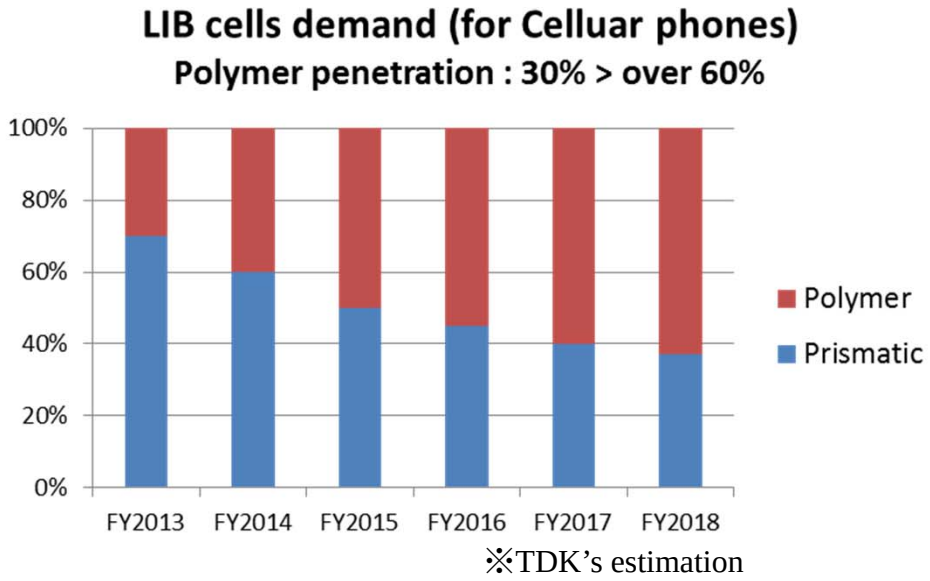
Strategy of Priority Five Businesses

Inductive Devices
High Frequency Components
Piezoelectric Material Products
Rechargeable Batteries
HDD Heads

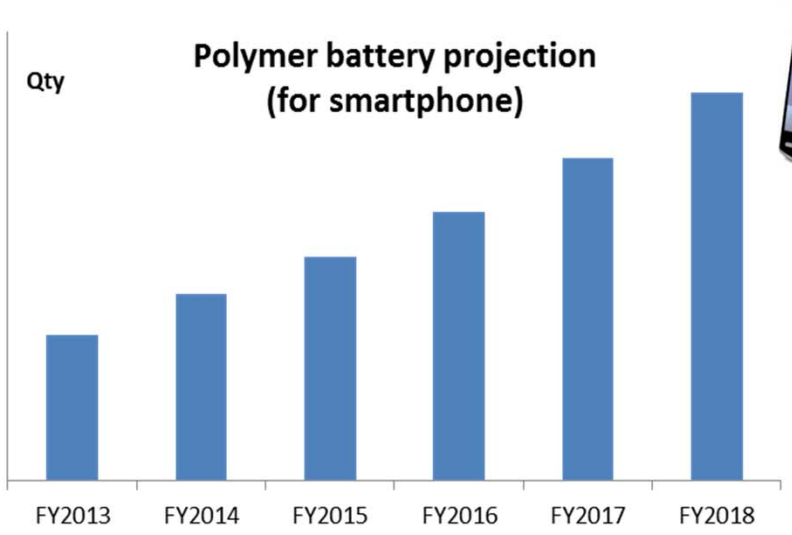
Senior Vice President
Robin Zeng

ICT Market Growth Projection

We expect higher growth of Polymer Battery demand in next mid-term

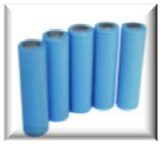


※TDK's estimation



※TDK's estimation

- Smart Phone market growth rate up to 20% per annual
- Tablet & Notebook PC growth up to 10% per annual
- Slim type notebook PC will cause more demand of polymer battery transfer from cylindrical battery



FY2013 : FY March 2014

Customer portfolio in ICT market

Plan to increase market share by expanding customer base to adapt the change of market and business environment

USA

China

Korea

Japan

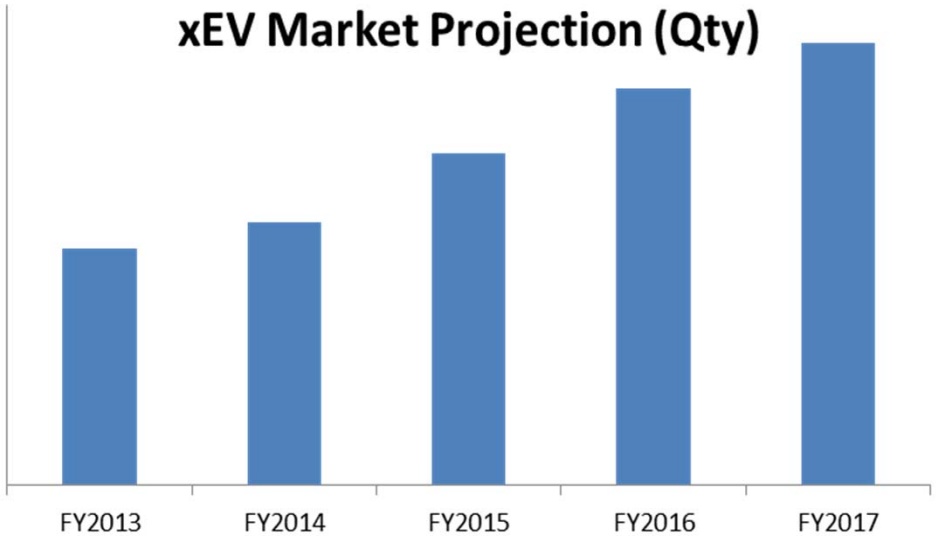
Growth Strategy for ICT market

- Provide solution to customers from battery cell to pack design

- Strengthen R&D activities in new material development, manufacturing technology, design development

- Cost competitiveness
  - Continue to improve manufacturing efficiency to enhance our competitive advantage
  - Utilize in-house developed equipment for low cost and process enhancement

Business opportunity in EV/ESS



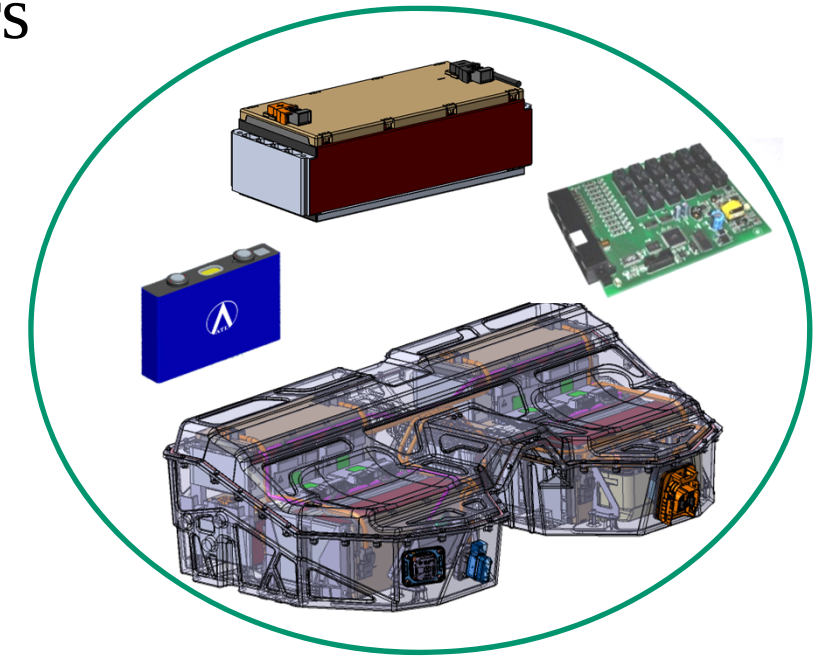
※TDK's estimation

- Huge potential of market growth in EV/ESS
- EV : 48V, PHEV, EREV, BEV initial introduction
- ESS : Smart grid, home storage, large scale ESS for frequency regular and China special solar plant/ wind farm are on early introduction stage

FY2013 : FY March 2014

Strategy for EV segment

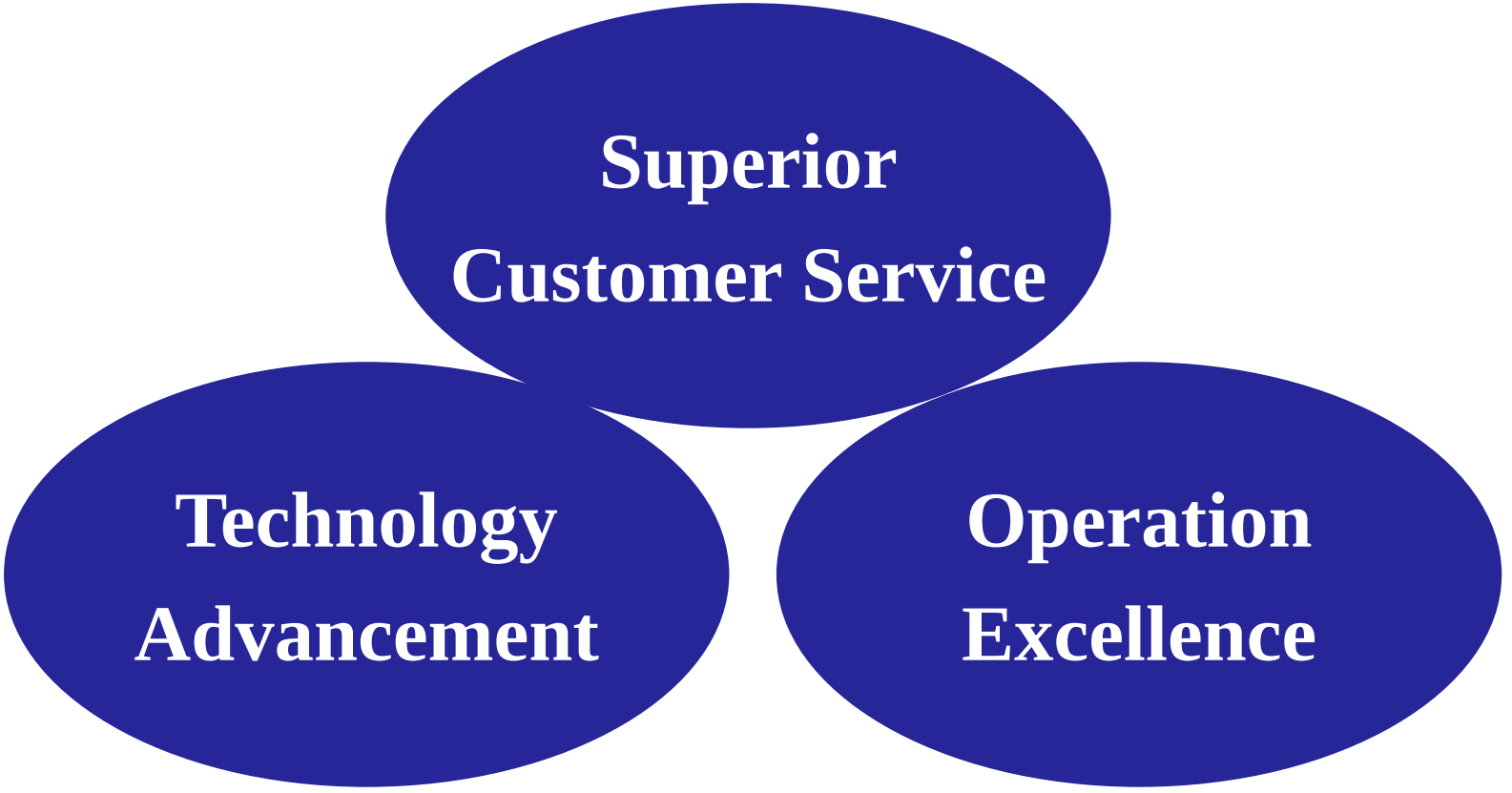
Aim to become a technology solution provider of Battery Energy Storage System (BESS), provide the best cost to performance service for customers



- Material Research
- Development and manufacturing of
  - Battery cells
  - Battery Module
  - Battery Management System
  - Battery Pack
- Reuse & Recycle (value chain)
  - Invest one Chinese recycle company for customer service

Winning Strategy

Three factors to enhance competitive advantage



Risks management policy

- Battery is active safety device with the combination of technology of chemistry, material, electronics, mechanical and thermal management etc. It may cause safety event in the field and the larger battery has higher risk.

Our Quality Policy to overcome the risk

> Start from material intrinsic safety to design battery to manufacturing with quality system build in. Especially on FMEA* system applying to design and process

*FMEA : Failure Mode and Effect Analysis

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