at cost, 1,122,290 and 1,018,013 shares at September 30, 2016 and December 31, 2015, respectively	(58,974)	(54,570)
Accumulated other comprehensive loss	(50,609)	(54,151)
TOTAL SHAREHOLDERS' EQUITY	226,466	218,984
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 352,618	$ 323,370

See notes to consolidated financial statements (unaudited).

PREFORMED LINE PRODUCTS COMPANY
STATEMENTS OF CONSOLIDATED OPERATIONS
(UNAUDITED)

	Three Months Ended September 30		Nine Months Ended September 30	
	2016	2015	2016	2015
(Thousands of dollars, except per share data)				
Net sales	$ 88,299	$ 89,046	$ 250,202	$ 262,705
Cost of products sold	59,444	62,887	170,252	185,342
GROSS PROFIT	28,855	26,159	79,950	77,363
Costs and expenses				
Selling	8,022	7,893	23,836	22,852
General and administrative	10,579	8,010	31,628	27,596
Research and engineering	3,433	3,745	10,778	11,320
Other operating (income) expense - net	196	4,425	(683)	8,410
	22,230	24,073	65,559	70,178
OPERATING INCOME	6,625	2,086	14,391	7,185
Other income (expense)				
Interest income	63	103	206	317
Interest expense	(264)	(141)	(588)	(423)
Other income (expense) - net	110	93	(46)	(531)
	(91)	55	(428)	(637)
INCOME BEFORE INCOME TAXES	6,534	2,141	13,963	6,548
Income taxes	1,792	1,935	3,809	2,918
NET INCOME	$ 4,742	$ 206	$ 10,154	$ 3,630
BASIC EARNINGS PER SHARE				
Net income	$ 0.92	$ 0.04	$ 1.96	$ 0.67
DILUTED EARNINGS PER SHARE				
Net income	$ 0.92	$ 0.04	$ 1.95	$ 0.67
Cash dividends declared per share	$ 0.20	$ 0.20	$ 0.60	$ 0.60
Weighted-average number of shares outstanding - basic	5,146	5,356	5,180	5,381
Weighted-average number of shares outstanding - diluted	5,169	5,372	5,200	5,397

See notes to consolidated financial statements (unaudited).

PREFORMED LINE PRODUCTS COMPANY
STATEMENTS OF CONSOLIDATED COMPREHENSIVE INCOME (LOSS)
(UNAUDITED)

	Three Months Ended September 30		Nine Months Ended September 30	
	2016	2015	2016	2015
(Thousands of dollars)				
Net income	$ 4,742	$ 206	$ 10,154	$ 3,630
Other comprehensive income (loss), net of tax				
Foreign currency translation adjustment	1,286	(10,001)	3,298	(19,046)
Recognized net actuarial loss (net of tax provision of $55 and $59 for the three months ended September 30, 2016 and 2015, respectively, and net provision of $147 and $164 for the nine months ended September 30, 2016 and 2015, respectively)	91	99	244	273
Other comprehensive income (loss), net of tax	1,377	(9,902)	3,542	(18,773)
Comprehensive income (loss)	$ 6,119	$ (9,696)	$ 13,696	$ (15,143)

See notes to consolidated financial statements (unaudited).

PREFORMED LINE PRODUCTS COMPANY
STATEMENTS OF CONSOLIDATED CASH FLOWS
(UNAUDITED)

	Nine Months Ended September 30	
	2016	2015
(Thousands of dollars)		
OPERATING ACTIVITIES		
Net income	$ 10,154	$ 3,630
Adjustments to reconcile net income to net cash provided by (used in) operations:		
Depreciation and amortization	8,602	9,094
Provision for accounts receivable allowances	698	413
Provision for inventory reserves	1,306	1,005
Deferred income taxes	(1,144)	(1,919)
Share-based compensation expense (benefit)	927	(546)
Excess tax benefits (expenses) from share-based awards	2	(20)
Other - net	411	371
Changes in operating assets and liabilities		
Accounts receivable	(4,743)	(3,874)
Inventories	(2,851)	(2,913)
Trade accounts payable and accrued liabilities	9,561	7,406
Income taxes payable	(335)	(1,696)
Other - net	(1,552)	(3,079)
NET CASH PROVIDED BY OPERATING ACTIVITIES	21,036	7,872
INVESTING ACTIVITIES		
Capital expenditures	(21,697)	(6,709)
Proceeds from the sale of property and equipment	61	917
Restricted cash and purchase of fixed-term deposits	(1,314)	(2,419)
NET CASH USED IN INVESTING ACTIVITIES	(22,950)	(8,211)
FINANCING ACTIVITIES		
Increase in notes payable to banks	(172)	(146)
Proceeds from the issuance of long-term debt	56,513	39,995
Payments of long-term debt	(42,650)	(40,033)
Dividends paid	(3,131)	(3,176)
Excess tax benefits (expenses) from share-based awards	(2)	20
Proceeds from issuance of common shares	378	80
Purchase of common shares for treasury	(2,915)	(2,378)
Purchase of common shares for treasury from related parties	(1,488)	(1,215)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	6,533	(6,853)
Effects of exchange rate changes on cash and cash equivalents	(2,072)	4,419
Net increase (decrease) in cash and cash equivalents	2,547	(2,773)
Cash and cash equivalents at beginning of year	30,393	29,643
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 32,940	$ 26,870

See notes to consolidated financial statements (unaudited).

PREFORMED LINE PRODUCTS COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

(In thousands, except share and per share data, unless specifically noted)

NOTE A – BASIS OF PRESENTATION

The accompanying unaudited consolidated financial statements of Preformed Line Products Company and subsidiaries (the "Company" or "PLPC") have been prepared in accordance with United States of America (U.S.) generally accepted accounting principles (GAAP) for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X.

The preparation of these consolidated financial statements requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and the accompanying notes. Actual results could differ from these estimates. In the opinion of management, these consolidated financial statements contain all estimates and adjustments, consisting of normal recurring accruals, required to fairly present the financial position, results of operations, and cash flows for the interim periods. Operating results for the three and nine months ended September 30, 2016 are not necessarily indicative of the results to be expected for the full-year ending December 31, 2016.

The Consolidated Balance Sheet at December 31, 2015 has been derived from the audited consolidated financial statements, but does not include all of the information and notes required by U.S. GAAP for complete financial statements. For further information, refer to the consolidated financial statements and notes to consolidated financial statements included in the Company's 2015 Annual Report on Form 10-K filed on March 11, 2016 with the Securities and Exchange Commission.

Reclassifications

Certain prior period amounts have been reclassified to conform to current year presentation, as discussed in Note K segment information.

NOTE B – OTHER FINANCIAL STATEMENT INFORMATION

Inventories – net

	September 30, 2016	December 31, 2015
Finished products	$ 34,891	$ 37,812
Work-in-process	8,487	6,902
Raw materials	39,363	34,854
	82,741	79,568
Excess of current cost over LIFO cost	(3,219)	(3,538)
Noncurrent portion of inventory	(5,857)	(6,118)
	$ 73,665	$ 69,912

Cost of inventories for certain material is determined using the last-in-first-out (LIFO) method and totaled approximately $29.0 million at September 30, 2016 and $26.8 million at December 31, 2015. An actual valuation of inventories under the LIFO method can be made only at the end of the year based on the inventory levels and costs at that time. Accordingly, interim LIFO calculations are based on management's estimates of expected year-end inventory levels and costs. Because these estimates are subject to change and may be different than the actual inventory levels and costs at the end of the year, interim results are subject to the final year-end LIFO inventory valuation. During the three and nine months ended September 30, 2016, the net change in LIFO inventories resulted in a $.2 million and $.3 million benefit to Income before income taxes, respectively. During the three and nine months ended September 30, 2015, the net change in LIFO inventories resulted in a $.4 million benefit to Income before income taxes for each period.

Noncurrent inventory is included in Other assets on the Consolidated Balance Sheets.

Property, plant and equipment - net

Major classes of Property, plant and equipment are stated at cost and were as follows:

	September 30, 2016	December 31, 2015
Land and improvements	$ 12,903	$ 12,260
Buildings and improvements	73,739	71,711
Machinery and equipment	158,980	137,599
Construction in progress	3,868	3,369
	249,490	224,939
Less accumulated depreciation	142,163	132,974
	$ 107,327	$ 91,965

Legal proceedings

From time to time, the Company may be subject to litigation incidental to its business. The Company is not a party to any pending legal proceedings that the Company believes would, individually or in the aggregate, have a material adverse effect on its financial condition, results of operations, or cash flows.

NOTE C – PENSION PLANS

The Company uses a December 31 measurement date for the Preformed Line Products Company Employees' Retirement Plan (the "Plan"). Net periodic benefit cost for this plan included the following components:

	Three Months Ended September 30		Nine Months Ended September 30	
	2016	2015	2016	2015
Service cost	$ 42	$ 88	$ 152	$ 142
Interest cost	370	361	1,099	1,077
Expected return on plan assets	(470)	(456)	(1,369)	(1,386)
Recognized net actuarial loss	146	158	392	436
Net periodic benefit cost	$ 88	$ 151	$ 274	$ 269

The Company made $1.0 million in contributions to the Plan during the nine months ended September 30, 2016. The Company does not anticipate contributing additional funding to the Plan in 2016.

NOTE D – ACCUMULATED OTHER COMPREHENSIVE INCOME ("AOCI")

The following tables set forth the total changes in AOCI by component, net of tax:

	Three Months Ended September 30, 2016			Three Months Ended September 30, 2015		
	Defined benefit pension plan activity	Currency Translation Adjustment	Total	Defined benefit pension plan activity	Currency Translation Adjustment	Total
Balance at July 1	$ (6,082)	$ (45,904)	$ (51,986)	$ (6,833)	$ (37,172)	$ (44,005)
Other comprehensive income (loss) before reclassifications:						
Loss on foreign currency translation adjustment	0	1,286	1,286	0	(10,001)	(10,001)
Amounts reclassified from AOCI:						
Amortization of defined benefit pension actuarial loss (a)	91	0	91	99	0	99
Net current period other comprehensive income (loss)	91	1,286	1,377	99	(10,001)	(9,902)
Balance at September 30	$ (5,991)	$ (44,618)	$ (50,609)	$ (6,734)	$ (47,173)	$ (53,907)

	Nine Months Ended September 30, 2016			Nine Months Ended September 30, 2015		
	Defined benefit pension plan activity	Currency Translation Adjustment	Total	Defined benefit pension plan activity	Currency Translation Adjustment	Total
Balance at January 1	$ (6,235)	$ (47,916)	$ (54,151)	$ (7,007)	$ (28,127)	$ (35,134)
Other comprehensive income before reclassifications:						
Gain (loss) on foreign currency translation adjustment	0	3,298	3,298	0	(19,046)	(19,046)
Amounts reclassified from AOCI:						
Amortization of defined benefit pension actuarial loss (a)	244	0	244	273	0	273
Net current period other comprehensive income (loss)	244	3,298	3,542	273	(19,046)	(18,773)
Balance at September 30	$ (5,991)	$ (44,618)	$ (50,609)	$ (6,734)	$ (47,173)	$ (53,907)

(a) This AOCI component is included in the computation of net periodic pension costs.

NOTE E – COMPUTATION OF EARNINGS PER SHARE

Basic earnings per share were computed by dividing Net income by the weighted-average number of common shares outstanding for each respective period. Diluted earnings per share were calculated by dividing Net income by the weighted-average of all potentially dilutive common stock that was outstanding during the periods presented.

The calculation of basic and diluted earnings per share for the three and nine months ended September 30, 2016 and 2015 was as follows:

	Three Months Ended September 30		Nine Months Ended September 30	
	2016	2015	2016	2015
Numerator				
Net income	$ 4,742	$ 206	$ 10,154	$ 3,630
Denominator				
Determination of shares				
Weighted-average common shares outstanding	5,146	5,356	5,180	5,381
Dilutive effect - share-based awards	23	16	20	16
Diluted weighted-average common shares outstanding	5,169	5,372	5,200	5,397
Earnings per common share				
Basic	$ 0.92	$ 0.04	$ 1.96	$ 0.67
Diluted	$ 0.92	$ 0.04	$ 1.95	$ 0.67

For the three and nine months ended September 30, 2016, 47,850 and 55,350 stock options, respectively, were excluded from the calculation of diluted earnings per share as the effect would have been anti-dilutive. For the three and nine months ended September 30, 2015, 59,750 and 51,850 stock options, respectively, were excluded from the calculation of diluted loss per share as the effect would have been anti-dilutive.

For the three and nine months ended September 30, 2016 and September 30, 2015, there were no restricted share units excluded from the calculation of diluted earnings per share.

NOTE F – GOODWILL AND OTHER INTANGIBLES

The Company's finite and indefinite-lived intangible assets consist of the following:

	Setpember 30, 2016		December 31, 2015	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Finite-lived intangible assets				
Patents	$ 4,819	$ (4,802)	$ 4,815	$ (4,799)
Land use rights	1,151	(187)	1,155	(173)
Trademarks	1,780	(1,016)	1,713	(899)
Technology	3,168	(1,011)	3,021	(860)
Customer relationships	12,458	(5,115)	11,816	(4,501)
	$ 23,376	$ (12,131)	$ 22,520	$ (11,232)
Indefinite-lived intangible assets				
Goodwill	$ 16,556		$ 15,821	

The aggregate amortization expense for other intangibles with finite lives for the three and nine months ended September 30, 2016 was $.3 million and $.8 million, respectively. The aggregate amortization expense for the other intangibles with finite lives for the three and nine months ended September 30, 2015 was $.3 million and $.9 million, respectively. Amortization expense is estimated to be $.3 million for the remaining period of 2016, $1.0 million annually for 2017, 2018 and 2019 and $.9 million for 2020. The weighted-average remaining amortization period is approximately 17.7 years. The weighted-average remaining amortization period by intangible asset class is as follows: patents, 9.3 years; land use rights, 58.5 years; trademarks, 9.6 years; technology, 15.1 years; and customer relationships, 13.3 years.

The Company's measurement date for its annual impairment test for goodwill is October 1st of each year. The Company performs its annual impairment test for goodwill utilizing a discounted cash flow methodology, market comparables, and an overall market capitalization reasonableness test in computing fair value by reporting unit. The Company then compares the fair value of the reporting unit with its carrying value to assess if goodwill has been impaired. Based on the assumptions as to growth, discount rates and the weighting used for each respective valuation methodology, results of the valuations could be significantly different. However, the Company believes that the methodologies and weightings used are reasonable and result in appropriate fair values of the reporting units.

The Company's only intangible asset with an indefinite life is goodwill. The changes in the carrying amount of goodwill, by segment, for the nine months ended September 30, 2016, are as follows:

	USA	The Americas	EMEA	Asia-Pacific	Total
Balance at January 1, 2016	$ 3,078	$ 3,918	$ 1,301	$ 7,524	$ 15,821
Currency translation	0	232	63	440	735
Balance at September 30, 2016	$ 3,078	$ 4,150	$ 1,364	$ 7,964	$ 16,556

NOTE G – SHARE-BASED COMPENSATION

The 1999 Stock Option Plan

Activity in the Company's 1999 Stock Option Plan for the nine months ended September 30, 2016 was as follows:

	Number of Shares	Weighted Average Exercise Price per Share	Weighted Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value
Outstanding at January 1, 2016	12,000	$41.44		
Granted	0	$0.00		
Exercised	(6,450)	$35.50		
Forfeited	0	$0.00		
Outstanding (exercisable and vested) at September 30, 2016	5,550	$48.35	2.1	$4

There were 6,450 and 0 Stock options exercised during the nine months ended September 30, 2016 and 2015, respectively. The total intrinsic value of stock options exercised during the nine months ended September 30, 2016 was less than $.1 million. Cash received for the exercise of stock options during the nine months ended September 30, 2016 was $.2 million.

The Company recorded no compensation expense related to stock options for the nine months ended September 30, 2016 and 2015 as all options were fully vested.

Long Term Incentive Plan of 2008 and 2016 Incentive Plan

The Company maintains an equity award program to give the Company a competitive advantage in attracting, retaining, and motivating officers, employees and directors and to provide an incentive to those individuals to increase shareholder value through long-term incentives directly linked to the Company's performance. Under the Preformed Line Products Company Long Term Incentive Plan of 2008 (the "LTIP"), certain employees, officers, and directors were eligible to receive awards of options, restricted shares and restricted share units (RSUs). The total number of Company common shares reserved for awards under the LTIP was 900,000, of which 800,000 common shares were reserved for RSUs and 100,000 common shares have been reserved for share options. The LTIP was terminated and replaced with the Preformed Line Products Company 2016 Incentive Plan (the "Incentive Plan") in May 2016 upon approval by the Company's Shareholders at the 2016 Annual Meeting of Shareholders on May 10, 2016. No further awards will be made under the LTIP and previously granted awards remain outstanding in accordance with their terms. Under the Incentive Plan, certain employees, officers, and directors will be eligible to receive awards of options, restricted shares and RSUs. The total number of Company common shares reserved for awards under the Incentive Plan is 1,000,000 of which 900,000 common shares have been reserved for restricted share awards and 100,000 common shares have been reserved for share options. As of September 30, 2016, no options or restricted shares have been granted under the Incentive Plan. The Incentive Plan expires on May 10, 2026.

<u>Restricted Share Units</u>

For the regular annual grants, a portion of the RSUs is subject to time-based cliff vesting and a portion is subject to vesting based upon the Company's performance over a set period for all participants except the CEO. All of the CEO's regular annual RSUs are subject to vesting based upon the Company's performance over a three-year period.

The RSUs are offered at no cost to the employees; however, the participant must remain employed with the Company until the restrictions on the RSUs lapse. The fair value of RSUs is based on the market price of a common share on the grant date. The Company currently estimates that the only time-based RSUs to be forfeited are those from the 2015 and 2016 grants due to the retirement of the Company's Chief Financial Officer in May 2017. Dividends declared are accrued in cash.

A summary of the RSUs outstanding under the LTIP for the nine months ended September 30, 2016 is as follows:

	Restricted Share Units			
	Performance and Service Required	Service Required	Total Restricted Share Units	Weighted-Average Grant-Date Fair Value
Nonvested as of January 1, 2016	91,603	10,872	102,475	$ 53.88
Granted	79,241	9,901	89,142	33.73
Vested	0	0	0	0.00
Forfeited	0	0	0	0.00
Nonvested as of September 30, 2016	170,844	20,773	191,617	$ 44.51

For time-based RSUs, the Company recognizes stock-based compensation expense on a straight-line basis over the requisite service period of the award in General and administrative expense in the accompanying Statements of Consolidated Income. Compensation expense related to the time-based RSUs for the three and nine months ended September 30, 2016 was $.1 million and $.2 million, respectively. Compensation expense related to the time-based RSUs for the three and nine months ended September 30, 2015 was $.1 million and $.2 million, respectively. As of September 30, 2016, there was $.4 million of total unrecognized compensation cost related to time-based RSUs that is expected to be recognized over the weighted-average remaining period of approximately 1.8 years.

For the performance-based RSUs, the number of RSUs in which the participants will vest depends on the Company's level of performance measured by growth in pre-tax income and sales growth over a requisite performance period. Depending on the extent to which the performance criterions are satisfied under the LTIP, the participants are eligible to earn common shares over the vesting period. Performance-based compensation expense for the three and nine months ended September 30, 2016 was $.3 million and $.6 million, respectively. During the three and nine months ended September 30, 2016, a $.1 million increase in performance-based compensation expense and $.2 million reduction in performance-based compensation expense was recorded related to the 2015 performance-based RSU grant, due to changes in estimates for growth in sales and operating income. Performance-based compensation expense for the three and nine months ended September 30, 2015 was income of $1.0 million and $.8 million. During the three and nine months ended September 30, 2015, a $.8 million and $.8 million reduction, respectively, in performance-based compensation expense was recorded related to the 2013 performance-based RSU grant, due to changes in estimates for growth in sales. During the three and nine months ended September 30, 2015, a $.6 million and $1.2 million reduction, respectively, in performance-based compensation expense was recorded related to the 2014 performance-based RSU grant, due to changes in estimates for growth in sales and pre-tax income. As of September 30, 2016, the remaining performance-based RSUs compensation expense of $2.0 million is expected to be recognized over a period of approximately 2.1 years.

The excess tax benefits from time and performance-based RSUs for the nine months ended September 30, 2016 and 2015, was less than $.1 million for each period, as reported on the Statements of Consolidated Cash Flows in financing activities, and represents the reduction in income taxes otherwise payable during the period, attributable to the actual gross tax benefits in excess of the expected tax benefits for RSUs vested in the current period.

In the event of a Change in Control (as defined in the LTIP), vesting of the RSUs will be accelerated and all restrictions will lapse. Unvested performance-based awards are based on a target potential payout. Actual shares awarded at the end of the performance period may be less than the target potential payout level depending on achievement of performance-based award objectives.

To satisfy the vesting of its RSU awards, the Company has reserved new shares from its authorized but unissued shares. Any additional awards granted will also be issued from the Company's authorized but unissued shares.

Share Option Awards

The LTIP plan permitted the grant of 100,000 options to buy common shares of the Company to certain employees at not less than fair market value of the shares on the date of grant. Options issued to date under the LTIP vest 50% after one year following the date of the grant, 75% after two years, and 100% after three years, and expire from five to ten years from the date of grant. Shares issued as a result of stock option exercises will be funded with the issuance of new shares.

The Company utilizes the Black-Scholes option pricing model for estimating fair values of options. The Black-Scholes model requires assumptions regarding the volatility of the Company's stock, the expected life of the stock award and the Company's dividend yield. The Company utilizes historical data in determining these assumptions. The risk-free rate for periods within the contractual life of the option is based on the U.S. zero coupon Treasury yield in effect at the time of grant. Forfeitures have been estimated to be zero.

There were 0 and 2,000 options granted for the nine months ended September 30, 2016 and 2015, respectively.

The fair value for the stock options granted in 2015 was estimated at the date of grant using the Black-Scholes option pricing model with the following weighted-average assumptions:

The weighted-average grant-date fair value of options granted during 2015 was $11.78.

	2015
Risk-free interest rate	2.1%
Dividend yield	1.6%
Expected life (years)	5
Expected volatility	37.9%

Activity in the Company's LTIP for nine months ended September 30, 2016 was as follows:

	Number of Shares	Weighted Average Exercise Price per Share	Weighted Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value
Outstanding at January 1, 2016	56,250	$55.30		
Granted	0	$0.00		
Exercised	(1,000)	$37.44		
Forfeited	(3,000)	$71.62		
Outstanding (vested and expected to vest) at September 30, 2016	52,250	$54.71	6.2	$5
Exercisable at September 30, 2016	31,750	$58.17	7.1	$5

There were 1,000 and 0 stock options exercised during the nine months ended September 30, 2016 and 2015, respectively. The total intrinsic value of stock options exercised during the nine months ended September 30, 2016 was less than $.1 million. Cash received for the exercise of stock options during the nine months ended September 30, 2016 was less than $.1 million.

For the three and nine months ended September 30, 2016, the Company recorded compensation expense related to the stock options currently vested of less than $.1 million and $.1 million, respectively. For the three and nine months ended September 30, 2015, the Company recorded compensation expense related to the stock options currently vested of less than $.1 million and $.2 million, respectively. The total compensation cost related to nonvested awards not yet recognized at September 30, 2016 is expected to be $.2 million over a weighted-average period of approximately 1.4 years.

Deferred Compensation Plan

The Company maintains a trust, commonly referred to as a rabbi trust, in connection with the Company's deferred compensation plan. This plan allows for two deferrals. First, Directors make elective deferrals of Director fees payable and held in the rabbi trust. The deferred compensation plan allows the Directors to elect to receive Director fees in common shares of the Company at a later date instead of fees paid each quarter in cash. Second, this plan allows certain Company employees to defer LTIP restricted shares or RSUs for future distribution in the form of common shares. Assets of the rabbi trust are consolidated, and the value of the Company's common shares held in the rabbi trust is classified in Shareholders' equity and generally accounted for in a manner similar to treasury stock. The Company recognizes the original amount of the deferred compensation (fair value of the deferred stock award at the date of grant) as the basis for recognition in common shares issued to the rabbi trust. Changes in the fair value of amounts owed to certain employees or Directors are not recognized as the Company's deferred compensation plan does not permit diversification and must be settled by the delivery of a fixed number of the Company's common shares. As of September 30, 2016, 297,281 shares have been deferred and are being held in the rabbi trust.

NOTE H – FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

The carrying value of the Company's current financial instruments, which include cash and cash equivalents, accounts receivable, accounts payable, notes payable, and short-term debt, approximates its fair value because of the short-term maturity of these instruments. At September 30, 2016, the fair value of the Company's long-term debt was estimated using discounted cash flow analysis based on the Company's current incremental borrowing rates for similar types of borrowing arrangements which are considered to be Level 2 inputs. There have been no transfers in or out of Level 2 for the nine months ended September 30, 2016. Based on the analysis performed, the carrying value of the Company's long-term debt approximates fair value at September 30, 2016 and December 31, 2015.

NOTE I – RECENTLY ADOPTED ACCOUNTING PRONOUNCEMENTS

In November 2015, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2015-17, "Income Taxes - Balance Sheet Classification of Deferred Taxes" which requires that deferred tax liabilities and assets be classified as noncurrent in a classified balance sheet. Prior to the issuance of the standard, deferred tax liabilities and assets were required to be separately classified into a current amount and a noncurrent amount in the balance sheet. The new accounting guidance represents a change in accounting principle and the standard is required to be adopted in annual periods beginning after December 15, 2016. Early adoption is permitted and the Company elected to early adopt this guidance as of March 31, 2016 and to apply the guidance retrospectively to all periods presented. Accordingly, as of December 31, 2015, the Company reclassified the prior period amount of $8.6 million related to its deferred tax assets and $.2 million related to its deferred tax liabilities from current to noncurrent, resulting in an increase of $7.4 million to its noncurrent deferred tax assets and a decrease of $1.0 million to its noncurrent deferred income tax liabilities. Because the application of this guidance affects classification only, such reclassifications did not have a material effect on the Company's consolidated financial position or results of its operations.

NOTE J – NEW ACCOUNTING STANDARDS TO BE ADOPTED

In March 2016, the FASB issued ASU 2016-09, "Compensation - Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting. ASU 2016-09 provides guidance in GAAP for the accounting for share-based payment transactions, including the income tax consequences, classification of awards as either equity or liabilities, and classification on the statement of cash flows. The Company is required to adopt ASU 2016-09 for annual periods beginning after December 15, 2016, and interim periods within those annual periods. Early adoption is permitted for any entity in any interim or annual period. If an entity early adopts the amendments in an interim period, any adjustments should be reflected as of the beginning of the fiscal year that includes that interim period. An entity that elects early adoption must adopt all of the amendments in the same period. The Company is currently evaluating what impact, if any, its adoption will have to the presentation of the Company's consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, "Leases (Topic 842)." The amendments in this Update require the recognition of assets and liabilities arising from lease transactions on the balance sheet and the disclosure of key information about leasing arrangements. Accordingly, a lessee will recognize a lease asset for its right to use the underlying asset and a lease liability for the corresponding lease obligation. Both the asset and liability will initially be measured at the present value of the future minimum lease payments over the lease term. Subsequent measurement, including the presentation of expenses and cash flows, will depend on the classification of the lease as either a finance or an operating lease. Initial costs directly attributable to negotiating and arranging the lease will be included in the asset. For leases with a term of 12 months or less, a lessee can make an accounting policy election by class of underlying asset to not recognize an asset and corresponding liability. Lessees will also be required to provide additional qualitative and quantitative disclosures regarding the amount, timing and uncertainty of cash flows arising from leases. These disclosures are intended to supplement the amounts recorded in the financial statements and provide additional information about the nature of an organization's leasing activities. The amendments in this Update are effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018, with early adoption permitted. The Company is currently evaluating what impact, if any, its adoption will have to the presentation of the Company's consolidated financial statements.

In July 2015, the FASB issued ASU 2015-11, "Inventory (Topic 330): Simplifying the Measurement of Inventory." The amendments in this Update more closely align the measurement of inventory in GAAP with the measurement of inventory in International Financial Reporting Standards (IFRS). An entity should measure inventory within the scope of this Update at the lower of cost and net realizable value. Net realizable value is defined as the estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation. Subsequent measurement is unchanged for inventory measured using LIFO or the retail inventory method. The amendments in this Update are effective for fiscal years beginning after December 15, 2016 and interim periods within fiscal years beginning after December 15, 2017. The amendments in this Update should be applied prospectively with earlier application permitted as of the beginning of an interim or annual reporting period. The Company is currently evaluating what impact, if any, its adoption will have to the presentation of the Company's consolidated financial statements.

In May 2014, the FASB issued ASU No. 2014-09, "Revenue from Contracts with Customers (Topic 606)," or ASU 2014-09. ASU 2014-09 requires an entity to recognize revenue in a matter that depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. To achieve that core principle, the amendment provides five steps that an entity should apply when recognizing revenue. The amendment also specifies the accounting of some costs to obtain or fulfill a contract with a customer and expands the disclosure requirements around contracts with customers. An entity can either adopt this amendment retrospectively to each prior reporting period presented or retrospectively with cumulative effect of initially applying the update recognized at the date of initial application. In August 2015, the FASB issued ASU No. 2015-14 deferring the effective date of the amendment to annual reporting periods beginning after December 15, 2017. The Company is currently evaluating what impact, if any, its adoption will have to the presentation of the Company's consolidated financial statements.

NOTE K – SEGMENT INFORMATION

The following tables present a summary of the Company's reportable segments for the three and nine months ended September 30, 2016 and 2015. Financial results for the PLP-USA segment include the elimination of all segments' intercompany profit in inventory. During the fourth quarter of 2015, the Company reconfigured a product line in The Americas segment and consolidated its manufacturing processes into the PLP-USA segment. As such, prior year amounts have been reclassified to conform to the current year presentation.

	Three Months Ended September 30		Nine Months Ended September 30	
	2016	2015	2016	2015
Net sales				
PLP-USA	$ 35,287	$ 36,925	$ 104,117	$ 109,340
The Americas	16,790	15,037	43,761	43,670
EMEA	15,239	12,402	43,815	39,408
Asia-Pacific	20,983	24,682	58,509	70,287
Total net sales	$ 88,299	$ 89,046	$ 250,202	$ 262,705
Intersegment sales				
PLP-USA	$ 2,647	$ 2,090	$ 6,825	$ 6,949
The Americas	1,460	1,311	4,026	4,007
EMEA	160	190	816	832
Asia-Pacific	1,773	2,151	5,832	6,085
Total intersegment sales	$ 6,040	$ 5,742	$ 17,499	$ 17,873
Income taxes				
PLP-USA	$ 327	$ 686	$ 433	$ 1,779
The Americas	775	550	2,015	685
EMEA	365	473	1,545	1,207
Asia-Pacific	325	226	(184)	(753)
Total income taxes	$ 1,792	$ 1,935	$ 3,809	$ 2,918
Net income (loss)				
PLP-USA	$ 1,967	$ 328	$ 1,809	$ 1,895
The Americas	1,777	1,319	3,965	1,630
EMEA	1,314	1,106	4,944	3,473
Asia-Pacific	(316)	(2,547)	(564)	(3,368)
Total net income	$ 4,742	$ 206	$ 10,154	$ 3,630

	September 30, 2016	December 31, 2015
Assets		
PLP-USA	$ 124,134	$ 106,854
The Americas	63,891	60,010
EMEA	56,403	50,755
Asia-Pacific	108,190	105,437
	352,618	323,056
Corporate assets	0	314
Total assets	$ 352,618	$ 323,370

NOTE L – INCOME TAXES

The Company’s effective tax rate was 27% and 90% for the three months ended September 30, 2016 and 2015, respectively, and 27% and 45% for the nine months ended September 30, 2016 and 2015, respectively. The lower effective tax rate for the three and nine months ended September 30, 2016 compared to the U.S. federal statutory tax rate of 35% was primarily due to an increase in earnings in jurisdictions with lower tax rates than the U.S. federal statutory tax rate, where such earnings are permanently reinvested, coupled with the recognition of favorable discrete items, primarily a $.4 million release of valuation allowance in the Asia Pacific region and a $.2 million reversal of unrecognized tax benefits for the expiration of statutes of limitation. The lower effective tax rate for the three and nine months ended September 30, 2016 compared with the same periods for 2015 was primarily due to an increase in earnings in jurisdictions with lower tax rates than the U.S. federal statutory tax rate, where such earnings are permanently reinvested coupled with the recognition of favorable discrete items, primarily a $.4 million release of valuation allowance in the Asia Pacific region and a $.2 million reversal of unrecognized tax benefits for the expiration of statutes of limitation. The effective rate for the three months and nine months ended September 30, 2015 was not meaningful primarily due to the amount, timing and mix of earnings by jurisdiction and the reversal of losses in certain jurisdictions where no tax benefit was recognized in 2015, partially offset by an increase in earnings in jurisdictions with lower tax rates than the U.S. federal statutory rate where such earnings are permanently reinvested.

As described in Note I, the Company elected to early adopt FASB guidance ASU 2015-17 "Income Taxes – Balance Sheet Classification of Deferred Taxes" as of March 31, 2016 and to apply the guidance retrospectively to all periods presented related to the classification of current and noncurrent deferred tax assets and liabilities. Accordingly, as of December 31, 2015, the Company reclassified the prior period amount of $8.6 million related to its deferred tax asset and $.2 million related to its deferred tax liability from current to noncurrent, resulting in an increase of $7.4 million to the Company's noncurrent deferred tax asset and a decrease of $1.0 million to its noncurrent deferred income tax liability.

The Company provides valuation allowances against deferred tax assets when it is more likely than not that some portion or all of its deferred tax assets will not be realized. The Company recognized a $.4 million benefit for the three and nine months ended September 30, 2016 due to release of valuation allowance in the Asia Pacific Region.

As of September 30, 2016, the Company had gross unrecognized tax benefits of $0 million. Under the provisions of ASC 740 Income Taxes, the Company reduced previously unrecognized tax benefits by $.2 million primarily due to the expiration of applicable statutes of limitations. The Company does not anticipate any material changes to the amount of unrecognized tax benefits within the next twelve months.

NOTE M – PRODUCT WARRANTY RESERVE

The Company records an accrual for estimated warranty costs to Costs of products sold in the Consolidated Statements of Operations. These amounts are recorded in Accrued expenses and other liabilities in the Consolidated Balance Sheets. The Company records and accounts for its warranty reserve based on specific claim incidents. Should the Company become aware of a specific potential warranty claim for which liability is probable and reasonably estimable, a specific charge is recorded and accounted for accordingly. Adjustments are made quarterly to the accruals as claim information changes.

The following is a rollforward of the product warranty reserve:

	Nine Months Ended September 30	
	2016	2015
Beginning of period balance	$ 714	$ 892
Additions charged to income	423	17
Warranty usage	(59)	(139)
Currency translation	(21)	(108)
End of period balance	$ 1,057	$ 662

NOTE N – CHARGES RELATED TO RESTRUCTURING ACTIVITIES

During the year ended December 2015, the Company reconfigured one of its operations within its Asia Pacific segment by reducing its workforce and manufacturing facilities while outsourcing production predominantly to its locations with lower cost operations. This was done in response to a slowdown in economic activity in the region as well as continued downward market pressure on prices. Additionally, the Company reduced the number of personnel and facilities in the PLP-USA segment in response to downward market pressure on prices. Both of these actions reduced infrastructure and manufacturing costs. There was $.1 million and $2.7 million of expense recognized in the nine months ended September 30, 2016 and 2015, respectively, for these restructuring activities. The restructuring liability remaining at September 30, 2016 of $.6 million was recorded in Accrued expenses.

A summary by reporting segment of the accruals recorded as a result of the restructuring is as follows:

	Severance	Lease Termination Costs	Other	Total
December 31, 2015 Balance				
PLP-USA	$ 150	$ 304	$ 5	$ 459
Asia-Pacific	0	604	0	604
Total	$ 150	$ 908	$ 5	$ 1,063
Charges				
PLP-USA	59	0	0	59
Asia-Pacific	0	0	0	0
Total	59	0	0	59
Payments and other adjustments				
PLP-USA	(209)	(265)	(5)	(479)
Asia-Pacific	0	(91)	0	(91)
Total	(209)	(356)	(5)	(570)
September 30, 2016 Balance				
PLP-USA	0	39	0	39
Asia-Pacific	0	513	0	513
Total	$ 0	$ 552	$ 0	$ 552

NOTE O – DEBT ARRANGEMENTS

At June 27, 2016, the Company borrowed $14.5 million at a fixed rate of 2.71%, due July 1, 2026 to finance the purchase of a Company aircraft. The loan is secured by the newly purchased aircraft. The net worth and profitability requirements are calculated based on the line of credit agreement. On August 22, 2016, the Company increased its borrowing capacity under the credit facility from $50 million to $65 million and extended the term to June 30, 2019. All other terms remain the same, including the interest rate at LIBOR plus 1.125% unless its funded debt to Earnings before Interest, Taxes and Depreciation ratio exceeds 2.25 to 1, then the LIBOR spread becomes 1.500%. At September 30, 2016, the Company was in compliance with these covenants.

NOTE P – RELATED PARTY TRANSACTIONS

On January 4, 2016, the Company purchased 91 common shares of the Company from Caroline S. Vaccariello, at a price per share of $42.10, which was calculated from a 30-day average of market price. Additionally, on August 12, 2016, the Company purchased 4,450 common shares of the Company from Caroline S. Vaccariello, at a price per share of $35.50, which was calculated from a 30-day average of market price. Mrs. Vaccariello is an Officer of the Company. The Audit Committee of the Board of Directors approved this transaction.

On August 23, 2016, the Company purchased 27,448 Common Shares of the Company from a trust for the benefit of Barbara P. Ruhlman and a foundation of which Barbara P. Ruhlman, Robert G. Ruhlman and Bernard Karr are officers, at a price per share of $44.66 which was calculated from a 30-day average of market price. Barbara P. Ruhlman is *Director Emeritus* for the Company's Board of Directors and the mother of Robert G. Ruhlman and grandmother of J. Ryan Ruhlman and Maegan Ruhlman, all of whom are also members of the Board of Directors. The purchase was consummated pursuant to Share Purchase Agreements both dated August 23, 2016, between the Company and the foundation. The Audit Committee of the Board of Directors approved this transaction.

On August 11, 2015, the Company purchased 30,713 Common Shares of the Company from a trust for the benefit of Barbara P. Ruhlman and a foundation of which Barbara P. Ruhlman, Robert G. Ruhlman and Bernard Karr are officers, at a price per share of $35.00 which was calculated from a 30-day average of market price. Barbara P.

Ruhlman is a member of the Company's Board of Directors and the mother of Robert G. Ruhlman and grandmother of J. Ryan Ruhlman, both of whom are also members of the Board of Directors. The purchase was consummated pursuant to Share Purchase Agreements both dated August 11, 2015, between the Company and the foundation. The Audit Committee of the Board of Directors approved this transaction.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A) is intended to help the readers of our consolidated financial statements better understand our results of operations, financial condition and present business environment. The MD&A is provided as a supplement to, and should be read in conjunction with, our unaudited consolidated financial statements and related notes included elsewhere in this report.

The MD&A is organized as follows:

- Overview
- Recent Developments
- Preface
- Results of Operations
- Application of Critical Accounting Policies and Estimates
- Working Capital, Liquidity and Capital Resources
- Recently Adopted Accounting Pronouncements
- New Accounting Standards to be Adopted

OVERVIEW

Preformed Line Products Company (the "Company", "PLPC", "we", "us", or "our") was incorporated in Ohio in 1947. We are an international designer and manufacturer of products and systems employed in the construction and maintenance of overhead and underground networks for the energy, telecommunication, cable operators, information (data communication), and other similar industries. Our primary products support, protect, connect, terminate, and secure cables and wires. We also provide solar hardware systems, mounting hardware for a variety of solar power applications, and fiber optic and copper splice closures. PLPC is respected around the world for quality, dependability and market-leading customer service. Our goal is to continue to achieve profitable growth as a leader in the research, innovation, development, manufacture, and marketing of technically advanced products and services related to energy, communications and cable systems and to take advantage of this leadership position to sell additional quality products in familiar markets. We have 29 sales and manufacturing operations in 17 different countries.

We report our segments in four geographic regions: PLP-USA (including corporate), The Americas (includes operations in North and South America without PLP-USA), EMEA (Europe, Middle East & Africa) and Asia-Pacific in accordance with accounting standards codified in Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 280, Segment Reporting. Each segment distributes a full range of our primary products. Our PLP-USA segment is comprised of our U.S. operations, which manufacture our traditional products primarily supporting our domestic energy, telecommunications and solar products. Our other three segments, The Americas, EMEA and Asia-Pacific, support our energy, telecommunications, data communication and solar products in each respective geographical region.

The segment managers responsible for each region report directly to the Company's Chief Executive Officer, who is the chief operating decision maker, and are accountable for the financial results and performance of their entire segment for which they are responsible. The business components within each segment are managed to maximize the results of the entire operating segment and Company rather than the results of any individual business component of the segment.

We evaluate segment performance and allocate resources based on several factors primarily based on sales and net income.

RECENT DEVELOPMENTS

In the fourth quarter of 2015, we reconfigured a product line in The Americas segment and consolidated its manufacturing processes into the PLP-USA segment operations. This action reduced infrastructure and manufacturing costs for the product line. As a result, certain reclassifications have been made to the 2015 segment financial results to be comparable to the 2016 financial results for The Americas and PLP-USA reporting segments.

PREFACE

Our consolidated financial statements are prepared in conformity with U.S. generally accepted accounting principles (GAAP). Our discussions of the financial results include non-GAAP measures (e.g., foreign currency impact) to provide additional information concerning our financial results and provide information that we believe is useful to the readers of our consolidated financial statements in the assessment of our performance and operating trends.

Our consolidated financial statements are subject to fluctuations in the exchange rates of foreign currencies in relation to the U.S. dollar. As foreign currencies weaken against the U.S. dollar, our sales and costs decrease as the foreign currency-denominated financial statements translate into fewer U.S. dollars. On average, foreign currencies weakened against the U.S. dollar in the third quarter and first nine months of 2016; however, they did not weaken as significantly as they did in the first nine months of 2015. The fluctuations of foreign currencies during the three and nine months ended September 30, 2016 had an unfavorable impact on net sales of $1.0 million and $11.7 million, respectively, compared to the same periods in 2015. On a reportable segment basis, the favorable (unfavorable) impact of foreign currency on net sales and net income for the three and nine months ended September 30, 2016, was as follows:

	Foreign Currency Translation Impact			
	Net Sales		Net Income	
(Thousands of dollars)	Three Months	Nine Months	Three Months	Nine Months
The Americas	$ (586)	$ (6,073)	$ (239)	$ (735)
EMEA	(993)	(3,551)	(170)	(609)
Asia-Pacific	568	(2,043)	173	196
Total	$ (1,011)	$ (11,667)	$ (236)	$ (1,148)

The operating results for the three months ended September 30, 2016 are compared to the same period in 2015. Net sales for the three months ended September 30, 2016 of $88.3 million decreased $.7 million, or 0.8%, compared to 2015. Excluding the unfavorable effect of currency translation, net sales were slightly higher at $89.3 million for the three months ended September 30, 2016 versus September 30, 2015. As a percentage of net sales, gross profit increased to 32.7% in 2016 from 29.4% in 2015. Gross profit for the three months ended September 30, 2016 of $28.9 million increased $2.7 million compared to 2015. Excluding the unfavorable effect of currency translation, gross profit increased $3.4 million, or 13%, compared to 2015. Costs and expenses of $22.2 million decreased $1.8 million compared to 2015. Excluding the favorable effect of currency translation, costs and expenses decreased $1.5 million compared to 2015. Operating income for the three months ended September 30, 2016 was $6.6 million, an increase of $4.5 million compared to 2015. Net income for the three months ended September 30, 2016 of $4.7 million was an increase of $4.5 million compared to the net income in 2015. The effect of currency translation decreased operating income $.4 million and decreased net income $.2 million.

The operating results for the nine months ended September 30, 2016 are compared to the same period in 2015. For the nine months ended September 30, 2016, net sales of $250.2 million decreased $12.5 million, or 4.8%, compared to 2015. The fluctuations of foreign currencies during the nine months ended September 30, 2016 had an unfavorable impact on net sales of $11.7 million as compared to 2015. Excluding the unfavorable impact of currency translation, net sales decreased $.8 million for the nine months ended September 30, 2016 as compared to 2015. As a percentage of net sales, gross profit was 32.0% and 29.4% for the nine months ended September 30, 2016 and 2015, respectively. Gross profit of $80.0 million increased $2.6 million as compared to 2015. Excluding the unfavorable effect of currency translation of $4.4 million, gross profit increased $7.0 million, or 9% compared to 2015. Costs and expenses of $65.6 million decreased $4.6 million compared to 2015. Excluding the favorable effect of currency translation, costs and expenses decreased $1.8 million compared to 2015. Operating income for the nine months ended September 30, 2016 of $14.4 million increased $7.2 million compared to 2015. Net income for the nine months ended September 30, 2016 of $10.2 million increased $6.5 million compared to 2015. The unfavorable effect of currency translation decreased operating income $1.6 million and net income $1.2 million.

The following table reflects the impact of foreign currency fluctuations on operating income for the three and nine months ended September 30, 2016 and 2015:

	Foreign Currency Translation Impact			
	Three Months Ended September 30		Nine Months Ended September 30	
(Thousands of dollars)	2016	2015	2016	2015
Operating income	$ 6,625	$ 2,086	$ 14,391	$ 7,185
Translation loss	393	0	1,640	0
Transaction (gain) loss	(232)	4,083	(1,590)	7,459
Operating income excluding currency impact	$ 6,786	$ 6,169	$ 14,441	$ 14,644

Despite the uncertainty in the current global economy, we believe our business fundamentals and our financial position are sound and that we are strategically well-positioned. We remain focused on assessing our business structure, global facilities and overall capacity in conjunction with the requirements of local manufacturing in the markets that we serve. If necessary, we will modify redundant processes and utilize our global manufacturing network to manage costs, while driving increased sales volumes and delivering value to our customers. We have continued to invest in the business to improve efficiency, develop new products, increase our capacity and become an even stronger supplier to our customers. We currently have a bank debt to equity ratio of 20.4% and can borrow needed funds at an attractive interest rate under our credit facility.

RESULTS OF OPERATIONS

THREE MONTHS ENDED SEPTEMBER 30, 2016 COMPARED TO THREE MONTHS ENDED SEPTEMBER 30, 2015

The following table sets forth a summary of the Company's Statement of Consolidated Income and the percentage of net sales for the three months ended September 30, 2016 and 2015. The Company's past operating results are not necessarily indicative of future operating results.

	Three Months Ended September 30				
(Thousands of dollars)	2016		2015		Change
Net sales	$ 88,299	*100.0* %	$ 89,046	*100.0* %	$ (747)
Cost of products sold	59,444	*67.3*	62,887	*70.6*	(3,443)
GROSS PROFIT	28,855	*32.7*	26,159	*29.4*	2,696
Costs and expenses	22,230	*25.2*	24,073	*27.0*	(1,843)
OPERATING INCOME	6,625	*7.5*	2,086	*2.3*	4,539
Other income (expense) - net	(91)	*(0.1)*	55	*0.1*	(146)
INCOME (LOSS) BEFORE INCOME TAXES	6,534	*7.4*	2,141	*2.4*	4,393
Income taxes	1,792	*2.0*	1,935	*2.2*	(143)
NET INCOME	$ 4,742	*5.4* %	$ 206	*0.2* %	$ 4,536

Net sales. For the three months ended September 30, 2016, net sales were $88.3 million, a decrease of $.7 million, or 1%, from the three months ended September 30, 2015. Excluding the effect of currency translation, net sales for the three months ended September 30, 2016 increased $.3 million compared to the same period in 2015 as summarized in the following table:

(Thousands of dollars)	Three Months Ended September 30					
	2016	2015	Change	Change Due to Currency Translation	Change Excluding Currency Translation	% change
Net sales						
PLP-USA	$ 35,287	$ 36,925	$ (1,638)	$ 0	$ (1,638)	(4) %
The Americas	16,790	15,037	1,753	(586)	2,339	16
EMEA	15,239	12,402	2,837	(993)	3,830	31
Asia-Pacific	20,983	24,682	(3,699)	568	(4,267)	(17)
Consolidated	$ 88,299	$ 89,046	$ (747)	$ (1,011)	$ 264	0 %

The decrease in PLP-USA net sales of $1.6 million, or 4%, was primarily due to a volume decrease in transmission and solar sales. International net sales for the three months ended September 30, 2016 were unfavorably affected by $1.0 million when local currencies were converted to U.S. dollars. The following discussion of net sales excludes the effect of currency translation. The Americas net sales of $16.8 million increased $2.3 million, or 16%, primarily due to a volume increase in transmission sales. EMEA net sales of $15.2 million increased $3.8 million, or 31%, primarily due to a volume increase in telecommunications sales and transmission projects in the region. In Asia-Pacific, net sales of $21.0 million decreased $4.3 million, or 17%, compared to 2015. The decrease in net sales was primarily due to a sales volume decline in solar and transmission products.

Gross profit. Gross profit of $28.9 million for the three months ended September 30, 2016 increased $2.7 million, or 10%, compared to the three months ended September 30, 2015. Excluding the effect of currency translation, gross profit increased $3.4 million, or 13%, as summarized in the following table:

(Thousands of dollars)	Three Months Ended September 30					
	2016	2015	Change	Change Due to Currency Translation	Change Excluding Currency Translation	% change
Gross profit						
PLP-USA	$ 13,306	$ 12,545	$ 761	$ 0	$ 761	6 %
The Americas	6,094	5,469	625	(437)	1,062	19
EMEA	4,762	4,474	288	(406)	694	16
Asia-Pacific	4,693	3,671	1,022	94	928	25
Consolidated	$ 28,855	$ 26,159	$ 2,696	$ (749)	$ 3,445	13 %

PLP-USA gross profit of $13.3 million increased $.8 million compared to the same period in 2015. PLP-USA's increase in gross profit was primarily due to a shift in sales mix toward products with higher margins for 2016 as compared to 2015. International gross profit for the three months ended September 30, 2016 was unfavorably impacted by $.7 million when local currencies were translated to U.S. dollars. The following discussion of gross profit excludes the effects of currency translation. The Americas gross profit increase of $1.1 million was primarily the result of the sales increase of $2.3 combined with product margin decline in the region due to sales mix. The EMEA gross profit increased $.7 million as a result of a $3.8 million sales increase, partially offset by product margin improvement in the region due to a shift in sales mix. While Asia-Pacific experienced a $4.3 million reduction in sales, gross profit increased $.9 million due to a shift in product sales mix along with continued cost savings associated with the 2015 reconfiguration of the operations of one of its locations within the segment.

Costs and expenses. Costs and expenses of $22.3 million for the three months ended September 30, 2016 decreased $1.8 million, or 7.7%, compared to 2015. Excluding the favorable effect of currency translation, costs and expenses decreased $1.5 million, or 6.2%, as summarized in the following table:

(Thousands of dollars)	Three Months Ended September 30					
	2016	2015	Change	Change Due to Currency Translation	Change Excluding Currency Translation	% change
Costs and expenses						
PLP-USA	$ 10,778	$ 11,434	$ (656)	$ 0	$ (656)	(6) %
The Americas	3,636	3,691	(55)	(73)	18	0
EMEA	3,129	2,935	194	(198)	392	13
Asia-Pacific	4,687	6,013	(1,326)	(85)	(1,241)	(21)
Consolidated	$ 22,230	$ 24,073	$ (1,843)	$ (356)	$ (1,487)	(6) %

PLP-USA costs and expenses of $10.8 million for the three months ended September 30, 2016 decreased $.7 million, or 6%, compared to 2015 primarily as a result of increased foreign currency exchange gains of $3.1 million, partially offset by increased general and administrative expense of $2.4 million. The foreign currency exchange gains were primarily related to translating into U.S. dollars its foreign denominated loans, trade and royalty receivables from its foreign subsidiaries at the September 30, 2016 exchange rates. International costs and expenses for the three months ended September 30, 2016 were favorably impacted by $.4 million when local currencies were translated to U.S. dollars. Excluding the favorable impact of currency translation, costs and expenses decreased $1.5 million. The following discussion of costs and expenses excludes the effect of currency translation. The Americas costs and expenses of $3.6 million remained constant for the three months ended September 30, 2016 and 2015. EMEA costs and expenses of $3.1 million increased $.4 million mainly due to increased personnel related costs. Asia-Pacific costs and expenses of $4.7 million decreased $1.2 million. This decrease was primarily due to lower personnel related expenses due to cost savings associated with the 2015 reconfiguration of the operations of one of its locations within the segment.

Other income (expense). Other expense for the three months ended September 30, 2016 increased $.1 million compared to 2015, mainly as a result of higher interest expense.

Income taxes. Income taxes for the three months ended September 30, 2016 and 2015 were $1.8 million and $1.9 million, respectively, based on pre-tax income of $6.5 million and $2.1 million, respectively. The effective tax rate for the three months ended September 30, 2016 and 2015 was 27% and 90%, respectively, compared to the U.S. federal statutory rate of 35%. Our tax rate is affected by recurring items, such as tax rates in foreign jurisdictions, which differ from the U.S., federal statutory income tax rate, and the relative amount of income earned in those jurisdictions. It is also affected by discrete items that may occur in any given period but are not consistent from year to year. In addition to the impact of state and local income taxes, the following items had the most significant impact on the difference between our statutory U.S. federal income tax rate of 35% and our effective tax rate:

2016

1. $.2 million, or 3%, decrease, primarily related to the reversal of unrecognized tax benefits for the expiration of statutes of limitations.
2. $.3 million, or 5%, decrease, resulting from U.S. permanent items, primarily related to the repatriation of foreign earnings that are not permanently reinvested.

2015

1. $1.3 million, or 62%, increase, resulting from losses in certain jurisdictions where no tax benefit is recognized.
2. $.2 million, or 9%, decrease, resulting from earnings in jurisdictions with lower tax rates than the U.S. federal statutory rate where such earnings are permanently reinvested.
3. $.1 million, or 2%, increase, resulting from U.S. permanent items, primarily related to the repatriation of foreign earnings that are not permanently reinvested.

Net income. As a result of the preceding items, net income for the three months ended September 30, 2016 was $4.7 million, compared to net income of $.2 million for the three months ended September 30, 2015. Excluding the effect of currency translation, net income increased $5.0 million as summarized in the following table:

(Thousands of dollars)	2016	2015	Change	Change Due to Currency Translation	Change Excluding Currency Translation	% change
	Three Months Ended September 30					
Net income (loss)						
PLP-USA	$ 1,967	$ 328	$ 1,639	$ 0	$ 1,639	NM %
The Americas	1,777	1,319	458	(239)	697	53
EMEA	1,314	1,106	208	(170)	378	34
Asia-Pacific	(316)	(2,547)	2,232	173	2,059	81
Consolidated	$ 4,742	$ 206	$ 4,537	$ (236)	$ 4,773	NM %

NM - Not Meaningful

PLP-USA net income increased $1.6 million compared to 2015 due to a $1.4 million increase in operating income combined with a decrease in income taxes of $.4 million, partially offset by an increase in other expense of $.2 million. International net income for the three months ended September 30, 2016 incurred an unfavorable change of $.2 million when local currencies were converted to U.S. dollars. The following discussion of net income excludes the effect of currency translation. The Americas net income increased $.7 million as a result of a $1.1 million increase in operating income partially offset by an increase in income taxes of $.4 million. EMEA net income increased $.4 million as a result of an increase in operating income of $.3 combined with a decrease in income taxes of $.1 million. Asia-Pacific net loss decreased $2.1 million as a result of a $2.2 million increase in operating income partially offset by an increase in income tax expense of $.1 million.

NINE MONTHS ENDED SEPTEMBER 30, 2016 COMPARED TO NINE MONTHS ENDED SEPTEMBER 30, 2015

The following table sets forth a summary of the Company's Statements of Consolidated Income and the percentage of net sales for the nine months ended September 30, 2016 and 2015. The Company's past operating results are not necessarily indicative of future operating results.

(Thousands of dollars)	2016		2015		Change
	Nine Months Ended September 30				
Net sales	$ 250,202	*100.0* %	$ 262,705	*100.0* %	$ (12,503)
Cost of products sold	170,252	*68.0*	185,342	*70.6*	(15,090)
GROSS PROFIT	79,950	*32.0*	77,363	*29.4*	2,587
Costs and expenses	65,559	*26.2*	70,178	*26.7*	(4,619)
OPERATING INCOME	14,391	*5.8*	7,185	*2.7*	7,209
Other income (expense) - net	(428)	*(0.2)*	(637)	*(0.2)*	209
INCOME BEFORE INCOME TAXES	13,963	*5.6*	6,548	*2.5*	7,415
Income taxes	3,809	*1.5*	2,918	*1.1*	891
NET INCOME	$ 10,154	*4.1* %	$ 3,630	*1.4* %	$ 6,524

Net sales. For the nine months ended September 30, 2016, net sales were $250.2 million, a decrease of $12.5 million, or 4.8%, from the nine months ended September 30, 2015. Excluding the unfavorable effect of currency translation, net sales decreased $.8 million as summarized in the following table:

(Thousands of dollars)	2016	2015	Change	Change Due to Currency Translation	Change Excluding Currency Translation	% change
	Nine Months Ended September 30					
Net sales						
PLP-USA	$ 104,117	$ 109,340	$ (5,223)	$ 0	$ (5,223)	(5) %
The Americas	43,761	43,670	91	(6,073)	6,164	14
EMEA	43,815	39,408	4,407	(3,551)	7,958	20
Asia-Pacific	58,509	70,287	(11,778)	(2,043)	(9,735)	(14)
Consolidated	$ 250,202	$ 262,705	$ (12,503)	$ (11,667)	$ (836)	0 %

PLP-USA net sales of $104.1 million decreased $5.2 million, or 5%. The decrease was primarily due to a decrease in solar sales. International net sales of $146.1 million for the nine months ended September 30, 2016 were unfavorably affected by $11.7 million when local currencies were converted to U.S. dollars. The following discussion of changes in net sales excludes the unfavorable effect of currency translation. The Americas net sales of $43.8 million increased $6.2 million, or 14%, primarily due to higher volume in transmission and telecommunications sales. EMEA net sales of $43.8 million increased $8.0 million, or 20%, primarily due to increased volume in transmission and distribution sales, partially offset by decreased volume in telecommunications sales. Asia-Pacific net sales of $58.5 million decreased $9.7 million, or 14%, compared to the same period in 2015. The decrease in net sales was related to volume decreases in solar and transmission sales.

Gross profit. Gross profit of $80.0 million for the nine months ended September 30, 2016 increased $2.6 million compared to the nine months ended September 30, 2015. Excluding the effect of currency translation, gross profit increased $7.0 million, or 9%, as summarized in the following table:

(Thousands of dollars)	2016	2015	Change	Change Due to Currency Translation	Change Excluding Currency Translation	% change
	Nine Months Ended September 30					
Gross profit						
PLP-USA	$ 34,979	$ 37,304	$ (2,325)	$ 0	$ (2,325)	(6) %
The Americas	15,210	12,994	2,216	(2,427)	4,643	36
EMEA	16,010	13,870	2,140	(1,473)	3,613	26
Asia-Pacific	13,751	13,195	556	(538)	1,094	8
Consolidated	$ 79,950	$ 77,363	$ 2,587	$ (4,438)	$ 7,025	9 %

PLP-USA gross profit of $35.0 million decreased $2.3 million compared to the same period in 2015. PLP-USA's decrease in gross profit was related to the decrease in sales volume, a shift in sales mix and increased freight costs resulting from the sales mix impact. International gross profit of $45.0 million for the nine months ended September 30, 2016 was unfavorably impacted by $4.4 million when local currencies were translated to U.S. dollars. The following discussion of gross profit changes excludes the effects of currency translation. The Americas gross profit increase of $4.6 million was primarily the result of a $6.2 million increase in net sales, improved product margins in the region and positive results from cost savings initiatives. The EMEA gross profit increased $3.6 million as a result of increased net sales of $8.0 million in the region combined with a favorable product sales mix. Although sales decreased $9.7 million, Asia-Pacific gross profit increased $1.1 million as the overall sales were in higher margin products, along with continued cost savings associated with the prior year reconfiguration of its operations and personnel reductions.

Costs and expenses. Costs and expenses of $65.6 million for the nine months ended September 30, 2016 decreased $4.6 million, or 7%, compared to the nine months ended September 30, 2015. Excluding the favorable effect of currency translation, costs and expenses decreased 3% as summarized in the following table:

(Thousands of dollars)	Nine Months Ended September 30								
	2016		2015		Change		Change Due to Currency Translation		Change Excluding Currency Translation	% change
Costs and expenses										
PLP-USA	$	31,933	$	33,344	$	(1,411)	$	0	$ (1,411)	(4) %
The Americas		9,432		10,882		(1,450)		(1,338)	(112)	(1)
EMEA		9,668		9,352		316		(680)	996	11
Asia-Pacific		14,526		16,600		(2,074)		(776)	(1,298)	(8)
Consolidated	$	65,559	$	70,178	$	(4,619)	$	(2,794)	$ (1,825)	(3) %

PLP-USA costs and expenses decreased $1.4 million primarily due to a $5.9 million improvement in net foreign currency exchange effect offset by higher general and administrative expense of $4.6 million, including the $1.0 million charge related to the expiring lease of the Company aircraft incurred in the second quarter of 2016 offset by various decreases of $.1 million. In the nine months ended September 30, 2016, there was a gain recognized on foreign currency transactions while there was a loss for the same period in 2015. The foreign currency exchange gains were primarily related to translating into U.S. dollars its foreign denominated loans, trade receivables and royalty receivables from the Company's foreign subsidiaries at the September 30, 2016 exchange rates. International costs and expenses for the nine months ended September 30, 2016 were unfavorably impacted by $2.8 million when local currencies were translated to U.S. dollars. The following discussions of costs and expenses exclude the effect of currency translation. The Americas costs and expenses decrease of $.1 million was primarily due to improvement in foreign currency exchange of $.7 million, mostly offset by increased personnel related costs. EMEA costs and expenses increased $1.0 million as a result of higher personnel related expenses predominantly from continued infrastructure expansion. Asia-Pacific costs and expenses decreased $1.3 million primarily due to $1.1 million of net foreign currency exchange gains across the region in the nine months ended September 30, 2016 versus the same period in 2015, combined with reduced personnel related costs.

Other income (expense). Other expense for the nine months ended September 30, 2016 of $.4 million decreased $.2 million compared to 2015 primarily due to the 2015 reversal of a receivable recorded at the opening balance sheet date of a previous acquisition. The receivable represented the indemnification by the prior owner for unrecognized tax benefits. The resolution of a foreign income tax audit resulted in a tax liability for less than the previously recorded accrual. The difference was recorded as a tax benefit in income tax expense and the corresponding receivable, after receipt of the indemnified tax related amount, was recognized as other expense in the nine months ended September 30, 2015.

Income taxes. Income taxes for the nine months ended September 30, 2016 and 2015 were $3.8 million and $2.9 million, respectively, based on pre-tax income of $14.0 million and $6.5 million, respectively. The effective tax rate for the nine months ended September 30, 2016 and 2015 was 27% and 45%, respectively, compared to the U.S. federal statutory rate of 35%. Our tax rate is affected by recurring items, such as tax rates in foreign jurisdictions, which differ from the U.S. federal statutory income tax rate, and the relative amount of income earned in those jurisdictions. It is also affected by discrete items that may occur in any given period but are not consistent from year to year. In addition to the impact of state and local income taxes, the following items had the most significant impact on the difference between our statutory U.S. federal income tax rate of 35% and our effective tax rate:

2016

1. $.4 million, or 3%, increase, resulting from losses in certain jurisdictions where no tax benefit is recognized.
2. $.7 million, or 5%, decrease, resulting from earnings in jurisdictions with lower tax rates than the U.S. federal statutory rate where such earnings are permanently reinvested.
3. $.4 million, or 3%, decrease, resulting from the release of valuation allowance in our Asia Pacific segment.
4. $.4 million, or 3%, decrease, primarily related to the reversal of unrecognized tax benefits for the expiration of statutes of limitations, coupled with various U.S. permanent items and discrete items.

2015

1. $1.8 million, or 28%, increase, resulting from losses in certain jurisdictions where no tax benefit is recognized.
2. $.6 million, or 9%, decrease, resulting from earnings in jurisdictions with lower tax rates than the U.S. federal statutory rate where such earnings are permanently reinvested.
3. $.8 million, or 12%, decrease, resulting from a favorable resolution of a foreign audit in our Asia Pacific segment for which a larger tax liability had previously been accrued.
4. $.2 million, or 3%, increase, resulting from U.S. permanent items, primarily related to the repatriation of foreign earnings that are not permanently reinvested.

Net income. As a result of the preceding items, net income for the nine months ended September 30, 2016 was $10.2 million, compared to $3.6 million for the nine months ended September 30, 2015. Excluding the unfavorable effect of currency translation, net income increased $7.7 million as summarized in the following table:

(Thousands of dollars)	Nine Months Ended September 30					
	2016	2015	Change	Change Due to Currency Translation	Change Excluding Currency Translation	% change
Net income						
PLP-USA	$ 1,809	$ 1,895	$ (86)	$ 0	$ (86)	5 %
The Americas	3,965	1,630	2,335	(735)	3,070	NM
EMEA	4,944	3,473	1,471	(609)	2,080	60
Asia-Pacific	(564)	(3,368)	2,804	196	2,608	77
Consolidated	$ 10,154	$ 3,630	$ 6,524	$ (1,148)	$ 7,672	NM %

NM - Not Meaningful

PLP-USA net income decreased $.1 million due to a $.9 million decrease in operating income combined with higher other expense of $.5 million and lower income taxes of $1.3 million. International net income for the nine months ended September 30, 2016 increased $6.6 million on a consolidated basis when local currencies were converted to U.S. dollars. The following discussion of net income excludes the effect of currency translation. The Americas net income increased $3.1 million as a result of a $4.8 million increase in operating income partially offset by a $1.7 million increase in income tax expense. EMEA net income increased $2.1 million primarily due to a $2.6 million increase in operating income offset by increased income tax expense of $.5 million. Asia-Pacific net loss decreased $2.6 million. The operating loss decreased $3.1 million, offset by a lower net tax benefit in the region of $.5 million for the nine months ended September 30, 2016 as compared to the same period in 2015.

APPLICATION OF CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Our critical accounting policies are consistent with the information set forth in Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, included in our Form 10-K for the year ended December 31, 2015 filed on March 11, 2016 with the Securities and Exchange Commission and are, therefore, not presented herein.

WORKING CAPITAL, LIQUIDITY AND CAPITAL RESOURCES

Management Assessment of Liquidity

We measure liquidity on the basis of our ability to meet short-term and long-term operating needs, repay debt, fund additional investments, including acquisitions, and make dividend payments to shareholders. Significant factors affecting the management of liquidity are cash flows from operating activities, capital expenditures, cash dividends, business acquisitions and access to bank lines of credit.

Our investments include expenditures required for equipment and facilities as well as expenditures in support of our strategic initiatives. In 2016, we used cash of $21.7 million for capital expenditures. We ended the first nine months of 2016 with $32.9 million of cash and cash equivalents. Our cash and cash equivalents are held in various locations throughout the world. At September 30, 2016, the majority of our cash and cash equivalents were held outside the U.S. We expect accumulated non-U.S. cash balances will remain outside of the U.S. and that we will meet U.S. liquidity needs through future cash flows, use of U.S. cash balances, external borrowings, or some combination of these sources. We complete comprehensive reviews of our significant customers and their creditworthiness by analyzing financial statements for customers where we have identified a measure of increased risk. We closely monitor payments and developments which may signal possible customer credit issues. We currently have not identified any potential material impact on our liquidity from customer credit issues.

Our financial position remains strong and our current ratio was 3.1 to 1 at September 30, 2016. Total debt at September 30, 2016 was $46.1 million. At September 30, 2016, our unused availability under our line of credit was $30.2 million and our bank debt to equity percentage was 20.4%. On August 22, 2016, we increased our borrowing capacity under our credit facility from $50 million to $65 million and extended the term to June 30, 2019. All other terms remain the same, including the interest rate at LIBOR plus 1.125% unless our funded debt to Earnings before Interest, Taxes and Depreciation ratio exceeds 2.25 to 1, then the LIBOR spread becomes 1.500%. The line of credit agreement contains, among other provisions, requirements for maintaining levels of net worth and funded debt-to-earnings before interest taxes depreciation amortization along with an interest coverage ratio. At June 27, 2016, we entered into a promissory note with PNC Bank, NA, pursuant to which we borrowed $14.5 million at a fixed rate of 2.71%, due July 1, 2026, which was used to purchase a corporate aircraft to replace the expiring lease of the previous aircraft. The loan is secured by the aircraft. The net worth and profitability requirements are calculated based on the line of credit agreement. At September 30, 2016 and December 31, 2015, we were in compliance with these covenants.

We expect that our major source of funding for 2016 and beyond will be our operating cash flows, our existing cash and cash equivalents as well as our line of credit agreement. We earn a significant amount of our operating income outside the United States, which, except for current earnings in certain jurisdictions, is deemed to be indefinitely reinvested in foreign jurisdictions. We currently do not intend nor foresee a need to repatriate these funds. We believe our future operating cash flows will be more than sufficient to cover debt repayments, other contractual obligations, capital expenditures and dividends for the next 12 months and thereafter for the foreseeable future. In addition, we believe our borrowing capacity provides substantial financial resources, if needed, to supplement funding of capital expenditures and/or acquisitions. We also believe that we can expand our borrowing capacity, if necessary; however, we do not believe we would increase our debt to a level that would have a material adverse impact upon results of operations or financial condition.

Sources and Uses of Cash

Cash increased $2.5 million for the nine months ended September 30, 2016. Net cash provided by operating activities was $21.0 million. The major investing and financing uses of cash were capital expenditures of $21.7 million, net repurchase of common shares of $4.4 million and dividends of $3.1 million. Currency had a negative $2.1 million impact on cash and cash equivalents when translating foreign denominated financial statements to U.S. dollars.

Net cash provided by operating activities for the nine months ended September 30, 2016 increased $13.2 million compared to the nine months ended September 30, 2015. The increase was primarily a result of an increase in net income of $6.5 million, an increase in non-cash transactions of $2.4 million and a decrease in operating assets (net of operating liabilities) of $4.2 million.

Net cash used by investing activities for the nine months ended September 30, 2016 of $23.0 million represents an increase of $14.7 million when compared to the nine months ended September 30, 2015. The increase is primarily related to higher capital expenditures of $15.0 million primarily related to the purchase of a corporate aircraft to replace the expiring lease of the previous aircraft.

Cash provided by financing activities for the nine months ended September 30, 2016 was $6.5 million compared to $6.9 million of cash used in financing activities for the nine months ended September 30, 2015. The $13.4 million increase was primarily a result of an increase in net debt borrowings in 2016 compared to 2015 of $13.9 million.

This increase in cash provided was partially offset with a net increase in cash used in stock repurchases of $.8 million.

RECENTLY ADOPTED ACCOUNTING PRONOUNCEMENTS

In November 2015, the FASB issued Accounting Standards update (ASU) No. 2015-17, "Income Taxes - Balance Sheet Classification of Deferred Taxes" which requires that deferred tax liabilities and assets be classified as noncurrent in a classified balance sheet. Prior to the issuance of the standard, deferred tax liabilities and assets were required to be separately classified into a current amount and a noncurrent amount in the balance sheet. The new accounting guidance represents a change in accounting principle and the standard is required to be adopted in annual periods beginning after December 15, 2016. Early adoption is permitted and we elected to early adopt this guidance as of March 31, 2016 and to apply the guidance retrospectively to all periods presented. Accordingly, we reclassified the prior period amount of $8.6 million related to our deferred tax assets and $.2 million related to our deferred tax liabilities from current to noncurrent. The reclassification resulted in an increase of $7.4 million to our noncurrent deferred tax assets and a decrease of $1.0 million to our noncurrent deferred income tax liabilities. Because the application of this guidance affects classification only, such reclassifications did not have a material effect on our consolidated financial position or results of our operations.

NEW ACCOUNTING STANDARDS TO BE ADOPTED

In March 2016, the FASB issued ASU 2016-09, "Compensation - Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting. ASU 2016-09 provides guidance in GAAP for the accounting for share-based payment transactions, including the income tax consequences, classification of awards as either equity or liabilities, and classification on the statement of cash flows. The Company is required to adopt ASU 2016 – 09 for annual periods beginning after December 15, 2016, and interim periods within those annual periods. Early adoption is permitted for any entity in any interim or annual period. If an entity early adopts the amendments in an interim period, any adjustments should be reflected as of the beginning of the fiscal year that includes that interim period. An entity that elects early adoption must adopt all of the amendments in the same period. We are currently evaluating what impact, if any, its adoption will have to the presentation of our consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, "Leases (Topic 842)." The amendments in this Update require the recognition of assets and liabilities arising from lease transactions on the balance sheet and the disclosure of key information about leasing arrangements. Accordingly, a lessee will recognize a lease asset for its right to use the underlying asset and a lease liability for the corresponding lease obligation. Both the asset and liability will initially be measured at the present value of the future minimum lease payments over the lease term. Subsequent measurement, including the presentation of expenses and cash flows, will depend on the classification of the lease as either a finance or an operating lease. Initial costs directly attributable to negotiating and arranging the lease will be included in the asset. For leases with a term of 12 months or less, a lessee can make an accounting policy election by class of underlying asset to not recognize an asset and corresponding liability. Lessees will also be required to provide additional qualitative and quantitative disclosures regarding the amount, timing and uncertainty of cash flows arising from leases. These disclosures are intended to supplement the amounts recorded in the financial statements and provide additional information about the nature of an organization's leasing activities. The amendments in this Update are effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018, with early adoption permitted. We are currently evaluating what impact, if any, its adoption will have to the presentation of our consolidated financial statements.

In July 2015, the FASB issued ASU 2015-11, "Inventory (Topic 330): Simplifying the Measurement of Inventory." The amendments in this Update more closely align the measurement of inventory in GAAP with the measurement of inventory in International Financial Reporting Standards (IFRS). An entity should measure inventory within the scope of this Update at the lower of cost and net realizable value. Net realizable value is defined as the estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation. Subsequent measurement is unchanged for inventory measured using LIFO or the retail inventory method. The amendments in this Update are effective for fiscal years beginning after December 15, 2016 and interim periods within fiscal years beginning after December 15, 2017. The amendments in this Update should be applied prospectively with earlier application permitted as of the beginning of an interim or annual reporting period. We are currently evaluating what impact, if any, its adoption will have to the presentation of our consolidated financial statements.

In May 2014, the FASB issued ASU No. 2014-09, “Revenue from Contracts with Customers (Topic 606),” or ASU 2014-09. ASU 2014-09 requires an entity to recognize revenue in a matter that depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. To achieve that core principle, the amendment provides five steps that an entity should apply when recognizing revenue. The amendment also specifies the accounting of some costs to obtain or fulfill a contract with a customer and expands the disclosure requirements around contracts with customers. An entity can either adopt this amendment retrospectively to each prior reporting period presented or retrospectively with cumulative effect of initially applying the update recognized at the date of initial application. In August 2015, the FASB issued ASU No. 2015-14 deferring the effective date of the amendment to annual reporting periods beginning after December 15, 2017. We are currently evaluating what impact, if any, its adoption will have to the presentation of our consolidated financial statements.

FORWARD LOOKING STATEMENTS

Cautionary Statement for “Safe Harbor” Purposes Under The Private Securities Litigation Reform Act of 1995

This Form 10-Q and other documents we file with the Securities and Exchange Commission (“SEC”) contain forward-looking statements regarding the Company’s and management’s beliefs and expectations. As a general matter, forward-looking statements are those focused upon future plans, objectives or performance (as opposed to historical items) and include statements of anticipated events or trends and expectations and beliefs relating to matters not historical in nature. Such forward-looking statements are subject to uncertainties and factors relating to the Company’s operations and business environment, all of which are difficult to predict and many of which are beyond the Company’s control. Such uncertainties and factors could cause the Company’s actual results to differ materially from those matters expressed in or implied by such forward-looking statements.

The following factors, among others, could affect the Company’s future performance and cause the Company’s actual results to differ materially from those expressed or implied by forward-looking statements made in this report:

- The overall demand for cable anchoring and control hardware for electrical transmission and distribution lines on a worldwide basis, which has a slow growth rate in mature markets such as the United States (U.S.), Canada, Australia and Western Europe and may grow slowly or experience prolonged delay in developing regions despite expanding power needs;

- The potential impact of the global economic condition on the Company’s ongoing profitability and future growth opportunities in our core markets in the U.S. and other foreign countries where the financial situation is expected to be similar going forward;

- Decrease in infrastructure spending globally as a result of worldwide depressed spending;

- The impact of low oil and other commodity prices on our growth opportunities, particularly with respect to energy projects;

- The ability of our customers to raise funds needed to build the facilities their customers require;

- Technological developments that affect longer-term trends for communication lines, such as wireless communication;

- The decreasing demand for product supporting copper-based infrastructure due to the introduction of products using new technologies or adoption of new industry standards;

- The Company’s success at continuing to develop proprietary technology and maintaining high quality products and customer service to meet or exceed new industry performance standards and individual customer expectations;

- The Company's success in strengthening and retaining relationships with the Company's customers, growing sales at targeted accounts and expanding geographically;

- The extent to which the Company is successful at expanding the Company's product line or production facilities into new areas or implementing efficiency measures at existing facilities;

- The effects of fluctuation in currency exchange rates upon the Company's foreign subsidiaries' operations and reported results from international operations, together with non-currency risks of investing in and conducting significant operations in foreign countries, including those relating to political, social, economic and regulatory factors;

- The Company's ability to identify, complete, obtain funding for and integrate acquisitions for profitable growth;

- The potential impact of consolidation, deregulation and bankruptcy among the Company's suppliers, competitors and customers;

- The relative degree of competitive and customer price pressure on the Company's products;

- The cost, availability and quality of raw materials required for the manufacture of products;

- Strikes and other labor disruptions;

- Changes in significant government regulations affecting environmental compliances;

- The telecommunication market's continued deployment of Fiber-to-the-Premises; and

- Those factors described under the heading "Risk Factors" on page 12 of the Company's Annual Report on Form 10-K for the year ended December 31, 2015 filed on March 11, 2016.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company operates manufacturing facilities and offices around the world and uses fixed and floating rate debt to finance the Company's global operations. As a result, the Company is subject to business risks inherent in non-U.S. activities, including political and economic uncertainty, import and export limitations and market risk related to changes in interest rates and foreign currency exchange rates. The Company believes that the political and economic risks related to the Company's international operations are mitigated due to the geographic diversity in which the Company's international operations are located.

As of September 30, 2016, the Company had no foreign currency forward exchange contracts outstanding. The Company does not hold derivatives for trading purposes.

The Company's primary currency rate exposures are related to foreign denominated debt, intercompany debt, forward exchange contracts, foreign denominated receivables and payables and cash and short-term investments. A hypothetical 10% change in currency rates would have a favorable/unfavorable impact on fair values on such instruments of $5.6~~7~~ million and on income before taxes of $2.3 million.

The Company is exposed to market risk, including changes in interest rates. The Company is subject to interest rate risk on its variable rate revolving credit facilities and term notes, which consisted of borrowings of $32.0 million at September 30, 2016. A 100 basis point increase in the interest rate would have resulted in an increase in interest expense of approximately $.3 million for the nine months ended September 30, 2016.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

The Company's Principal Executive Officer and Principal Financial Officer have concluded that the Company's disclosure controls and procedures as defined in Rule 13a-15(e) or Rule 15d-15(e) of the Securities Exchange Act of 1934, as amended, were effective as of September 30, 2016.

Changes in Internal Control over Financial Reporting

There have not been any changes in the Company's internal control over financial reporting (as defined in Rule 13a-15(f) and 15d-15(f)) during the quarter ended September 30, 2016 that materially affected or are reasonably likely to materially affect the Company's internal control over financial reporting.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The Company is subject to various legal proceedings and claims that arise in the ordinary course of business. In the opinion of management, the amount of any ultimate liability with respect to these actions will not materially affect our financial condition, results of operations or cash flows.

ITEM 1A. RISK FACTORS

There were no material changes from the risk factors previously disclosed in the Company's Annual Report on Form 10-K for the year ended December 31, 2015 filed with the Securities and Exchange Commission on March 11, 2016.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

On February 3, 2016, the Company announced that the Board of Directors authorized a plan to repurchase up to an additional 214,620 of Preformed Line Products Company common shares, resulting in a total of 250,000 shares available for repurchase with no expiration date. The following table includes repurchases for the three months ended September 30, 2016:

Period (2016)	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares that may yet be Purchased under the Plans or Programs
July	13,961	$42.00	55,619	194,381
August	34,398	$42.84	90,017	159,983
September	2,342	$43.06	92,359	157,641
Total	50,701			

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

None.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

10.1	Amendment No. 2 to Amended and Restated Loan Agreement dated August 22, 2016 between the Company and PNC Bank, National Association, filed herewith.
10.2	Amended and Restated Line of Credit Note dated August 22, 2016 between the Company and PNC Bank, National Association, filed herewith.
10.3	Shares Purchase Agreement, dated August 23, 2016, between the Company and the trustee under the Irrevocable Trust Agreement between Barbara P. Ruhlman and Bernard L. Karr dated July 29, 2008 (incorporated by reference herein from the Company's Current Report on Form 8-K filed on August 23, 2016).
10.4	Shares Purchase Agreement, dated August 23, 2016, between the Company and the Thomas F. Peterson Foundation (incorporated by reference herein from the Company's Current Report on Form 8-K filed on August 23, 2016).
31.1	Certifications of the Principal Executive Officer, Robert G. Ruhlman, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, filed herewith.
31.2	Certifications of the Principal Accounting Officer, Eric R. Graef, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, filed herewith.
32.1	Certifications of the Principal Executive Officer, Robert G. Ruhlman, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, furnished.
32.2	Certifications of the Principal Accounting Officer, Eric R. Graef, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, furnished.
101.INS	XBRL Instance Document.
101.SCH	XBRL Taxonomy Extension Schema Document.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.

SIGNATURES

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

November 4, 2016	/s/ Robert G. Ruhlman Robert G. Ruhlman Chairman, President and Chief Executive Officer (Principal Executive Officer)
November 4, 2016	/s/ Eric R. Graef Eric R. Graef Chief Financial Officer, Vice President – Finance (Principal Accounting Officer)

EXHIBIT INDEX

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Exhibit 10.1

AMENDMENT NO. 2
TO AMENDED AND RESTATED LOAN AGREEMENT

This AMENDMENT NO. 2 TO AMENDED AND RESTATED LOAN AGREEMENT (this "Amendment"), is entered into as of August 22, 2016, by and among **PREFORMED LINE PRODUCTS COMPANY,** an Ohio corporation ("PLP"), **PREFORMED LINE PRODUCTS (AUSTRALIA) PTY LTD.**, a corporation incorporated under the laws of the Commonwealth of Australia ("PLP Australia" and together with PLP, the "Borrowers" and each a "Borrower"), **AND PNC BANK, NATIONAL ASSOCIATION,** a national banking association, its successors and assigns, as lender ("Bank").

WITNESSETH:

WHEREAS, Borrowers and Bank have entered into that certain Amended and Restated Loan Agreement, dated as of September 24, 2015, as amended pursuant to that certain Amendment No. 1 to Amended and Restated Loan Agreement, dated as of November 6, 2015 (as further amended, restated, modified or supplemented from time to time, the "Loan Agreement"), pursuant to which Bank has made certain loans and financial accommodations available to Borrowers;

WHEREAS, the parties desire to amend the Loan Agreement as hereinafter set forth;

NOW, THEREFORE, in consideration of the mutual promises and agreements contained herein and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto do hereby agree as follows:

1. DEFINED TERMS.

Each defined term used herein and not otherwise defined herein shall have the meaning ascribed to such term in the Loan Agreement.

2. AMENDMENTS TO THE LOAN AGREEMENT.

2.1 Amendment to Section 2.1.

Section 2.1 of the Loan Agreement shall be amended by deleting section 2.1(b) in its entirety and substituting the following therefor:

> (b) the sum of the then aggregate outstanding Loans plus the then LC Exposure would exceed $65,000,000.

2.2 Amendment to Section 2.4.

Section 2.4 of the Loan Agreement shall be amended by deleting section 2.4(b) in its entirety and substituting the following therefor:

(b) the product of (i) the then Applicable Margin (as defined in the Note) multiplied by (ii) the face amount of each standby letter of credit,

2.3 Amendment to Section 2.9.

Section 2.9 of the Loan Agreement shall be amended by deleting such section in its entirety and substituting the following therefor:

2.9 Intentionally Omitted.

2.4 Amendment to Section 4.2.

Section 4.2 of the Loan Agreement shall be amended by deleting such section in its entirety and substituting the following therefor:

4.2. Interim Financial Statements; Certificate of No Default. Furnish the Bank within 45 days after the end of each of the first three fiscal quarters of each fiscal year PLP's consolidated Financial Statements for such period, in reasonable detail, certified by an authorized officer of the Borrower Representative and prepared in accordance with GAAP consistently applied from period to period. The Borrower Representative shall also deliver a certificate as to the Borrowers' compliance with applicable financial covenants (containing detailed calculations of all financial covenants) for the period then ended and whether any Event of Default exists, and, if so, the nature thereof and the corrective measures the Borrowers propose to take (the **"Compliance Certificate"**). As used in this Agreement, **"Financial Statements"** means PLP's consolidated and, if required by the Bank in its reasonable discretion, consolidating balance sheets, income statements and statements of cash flows for the year or quarter together with year-to-date figures and comparative figures for the corresponding periods of the prior year.

2.5 Amendment to Section 4.3.

Section 4.3(a) of the Loan Agreement shall be amended by deleting such section in its entirety and substituting the following therefor:

(a) Furnish PLP's consolidated Financial Statements to the Bank within 120 days after the end of each fiscal year. Those Financial Statements will be prepared on an audited basis in accordance with GAAP by an independent certified public accountant selected by PLP and reasonably satisfactory to the Bank. Audited Financial Statements shall contain the unqualified opinion of an independent certified public accountant and all accountant examinations shall have been made in accordance with GAAP consistently applied from period to period. PLP shall also deliver to the Bank (i) copies of any management letters and auditor letters relating to the Financial Statements and (ii) a Compliance Certificate.

2.6 Amendment to Section 5.7.

Section 5.7 of the Loan Agreement shall be amended by deleting such section in its entirety and substituting the following therefor:

5.7 Dividends. Declare or pay any dividends on or make any distribution with respect to any class of its equity or ownership interest, or purchase, redeem, retire or otherwise acquire any of its equity; provided, however, that PLP may declare and pay dividends (in cash or in kind) so long as (i) no Default or Event of Default shall then exist or would thereupon occur, and (ii) the amount or value of such dividend, when added to the amount and/or value of all dividends made by PLP in the fiscal year in which such dividend is proposed to be made, does not exceed five million dollars ($5,000,000); and provided, further, that any Subsidiary of PLP may declare and pay dividends to (in cash or in kind) PLP; and provided, further, that PLP may purchase, redeem, retire or otherwise acquire any of its equity so long as (i) no Default or Event of Default shall then exist or would thereupon occur, and (ii) the dollar amount of such purchase, redemption, retirement or acquisition, when added to the dollar amounts of all purchases, redemptions, retirements or acquisitions of its equity made by PLP during the period commencing after the Amendment No. 2 Effective Date and ending on the date of the proposed transaction, does not exceed thirty million dollars ($30,000,000).

2.7 Amendment to Section 7.2.

Section 7.2 of the Loan Agreement shall be amended by deleting section 7.2(c) in its entirety and substituting the following therefor:

(c) After giving effect to any Loan or the issuance of any subject LC, the aggregate outstanding balance of the Loans plus the aggregate face amount of all outstanding subject LCs shall not exceed $65,000,000.

2.8 Amendment to Addendum.

The Addendum to Loan Agreement is amended by deleting item (2) of the Financial Covenants in its entirety and substituting the following therefor:

(2) The Borrowers will maintain at all times a ratio of Funded Debt to EBITDA on a rolling four quarter basis of less than 3.00 to 1.0.

2.9 Amendment to Addendum.

The Addendum to Loan Agreement is amended by deleting the definition of "EBITDA" in its entirety and substituting the following therefor:

> **"EBITDA"** means consolidated net income of the Companies plus consolidated interest expense of the Companies plus consolidated federal, state and local income tax expense of the Companies plus consolidated depreciation expense of the Companies plus consolidated amortization expense of the Companies plus consolidated restructuring charges incurred during such period, to the extent all such restructuring charges do not exceed Five Million Dollars ($5,000,000) in the aggregate for all testing periods over the life of this Agreement, commencing with the testing period ended as of September 30, 2016 plus non-cash foreign currency losses *minus* non-cash foreign currency gains, in all cases to the extent the amounts are included in determining GAAP net income for such period.

2.10 Amendment to Addendum.

The Addendum to Loan Agreement is amended by adding the following new definitions in appropriate alphabetical order:

> The term **"Amendment No. 2 Effective Date"** shall mean, the date on which the conditions specified in Section 5 of Amendment No. 2 are satisfied.

> The term **"Amendment No. 2"** shall mean that certain Amendment No. 2 to Amended and Restated Loan Agreement, dated as of August ____, 2016, by and between the Borrower and the Bank.

3. REPRESENTATIONS AND WARRANTIES.

Each of the Borrowers hereby represents and warrants to Bank as follows:

3.1 The Amendment. This Amendment has been duly and validly executed by an authorized officer of such Borrower and constitutes the legal, valid and binding obligation of such Borrower enforceable against such Borrower in accordance with its terms.

3.2 Loan Agreement. The Loan Agreement, as amended by this Amendment, remains in full force and effect and remains the valid and binding obligation of each Borrower enforceable against each Borrower in accordance with its terms. Each Borrower hereby ratifies and confirms the Loan Agreement.

3.3 Claims and Defenses. As of the date of this Amendment, no Borrower has any defenses, claims, counterclaims or setoffs with respect to the Loan Agreement or its Obligations thereunder or with respect to any actions of Bank or any of its respective officers, directors, shareholders, employees, agents or attorneys, and each Borrower irrevocably and absolutely waives any such defenses, claims, counterclaims and setoffs and releases Bank and each of its respective officers, directors, shareholders, employees, agents and attorneys from the same.

3.4 Representations and Warranties. The representations and warranties of each Borrower contained in the Loan Agreement (as amended hereby) and the other Loan Documents (as amended in connection herewith), are true and correct.

3.5 No Event of Default. No Event of Default or condition which, but for the giving of notice or passage of time, would give rise to an Event of Default has occurred and is continuing.

3.6 Material Adverse Change. No Material Adverse Change has occurred since the Closing Date.

4. REAFFIRMATION.

Each of the Borrowers hereby (i) acknowledges and agrees that the terms and provisions hereof shall not affect in any way any payment, performance, observance or other obligations or liabilities of such Borrower under the Loan Agreement or under any of the other Loan Documents, all of which obligations and liabilities shall remain in full force and effect and extend to the further loans, extensions of credit and other Obligations incurred under the Loan Documents, and each of which obligations and liabilities are hereby ratified, confirmed and reaffirmed in all respects.

5. CONDITIONS PRECEDENT TO EFFECTIVENESS OF THIS AMENDMENT.

In addition to all of the other conditions and agreements set forth herein, the effectiveness of this Amendment is subject to each of the following conditions precedent:

5.1 Amendment No. 2 to Amended and Restated Loan Agreement. Bank shall have received an original counterpart of this Amendment, executed and delivered by a duly authorized officer of each Borrower.

5.2. Sixth Amended and Restated Note. Bank shall have received that certain Sixth Amended and Restated Line of Credit Note, executed and delivered by a duly authorized officer of each Borrower in favor of Bank.

5.3 Fees and Expenses. Borrowers shall have paid all fees of Bank in connection with this Amendment including, without limitation, all legal fees.

5.4 Resolutions; Officer's Certificate of Borrowers. Bank shall have received (a) a copy of the resolutions, in form and substance satisfactory to Bank, of the Board of Directors of PLP authorizing the execution, delivery and performance of this Amendment and all other agreements, documents and instruments executed in connection therewith, (b) a certificate of the Secretary or Assistant Secretary of PLP, as to the incumbency and signature of the officers of PLP executing this Amendment and all other agreements, documents or instruments executed in connection therewith, together with evidence of the incumbency of such Secretary or Assistant

Secretary, and (c) a certificate of the Secretary or Assistant Secretary of PLP as to the Articles of Incorporation of PLP and as to the Code of Regulations of PLP.

5.5 Good Standing Certificates. Bank shall have received good standing certificates (or foreign equivalents as applicable) for PLP dated not more than 30 days prior to the date hereof, issued by the Secretary of State or other appropriate official of PLP's jurisdiction of incorporation and each jurisdiction where the conduct of PLP's business activities or the ownership of its properties necessitates qualification.

5.6 Other Documents and Deliveries. Bank shall have received such other agreements, documents, and instruments executed in connection with this Amendment and any other materials as reasonably requested by Bank.

6. MISCELLANEOUS.

6.1 Governing Law. This Amendment shall be governed by and construed in accordance with the law of the State of Ohio, without regard to principles of conflict of law.

6.2 Severability. Each provision of this Amendment shall be interpreted in such manner as to be valid under applicable law, but if any provision hereof shall be invalid under applicable law, such provision shall be ineffective to the extent of such invalidity, without invalidating the remainder of such provision or the remaining provisions hereof.

6.3 Counterparts. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement. Delivery of an executed counterpart hereof by facsimile shall be effective as manual delivery of such counterpart; provided, however, that, each party hereto will promptly thereafter deliver counterpart originals of such counterpart facsimiles delivered by or on behalf of such party.

6.4 Nonwaiver. The execution, delivery, performance and effectiveness of this Amendment shall not operate nor be deemed to be nor construed as a waiver (i) of any right, power or remedy of Bank under the Loan Agreement, nor (ii) of any term, provision, representation, warranty or covenant contained in the Loan Agreement or any other documentation executed in connection therewith. Further, none of the provisions of this Amendment shall constitute, be deemed to be or construed as, a waiver of any Event of Default under the Loan Agreement, as amended by this Agreement.

6.5 Reference to and Effect on the Loan Agreement. Upon the effectiveness of this Amendment, each reference in the Loan Agreement to "this Agreement", "hereunder", "hereof", "herein", or words of like import shall mean and be a reference to the Loan Agreement, as amended hereby, and each reference to the Loan Agreement in any other document, instrument or agreement executed and/or delivered in connection with the Loan Agreement shall mean and be a reference to the Loan Agreement, as amended hereby.

6.6 Post-Closing Deliveries. Not later than ten (10) days from the date hereof, Bank shall have received from PLP Australia, a certified copy of the resolutions, in form and substance satisfactory to Bank, of the Board of Directors of PLP Australia authorizing the execution, delivery and performance of this Amendment and all other agreements, documents and instruments executed in connection therewith. Each Borrower acknowledges and agrees that PLP Australia's failure to comply with this Section 6.6 shall constitute an Event of Default.

[Remainder of this page intentionally left blank; Signature page follows]

IN WITNESS WHEREOF, Borrowers have caused this Amendment to be duly executed and delivered by its duly authorized officer as of the date first above written.

PREFORMED LINE PRODUCTS COMPANY

By: /s/ Eric R. Graef__________________________
Name: Eric R. Graef__________________________
Title: Chief Financial Officer, Vice President-Finance

PREFORMED LINE PRODUCTS (AUSTRALIA) PTY LTD

By: /s/ William H. Haag_______________________
Name: William H. Haag_______________________
Title: Vice President International Operations

ACCEPTED BY:

PNC BANK, NATIONAL ASSOCIATION,
as Bank
By: Sherri A. Barr______________________
Name: Sherri A. Barr____________________
Title: Senior Vice President_______

Exhibit 10.2

SIXTH AMENDED AND RESTATED LINE OF CREDIT NOTE

$65,000,000 August 22, 2016

FOR VALUE RECEIVED, **PREFORMED LINE PRODUCTS COMPANY,** a corporation incorporated under the laws of the State of Ohio (**"PLP"**) with an address at 660 Beta Drive, Mayfield Village, Ohio 44143 and **PREFORMED LINE PRODUCTS (AUSTRALIA) PTY LTD**, a corporation incorporated under the laws of the Commonwealth of Australia (**"PLP Australia"**) (PLP and PLP Australia are each a **"Borrower"** and collectively, the **"Borrowers"**), with an address at 190 Power Street, Glendenning NSW 2761, Australia, jointly and severally, promise to pay to the order of **PNC BANK, NATIONAL ASSOCIATION** (the **"Bank"**), in lawful money of the United States of America in immediately available funds at its offices located at 1900 East Ninth Street, Cleveland, Ohio 44114, or at such other location as the Bank may designate from time to time, the principal sum of **SIXTY-FIVE MILLION DOLLARS** ($65,000,000) (the **"Facility"**) or such lesser amount as may be advanced to or for the benefit of the Borrowers hereunder, together with interest accruing on the outstanding principal balance from the date hereof, all as provided below; **provided**, **however**, that at no time shall the liability of PLP Australia exceed the outstanding Australian Loan (as defined below) plus interest accrued thereon pursuant to the terms of this Note.

This Sixth Amended and Restated Line of Credit Note evidences, but does not extinguish or satisfy, and is not a novation of, the pre-existing indebtedness of the Borrowers to the Bank under, and amends and restates that certain Fifth Amended and Restated Line of Credit Note, dated as of September 24, 2015, in the original principal amount of $50,000,000, made by the Borrowers in favor of the Bank, amending and restating that certain Fourth Amended and Restated Line of Credit Note, dated as of January 23, 2014, in the original principal amount of $50,000,000, made by PLP in favor of the Bank, amending and restating that certain Third Amended and Restated Line of Credit Note, dated as of May 24, 2012, in the original principal amount of $90,000,000, made by PLP in favor of the Bank, amending and restating that certain Second Amended and Restated Line of Credit Note, dated as of November 7, 2011, in the original principal amount of $70,000,000, made by PLP in favor of the Bank, amending and restating that certain Amended and Restated Line of Credit Note, dated as of May 31, 2011, in the original principal amount of $35,000,000, made by PLP in favor of the Bank, amending and restating that certain Line of Credit Note, dated as of February 5, 2010, in the original principal amount of $30,000,000, made by PLP in favor of the Bank (collectively, the **"Original Note"**). All agreements, instruments, documents and obligations related to the Original Note remain in full force and effect.

1. **Advances.** (a) The Borrower Representative (as defined in the Loan Agreement (as hereinafter defined)) may request advances, repay and request additional advances hereunder until the Expiration Date, subject to the terms and conditions of this Note and the Loan Documents (as hereinafter defined). The **"Expiration Date"** shall mean June 30, 2019, or such later date as may be designated by the Bank by written notice from the Bank to the Borrower Representative. Each Borrower acknowledges and agrees that in no event will the Bank be under any obligation to extend or renew the Facility or this Note beyond the Expiration Date. The Borrower Representative may request advances hereunder upon giving oral or written notice to the Bank by 11:00 a.m. (Cleveland, Ohio time) (a) on the day of the proposed advance, in the case of advances to bear interest under the Base Rate Option (as hereinafter defined) and (b) three (3) Business Days prior to the proposed advance, in the case of advances to bear interest under the LIBOR Option (as hereinafter defined), followed promptly thereafter by the Borrower Representative's written confirmation to the Bank of any oral notice. The aggregate unpaid principal amount of advances under this Note plus the LC Exposure (as defined in the Loan Agreement (as hereinafter defined)) shall not exceed the face amount of this Note.

(b) The Borrower Representative may request that advances under this Note and subject LCs under the Loan Documents be made or issued in an Agreed Foreign Currency; provided, that in no event shall the sum of (i) the aggregate outstanding principal amount of advances under this Note made in Agreed Foreign Currencies plus (ii) the sum of the aggregate undrawn balance of all then outstanding subject LCs under the Loan Documents issued in Agreed Foreign Currencies and the aggregate amount of all unreimbursed draws of all then outstanding subject LCs under the Loan Documents issued in Agreed Foreign Currencies (the "**Foreign LC Exposure**") exceed $15,000,000 at any one time outstanding (the "**Agreed Foreign Currency Limit**"). In no event shall advances made under this Note in Agreed Foreign Currencies in Australian Dollars to PLP Australia (the "**Australian Loan**") exceed $2,000,000 Australian Dollars at any one time outstanding (the "**Australian Loan Limit**"). Further, in no event shall the Foreign LC Exposure exceed $5,000,000 at any one time outstanding. As used herein, the term "**Agreed Foreign Currencies**" shall mean Mexican Pesos, Australian Dollars and any other foreign currency requested by the Borrower Representative and approved by the Bank in its sole discretion, and "**Agreed Foreign Currency**" shall mean any one of such currencies. Other than Australian Loans, each advance under this Note made in an Agreed Foreign Currency shall bear interest at the LIBOR Option in accordance with the terms hereof. The Bank may, with respect to advances made in an Agreed Foreign Currency, engage in reasonable rounding of the Agreed Foreign Currency amounts requested.

(c) All advances under this Note and subject LCs under the Loan Documents made or issued in Agreed Foreign Currencies shall be governed by the Bank's standard fees, charges, agreements, policy guidelines and other terms and provisions relating to such advances and issuances as in effect from time to time (collectively, the "**Bank's Standard Foreign Currency Terms**"), in addition to the specific provisions set forth herein. In the event of any conflict between the Bank's Standard Foreign Currency Terms and the terms of this Note or any other Loan Document, the Bank's Standard Foreign Currency Terms shall govern.

(d) The Bank will determine the Dollar Amount of all outstanding advances under this Note made in Agreed Foreign Currencies and the Foreign LC Exposure (such outstanding advances and the Foreign LC Exposure at any time being the "**Foreign Currency Outstandings**") from time to time on and as of any Business Day elected by the Bank in its sole discretion (each such day upon or as of which the Bank so determines Dollar Amounts being a "**Computation Date**"). If at any time the Dollar Amount of Foreign Currency Outstandings (calculated as of the most recent Computation Date) exceeds the Agreed Foreign Currency Limit, then the Borrowers shall immediately prepay such Foreign Currency Outstandings in an aggregate principal amount sufficient to eliminate any such excess. If at any time the aggregate amount of all Australian Loan advances outstanding under this Note exceeds the Australian Loan Limit, then the Borrowers shall immediately prepay in Australian Dollars an aggregate principal amount to eliminate such excess (as such amount is determined by the Bank). As used herein, the term "**Dollar Amount**" shall mean, with respect to any currency at any date, (i) the amount of such currency if such currency is in Dollars or (ii) the equivalent in such currency of such amount of Dollars if such currency is currency other than Dollars, calculated on the basis of the arithmetical mean of the buy sell spot rates of exchange of the Bank for such currency on the London market at 11:00 a.m. London time, on or as of the most recent Computation Date. "**Dollars**" and "**$**" mean the lawful currency of the United States of America.

All payments due hereunder shall be made free and clear of and without deduction for any and all present or future taxes, levies, imports, deductions, charges or withholdings imposed by any jurisdiction or taxing authority, domestic or foreign, and all liabilities with respect thereto, excluding (i) taxes imposed on the Bank's net income and (ii) taxes imposed on the Bank's net income and franchise taxes imposed on the Bank, by the jurisdiction of the Bank's lending office or any political subdivision thereof (all such nonexcluded taxes, levies, imposts, deductions, charges withholdings and liabilities being hereinafter referred to as "**Taxes**"). If any Borrower shall be required by law to deduct or withhold any Taxes from or in respect of any sum payable hereunder (i) the sum payable shall be increased as may be necessary so that after making all required deductions and withholdings (including deductions applicable to additional sums payable under this paragraph) the Bank will receive an amount equal to the sum the Bank would have received had no such deductions or withholdings been made, and (ii) each Borrower agrees to pay the full amount deducted or withheld to the relevant taxation authority or other authority in accordance with applicable law and promptly provide to the Bank the official receipt or other document evidencing such payment. In addition, each Borrower agrees to pay any present or future stamp or document taxes or any other excise or property taxes, charges or similar levies which arise from any payment made hereunder or from the execution, delivery or registration of, or otherwise with respect to, this Note (hereinafter referred to as "**Other Taxes**"). If any Taxes or Other Taxes required to be paid by any Borrower hereunder are not paid and are imposed on and paid by the Bank, the Borrowers shall indemnify the Bank and reimburse the Bank for the amount of such payment, together with any interest, penalties and expenses in connection therewith, whether or not such tax shall have been correctly or legally imposed. Such reimbursement shall be made within thirty (30) days from the date the Bank makes written demand therefor.

The specification herein that payment be made in the relevant Agreed Foreign Currency or Dollars, as the case may be, at 1900 East Ninth Street, Cleveland, Ohio 44114 or such other location as may be designated by the Bank from time to time, is of the essence hereof. If payment is not made in the currency due hereunder or under any other Loan Document (the "**Contractual Currency**") or if any court or tribunal shall render a judgment or order for the payment of amounts due hereunder or under any other Loan Document and such judgment is expressed in a currency other than the Contractual Currency, each Borrower shall indemnify and hold the Bank harmless against any deficiency in terms of the amount received by the Bank arising or resulting from any variation as between (i) the rate of exchange at which the Contractual Currency is converted into the currency actually received or the currency in which the judgment is expressed (the "**Received Currency**") and (ii) the rate of exchange at which the Bank would, in accordance with normal banking procedures, be able to purchase the Contractual Currency with the Received Currency by the Bank on the Business Day following receipt of the Received Currency. If the court or tribunal has fixed the date on which the rate of exchange is determined for the conversion of the judgment currency into the Contractual Currency (the "**Conversion Date**") and if there is a change in the rate of exchange prevailing between the Conversion Date and the date of receipt by the Bank, then the Borrowers will, notwithstanding such judgment or order, pay such additional amount as may be necessary to ensure that the amount paid in the Received Currency when converted at the rate of exchange prevailing on the date of receipt will produce the amount then due to the Bank from the Borrowers hereunder in the Contractual Currency.

If a Borrower shall wind up, liquidate, dissolve or become bankrupt while there remains outstanding (i) any amounts owing to the Bank under this Note or under any other Loan Document, (ii) any damages owing to the Bank in respect of a breach of any of the terms hereof or (iii) any judgment or order rendered in respect of such amounts or damages, each Borrower shall indemnify and hold the Bank harmless against any deficiency in terms of the Contractual Currency in the amounts received by the Bank arising or resulting from any variation as between (a) the rate of exchange at which the Contractual Currency is converted into another currency (the "**Liquidation Currency**") for purposes of such winding-up, liquidation, dissolution or bankruptcy with regard to the amount in the Contractual Currency due or contingently due hereunder or under any other Loan Document or under any judgment or order into which the relevant obligations hereunder or under any other Loan Document shall have been merged and (b) the rate of exchange at which the Bank could, in accordance with normal banking procedures be able to purchase the Contractual Currency with the Liquidation Currency at the earlier of (1) the date of payment of such amounts or damages and (2) the final date or dates for the filing of proofs of a claim in a winding-up, liquidation, dissolution or bankruptcy. As used in the preceding sentence, the "final date" or "dates for the filing of proofs of a claim in a winding-up, liquidation, dissolution or bankruptcy" shall be the date fixed by the liquidator or other appropriate person or otherwise applicable under the applicable law as being the last practicable date as of which the liabilities of a Borrower may be ascertained for such winding-up, liquidation, dissolution or bankruptcy before payment by the liquidator or other appropriate person in respect thereof.

2. **Rate of Interest.** Each advance outstanding under this Note will bear interest at a rate or rates per annum as may be selected by the Borrowers from the interest rate options set forth below (other than advances denominated in Australian Dollars which shall bear interest at the rate per annum set forth in subpart (iv below) (each, an "**Option**"):

(i) **Base Rate Option.** A rate of interest per annum which is at all times equal to (A) the Base Rate plus (B) the Applicable Margin per annum, then in effect. If and when the Base Rate (or any component thereof) changes, the rate of interest with respect to any advance to which the Base Rate Option applies will change automatically without notice to the Borrowers, effective on the date of any such change. There are no required minimum interest periods for advances bearing interest under the Base Rate Option.

(ii) **LIBOR Option.** A rate per annum equal to (A) LIBOR plus (B) the Applicable Margin per annum, then in effect, for the applicable LIBOR Interest Period.

(iii) **Daily LIBOR Option.** A rate per annum which is at all times equal to (A) Daily LIBOR plus (B) the Applicable Margin per annum, then in effect, so long as a Daily LIBOR is offered, ascertainable and not unlawful. If and when Daily LIBOR (or any component thereof) changes, the rate of interest with respect to any advance to which the Daily LIBOR Option applies will change automatically without notice to the Borrowers, effective on the date of any such change. There are no required minimum interest periods for advances bearing interest under the Daily LIBOR Option.

(iv) **Australian Dollar Loans**. The rate per annum equal to (A) the Australian Bank Bill Swap Bid Rate or the successor thereto as approved by the Bank as published by Bloomberg (or on any successor or substitute service providing rate quotations comparable to those currently provided by such service, as determined by the Bank from time to time), rounded to the nearest 1/100th of 1% (with .005% being rounded up) per annum at approximately 10:00 a.m., Sydney, Australia time, two (2) Business Days prior to the commencement of such Australian Dollar Loan Interest Period, as the rate for deposits in Australian Dollars with a maturity comparable to such Australian Dollar Loan Interest Period plus (B) the Applicable Margin per annum, then in effect, for the applicable Australian Dollar Loan Interest Period.

For purposes hereof, the following terms shall have the following meanings:

"Adjustment Date" means the date, with respect to each fiscal quarter of PLP in each fiscal year, commencing with the first (1st) fiscal quarter end immediately following the date hereof, that is the first day of the first calendar month after the date on which PLP delivers the financial statements required hereunder to be delivered with respect to such fiscal quarter, together with a Compliance Certificate.

"**Applicable Margin**" shall mean, for any day, with respect to any advance made under the Facility, (i) from the date hereof until the first Adjustment Date thereafter, (x) the percentage per annum applicable to Letters of Credit, Base Rate Option, LIBOR Option, Daily LIBOR Option or Australian Dollar Loans, as the case may be in Tier 1 in the table set forth below, and (ii) from and after such first Adjustment Date and any subsequent Adjustment Date, the percentage per annum applicable to Letters of Credit, Base Rate Option, LIBOR Option, Daily LIBOR Option or Australian Dollar Loans, as the case may be, corresponding to the level of the Funded Debt to EBITDA Ratio in the table set forth below for the trailing twelve month period ending on the last day of the most recently completed fiscal quarter prior to the applicable Adjustment Date, provided, however, that notwithstanding clauses (i) and (ii) above, to the extent that either (A) the financial statements or the Compliance Certificate required to be delivered following any fiscal quarter are not delivered by the due date therefor, or (B) any Event of Default has occurred and is continuing, then the Applicable Margin shall be, from and after such due date or the date of such Event of Default (as applicable) until the date on which such financial statements and Compliance Certificate are delivered or such Event of Default is no longer continuing (as applicable), the percentage per annum applicable to Letters of Credit, Base Rate Option, LIBOR Option, Daily LIBOR Option or Australian Dollar Loans, as the case may be, set forth in Tier 2; provided, further, however, that nothing in herein shall limit the applicability of Section 6 with respect to the imposition of a default rate of interest:

	Funded Debt to EBITDA Ratio	**Applicable Margin for Base Rate Option (bps)**	**Applicable Margin for LIBOR Option (bps)**	**Applicable Margin for Daily LIBOR Option (bps)**	**Applicable Margin for Australian Dollar Loans (bps)**	**Applicable Margin for Letters of Credit (bps)**
Tier 1	Less than or equal to 2.25x	0	112.5	112.5	112.5	112.5
Tier 2	Greater than 2.25x	37.5	150	150	150	150

"**Australian Bank Bill Swap Bid Rate**" shall mean the bank bill interest rate, the wholesale interbank rate within Australia as published by the Australian Financial Markets Association (AFMA). It is the borrowing rate among the country's top market makers, and is widely used as the benchmark interest rate for financial instruments.

"**Australian Dollar Loan Interest Period**" shall mean, as to any advance to which the Australian Bank Bill Swap Bid Rate applies, the period of thirty (30) days, commencing on the date of disbursement of an advance (or the date of conversion of an advance to the Australian Bank Bill Swap Bid Rate, as the case may be) and each successive period of thirty (30) days thereafter; provided that, if an Australian Dollar Loan Interest Period would end on a day which is not a Business Day, it shall end on the next succeeding Business Day unless such day falls in the next succeeding calendar month in which case the Australian Dollar Loan Interest Period shall end on the next preceding Business Day.

"**Base Rate**" shall mean the highest of (A) the Prime Rate, and (B) the sum of the Federal Funds Open Rate plus fifty (50) basis points (0.50%), and (C) the sum of the Daily LIBOR plus one hundred (100) basis points (1.0%), so long as a Daily LIBOR is offered, ascertainable and not unlawful.

"**Business Day**" shall mean any day other than a Saturday or Sunday or a legal holiday on which commercial banks are authorized or required by law to be closed for business in Cleveland, Ohio.

"**Change of Control**" shall mean (a) the Ruhlman Family shall cease to own directly or beneficially at least 25% of the outstanding voting Equity Interests of PLP on a fully diluted basis, in each case free and clear of all Liens or other encumbrances; (b) PLP shall cease to own, free and clear of all Liens or other encumbrances, at least the percentage of the outstanding voting Equity Interests of each of its subsidiaries on a fully diluted basis as is indicated on the corporate structure chart delivered to Bank in connection with the initial closing of the Loan Agreement (as hereinafter defined); (c) occupation of a majority of the seats (other than vacant seats) on the board of directors of PLP or any of its subsidiaries, as the case may be, by Persons who were neither (i) nominated by the board of directors of such entity nor (ii) appointed by directors so nominated; (d) the acquisition of direct or indirect Control of PLP by any Person or group other than the Ruhlman Family; or (e) PLP shall cease to own, free and clear of all Liens or other encumbrances 100% of the outstanding voting Equity Interests of PLP Australia.

"**Company**" shall have the meaning ascribed thereto in the Loan Agreement (as hereinafter defined).

"**Control**" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. "**Controlling**" and "**Controlled**" have meanings correlative thereto.

"**Daily LIBOR**" shall mean, for any day, the rate per annum determined by the Bank by dividing (x) the Published Rate by (y) a number equal to 1.00 minus the LIBOR Reserve Percentage, provided, however, if the Daily LIBOR Rate determined as provided above would be less than zero, then such rate shall be deemed to be zero.

"**Equity Interests"** means shares of capital stock, partnership interests, membership interests in a limited liability company, beneficial interests in a trust or other equity ownership interests in a Person, and any warrants, options or other rights entitling the holder thereof to purchase or acquire any such equity interest.

"Federal Funds Open Rate" shall mean, for any day, the rate per annum (based on a year of 360 days and actual days elapsed) which is the daily federal funds open rate as quoted by ICAP North America, Inc. (or any successor) as set forth on the Bloomberg Screen BTMM for that day opposite the caption "OPEN" (or on such other substitute Bloomberg Screen that displays such rate), or as set forth on such other recognized electronic source used for the purpose of displaying such rate as selected by the Bank (an "**Alternate Source**") (or if such rate for such day does not appear on the Bloomberg Screen BTMM (or any substitute screen) or on any Alternate Source, or if there shall at any time, for any reason, no longer exist a Bloomberg Screen BTMM (or any substitute screen) or any Alternate Source, a comparable replacement rate determined by the Bank at such time (which determination shall be conclusive absent manifest error); provided however, that if such day is not a Business Day, the Federal Funds Open Rate for such day shall be the "open" rate on the immediately preceding Business Day. The rate of interest charged shall be adjusted as of each Business Day based on changes in the Federal Funds Open Rate without notice to the Borrowers.

"**Governmental Authority**" means the government of the United States of America, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

"**LIBOR**" shall mean, with respect to any advance to which the LIBOR Option applies for the applicable LIBOR Interest Period, the interest rate per annum determined by the Bank by dividing (the resulting quotient rounded upwards, at the Bank's discretion, to the nearest 1/100th of 1%) (i) the rate of interest determined by the Bank in accordance with its usual procedures (which determination shall be conclusive absent manifest error) to be the eurodollar rate two (2) Business Days prior to the first day of such LIBOR Interest Period for an amount comparable to such advance and having a borrowing date and a maturity comparable to such LIBOR Interest Period by (ii) a number equal to 1.00 minus the LIBOR Reserve Percentage, provided, however, if LIBOR determined as provided above would be less than zero, then such rate shall be deemed to be zero.

"**LIBOR Interest Period**" shall mean, as to any advance to which the LIBOR Option applies, the period of one (1), two (2), three (3), six (6) or twelve (12) month/months as selected by any Borrower in its notice of borrowing or notice of conversion, as the case may be, commencing on the date of disbursement of an advance (or the date of conversion of an advance to the LIBOR Option, as the case may be) and each successive period selected by such Borrower thereafter; provided that, (i) if a LIBOR Interest Period would end on a day which is not a Business Day, it shall end on the next succeeding Business Day unless such day falls in the next succeeding calendar month in which case the LIBOR Interest Period shall end on the next preceding Business Day, (ii) no Borrower may select a LIBOR Interest Period that would end on a day after the Expiration Date, and (iii) any LIBOR Interest Period that begins on the last Business Day of a calendar month (or a day for which there is no numerically corresponding day in the last calendar month of such LIBOR Interest Period) shall end on the last Business Day of the last calendar month of such LIBOR Interest Period.

"**LIBOR Reserve Percentage**" shall mean the maximum effective percentage in effect on such day as prescribed by the Board of Governors of the Federal Reserve System (or any successor) for determining the reserve requirements (including, without limitation, supplemental, marginal and emergency reserve requirements) with respect to eurocurrency funding (currently referred to as "Eurocurrency liabilities").

"**Person**" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

"Prime Rate" shall mean the rate publicly announced by the Bank from time to time as its prime rate. The Prime Rate is determined from time to time by the Bank as a means of pricing some loans to its borrowers. The Prime Rate is not tied to any external rate of interest or index, and does not necessarily reflect the lowest rate of interest actually charged by the Bank to any particular class or category of customers.

"**Published Rate**" shall mean the rate of interest published each Business Day in the Wall Street Journal "Money Rates" listing under the caption "London Interbank Offered Rates" for a one month period (or, if no such rate is published therein for any reason, then the Published Rate shall be the eurodollar rate for a one month period as published in another publication selected by the Bank).

"Ruhlman Family" shall mean Barbara P. Ruhlman Irrevocable Trust Dated July 29, 2008, Barbara P. Ruhlman, Robert G. Ruhlman, Abigail Ruhlman, Randall M. Ruhlman, J. Ryan Ruhlman, Maegan A. Ruhlman, and each of such individual's offspring.

LIBOR and the Daily LIBOR shall be adjusted with respect to any advance to which the LIBOR Option or Base Rate Option or the Daily LIBOR Option applies, as applicable, on and as of the effective date of any change in the LIBOR Reserve Percentage. The Bank shall give prompt notice to the Borrowers of LIBOR or the Daily LIBOR as determined or adjusted in accordance herewith, which determination shall be conclusive absent manifest error.

If the Bank determines (which determination shall be final and conclusive) that, by reason of circumstances affecting the eurodollar market generally, deposits in dollars (in the applicable amounts) are not being offered to banks in the eurodollar market for the selected term, or adequate means do not exist for ascertaining LIBOR, then the Bank shall give notice thereof to the Borrowers. Thereafter, until the Bank notifies the Borrowers that the circumstances giving rise to such suspension no longer exist, (a) the availability of the LIBOR Option and Daily LIBOR Option shall be suspended, and (b) the interest rate for all advances then bearing interest under the LIBOR Option or the Daily LIBOR Option, as applicable, shall be converted at the expiration of the then current LIBOR Interest Period(s) to the Base Rate Option.

In addition, if, after the date of this Note, the Bank shall determine (which determination shall be final and conclusive) that any enactment, promulgation or adoption of or any change in any applicable law, rule or regulation, or any change in the interpretation or administration thereof by a governmental authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by the Bank with any guideline, request or directive (whether or not having the force of law) of any such authority, central bank or comparable agency shall make it unlawful or impossible for the Bank to make or maintain or fund loans based on LIBOR or in an Agreed Foreign Currency, the Bank shall notify the Borrowers. Upon receipt of such notice, until the Bank notifies the Borrowers that the circumstances giving rise to such determination no longer apply, (a) the availability of the LIBOR Option and the Daily LIBOR Option and the option to request advances and subject LCs in such Agreed Foreign Currency shall be suspended, and (b) the interest rate on all advances then bearing interest under the LIBOR Option and the Daily LIBOR Option shall be converted to the Base Rate Option either (i) on the last day of the then current LIBOR Interest Period(s) if the Bank may lawfully continue to maintain advances based on LIBOR to such day, or (ii) immediately if the Bank may not lawfully continue to maintain advances based on LIBOR, and (c) Borrowers will prepay all outstanding advances hereunder made in such Agreed Foreign Currency, together with interest thereon, and (d) all subject LCs issued in such Foreign Currencies shall be deemed terminated.

The foregoing notwithstanding, it is understood that the Borrowers may select different Options to apply simultaneously to different portions of the advances and may select up to six (6) different interest periods to apply simultaneously to different portions of the advances bearing interest under the LIBOR Option. Interest hereunder will be calculated based on the actual number of days that principal is outstanding over a year of 360 days. In no event will the rate of interest hereunder exceed the maximum rate allowed by law.

3. **Interest Rate Election**. Subject to the terms and conditions of this Note, at the end of each interest period applicable to any advance, the Borrower Representative may renew the Option applicable to such advance or convert such advance to a different Option; provided that, during any period in which any Event of Default (as hereinafter defined) has occurred and is continuing, any advances bearing interest under the LIBOR Option or the Daily LIBOR Option shall, at the Bank's sole discretion, be converted at the end of the applicable LIBOR Interest Period (or immediately in the case of the Daily LIBOR Option) to the Base Rate Option and the LIBOR Option and the Daily LIBOR Option will not be available to the Borrowers with respect to any new advances (or with respect to the conversion or renewal of any existing advances) until such Event of Default has been cured by the Borrowers or waived by the Bank. The Borrower Representative shall notify the Bank of each election of an Option, each conversion from one Option to another, the amount of the advances then outstanding to be allocated to each Option and where relevant the interest periods therefor. In the case of converting to the LIBOR Option or the Daily LIBOR Option, such notice shall be given at least three (3) Business Days prior to the commencement of any LIBOR Interest Period or when the Borrower Representative would like to commence the Daily LIBOR Option, as the case may be. If no interest period is specified in any such notice for which the resulting advance is to bear interest under the LIBOR Option, the Borrower Representative shall be deemed to have selected a LIBOR Interest Period of one month's duration. If no notice of election, conversion or renewal is timely received by the Bank with respect to any advance, the Borrower Representative shall be deemed to have elected the Base Rate Option. Any such election shall be promptly confirmed in writing by such method as the Bank may require.

4. Advance Procedures. A request for advance made by telephone must be promptly confirmed in writing by such method as the Bank may require. Each Borrower authorizes the Bank to accept telephonic requests for advances, and the Bank shall be entitled to rely upon the authority of the CFO, VP – Finance, Controller, General Counsel, or Treasury Manager providing such instructions. Each Borrower hereby indemnifies and holds the Bank harmless from and against any and all damages, losses, liabilities, costs and expenses (including reasonable attorneys' fees and expenses) which may arise or be created by the acceptance of such telephone requests or making such advances. The Bank will enter on its books and records, which entry when made will be presumed correct, the date and amount of each advance, the interest rate and interest period applicable thereto, as well as the date and amount of each payment.

5. Payment Terms; Commitment Fee. The Borrowers shall pay accrued interest on the unpaid principal balance of this Note in arrears: (a) for the portion of advances bearing interest under the Base Rate Option and the Daily LIBOR Option, on the first day of each month during the term hereof, (b) for the portion of advances bearing interest under the LIBOR Option, on the last day of the respective LIBOR Interest Period for such advance, (c) if any LIBOR Interest Period is longer than three (3) months, then also on the three (3) month anniversary of such interest period and every three (3) months thereafter, and (d) for all advances, at maturity, whether by acceleration of this Note or otherwise, and after maturity, on demand until paid in full. All outstanding principal and accrued interest hereunder shall be due and payable in full on the Expiration Date. All advances under this Note shall be repaid and each payment of interest thereon shall be paid in the currency in which such advance was made. If for any reason any Borrower is prohibited by any law, rule, regulation or any other reason from making any required payment hereunder or under any of the other Loan Documents in an Agreed Foreign Currency, such Borrower will make such payment in Dollars in the Dollar Amount of such Agreed Foreign Currency payment amount.

If any payment under this Note shall become due on a Saturday, Sunday or public holiday under the laws of the State where the Bank's office indicated above is located, such payment shall be made on the next succeeding Business Day and such extension of time shall be included in computing interest in connection with such payment. Each Borrower hereby authorizes the Bank to charge such Borrower's deposit account at the Bank for any payment when due hereunder. Payments received will be applied to charges, fees and expenses (including attorneys' fees), accrued interest and principal in any order the Bank may choose, in its sole discretion.

The Borrowers shall pay to the Bank quarterly in arrears, on the last day of each calendar quarter, a commitment fee in the amount of the product of twenty (20) basis points (0.20%) per annum multiplied by the average daily unused amount of the Facility during the most recently ended quarter.

Notwithstanding anything to the contrary set forth herein or in any of the other Loan Documents, if, after the making of any advance under this Note in any currency other than Dollars, currency control or exchange regulations are imposed in the country which issues such currency with the result that the type of currency in which such advance was made (the "**Original Currency**") no longer exists or a Borrower is not able to make payment to the Bank in such Original Currency, then all payments to be made by such Borrower hereunder in such currency shall instead be made when due in Dollars in an amount equal to the Dollar Amount (as of the date of repayment) of such payment due, it being the intention of the parties hereto that the Borrowers take all risks of the imposition of any such currency control or exchange regulations.

6. **Late Payments; Default Rate.** If any Borrower fails to make any payment of principal, interest or other amount coming due pursuant to the provisions of this Note within fifteen (15) calendar days of the date due and payable, such Borrower also shall pay to the Bank a late charge equal to the lesser of five percent (5%) of the amount of such payment or $100.00 (the **"Late Charge"**). Such fifteen (15) day period shall not be construed in any way to extend the due date of any such payment. Upon maturity, whether by acceleration, demand or otherwise, and at the Bank's option upon the occurrence of any Event of Default (as hereinafter defined) and during the continuance thereof, each advance outstanding under this Note shall bear interest at a rate per annum (based on the actual number of days that principal is outstanding over a year of 360 days) which shall be two percentage points (2%) in excess of the interest rate in effect from time to time under this Note but not more than the maximum rate allowed by law (the **"Default Rate"**). The Default Rate shall continue to apply whether or not judgment shall be entered on this Note. Both the Late Charge and the Default Rate are imposed as liquidated damages for the purpose of defraying the Bank's expenses incident to the handling of delinquent payments, but are in addition to, and not in lieu of, the Bank's exercise of any rights and remedies hereunder, under the other Loan Documents or under applicable law, and any fees and expenses of any agents or attorneys which the Bank may employ. In addition, the Default Rate reflects the increased credit risk to the Bank of carrying a loan that is in default. Each Borrower agrees that the Late Charge and Default Rate are reasonable forecasts of just compensation for anticipated and actual harm incurred by the Bank, and that the actual harm incurred by the Bank cannot be estimated with certainty and without difficulty.

7. **Prepayment; Reduction of Facility.** The Borrowers shall have the right to prepay any advance hereunder at any time and from time to time, in whole or in part; subject, however, to payment of any break funding indemnification amounts owing pursuant to paragraph 8 below. The Borrowers shall have the right to reduce the Facility from time to time in a minimum of $1,000,000 increments.

8. **Yield Protection; Break Funding Indemnification**. The Borrowers shall pay to the Bank on written demand therefor, together with the written evidence of the justification therefor, all direct costs incurred, losses suffered or payments made by Bank by reason of any change in law or regulation or its interpretation imposing any reserve, deposit, allocation of capital, or similar requirement (including without limitation, Regulation D of the Board of Governors of the Federal Reserve System) on the Bank, its holding company or any of their respective assets. In addition, each Borrower agrees to indemnify the Bank against any liabilities, losses or expenses (including, without limitation, loss of margin, any loss or expense sustained or incurred in liquidating or employing deposits from third parties, and any loss or expense incurred in connection with funds acquired to effect, fund or maintain any advance (or any part thereof) bearing interest under the LIBOR Option) which the Bank sustains or incurs as a consequence of either (i) any Borrower's failure to make a payment on the due date thereof, (ii) any Borrower's revocation (expressly, by later inconsistent notices or otherwise) in whole or in part of any notice given to Bank to request, convert, renew or prepay any advance bearing interest under the LIBOR Option, or (iii) any Borrower's payment or prepayment (whether voluntary, after acceleration of the maturity of this Note or otherwise) or conversion of any advance bearing interest under the LIBOR Option on a day other than the last day of the applicable LIBOR Interest Period. A notice as to any amounts payable pursuant to this paragraph given to any Borrower by the Bank shall, in the absence of manifest error, be conclusive and shall be payable upon demand. Each Borrower's indemnification obligations hereunder shall survive the payment in full of the advances and all other amounts payable hereunder.

9. **Other Loan Documents.** This Note is issued in connection with the Amended and Restated Loan Agreement between the Borrowers and the Bank, dated as of September 24, 2015 (as further amended, modified or renewed from time to time, the **"Loan Agreement"**), and the other agreements and documents now or hereafter executed and/or delivered in connection herewith or therewith or referred to herein or therein (including, without limitation, the subject LCs), the terms of which are incorporated herein by reference (this Note, the Loan Agreement, and such other agreements and documents, each as amended, modified or renewed from time to time, being collectively referred to as the **"Loan Documents"**), and is secured by the property (if any) described in the Loan Documents and by such other collateral as previously may have been or may in the future be granted to the Bank to secure this Note. Capitalized and other terms not defined herein shall have the meanings ascribed to them in the other Loan Documents.

10. **Events of Default.** The occurrence of any of the following events will be deemed to be an **"Event of Default"** under this Note: (i) (A) the nonpayment of (1) any principal under this Note when due and (2) interest, other indebtedness or any other amounts payable under this Note or any of the other Loan Documents (other than reimbursements referred to in clause (i)(B) of this Section 10) within ten (10) days after the same is due, and (B) failure to reimburse the Bank for any draft or other item paid by Bank pursuant to or otherwise in respect of any subject LC when obligated to do so; (ii) the occurrence of any event of default or any default and the lapse of any notice or cure period, or any Obligor's failure to observe or perform any covenant or other agreement, under or contained in any Loan Document or any other document now or in the future, relating to, evidencing or securing any debt, liability or obligation of any Obligor to the Bank; (iii) the filing by or against any Obligor of any proceeding in bankruptcy, receivership, insolvency, reorganization, liquidation, conservatorship or similar proceeding (and, in the case of any such proceeding instituted against any Obligor, such proceeding is not dismissed or stayed within 30 days of the commencement thereof, provided that the Bank shall not be obligated to advance additional funds hereunder during such period); (iv) any assignment by any Obligor for the benefit of creditors, or any levy, garnishment, attachment or similar proceeding is instituted against any property of any Obligor held by or deposited with the Bank or the cessation of all or a substantial part of the business operations of any Obligor; (v) a default with respect to any other indebtedness of any Obligor for borrowed money, if the effect of such default is to cause or permit the acceleration of such debt, provided that this subsection shall not apply if and only so long as the aggregate unpaid principal balance of all such indebtedness in default does not exceed five million dollars ($5,000,000) at any one time outstanding; in this subsection, "default" means that (A) there shall have occurred (or shall exist) in respect of the indebtedness in question any event, condition or other thing that constitutes, or that with the giving of notice or the lapse of any applicable grace period or both would constitute, a default which accelerates (or permits any creditor or creditors or representative or creditors to accelerate) the maturity of any such indebtedness, (B) any such indebtedness (other than any payable on demand) shall not have been paid in full at its stated maturity, or (C) any such indebtedness payable on demand shall not have been paid in full within ten (10) banking days after any actual demand for payment); (vi) if at any time (A) the aggregate of all undischarged final judgments (excluding final judgments the execution of which, on the date of determination, are effectively stayed) against the Obligors or any thereof for the payment of money shall exceed $5,000,000 or (B) the aggregate of all liabilities of the Obligors arising from defaults under ERISA (as defined in the Loan Agreement), shall exceed $5,000,000; (vii) the commencement of any foreclosure or forfeiture proceeding, execution or attachment against any collateral securing the obligations of any Obligor to the Bank; (viii) any material adverse change in any Obligor's business, assets, operations, financial condition or results of operations; (ix) any Obligor ceases doing business as a going concern; (x) any representation or warranty made by any Obligor to the Bank in any Loan

Document or any other documents now or in the future evidencing or securing the obligations of any Obligor to the Bank, is false, erroneous or misleading in any material respect; (xi) if this Note or any guarantee executed by any Obligor is secured, the failure of any Obligor to provide the Bank with additional collateral if in the Bank's opinion at any time or times, the market value of any of the collateral securing this Note or any guarantee has depreciated below that required pursuant to the Loan Documents or, if no specific value is so required, then in an amount deemed material by the Bank; (xii) the revocation or attempted revocation, in whole or in part, of any guarantee by any Obligor; or (xiii) the occurrence of a Change of Control. As used herein, the term **"Obligor"** means any Borrower, and any guarantor of the Borrowers' obligations to the Bank existing on the date of this Note or arising in the future.

Upon the occurrence and during the continuance of an Event of Default: (a) the Bank shall be under no further obligation to make advances hereunder; (b) if an Event of Default specified in clause (iii) or (iv) above shall occur, the outstanding principal balance and accrued interest hereunder together with any additional amounts payable hereunder shall be immediately due and payable without demand or notice of any kind; (c) if any other Event of Default shall occur, the outstanding principal balance and accrued interest hereunder together with any additional amounts payable hereunder, at the Bank's option and without demand or notice of any kind, may be accelerated and become immediately due and payable; (d) at the Bank's option, this Note will bear interest at the Default Rate from the date of the occurrence of the Event of Default; and (e) the Bank may exercise from time to time any of the rights and remedies available under the Loan Documents or under applicable law.

11. Power to Confess Judgment. Each Borrower hereby irrevocably authorizes any attorney-at-law, including an attorney employed by or retained and paid by the Bank, to appear in any court of record in or of the State of Ohio, or in any other state or territory of the United States, at any time after the indebtedness evidenced by this Note becomes due, whether by acceleration or otherwise, to waive the issuing and service of process and to confess a judgment against any Borrower in favor of the Bank, and/or any assignee or holder hereof for the amount of principal and interest and expenses then appearing due from the Borrowers under this Note, together with costs of suit and thereupon to release all errors and waive all right of appeal or stays of execution in any court of record. Each Borrower hereby expressly (i) waives any conflict of interest of the attorney(s) retained by the Bank to confess judgment against any Borrower upon this Note, and (ii) consents to the receipt by such attorney(s) of a reasonable legal fee from the Bank for legal services rendered for confessing judgment against any Borrower upon this Note. A copy of this Note, certified by the Bank, may be filed in each such proceeding in place of filing the original as a warrant of attorney.

12. Right of Setoff. In addition to all liens upon and rights of setoff against any Borrower's money, securities or other property given to the Bank by law, the Bank shall have, with respect to the Borrowers' obligations to the Bank under this Note and to the extent permitted by law, a contractual possessory security interest in and a contractual right of setoff against, and each Borrower hereby grants the Bank a security interest in, and hereby assigns, conveys, delivers, pledges and transfers to the Bank, all of such Borrower's right, title and interest in and to, all of such Borrower's deposits, moneys, securities and other property now or hereafter in the possession of or on deposit with, or in transit to, the Bank or any other direct or indirect subsidiary of The PNC Financial Services Group, Inc., whether held in a general or special account or deposit, whether held jointly with someone else, or whether held for safekeeping or otherwise, excluding, however, all IRA, Keogh, and trust accounts. Every such security interest and right of setoff may be exercised without demand upon or notice to the Borrowers. Every such right of setoff shall be deemed to have been exercised immediately upon the occurrence of an Event of Default hereunder without any action of the Bank, although the Bank may enter such setoff on its books and records at a later time.

13. **Indemnity.** Each Borrower agrees to indemnify each of the Bank, each legal entity, if any, who controls, is controlled by or is under common control with the Bank, and each of their respective directors, officers and employees (the **"Indemnified Parties"**), and to defend and hold each Indemnified Party harmless from and against any and all claims, damages, losses, liabilities and expenses (including all fees and charges of internal or external counsel with whom any Indemnified Party may consult and all expenses of litigation and preparation therefor) which any Indemnified Party may incur or which may be asserted against any Indemnified Party by any person, entity or governmental authority (including any person or entity claiming derivatively on behalf of any Borrower), in connection with or arising out of or relating to the matters referred to in this Note or in the other Loan Documents or the use of any advance hereunder, whether (a) arising from or incurred in connection with any breach of a representation, warranty or covenant by any Borrower, or (b) arising out of or resulting from any suit, action, claim, proceeding or governmental investigation, pending or threatened, whether based on statute, regulation or order, or tort, or contract or otherwise, before any court or governmental authority; provided, however, that the foregoing indemnity agreement shall not apply to any claims, damages, losses, liabilities and expenses solely attributable to an Indemnified Party's gross negligence or willful misconduct. The indemnity agreement contained in this Section shall survive the termination of this Note, payment of any advance hereunder and the assignment of any rights hereunder. Any Borrower may participate at its expense in the defense of any such action or claim.

14. **Miscellaneous.** All notices, demands, requests, consents, approvals and other communications required or permitted hereunder (**"Notices"**) must be in writing (except as may be agreed otherwise above with respect to borrowing requests) and will be effective upon receipt. Notices may be given in any manner to which the parties may separately agree. Without limiting the foregoing, first-class mail, facsimile transmission, electronic mail and commercial courier service are hereby agreed to as acceptable methods for giving Notices. Regardless of the manner in which provided, Notices may be sent to a party's address as set forth above or to such other address as any party may give to the other for such purpose in accordance with this paragraph. No delay or omission on the Bank's part to exercise any right or power arising hereunder will impair any such right or power or be considered a waiver of any such right or power, nor will the Bank's action or inaction impair any such right or power. The Bank's rights and remedies hereunder are cumulative and not exclusive of any other rights or remedies which the Bank may have under other agreements, at law or in equity. No modification, amendment or waiver of, or consent to any departure by the Borrowers from, any provision of this Note will be effective unless made in a writing signed by the Bank, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. The Borrowers agree to pay on demand, to the extent permitted by law, all costs and expenses incurred by the Bank in the enforcement of its rights in this Note and in any security therefor, including without limitation reasonable fees and expenses of the Bank's counsel. If any provision of this Note is found to be invalid, illegal or unenforceable in any respect by a court, all the other provisions of this Note will remain in full force and effect. Each Borrower and all other makers and indorsers of this Note hereby forever waive presentment, protest, notice of dishonor and notice of non-payment. Each Borrower also waives all defenses based on suretyship or impairment of collateral. If this Note is executed by more than one Borrower, the obligations of such persons or entities hereunder will be joint and several. This Note shall bind each Borrower and its heirs, executors, administrators, successors and assigns, and the benefits hereof shall inure to the benefit of the Bank and its successors and assigns; provided, however, that no Borrower may assign this Note in whole or in part without the Bank's written consent and the Bank at any time may assign this Note in whole or in part.

If for the purposes of obtaining judgment in any court it is necessary to convert a sum due from any Borrower hereunder in the currency expressed to be payable herein (the "specified currency") into another currency, the parties hereto agree, to the fullest extent that they may effectively do so, that the rate of exchange used shall be that at which in accordance with normal banking procedures the Bank could purchase the specified currency with such other currency at the Bank's main office on the Business Day preceding that on which final, non-appealable judgment is given. The obligations of the Borrowers in respect of any sum due to the Lender hereunder shall, notwithstanding any judgment in a currency other than the specified currency, be discharged only to the extent that on the Business Day following receipt by Bank of any sum adjudged to be so due in such other currency Bank may in accordance with normal, reasonable banking procedures purchase the specified currency with such other currency. If the amount of the specified currency so purchased is less than the sum originally due to Bank in the specified currency, the Borrowers agree, to the fullest extent that it may effectively do so, as a separate obligation and notwithstanding any such judgment, to indemnify Bank against such loss, and if the amount of the specified currency so purchased exceeds the sum originally due to Bank in the specified currency Bank agrees to remit such excess to the Borrowers.

If, as a result of the implementation of the European monetary union, (i) any Agreed Foreign Currency ceases to be lawful currency of the nation issuing the same and is replaced by the Euro, or (ii) any Agreed Foreign Currency and the Euro are at the same time recognized by any governmental authority of the nation issuing such currency as lawful currency of such nation and the Bank shall so request in a notice delivered to the Borrower Representative, then any amount payable hereunder by any party hereto in such Agreed Foreign Currency shall instead be payable in the Euro and the amount so payable shall be determined by translating the amount payable in such Agreed Foreign Currency to the Euro at the exchange rate recognized by the European Central Bank for the purpose of implementing European monetary union. Prior to the occurrence of the event or events described in clauses (i) and (ii) of the preceding sentence, each amount payable hereunder in any Agreed Foreign Currency will, except as otherwise provided herein, continue to be payable only in that Agreed Foreign Currency.

Each Borrower agrees, at the request of the Bank to compensate the Bank for any loss, cost, expense or reduction in return that the Bank shall reasonably determine shall be incurred or sustained by Bank as a result of the implementation of European monetary union and that would not have been incurred or sustained but for the transactions provided for herein. A certificate of the Bank setting forth the Bank's determination of the amount or amounts necessary to compensate the Bank shall be delivered to the Borrower Representative and shall be conclusive absent manifest error so long as such determination is made on a reasonable basis. The Borrowers shall pay the Bank the amount shown as due on any such certificate within ten (10) days after receipt thereof.

Each Borrower agrees, at the time of or at any time following the implementation of any changes to the European monetary union, to use reasonable efforts to enter into an agreement amending this Note in order to reflect the implementation of such changes, and to place the Bank and the Borrowers in the position with respect to the settlement of payments of the Euro as they would have been with respect to the settlement of the Agreed Foreign Currency it replaced.

This Note has been delivered to and accepted by the Bank and will be deemed to be made in the State where the Bank's office indicated above is located. **THIS NOTE WILL BE INTERPRETED AND THE RIGHTS AND LIABILITIES OF THE BANK AND THE BORROWERS DETERMINED IN ACCORDANCE WITH THE LAWS OF THE STATE WHERE THE BANK'S OFFICE INDICATED ABOVE IS LOCATED, EXCLUDING ITS CONFLICT OF LAWS RULES.** Each Borrower hereby irrevocably consents to the exclusive jurisdiction of any state or federal court in the county or judicial district where the Bank's office indicated above is located; provided that nothing contained in this Note will prevent the Bank from bringing any action, enforcing any award or judgment or exercising any rights against any Borrower individually, against any security or against any property of any Borrower within any other county, state or other foreign or domestic jurisdiction. Each Borrower acknowledges and agrees that the venue provided above is the most convenient forum for both the Bank and the Borrowers. Each Borrower waives any objection to venue and any objection based on a more convenient forum in any action instituted under this Note.

15. **<u>Anti-Money Laundering/International Trade Law Compliance</u>.** Each Borrower represents and warrants to the Bank, as of the date of this Note, the date of each advance of proceeds under the Facility, the date of any renewal, extension or modification of the Facility, and at all times until the Facility has been terminated and all amounts thereunder have been indefeasibly paid in full, that: (a) no Covered Entity (i) is a Sanctioned Person; (ii) has any of its assets in a Sanctioned Country or in the possession, custody or control of a Sanctioned Person; or (iii) does business in or with, or derives any of its operating income from investments in or transactions with, any Sanctioned Country or Sanctioned Person in violation of any law, regulation, order or directive enforced by any Compliance Authority; (b) the proceeds of the Facility will not be used to fund any operations in, finance any investments or activities in, or, make any payments to, a Sanctioned Country or Sanctioned Person in violation of any law, regulation, order or directive enforced by any Compliance Authority; (c) the funds used to repay the Facility are not derived from any unlawful activity; and (d) each Covered Entity is in compliance with, and no Covered Entity engages in any dealings or transactions prohibited by, any laws of the United States, including but not limited to any Anti-Terrorism Laws. Each Borrower covenants and agrees that it shall immediately notify the Bank in writing upon the occurrence of a Reportable Compliance Event.

As used herein: "**Anti-Terrorism Laws**" means any laws relating to terrorism, trade sanctions programs and embargoes, import/export licensing, money laundering, or bribery, all as amended, supplemented or replaced from time to time; "**Compliance Authority**" means each and all of the (a) U.S. Treasury Department/Office of Foreign Assets Control, (b) U.S. Treasury Department/Financial Crimes Enforcement Network, (c) U.S. State Department/Directorate of Defense Trade Controls, (d) U.S. Commerce Department/Bureau of Industry and Security, (e) U.S. Internal Revenue Service, (f) U.S. Justice Department, and (g) U.S. Securities and Exchange Commission; "**Covered Entity**" means each Borrower, its affiliates and subsidiaries, all guarantors, pledgors of collateral, all owners of the foregoing, and all brokers or other agents of each Borrower acting in any capacity in connection with the Facility; "**Reportable Compliance Event**" means that any Covered Entity becomes a Sanctioned Person, or is indicted, arraigned, investigated or custodially detained, or receives an inquiry from regulatory or law enforcement officials, in connection with any Anti-Terrorism Law or any predicate crime to any Anti-Terrorism Law, or self-discovers facts or circumstances implicating any aspect of its operations with the actual or possible violation of any Anti-Terrorism Law; "**Sanctioned Country**" means a country subject to a sanctions program maintained by any Compliance Authority; and "**Sanctioned Person**" means any individual person, group, regime, entity or thing listed or otherwise recognized as a specially designated, prohibited, sanctioned or debarred person or entity, or subject to any limitations or prohibitions (including but not limited to the blocking of property or rejection of transactions), under any order or directive of any Compliance Authority or otherwise subject to, or specially designated under, any sanctions program maintained by any Compliance Authority.

16. **<u>WAIVER OF JURY TRIAL</u>. EACH BORROWER IRREVOCABLY WAIVES ANY AND ALL RIGHTS SUCH BORROWER MAY HAVE TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR CLAIM OF ANY NATURE RELATING TO THIS NOTE, ANY DOCUMENTS EXECUTED IN CONNECTION WITH THIS NOTE OR ANY TRANSACTION CONTEMPLATED IN ANY OF SUCH DOCUMENTS. EACH BORROWER ACKNOWLEDGES THAT THE FOREGOING WAIVER IS KNOWING AND VOLUNTARY.**

Each Borrower acknowledges that it has read and understood all the provisions of this Note, including the confession of judgment and the waiver of jury trial, and has been advised by counsel as necessary or appropriate.

[Remainder of Page Intentionally Left Blank]

WITNESS the due execution hereof as a document under seal, as of the date first written above, with the intent to be legally bound hereby.

WARNING-BY SIGNING THIS PAPER YOU GIVE UP YOUR RIGHT TO NOTICE AND COURT TRIAL. IF YOU DO NOT PAY ON TIME A COURT JUDGMENT MAY BE TAKEN AGAINST YOU WITHOUT YOUR PRIOR KNOWLEDGE AND THE POWERS OF A COURT CAN BE USED TO COLLECT FROM YOU REGARDLESS OF ANY CLAIMS YOU MAY HAVE AGAINST THE CREDITOR WHETHER FOR RETURNED GOODS, FAULTY GOODS, FAILURE ON HIS PART TO COMPLY WITH THE AGREEMENT, OR ANY OTHER CAUSE.

WITNESS / ATTEST:	**PREFORMED LINE PRODUCTS COMPANY**
By:/s/ Carrie Vaccariello	By:/s/ Eric R. Graef
Name: Carrie Vaccariello	Name: Eric R. Graef
	Title: Chief Financial Officer, Vice President- Finance

WARNING-BY SIGNING THIS PAPER YOU GIVE UP YOUR RIGHT TO NOTICE AND COURT TRIAL. IF YOU DO NOT PAY ON TIME A COURT JUDGMENT MAY BE TAKEN AGAINST YOU WITHOUT YOUR PRIOR KNOWLEDGE AND THE POWERS OF A COURT CAN BE USED TO COLLECT FROM YOU REGARDLESS OF ANY CLAIMS YOU MAY HAVE AGAINST THE CREDITOR WHETHER FOR RETURNED GOODS, FAULTY GOODS, FAILURE ON HIS PART TO COMPLY WITH THE AGREEMENT, OR ANY OTHER CAUSE.

WITNESS / ATTEST:	**PREFORMED LINE PRODUCTS (AUSTRALIA) PTY LTD**
By:/s/ Eric R. Graef	By:/s/ William H. Haag
Name: Eric R. Graef	Name: William H. Haag
	Title: Vice President International Operations

Exhibit 31.1

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Robert G. Ruhlman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Preformed Line Products Company;

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

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

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

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

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

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: November 4, 2016

/s/ Robert G. Ruhlman
Robert G. Ruhlman
Chairman, President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Eric R. Graef, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Preformed Line Products Company;

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

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

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

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

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

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 4, 2016

/s/ Eric R. Graef
Eric R. Graef
Chief Financial Officer, Vice President – Finance
(Principal Accounting Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Robert G. Ruhlman, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1) The Quarterly Report on Form 10-Q of Preformed Line Products Company for the period ended September 30, 2016 which this certification accompanies fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Preformed Line Products Company.

November 4, 2016

/s/ Robert G. Ruhlman
Robert G. Ruhlman
Chairman, President and Chief Executive Officer
(Principal Executive Officer)

A signed original of this written statement required by Section 906 has been provided to Preformed Line Products Company and will be retained by Preformed Line Products Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATION PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Eric R. Graef, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1) The Quarterly Report on Form 10-Q of Preformed Line Products Company for the period ended September 30, 2016 which this certification accompanies fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Preformed Line Products Company.

November 4, 2016

/s / Eric R. Graef
Eric R. Graef
Chief Financial Officer,
Vice President – Finance
(Principal Accounting Officer)

A signed original of this written statement required by Section 906 has been provided to Preformed Line Products Company and will be retained by Preformed Line Products Company and furnished to the Securities and Exchange Commission or its staff upon request.