Issues to be Addressed by the TDK Group

Long-term Vision

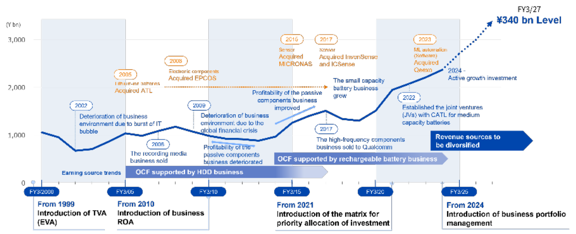
Business Environment

- Increase of geopolitical risks
- Risk of crude oil price spikes and supply chain disruptions due to escalating tensions in the Middle East, etc.

Long-term Vision

Progress on Key Points of Medium-term Plan

1 Strengthen management focusing on cash flows

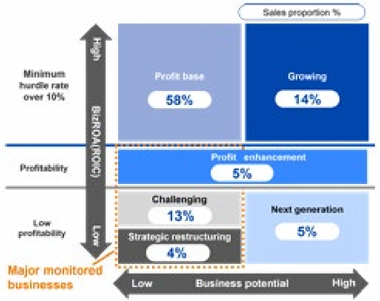


Accelerate management focused on FCF

FCF in FY March 2026

An increase from ¥70 bn at the beginning of the period to ¥**129.9** bn.

2 Enhance business portfolio management (Emphasizing ROIC)



Toward increasing asset profitability

Promotion of growth strategy

- Contribution to AI ecosystem
  →Details provided on subsequent slides
- Businesses to be intensively monitored
  - 2 CBUs: Achieved profitability
  - 13 CBUs: Clarified path to profitability
  - 9 CBUs: Implemented business transfers to the best owner, etc.

  →Progressing in profitability improvement

3 Evolve the Ferrite Tree (Strengthen pre-financial capital)

Ongoing initiatives aimed at strengthening pre-financial capital

Strengthen human capital

- Promote activities to improve engagement

Strengthen technological capability

- Progress in development of technologies such as analog reservoir AI chip
- Concluded a technology partnership with Porsche Motorsport
- Reinforce software-related businesses (SensEI / SoftEye)

Reinforce initiatives for sustainability and DX

- Achieved record-high score of 4.8 (out of 5.0) from FTSE, a global ESG rating agency
- Selected as “SX Stock” for two consecutive years
- Selected as “DX Stock” for the first time

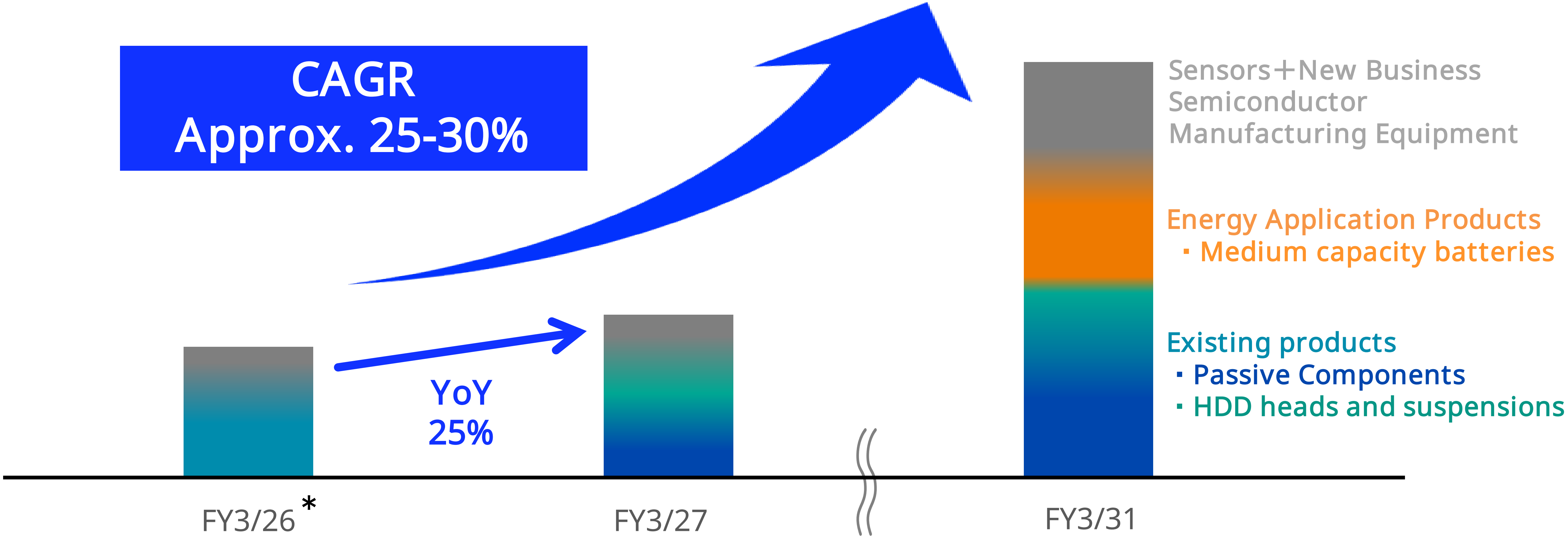
*For details, please see “Investor Relations” at TDK website.

Achieve Growth by Contributing to the Entire AI Ecosystem

* Semiconductor Manufacturing Equipment

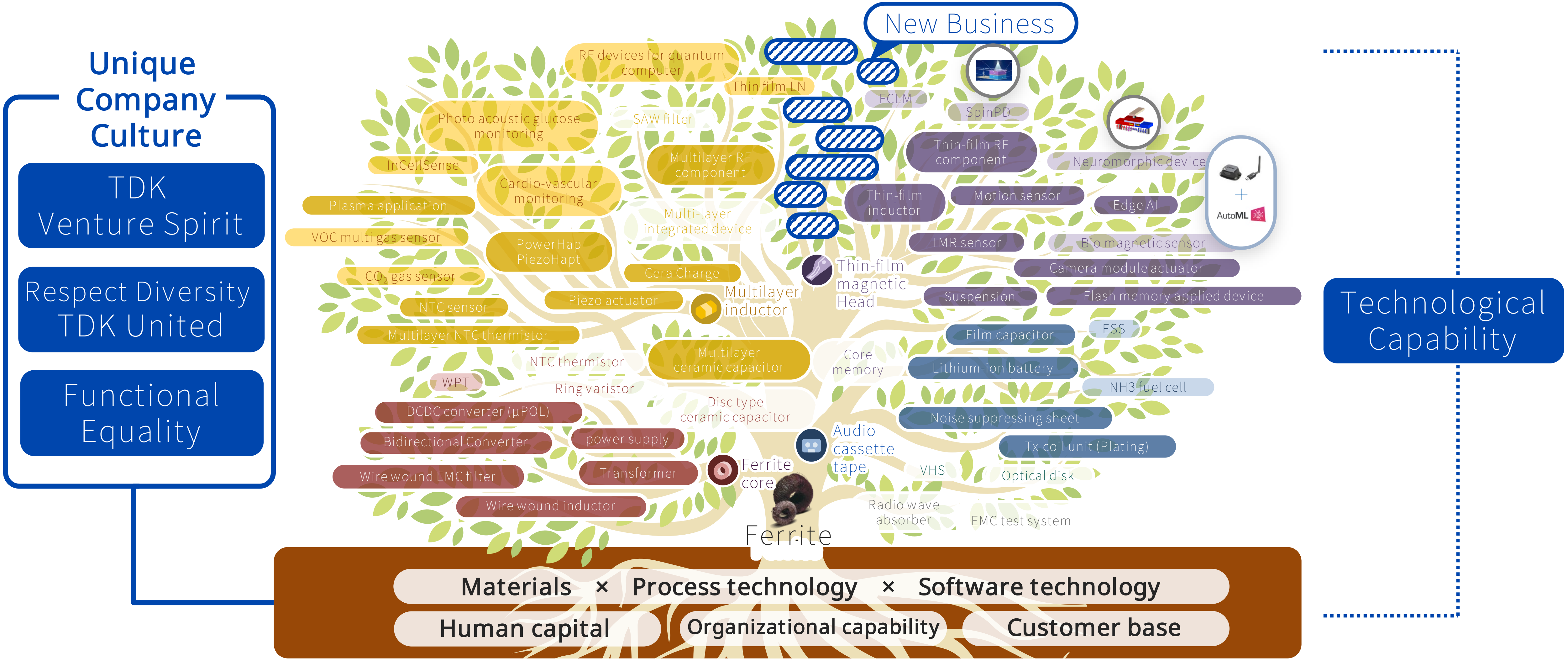
Expand Sales Across the Entire AI Ecosystem

Sales for AI Ecosystem（FY3/26 Actual・FY3/31 Target）



* Sales related to the AI ecosystem account for over 10% of total net sales (approx. ¥2.5 trillion).

Strengthen "Pre-financial Capital" (Evolve the Ferrite Tree)



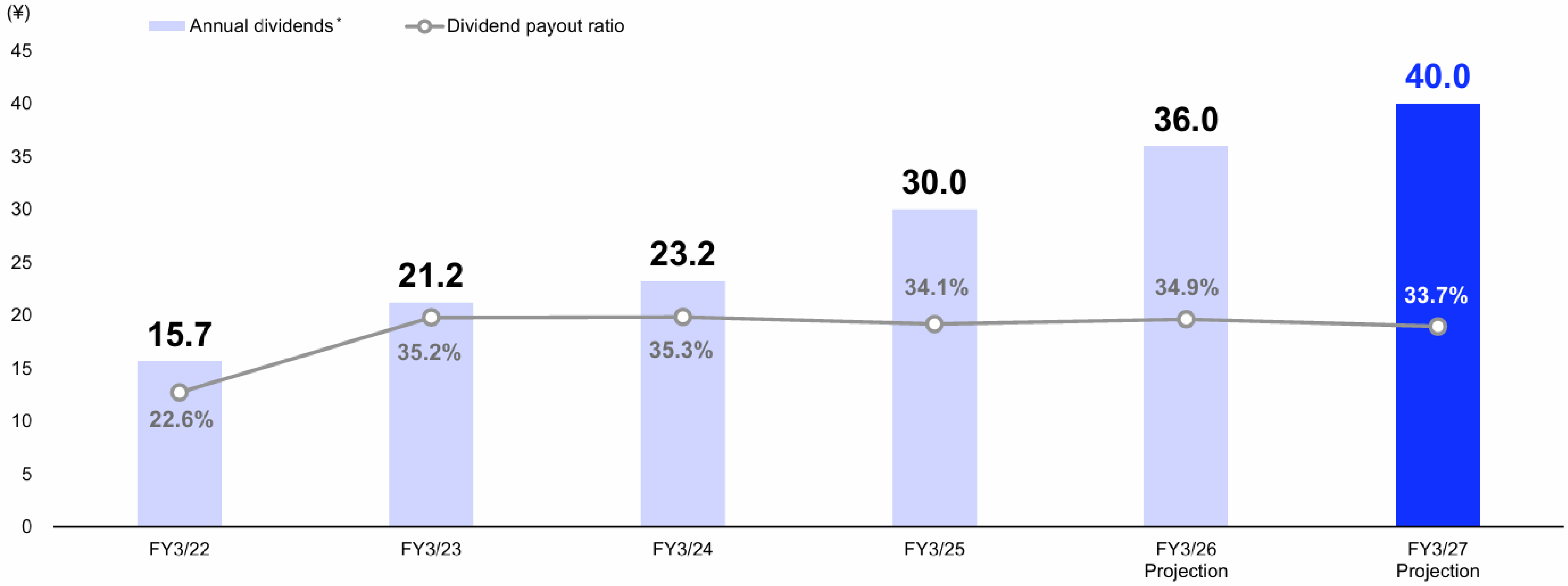
FY March 2027 Projections

- Expect steady demand for nearline HDDs for data centers and AI data center-related markets
- **Plan to achieve record-high net sales and all profit levels for the third consecutive year**

(¥bn)	FY3/26 Actual	FY3/27 Projections	Change	
			¥bn	%
Net Sales	2,504.8	**2,580.0**	+75.2	+3.0%
Operating profit	272.4	**295.0**	+22.6	+8.3%
Net profit attributable to owners of parent	195.7	**225.0**	+29.3	+15.0%
Earnings per share (¥)	103.09	**118.54**	-	-
USD/JPY	150.76	150.00	-	-
EUR/JPY	174.76	175.00	-	-

FY March 2027 Annual Dividend Projections

- Policy to provide shareholder returns with a target dividend payout ratio of 35% during the current Medium-term Plan period.
- Annual dividend for FY March 2026 has been revised upward from the initial plan (from ¥30 to ¥36 per share)
- Annual dividend of ¥40 per share is planned for FY March 2027



*. Figures have been converted to align with the post-share split standard of a 1 for 5 share split, effective from October 1, 2024.

We kindly request the continued support of all our shareholders.