

Corporate

TDK to construct new MLCC production site in Japan with focus on high-reliable Automotive products

- New production buildings intended to strengthen the production of highly reliable MLCCs for electric vehicles (EV), automatic driving, and ADAS with increasing demand
- Integrated production line from materials to finished products.
- New production building designed to conserve energy saving and environmental consideration

May 10, 2022

TDK Corporation (TSE:6762) announces that it has decided to construct a new production building on the premises of the Kitakami Factory (Kitakami city, Iwate prefecture, Japan) of TDK Electronics Factories Corporation (to enhance the multilayer ceramic capacitors (hereinafter, "MLCC") production. It is planned to start the construction of the new building at the end of this fiscal year (March 2023) and complete it in June 2024.

Currently, the popularity of electric vehicles (EV) is increasing globally, and the sophistication of motor vehicles is expanding, including automated driving technologies (ADAS) and other driver assist technologies. This further increases the power consumption of many ECUs (electric control units) and accelerates the increase of high voltages. The trend is that the number of electronic devices and components that are installed in a single vehicle is increasing, resulting in the reliability of electronic components having a greater impact on the reliability of the complete vehicle.

Alongside the electronic devices for automobiles becoming smaller and more sophisticated, the number of electronic components installed in vehicles is increasing and their use environments are becoming more extreme, which means that electronic components must be more compact, sophisticated, and reliable. It is essential that electronic components, such as MLCCs must be highly reliable, which requires a high resistance to rapid temperature variations, mechanical strength, and high voltages.

TDK has been establishing a system to increase production volume at its existing MLCC production sites and affiliate companies since last year. In order to further increase the production volume of MLCCs, TDK has decided to construct a new production building that enables comprehensive production, encompassing everything from materials to finished products at TDK Electronics Factories Corporation, Kitakami Factory. The increased production in this new building will enable TDK to satisfy growing demand from our customers.

In addition, the factory will be constructed with a facility layout that reduces energy loss, and the exhaust heat and air environment will also be improved to achieve thorough energy conservation and contribute to CO2 emission reduction.

The construction of the new production building at the Kitakami Factory is the second project that is a part of TDK's electronic component "Monozukuri enhancement", following the construction of a new wing at the Inakura Factory (West site) (Nikaho City, Akita Prefecture),

which TDK announced recently. TDK Electronics Factories Corporation will continue to develop the electronic component business.

Outline of the new product building

- 1. Construction site: 106-163, 2 Jiwari, Goto, Wagacho, Kitakami-shi, Iwate
- 2. Total floor area: Approx. 33,000 m²
- 3. Building structure: 4 stories
- 4. Main businesses: Development and manufacturing of multilayer ceramic capacitors
- 5. Construction start date: March 2023 (plan)
- 6. Completion date: June 2024 (plan)
- 7. Mass production start date: September 2024 (plan)

About TDK Corporation

TDK Corporation is a world leader in electronic solutions for the smart society based in Tokyo, Japan. Built on a foundation of material sciences mastery, TDK welcomes societal transformation by resolutely remaining at the forefront of technological evolution and deliberately “Attracting Tomorrow.” It was established in 1935 to commercialize ferrite, a key material in electronic and magnetic products. TDK’s comprehensive, innovation-driven portfolio features passive components such as ceramic, aluminum electrolytic and film capacitors, as well as magnetics, high-frequency, and piezo and protection devices. The product spectrum also includes sensors and sensor systems such as temperature and pressure, magnetic, and MEMS sensors. In addition, TDK provides power supplies and energy devices, magnetic heads and more. These products are marketed under the product brands TDK, EPCOS, InvenSense, Micronas, Tronics and TDK-Lambda. TDK focuses on demanding markets in automotive, industrial and consumer electronics, and information and communication technology. The company has a network of design and manufacturing locations and sales offices in Asia, Europe, and in North and South America. In fiscal 2021, TDK posted total sales of USD 13.3 billion and employed about 129,000 people worldwide.

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