

## Chinese Government Actions for 2008 Beijing Olympics

Over the last weeks we have received many questions from customers and colleagues worldwide about plans from the Chinese Government to ensure good air quality in Beijing during the 2008 Olympic- and Paralympics Games and the possible impact to production sites in China.

At the current stage we can summarize the situation as following:

- The Chinese Government announced the shutdown of all polluting factories for 9 weeks within a 200 kilometer radius of Beijing to clear the smog for the Olympics and Paralympics.
- The shutdown begins July 17th until Sept. 20th. It covers Beijing, Tianjin, Hebei, Shanxi, Inner Mongolia and Shandong provinces.
- All Chinese EPCOS factories are located far outside the 200 kilometer circle around Beijing (Zhuhai, Hongqi, Xiaogan, Xiamen, Wuxi (2)).
- The polluting factories will be categorized into four different levels, Green, Blue, Red, and Black; and controlled separately.
- None of our factories is classified within the defined categories of pollutant.
- Shipments of our Chinese factories towards customers outside China and within the region are not affected.
- Our material suppliers have also confirmed that they don't foresee any disruptions or major delays.
- We do have customers located inside the 200 miles radius around Beijing. So far they confirmed to us that they are not aware of any measures against them. None of them are "polluters".
- Transportation bottlenecks in the area around Beijing are possible. For that we are offering our customers to pull in orders which currently are scheduled to be delivered in August.

We will continue to closely monitor the situation. In case the current status changes and additional measures are communicated by the government, we will update you immediately.

Best regards

Mit freundlichen Grüßen  
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