

November 5, 2020

Status update on fire incident at Fab 2 (Nobeoka Plant)

Further to the announcement made on October 27, 2020, we have concluded that the transfer of front-end process of Fab2 requires at least more than 1 year. Thus, we urgently request customer to proceed replacement to alternative parts for AKM affected products.

Status

· Affected location: Fab2 (Nobeoka Plant)

4960, Nakagawara-cho 5-chome, Nobeoka-shi, Miyazaki

• Date and time of occurrence: 16:45 local time, Tuesday, October 20

• Fire Extinguishment : 12:25 local time, Saturday, October 24,

♦ Recovery plan

· Resumption of shipment will be informed as soon as we confirm the condition of the finished goods and WIP (work in progress).

◆ Request

• The priority is given to setting up alternative production sites for both the front-end (Wafer fabrication) and back-end (Testing) process. However, the transfer of front-end process requires at least more than 1 year which leads to long-term supply shortage. Thus, we urgently request customer to proceed the replacement to alternative parts for AKM affected products.

◆ Note

Please be noted that AKM products manufactured and tested in Fab1, Fab3 and silicon foundry are not affected by this fire incident.