

To Our Valued Customers



July 2025

CKD Nikki Denso Co., Ltd.

Update on Measures Regarding China's Rare Earth Export Regulation

Dear Valued Customers,

We hope this message finds you well. We would like to express our sincere appreciation for your continued support of our products.

As we reported in April 2025, the Chinese government has implemented stricter controls on the export of rare earth elements. We are writing to provide an update on the current situation as of July 2025 and explain the measures we are taking in response.

As of the end of April, the export of magnets containing the regulated elements had been entirely suspended from China. However, export approvals have recently begun to be granted, and we have successfully obtained some approved magnets. As a result, we have resumed responding to delivery inquiries in sequence.

Nevertheless, the export approval process remains uncertain, and full recovery of the supply chain has not yet been achieved. We sincerely apologize for any inconvenience this may continue to cause and appreciate your kind understanding.

As a provisional measure, we have relocated part of our production process from Japan to our factory in China starting in June 2025. Although this may require longer lead times than usual, we are taking every step to ensure a stable supply.

We remain committed to responding flexibly to the evolving situation and minimizing any impact on our customers.

For further details, your dedicated sales representative will provide individual guidance. Should you have any questions or concerns, please do not hesitate to contact us.

We greatly appreciate your continued understanding and support.

Sincerely,

CKD Nikki Denso Co., Ltd.