

Change of Production Location for Cree® High Brightness LEDs

PCN-CM060

Announcement Date: December 2, 2014

Implementation Date: January 2015 - May 2015

This notification applies to all of Cree's High Brightness product line. No customer action is required.

CHANGE DESCRIPTION

Cree will be moving the production of the High Brightness LED products to Cree's Huizhou Factory 2 located in Huizhou, Guangdong Province, China in the first half of calendar year 2015. This decision allows Cree to expand production capacity and reduce lead-times to better meet our customers' needs.

Cree considers this a low risk change for the following reasons:

1. **Materials:** All materials that contribute to the manufacture of Cree High Brightness LED products are exactly the same.
2. **Methods:** All processes to be used in the production of the Cree High Brightness LEDs at Huizhou Factory 2 are identical to the process used at Huizhou Factory 1. These production methods were qualified and used over many years at Huizhou Factory 1, and the process qualification will be conducted by the same Cree engineering team that develops, monitors and executes these processes.
3. **Manpower:** The Cree Huizhou engineers, managers and workforce will all be moving to Huizhou Factory 2.
4. **Machinery:** The process equipment currently used in production will be moved to Huizhou Factory 2.

IMPACT OF CHANGE

Cree will be moving the production location and shipment origin location to Huizhou Factory 2 in stages by product family, as detailed below. The exact beginning dates are not known at this time due to variability in Cree's internal qualification process and are subject to change.

Product Family	Planned Location Change Date
SMD LEDs	January 2015
P4 LEDs	May 2015
P2/Thru-Hole LEDs	May 2015

No customer action is required.