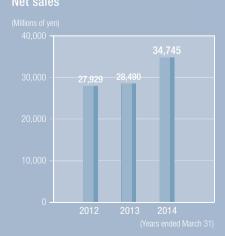
Ferrite and Applied Products



Business Overview

The Ferrite and Applied Products segment develops products used in power circuits and high frequency circuits with a primary focus on products using ferrite materials and the MCOIL™ metal power inductors using metallic magnetic materials.

Business Performance in the Year Ended March 2014

Net sales increased 22.0% year over year to ¥34,745 million as sales growth of products for tablets and other information equipment, for smartphones and other communications equipment, and for automotive and industrial equipment, which more than offset a decline in product sales for TVs and other consumer products.

Key Initiatives in the Year Ended March 2014

In multilayer chip inductors, the Group reinforced its lineup of multilayer MCOIL™ metal power inductors for use in smartphone and tablet devices amid the expanding markets and began preparations for mass production of EIA0805 (2.0 mm × 1.25 mm) inductors. We continued improving the inductance properties of our high-frequency multilayer inductors for mobile devices, including massproducing the industry's highestlevel EIA0201 (0.6 mm x 0.3 mm) and EIA01005 (0.4 mm x 0.2 mm) inductors with enhanced Q factor. We also commercialized EIA0202 (0.65

mm × 0.55 mm) small common-mode choke coils for noise suppression components in smartphones.

We expanded our lineup of wirewound chip inductors with wire-wound MCOIL™ inductors with low inductance of 1 µH or lower and high inductance up to 10 µH. The addition of EIA0603 $(1.6 \text{ mm} \times 0.8 \text{ mm})$ and EIA0805 products expanded this product offering to 14 different inductor sizes.

Initiatives Ahead

The Group will accelerate development of super high-end products to better meet customer needs. We are particularly focusing on power inductors, where we will enhance the lineup of MCOIL™ products, advancing strategic market introductions and expanding production capacity. We are also preparing to add EIA01005size products to the lineup of high frequency, high-Q multilayer chip inductors and ultra-small multilayer chip inductors. As with the capacitors production and similar to capacitor operations, we will maximize the use of and enhance production efficiency at overseas bases.

Main Products

MCOIL™ metal power inductors, wire-wound inductors, multilayer chip inductors, and all types of inductors



MCOIL™ metal power inductors



High-Q multilayer chip inductors for high frequency applications



Ultra-small multilayer chip inductors