#### **Dear Customers**

July 15, 2015
Toshihiro Kuroshima
Deputy General Manager
Electronic Components Business Company
Magnetics Business Group
TDK Corporation

#### Notification of changing ferrite core production site

We are writing to inform you of the ferrite core production site change.

Due to rising demand for electronic parts on a global scale, we need to accommodate new technologies.

We intend to address customer requirements more promptly and attempt early start of new products by constructing a new building in Inakura factory.

We aim to establish a concentrated and efficient production system by integrating the production of ferrite cores from Chokai Factory to Inakura Factory.

We hereby notify you of this change and ask for your understanding.

#### 1. Manufacturing factory

Ferrite cor	e prod	uction site		Parts to be changed				
Before change		After change		Ferrite core	Inductors that use transferre core	ed		
TDK Inakura Factory TDK Chokai Factory		TDK Inakura Factory	Material HFxx Lxx Qxx Mxx SYxx GTxx Txx Dxx H3xx BFxx SGxx Vxx	Shape  RH,RHH,BB  RU,SH,R core  T,FT,KH core  DR core  P core  RID core  SPH、MH、SP core	ACM2012 ACT45 ACM70/90/12/1513 ACP3225 ZJYS81R5/ZJYS51R5 ACF/ACH3218/ACH4518 HF30ACC/50ACC/70ACC HF30ACB/50ACB/70ACB NL/NLC/NLF/NLV NLCV/GLFR/TPL SLF/SLN/RLF/CLF VLB/VLF/VLG/VLP/VLS			

<sup>\*</sup> This change does not cause any additional changes regarding product specification and characteristics.

#### 2. Changing period

The production will gradually be transferred for each product from June 2016, and it is scheduled to be completed in August 2016. For information about transfer schedule of each product, please contact our sales representatives.

The production of core in Inakura Factory will start from September 2016 onward without any further notice.



#### **Dear customers**

# Approval request for transfer and consolidation of ferrite core production sites

Chokai Factory -> Inakura Factory

15 July, 2015

Magnetics Business Group

TDK Corporation



- 1. Purpose and background
- 2. Current production sites of ferrite cores
- 3. Changing points by the transfer (4M changes)

# 1. Purpose and background



Due to rising demand for electronic parts on a global scale, we need to accommodate new technologies.

We intend to address customer requirements more promptly and attempt early start of new products by constructing a new building in Inakura factory.

We aim to establish a concentrated and efficient production system by integrating the production of ferrite cores from Chokai Factory to Inakura Factory.

## 2. Current production sites of ferrite cores



# Production Site Pref. Address City Add. Product Product Product

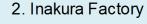
# Before Change 1. Chokai Factory 2

Akita Prefecture

Nikaho City

15, aza-Sannomori, Hirasawa

- -Ferrite core
- Ferrite material



Akita Prefecture

Nikaho City

- 4-3, Tateishi, Kisakata
- Ferrite core
- Ferrite material





Transfer and consolidate production to the Inakura Factory

Akita Prefecture

Nikaho City

- 4-3, Tateishi, Kisakata
- Ferrite core
- Ferrite material



## [Production site after transfer]

- The distance from Chokai Factory (before change) to Inakura Factory (after change) is approx.10km/one way and it is located in Nikaho City in the same prefecture (Akita).
- Inakura Factory manufactures ferrite cores and materials in the same manner as Chokai Factory after transferring the production.

### 3. 4M Changes due to transferring the production



Product	ion Site	<b>M</b> aterial	<b>M</b> achine	<b>M</b> ethod	<b>M</b> an	-	Action for concern	
Before change	After change	Material	Machine	Method	Man	Quality control method	Concern	Action
Chokai Factory	Inakura Factory	0	0	0	0	0	None	_

O: Changed

×: Not changed

<Remarks>

- 1.We will make sure that product has same quality with current product by performing process capability investigation and reliability test.
- 2. There are no changes in equipment and tool. (The machines and equipment used in Chokai Factory will be relocated.)
- 3. There are no changes in material, material manufacturer, and quality control method.
- 4. This change does not cause any additional changes regarding product specification, electrical characteristics and mechanical characteristics.
- 5. The employees currently work at Chokai factory will be transferred to Inakura Factory and carry out the same operation.
- 6. There are no changes in electrical characteristics of inductors which used ferrite cores after the production transfer.

