



TDK to partially outsource development operation to Tabuchi Electric Co., Ltd. while enhancing automotive power business

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TDK Corporation
Tabuchi Electric Co., Ltd.

TDK Corporation (President and CEO: Shigenao Ishiguro, hereinafter “TDK”) announces today that it has reached an agreement with Tabuchi Electric Co., Ltd. (President: Toshihiro Kaihoshi, hereinafter “Tabuchi Electric”), which deals with power conditioners, partially outsourcing the development operation to Tabuchi Electric to enhance the power equipment business for electric and hybrid cars. This will be carried out as part of the capital and business alliance agreement concluded between TDK and Tabuchi in 2007.

Demand for electric and hybrid cars is expected to rise, reflecting the global strengthening of fuel efficiency requirements for automobiles (CO2 emission controls). Aiming to expand sales of DC-DC converters, automotive chargers and other EV power products that are essential for electric cars and hybrid cars, TDK has decided to partially outsource its operations to Tabuchi Electric with the goal of accelerating development by the power electronics technology and know-how cultivated in solar power generation systems for many years.

With a view to the growing adoption of autonomous cars expected in the near future and the rising demand for electric and eco-friendly cars, TDK is committed to expanding business in its area of expertise, namely automotive products, including passive components, sensors and magnets, in addition to automotive power equipment.

In the automotive equipment field, Tabuchi Electric has traditionally promoted activities related to the large scale passive components field such as transformers and reactors. In addition to the existing business field, the company has plan to incorporate equipment into the power electronics business domain and to promote activities based on future development of inverters for drive motors.

About TDK Corporation

TDK Corporation is a leading electronics company based in Tokyo, Japan. It was established in 1935 to commercialize ferrite, a key material in electronic and magnetic products. TDK's portfolio includes passive components, such as ceramic, aluminum electrolytic and film capacitors, ferrites and inductors, high-frequency products, and piezo and protection components, as well as sensors and sensor systems and power supplies. These products are marketed under the product brands TDK, EPCOS, InvenSense, Micronas, Tronics and TDK-Lambda. TDK's further main product groups include magnetic application products, energy

devices, and flash memory application devices. TDK focuses on demanding markets in the areas of information and communication technology and automotive, industrial and consumer electronics. The company has a network of design and manufacturing locations and sales offices in Asia, Europe, and in North and South America. In fiscal 2017, TDK posted total sales of USD 10.5 billion and employed about 100,000 people worldwide.

About Tabuchi Electric Co., Ltd.

Tabuchi Electric Co., Ltd. (headquarters, Osaka, Japan) was founded in 1925 by providing press work of silicon (electromagnetic) steel plate. Nowadays Tabuchi's business has a wide range of products in the electronics field such as various transformers with own brand "ZEBRA", AC adapters for home game consoles, and solar inverters with own brand "EneTelus".

Tabuchi Electric has manufacturing companies in Japan, China, and Southeast Asia, and sales network in Japan, China, Southeast Asia, the USA, and Europe. Tabuchi is developing its business aiming for becoming "Global Power-Solution Company" as an energy solutions providing eco-friendly company. In fiscal 2017, Tabuchi Electric posted total sales of USD 238 million, and employed approximately 3,700 people worldwide.

Contacts for media

Contact		Phone	Mail
Mr. Yoichi OSUGA	TDK Corporation Corporate Communications Group	+813 6852-7102	pr@jp.tdk.com
Mr. Mitsuhiro TAKADA	Tabuchi Electric Co., Ltd. Corporate Planning Dept.	+816 4807-3774	ir_webmaster@zbr.co.jp