

Attracting Tomorrow



The 126th Ordinary General Meeting of Shareholders

(April 1, 2021 to March 31, 2022)

TDK Corporation

June 24, 2022



Matters to be Reported

The 126th (April 1, 2021 to March 31, 2022)

- Content of Business Report
- Content of Consolidated Financial Statements
- Content of Non-Consolidated Financial Statements

Notice of Convocation P.25~64

The Company Website

1. Business Results and Achievements

126th Business Year Consolidated Results

Item	Amount	Year on year
Net sales	1,902.1 billion yen	+28.6 %
Operating income	166.7 billion yen	+49.4 %
Net income attributable to TDK	183.6 billion yen	+131.4 %

2. Overview of Our Business Performance by Market Category



ICT Information and
Communications Technology
market



Automotive
market



**Industrial equipment and
Energy market**



2. Overview of Our Business Performance by Market Category

125th

248.6 billion yen

Up 32.9%

126th

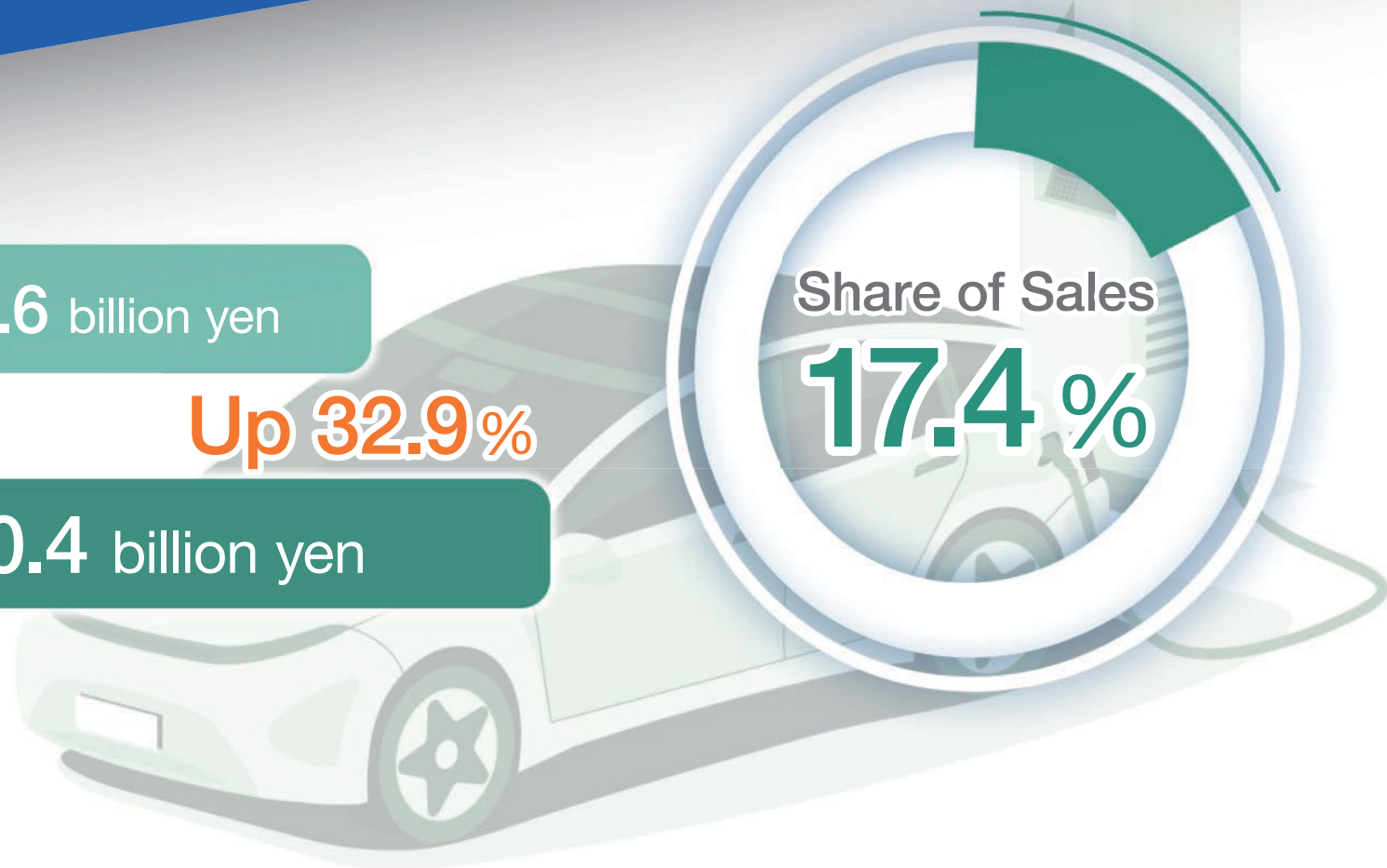
330.4 billion yen

Share of Sales

17.4%



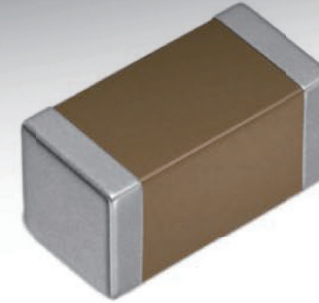
Automotive
market



2. Overview of Our Business Performance by Market Category



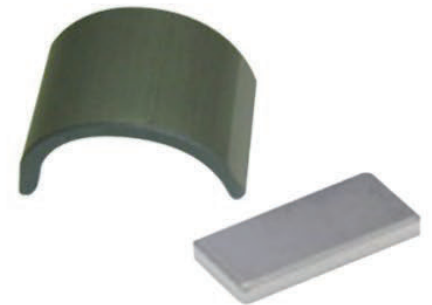
Automotive
market



Ceramic Capacitors



Inductive Devices



Magnets

2. Overview of Our Business Performance by Market Category

125th

745.2 billion yen

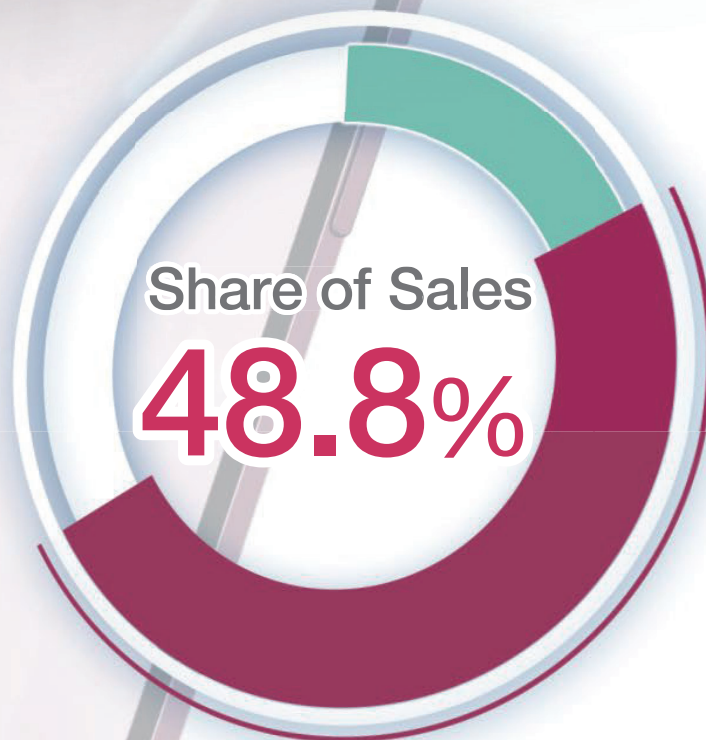
Up 24.6%

126th

928.7 billion yen



ICT market



2. Overview of Our Business Performance by Market Category



ICT market



Energy Devices
(Rechargeable Batteries)



Sensors

2. Overview of Our Business Performance by Market Category

125th

168.5 billion yen

Up 26.9%

126th

213.8 billion yen

Share of Sales

11.2%



ICT market
(HDD Heads and HDD Suspension Assemblies)

2. Overview of Our Business Performance by Market Category

125th

251.1 billion yen

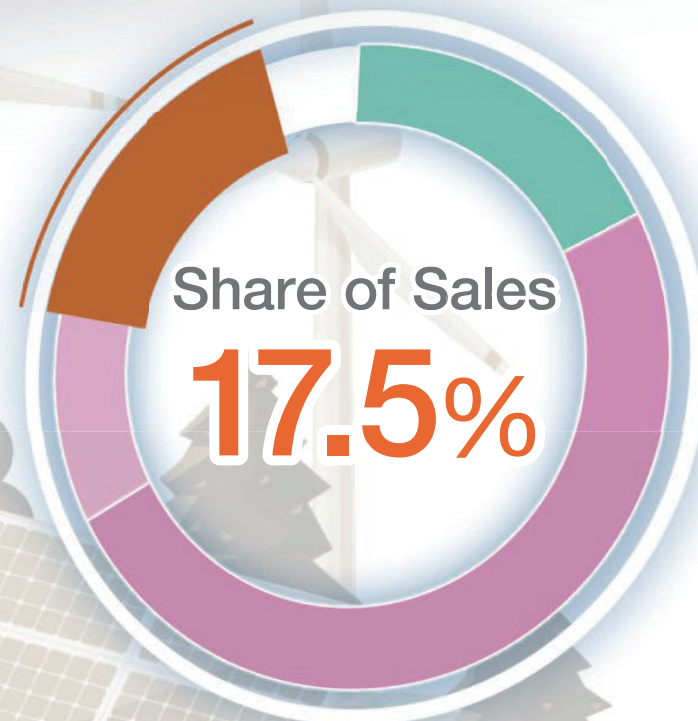
Up 32.9%

126th

333.6 billion yen



Industrial equipment and
Energy market



Net sales include part of sales to markets other than industrial equipment and energy.

2. Overview of Our Business Performance by Market Category



Industrial equipment and
Energy market



Aluminum Electrolytic
Capacitors



Inductive Devices



Film Capacitors



Piezoelectric Material
Products and Circuit
Protection Components

3. Consolidated Balance Sheet (U.S. GAAP)

Assets

125th 2,401.4 billion yen

Increase 685.5 billion yen

126th 3,086.9 billion yen

3. Consolidated Balance Sheet (U.S. GAAP)

Liabilities

125th

1,395.1 billion yen

Increase 341.7 billion yen

126th

1,736.8 billion yen

3. Consolidated Balance Sheet (U.S. GAAP)

Stockholders' Equity

125th 1,003.5 billion yen

Increase 343.1 billion yen

126th 1,346.7 billion yen

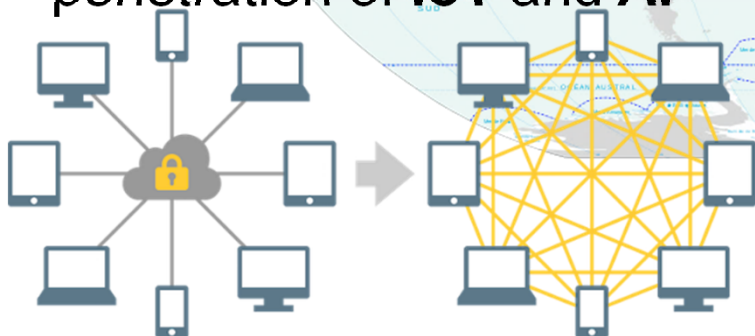
Pressing Issues to be Addressed by the TDK Group

Environment Surrounding TDK

DX EX

Digital Transformation

Revolution as a result of the penetration of **IoT** and **AI**



Energy Transformation

Shift from fossil fuels to **renewable energy**



New Medium-Term Plan “Value Creation 2023”

Create value for a sustainable society by accelerating DX and EX and enhancing 2CX*

◆ Enhance Enterprise Value

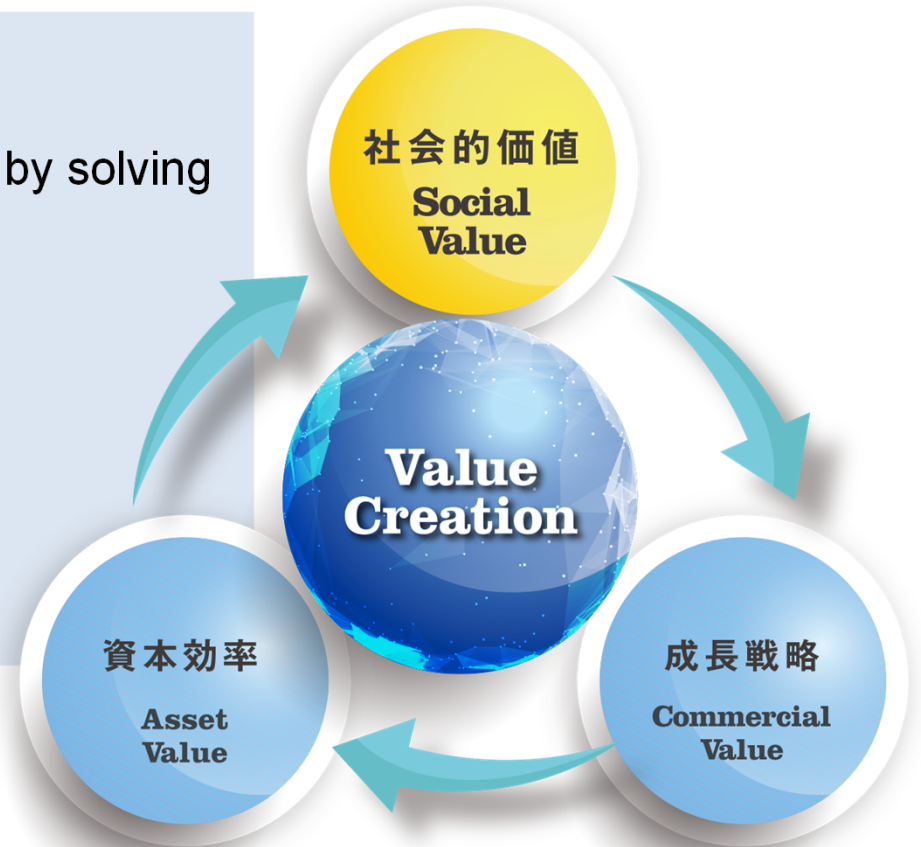
Contribute to the realization of a sustainable society by solving social issues.

◆ Execute Growth Strategy

Continue to provide valuable products to society.

◆ Improve Asset Efficiency

Pursue efficient management.



*2CX: Customer Experience and Consumer Experience

TDK Group's Materiality (Key Issues)

Attracting Tomorrow



DX

Promotion of digitalization of society by adding software technology to material science and process technology

EX

Contribution to energy and environmental solutions by minimizing waste heat and noise with electronic devices

Quality Management

HR management

Supply Chain Management

Opportunity & Risk Management

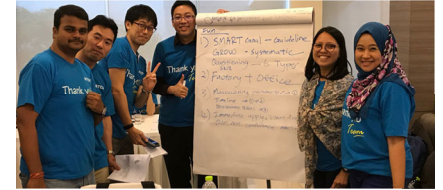
Pursuing Both Delegation of Authority and Internal Control

Asset Efficiency Improvement

TDK Group's Materiality (Key Issues)

HR Management

- ◆ Nurture human resources that can lead TDK
- ◆ Diversity & inclusion
(Create an organization that recognizes diverse values and utilizes individual capabilities)
- ◆ Improve employee engagement and employee satisfaction to attract and retain talented people



TDK United



- ◆ Share TDK's philosophy and vision
- ◆ Create an organization that recognizes diverse values and utilizes individual capabilities

TDK Group's Materiality (Key Issues)

Supply Chain Management

◆ Address human rights issues

- Consider the human rights of employees at TDK Group's production sites
- Consider the human rights of employees at suppliers (including production subcontractors and temp staff companies)
- Promote responsible procurement of materials
- Promote responsible mineral procurement throughout the supply chain in response to cobalt and other mineral issues

Opportunity & Risk Management

◆ Respond to climate change risks

- Achieve net zero CO2 emissions in 2050
- Commence operations with 100% green power from renewable energy sources at four plants* of TDK's group companies in Japan in April 2022

* As of June 2022, five factories in Japan are operating on 100% green electricity, including that already introduced in previous years.

Initiatives to Achieve Sustainable Growth

Invest to achieve further growth in core businesses and work on organizational and system development

Passive Components	Commence operations at the new MLCC plant by the end of 2024
Sensor Application products	Continue to promote strategy to expand customer base and applications
Magnetic Application products	Embark on full-fledged mass production of MAMR, a next-generation HDD head
Energy Application products	Realize growth with a balance between growth investment and profit through the JVs with CATL in the medium-sized cell market, which is the next growth market

- **Organizational and system development**
 - Transform business processes by utilizing digital technologies (Digital Transformation)
 - Enhance manufacturing capabilities (Time to Market)
 - Strengthen communication with stakeholders through the establishment of IR & SR groups

Projections of Consolidated Financial Results and Dividends for FY2023

By capturing the trend of DX/EX, the Company plans to **increase net sales by 15.7% and operating income by 10.9%, thus delivering record results**, through active investment aimed at achieving further growth of its core businesses.

(100 million yen)	Full-year financial results for FY2022 (IFRS)	Projections of financial results for FY2023 (IFRS) (announced in May 2022)	Year-on-year change	
			Change	Change (%)
Net sales	19,021	22,000	2,979	+15.7
Operating income	1,668	1,850	182	+10.9
Net income	1,313	1,450	137	+10.4
Net income per share	346.44 yen	382.56 yen	—	—
Dividend per share *Today's proposal item	1H: 33.3 yen	1H: 53 yen	—	—
	2H: 45 yen *	2H: 53 yen		
	Full year: 78.3 yen	Full year: 106 yen		

Notes:

1. The consolidated forecasts for FY2023 are calculated in accordance with IFRS. The actual IFRS figures for FY2022 used in the calculation of percentage change from the previous fiscal year are approximate estimates at the time of announcement.
2. TDK split one share of its common stock into three shares on October 1, 2021 (effective date). Dividend per share for FY2022 is calculated based on the assumption that the stock split was conducted at the beginning of FY2022.
3. Operating income is compared on the basis of excluding a gain on sale of business recorded in FY2017.

Thank you for your continued support.

