



March 18th, 2020

Company Name: Nihon Dempa Kogyo Co., Ltd.
Representative: Hiromi Katoh, Representative
Director and President
(Code: 6779, First Section of
the Tokyo Stock Exchange)
Contact: Michio Aoyama, Corporate
Officer and General Manager of
Administration Division
TEL : 03-(5453)-6711

Announcement of execution of TERM SHEET with regard to the establishment of a joint venture company of Saw filter

Nihon Dempa Kogyo Co., Ltd. ("NDK") announced that NDK and JIC Technology Investment Co., Ltd. ("JICT") executed the "TERM SHEET" to confirm mutual intention with regard to the establishment of a joint venture company, by spinning off the development and manufacturing business of SAW filter products which is currently being operated by NDK and Hakodate NDK Co., Ltd. which is NDK's 100%-owned subsidiary, which will newly develop, manufacture and distribute SAW filter products, and NDK and JICT have also started full-fledged negotiations.

NDK and JICT will continue mutual discussion with the aim of execution of binding agreements at the end of April and commencement of the business of the joint venture company in July 2020. However, this schedule may well be changed because of the spread of a novel coronavirus.

End

※About JIC Technology Investment Co., Ltd.

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| (1) Corporate Name | JIC Technology Investment Co., Ltd. |
| (2) Main Business | The equity investment and assets management business in fields of the new generation of information technology industry and Internet + industry |
| (3) Date of Foundation | 1st March, 1995 |
| (4) Head quarters | 14th Floor, Block A, Guohai Plaza, No. 17 Fuxing Road, Haidian District, Beijing, China |
| (5) Representative | Zhuang Qianzhi |
| (6) Share Capital | RMB 2 billion |
| (7) Number of Employees | 4260 (As of 29th February, 2020) |
| (8) Relationship with NDK | There is no capital or personal relationship with NDK |

※About Hakodate NDK Co., Ltd.

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| (1) Corporate Name | Hakodate NDK Co., Ltd. |
| (2) Main Business | Production of Crystal Units etc |
| (3) Date of Foundation | 23th March, 1989 |
| (4) Head quarters | 3-63, Suzuranoka-cho, Hakodate-city, Hokkaido, Japan |
| (5) Representative | Kazuya Koura, Representative Director and President |
| (6) Share Capital | JPY 50 Million |
| (7) Number of Employees | 233 (As of 30th September, 2019, permanent employees)
* temporary employees 99, dispatched employees 49 |
| (8) Relationship with NDK | 100%-owned subsidiary |