

June 6th, 2016

To TDK North American Distributors

TDK Corporation
Power Systems BG
General Manager
Keiichi Imamoto

Cancellation of production site transfer and Prospect for DC-AC inverter business

Dear Sir/Madam

We thank you for your continuous patronage on TDK products and services.

We would like to inform you that we shift our business direction.

We are very sorry for inconvenience caused

Please understand we have conclude this direction by unpredictable business circumstance

1. Cancellation of production site transfer.

We had informed production site transfer from Malaysia to Japan (Yuri Honjo) before. But we cancelled product site transfer and continue production at Malaysia plant. Because DC-AC inverter order is decreasing more than our forecast. We cannot expect enough quantity to transfer production site.

2. Prospect for DC-AC inverter business

CXA series of DC-AC inverter had got less increasing several years and not expects to get new business, as you know the function is alternating to LED from CCFL. At this situation, we need to stop DC-AC inverter production both Japan(Yuri Honjo) and Malaysia plant.

Official paper will issue by data base after that.

Note

*Affected product of product site transfer cancelation: Please see attached list

If you have any questions please feel free to PMD in Japan.

Sincerely yours.