



Investors' Guide 2020

Fiscal Years 2010-2020

TDK Corporation

Value and Performance Indicators

Sheet No.

Contents	1	Consolidated Eleven-Year Summary
	2 & 3	Consolidated Performance Indicators
	4	Consolidated Statements of Operations
	5 & 6	Consolidated Balance Sheets
	7	Consolidated Statements of Cash Flows
	8 & 9	Segment Information

Attracting Tomorrow



Consolidated Eleven-Year Summary

TDK Corporation and Subsidiaries

Years ended March 31, 2010 through 2020

(Yen Million)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Net sales	792,624	862,492	802,534	841,847	984,525	1,082,560	1,152,255	1,178,257	1,271,747	1,381,806	1,363,037
(Overseas sales)	704,874	764,807	702,469	747,062	890,520	989,348	1,061,203	1,073,024	1,158,004	1,268,437	1,252,634
Cost of sales	604,454	645,514	624,271	668,258	763,572	802,225	831,123	855,948	928,525	985,321	959,714
Selling, general and administrative expenses	150,808	147,601	153,951	147,876	179,896	199,795	227,185	239,446	257,630	287,561	289,771
Impairment of Long-Lived Assets	3,044	1,513	3,405	1,275	4,441	5,376	533	16,811	1,282	5,112	18,592
Impairment of Goodwill			530	823		2,705		2,600			
Gain on sale of a part of High-Frequency Devices business								(145,208)	(5,277)	(4,011)	(2,910)
Production realignment costs			6,570	1,561							
Realignment-related gain; Sales of properties (gain)			(6,732)								
Restructuring cost	4,875										
Other									(105)		
Operating income (loss)	29,443	67,864	20,539	22,054	36,616	72,459	93,414	208,660	89,692	107,823	97,870
Income (loss) before income taxes						74,517	91,839	211,717	89,811	115,554	95,876
Income from continuing operations before income taxes	25,576	64,519	14,668	19,765	39,772						
Income taxes	9,401	15,105	11,970	14,616	17,936	21,738	25,216	66,157	25,834	33,004	38,719
Income from continuing operations	16,175	49,414	2,698	5,149	21,836	52,779	66,623	145,560	63,977	82,550	57,157
Loss (income) from discontinued operations	(3,293)	(4,410)	(4,399)	(619)	(3,602)						
Net income (loss) attributable to TDK	13,520	45,264	(2,454)	1,195	16,288	49,440	64,828	145,099	63,463	82,205	57,780
Per common share (Yen) :											
Net income (loss) attributable to TDK Basic	104.82	350.90	(19.06)	9.50	129.47	392.78	514.23	1,150.16	502.80	651.02	457.47
Net income (loss) attributable to TDK Diluted	104.74	350.57	(21.42)	5.36	120.97	377.98	504.66	1,147.57	501.47	649.45	456.44
Net cash flow	753.83	951.54	600.98	627.89	787.77	1,027.60	1,171.29	1,839.52	1,229.78	1,491.87	1,443.76
Net assets	4,215	4,142	3,957	4,461	5,050	5,865	5,355	6,289	6,532	6,947	6,681
Dividends	60.00	80.00	80.00	70.00	70.00	90.00	120.00	120.00	130.00	160.00	180.00
Payout ratio (%)	57.2	22.8	—	737.2	54.1	22.9	23.3	10.4	25.9	24.6	39.3
Total assets	1,091,458	1,060,853	1,072,829	1,169,575	1,239,553	1,404,253	1,450,564	1,664,333	1,905,209	1,992,480	1,943,379
TDK stockholders' equity	543,756	534,273	498,159	561,169	635,327	738,861	675,361	793,614	824,634	877,290	843,957
Working capital	286,370	199,186	219,918	232,693	279,504	352,364	289,760	388,542	296,899	208,165	247,577
Capital expenditures	64,370	78,638	99,653	85,606	68,606	102,525	160,674	167,631	178,612	173,592	173,429
Depreciation and amortization	83,788	77,594	80,197	77,938	83,109	80,249	83,224	87,491	92,171	106,631	124,984
Research and development	53,942	52,973	52,551	53,943	63,385	70,644	84,920	91,254	102,641	115,155	117,489
Ratio of overseas production to net sales (%)	80.5	83.6	80.2	81.8	86.7	87.9	86.3	86.1	84.5	85.4	84.4
Number of employees	80,590	87,809	79,175	79,863	83,581	88,076	91,648	99,693	102,883	104,781	107,138

Notes:

1. In accordance with the provisions of ASC No.205-20, "Presentation of Financial Statements-Discontinued Operations", operating results relating to the data tape business and the blu-ray business are separately presented as discontinued operations in consolidated statements of operations for the year ended March 31, 2014. Also reclassifications are made to the consolidated statements of operations after the year ended March 31, 2010 to conform to the presentation used for the year ended March 31, 2014. However, Overseas sales, Depreciation and amortization, Research and development and Ratio of overseas production to net sales includes the amount of discontinued operations.
2. TDK adopted Accounting Standards Update ("ASU") 2015-03 "Simplifying the Presentation of Debt Issuance Costs" issued by the Financial Accounting Standards Board ("FASB") after the year ended March 31, 2017. As a result, the bond issuance cost that used to be a part of Total assets is presented as a deduction from Total assets from the year ended March 31, 2013.
3. TDK adopted Accounting Standards Update ("ASU") 2017-07 "Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost" issued by FASB after the year ended March 31, 2019. As a result of this reclassification, cost of sales in the year ended March 31, 2018 decreased by ¥1,991 million, operating income increased by ¥4,059 million, selling, general and administrative expenses decreased by ¥2,068 million and research and development decreased by ¥816 million.

Consolidated Performance Indicators (1)

TDK Corporation and Subsidiaries

Years ended March 31, 2010 through 2020

(Yen Million)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Net sales	792,624	862,492	802,534	841,847	984,525	1,082,560	1,152,255	1,178,257	1,271,747	1,381,806	1,363,037
(Overseas sales)	704,874	764,807	702,469	747,062	890,520	989,348	1,061,203	1,073,024	1,158,004	1,268,437	1,252,634
Ratio to net sales (%)	88.9	88.7	87.5	88.7	90.5	91.4	92.1	91.1	91.1	91.8	91.9
Cost of sales	604,454	645,514	624,271	668,258	763,572	802,225	831,123	855,948	928,525	985,321	959,714
Ratio to net sales (%)	76.3	74.8	77.8	79.4	77.6	74.1	72.1	72.6	73.0	71.3	70.4
Selling, general and administrative expenses	158,727	149,114	157,724	151,535	184,337	207,876	227,718	113,649	253,530	288,662	305,453
Ratio to net sales (%)	20.0	17.3	19.6	18.0	18.7	19.2	19.8	9.7	19.9	20.9	22.4
Operating income (loss)	29,443	67,864	20,539	22,054	36,616	72,459	93,414	208,660	89,692	107,823	97,870
Ratio to net sales (%)	3.7	7.9	2.6	2.6	3.7	6.7	8.1	17.7	7.1	7.8	7.2
Net income (loss) attributable to TDK	13,520	45,264	(2,454)	1,195	16,288	49,440	64,828	145,099	63,463	82,205	57,780
Ratio to net sales (%)	1.7	5.2	(0.3)	0.1	1.7	4.6	5.6	12.3	5.0	5.9	4.2
Capital expenditures	64,370	78,638	99,653	85,606	68,606	102,525	160,674	167,631	178,612	173,592	173,429
Percentage of net cash flow (%)	66.2	64.0	128.2	108.2	69.0	79.1	108.5	72.1	114.8	91.9	94.9
Depreciation and amortization	83,788	77,594	80,197	77,938	83,109	80,249	83,224	87,491	92,171	106,631	124,984
Net cash flow	97,308	122,858	77,743	79,133	99,397	129,689	148,052	232,590	155,634	188,836	182,764
Research and development	53,942	52,973	52,551	53,943	63,385	70,644	84,920	91,254	102,641	115,155	117,489
Percentage of net sales (%)	6.8	6.1	6.5	6.4	6.4	6.5	7.4	7.7	8.1	8.3	8.6

Notes:

1. In accordance with the provisions of ASC No.205-20, "Presentation of Financial Statements-Discontinued Operations", operating results relating to the data tape business and the blu-ray business are separately presented as discontinued operations in consolidated statements of operations for the year ended March 31, 2014. Also reclassifications are made to the consolidated statements of operations after the year ended March 31, 2010 to conform to the presentation used for the year ended March 31, 2014.

2. TDK adopted Accounting Standards Update ("ASU") 2017-07 "Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost" issued by FASB after the year ended March 31, 2019. As a result of this reclassification, cost of sales in the year ended March 31, 2018 decreased by ¥1,991 million, operating income increased by ¥4,059 million, selling, general and administrative expenses decreased by ¥2,068 million and research and development decreased by ¥816 million.

Consolidated Performance Indicators (2)

TDK Corporation and Subsidiaries

Years ended March 31, 2010 through 2020

(Yen Million)	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Return on investment (%)	1.8	6.7	(0.4)	0.2	2.3	6.2	7.7	15.9	6.0	7.5	5.6
Return on equity (%)	2.5	8.4	(0.5)	0.2	2.7	7.2	9.2	19.8	7.8	9.7	6.7
Return on total assets (%)	1.2	4.2	(0.2)	0.1	1.4	3.7	4.5	9.3	3.6	4.2	2.9
Total assets	1,091,458	1,060,853	1,072,829	1,169,575	1,239,553	1,404,253	1,450,564	1,664,333	1,905,209	1,992,480	1,943,379
Asset turnover (Times)	0.73	0.81	0.76	0.76	0.82	0.82	0.81	0.76	0.71	0.71	0.69
Fixed assets	318,205	318,403	332,325	365,901	374,032	427,254	487,639	464,667	545,641	603,110	611,150
Fixed asset turnover (Times)	2.4	2.7	2.5	2.4	2.7	2.7	2.5	2.5	2.5	2.4	2.2
Inventories	105,069	121,679	137,231	137,868	136,387	151,012	157,129	154,499	207,532	226,892	236,453
Inventory turnover (Times)	7.64	7.69	6.29	6.19	7.18	7.53	7.48	7.56	7.03	6.36	5.88
Stockholders' equity	543,756	534,273	498,159	561,169	635,327	738,861	675,361	793,614	824,634	877,290	843,957
Stockholders' equity ratio (%)	49.8	50.4	46.4	48.0	51.3	52.6	46.6	47.7	43.3	44.0	43.4
Current ratio (Times)	2.14	1.61	1.67	1.62	1.75	1.91	1.64	1.81	1.49	1.29	1.34
Debt / Equity ratio (Times)	0.50	0.46	0.55	0.55	0.45	0.40	0.56	0.53	0.73	0.70	0.62
Interest coverage ratio (Times)	7.5	23.1	7.6	8.8	11.6	25.6	31.4	62.1	21.5	27.8	29.4

Notes:

1. TDK adopted Accounting Standards Update ("ASU") 2015-03 "Simplifying the Presentation of Debt Issuance Costs" issued by the Financial Accounting Standards Board ("FASB") after the year ended March 31, 2017. As a result, the bond issuance cost that used to be a part of Total assets is presented as a deduction from Total assets from the year ended March 31, 2013. Besides, Return on investment, Return on total assets, Asset turnover and Debt / Equity ratio are also recalculated and presented.

Consolidated Statements of Operations

TDK Corporation and Subsidiaries

Years ended March 31, 2010 through 2020

(Yen Million)	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Net sales	792,624	862,492	802,534	841,847	984,525	1,082,560	1,152,255	1,178,257	1,271,747	1,381,806	1,363,037
Cost of sales	604,454	645,514	624,271	668,258	763,572	802,225	831,123	855,948	928,525	985,321	959,714
Gross profit	188,170	216,978	178,263	173,589	220,953	280,335	321,132	322,309	343,222	396,485	403,323
Selling, general and administrative expenses	150,808	147,601	153,951	147,876	179,896	199,795	227,185	239,446	257,630	287,561	289,771
Impairment of Long-Lived Assets	3,044	1,513	3,405	1,275	4,441	5,376	533	16,811	1,282	5,112	18,592
Impairment of Goodwill			530	823		2,705		2,600			
Gain on sale of a part of High-Frequency Devices business								(145,208)	(5,277)	(4,011)	(2,910)
Production realignment costs			6,570	1,561							
Realignment-related gain; Sales of properties			(6,732)								
Restructuring cost	4,875										
Other									(105)		
Operating income (loss)	29,443	67,864	20,539	22,054	36,616	72,459	93,414	208,660	89,692	107,823	97,870
Other income (deductions):											
Interest and dividend income	3,130	1,354	1,986	2,893	3,365	4,075	4,496	4,152	6,369	7,746	10,166
Interest expense	(4,010)	(2,849)	(2,977)	(2,842)	(3,457)	(2,992)	(3,116)	(3,428)	(4,461)	(4,155)	(3,671)
Equity in earnings (loss) of affiliates	(1,678)	(780)	(557)	(2,388)	1,444	725	1,462	1,396	2,989	1,795	(2,329)
Gain (loss) on sale of securities	146	150	1,137	476	2,583	1,422	(1,578)	80	(248)	463	1,879
Loss on securities	(1,509)	(259)	(5,373)	(1,190)	(447)	(150)	(1,567)	0	0	0	0
Foreign exchange gain (loss)	(1,118)	(2,285)	(787)	(136)	(1,302)	(1,846)	(2,394)	368	(786)	(4,412)	(4,020)
Other-net	1,172	1,324	700	898	970	824	1,122	489	(3,744)	6,294	(4,019)
	(3,867)	(3,345)	(5,871)	(2,289)	3,156	2,058	(1,575)	3,057	119	7,731	(1,994)
Income (loss) before income taxes						74,517	91,839	211,717	89,811	115,554	95,876
Income from continuing operations before income taxes	25,576	64,519	14,668	19,765	39,772						
Income taxes	9,401	15,105	11,970	14,616	17,936	21,738	25,216	66,157	25,834	33,004	38,719
Income from continuing operations	16,175	49,414	2,698	5,149	21,836	52,779	66,623	145,560	63,977	82,550	57,157
Loss (income) from discontinued operations	(3,293)	(4,410)	(4,399)	(619)	(3,602)						
Net income (loss)	12,882	45,004	(1,701)	4,530	18,234	52,779	66,623	145,560	63,977	82,550	57,157
Less: Net income (loss) attributable to noncontrolling interests	(638)	(260)	753	3,335	1,946	3,339	1,795	461	514	345	(623)
Net income (loss) attributable to TDK	13,520	45,264	(2,454)	1,195	16,288	49,440	64,828	145,099	63,463	82,205	57,780

Notes:

1. In accordance with the provisions of ASC No.205-20, "Presentation of Financial Statements-Discontinued Operations," operating results relating to the data tape business and the blu-ray business are separately presented as discontinued operations in consolidated statements of operations for the year ended March 31, 2014. Also reclassifications are made to the consolidated statements of operations after the year ended March 31, 2010 to conform to the presentation used for the year ended March 31, 2014.

2. In accordance with the provisions of ASC No.2017-07, "Improving the Presentation of Net Periodic Pension Cost and Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost," cost of sales and selling, general and administrative expenses in the year ended March 31, 2018 were reclassified amount were ¥1,991 million, ¥2,068 million, respectively.

Consolidated Balance Sheets

TDK Corporation and Subsidiaries

Years ended March 31, 2010 through 2020

(Yen Million)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Assets											
Current assets:											
Cash and cash equivalents	132,984	129,091	167,015	213,687	250,848	265,104	285,468	330,388	279,624	289,175	332,717
Short-term investments	67,873	50,803	6,368	9,830	8,691	20,091	21,964	56,131	43,613	40,505	32,494
Marketable securities	22,405	17,736	827	900		1,301			54	57	56
Trade receivables:											
Notes	5,709	5,828	6,678	7,618	6,751	9,311	14,465	40,867	55,162	56,690	58,079
Accounts	165,706	161,105	172,583	183,829	201,411	231,141	213,508	215,783	250,568	252,654	253,783
Allowance for doubtful receivables	(2,066)	(1,691)	(1,400)	(1,367)	(1,690)	(2,363)	(1,755)	(1,741)	(1,714)	(1,190)	(1,720)
Net trade receivables	169,349	165,242	177,861	190,080	206,472	238,089	226,218	254,909	304,016	308,154	310,142
Inventories	105,069	121,679	137,231	137,868	136,387	151,012	157,129	154,499	207,532	226,892	236,453
Income tax receivables	5,916	3,579	5,210	4,975	5,311	4,766	4,660	6,153	6,068	6,775	9,201
Prepaid expenses and other current assets	34,151	38,752	51,309	53,288	45,576	59,878	45,555	64,056	59,029	50,927	45,419
Total current assets	537,747	526,882	545,821	610,628	653,285	740,241	740,994	866,136	899,936	922,485	966,482
Investments in securities	38,324	34,117	35,451	32,213	38,401	45,733	35,335	161,825	155,240	155,306	33,229
Property, plant and equipment, at cost:											
Land	26,213	24,624	23,570	24,174	23,828	23,566	24,422	23,714	23,337	23,146	22,057
Buildings	237,646	221,569	218,633	234,672	239,881	252,103	266,721	299,196	318,899	344,888	347,655
Machinery and equipment	619,885	603,608	636,359	707,877	765,617	828,355	858,126	762,788	834,484	921,639	972,492
Construction in progress	22,591	33,253	44,340	36,708	25,623	64,159	86,183	64,118	82,015	71,592	81,923
	906,335	883,054	922,902	1,003,431	1,054,949	1,168,183	1,235,452	1,149,816	1,258,735	1,361,265	1,424,127
Less accumulated depreciation	(588,130)	(564,651)	(590,577)	(637,530)	(680,917)	(740,929)	(747,813)	(685,149)	(713,094)	(758,155)	(812,977)
Net property, plant and equipment	318,205	318,403	332,325	365,901	374,032	427,254	487,639	464,667	545,641	603,110	611,150
Right-of-use assets of operating leases											39,215
Goodwill	52,051	48,488	47,313	56,438	63,891	63,230	73,012	61,031	157,858	164,794	160,945
Intangible assets	79,987	69,688	61,262	57,604	54,214	47,776	45,824	51,821	85,531	88,693	79,748
Deferred income taxes	53,716	52,930	38,802	29,674	28,563	24,085	37,776	29,546	31,131	35,238	34,862
Other assets	11,428	10,345	11,855	17,117	27,167	55,934	29,984	29,307	29,872	22,854	17,748
Total assets	1,091,458	1,060,853	1,072,829	1,169,575	1,239,553	1,404,253	1,450,564	1,664,333	1,905,209	1,992,480	1,943,379

Notes:

1. TDK adopted Accounting Standards Update ("ASU") 2015-03 "Simplifying the Presentation of Debt Issuance Costs" issued by the Financial Accounting Standards Board ("FASB") after the year ended March 31, 2017. As a result, the bond issuance cost that used to be a part of Other assets is presented as a deduction from Other assets from the year ended March 31, 2013.

Consolidated Balance Sheets

TDK Corporation and Subsidiaries
Years ended March 31, 2010 through 2020

(Yen Million)	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Liabilities and Equity											
Current liabilities:											
Short-term debt	79,946	98,294	131,168	146,624	132,237	136,098	158,683	77,680	124,573	221,310	216,601
Current installments of long-term debt	10,554	55,968	11,729	51,515	37,147	751	36,228	42,517	64,566	91,276	68,028
Current portion of operating lease obligations											7,252
Trade payables:											
Notes	2,470	2,541	3,102	15,813	19,643	28,763	40,805	87,157	122,849	92,583	102,200
Accounts	82,518	81,014	84,564	69,202	76,045	82,828	71,859	89,487	103,942	97,309	99,625
Accrued expenses	63,249	72,966	73,271	76,649	86,664	118,336	123,892	148,609	159,618	192,800	201,591
Income taxes payables	3,541	4,545	5,133	4,110	7,922	6,510	5,267	16,650	10,989	3,781	7,341
Other current liabilities	9,099	12,368	16,936	14,022	14,123	14,591	14,500	15,494	16,500	15,261	16,267
Total current liabilities	251,377	327,696	325,903	377,935	373,781	387,877	451,234	477,594	603,037	714,320	718,905
Long-term debt, excluding current installments	179,554	90,707	129,943	97,414	97,587	131,454	140,826	213,935	293,880	207,682	140,061
Long-term operating lease obligations											28,824
Retirement and severance benefits	84,304	80,036	88,254	94,521	93,777	105,687	147,136	125,202	125,137	129,050	142,958
Deferred income taxes	11,312	9,511	4,048	4,808	5,202	5,422	9,562	29,786	35,432	38,588	38,329
Other noncurrent liabilities	15,242	13,137	12,635	14,281	16,963	15,806	17,173	15,698	16,491	19,084	25,738
Total liabilities	541,789	521,087	560,783	588,959	587,310	646,246	765,931	862,215	1,073,977	1,108,724	1,094,815
TDK stockholders' equity:											
Common stock	32,641	32,641	32,641	32,641	32,641	32,641	32,641	32,641	32,641	32,641	32,641
Additional paid-in capital	61,124	61,258	63,927	64,199	57,635	39,755	21,083	15,349	8,738	5,958	1,783
Legal reserve	21,823	21,459	23,803	25,426	26,651	29,685	34,221	37,727	45,366	44,436	45,254
Retained earnings	606,445	643,025	627,861	617,377	624,919	661,159	707,508	833,884	874,563	935,649	971,140
Accumulated other comprehensive income (loss)	(172,092)	(217,979)	(230,849)	(159,016)	(87,134)	(5,882)	(102,285)	(108,575)	(119,492)	(124,435)	(190,055)
Treasury stock	(6,185)	(6,131)	(19,224)	(19,458)	(19,385)	(18,497)	(17,807)	(17,412)	(17,182)	(16,959)	(16,806)
Total TDK stockholders' equity	543,756	534,273	498,159	561,169	635,327	738,861	675,361	793,614	824,634	877,290	843,957
Noncontrolling interests	5,913	5,493	13,887	19,447	16,916	19,146	9,272	8,504	6,598	6,466	4,607
Total equity	549,669	539,766	512,046	580,616	652,243	758,007	684,633	802,118	831,232	883,756	848,564
Total liabilities and equity	1,091,458	1,060,853	1,072,829	1,169,575	1,239,553	1,404,253	1,450,564	1,664,333	1,905,209	1,992,480	1,943,379

Notes:

1. TDK adopted Accounting Standards Update ("ASU") 2015-03 "Simplifying the Presentation of Debt Issuance Costs" issued by the Financial Accounting Standards Board ("FASB") after the year ended March 31, 2017. As a result, the bond issuance cost that used to be a part of Long-term debt, excluding current installments is presented as a deduction from Long-term debt, excluding current installments from the year ended March 31, 2013.

Consolidated Statements of Cash Flows

TDK Corporation and Subsidiaries
Years ended March 31, 2010 through 2020

(Yen Million)	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Cash flows from operating activities:											
Net income (loss)	12,882	45,004	(1,701)	4,530	18,234	52,779	66,623	145,560	63,977	82,550	57,157
Adjustments to reconcile net income (loss) to net cash provided by operating activities:											
Depreciation and amortization	83,788	77,594	80,197	77,938	83,109	80,249	83,224	87,491	92,171	106,631	124,984
Loss (gain) on sale or disposal of property, plant and equipment	2,154	1,227	(5,396)	1,203	(1,519)	860	1,105	601	704	2,249	2,183
Impairment loss on long-lived assets	4,674	1,513	5,124	1,275	6,149	5,376	533	16,811	1,282	5,112	18,592
Deferred income taxes	10,401	(1,710)	2,092	5,110	(1,215)	3,009	2,001	30,723	(1,354)	5,458	(4,437)
Loss (gain) on securities, net	1,363	109	4,236	714	(2,136)	(1,272)	3,145	(80)	248	(463)	(1,879)
Gain on sale of a part of High-Frequency Devices business								(149,538)	(5,427)	(4,011)	(2,910)
Gain on sale of a subsidiary		(389)									
Equity in earnings of affiliates, net of cash dividends received		827	650	2,393	(1,424)	(669)	(1,417)	(1,280)	(2,924)	(1,768)	2,370
Gain on sale of investments in affiliates										(9,379)	183
Changes in assets and liabilities:											
Decrease (increase) in trade receivables	(51,137)	(10,601)	(14,805)	14,487	4,349	4,919	(7,262)	(59,152)	(51,961)	(3,388)	(13,198)
Decrease (increase) in inventories	(1,947)	(22,782)	(18,075)	13,493	13,011	(4,368)	(10,591)	(21,709)	(49,731)	(22,952)	(20,357)
Increase (decrease) in trade payables	36,029	9,309	4,784	(20,327)	(1,446)	(12,375)	16,460	67,913	53,761	(12,241)	23,090
Increase (decrease) in accrued expenses	8,044	6,343	(103)	1,264	3,589	7,892	(509)	12,467	8,410	8,541	16,563
Increase (decrease) in income taxes payables, net	8,501	3,731	(977)	(1,081)	2,967	(1,682)	(1,293)	11,097	(6,280)	(7,153)	1,423
Increase (decrease) in retirement and severance benefits, net	6,076	(277)	2,201	(202)	2,053	536	(3,966)	1,646	(1,560)	(2,770)	(3,794)
Other-net	(2,581)	(8,019)	(2,893)	8,145	1,587	7,596	3,510	17,586	(10,006)	(6,142)	22,420
Net cash provided by operating activities	118,247	101,879	55,334	108,942	127,308	142,850	151,563	160,136	91,310	140,274	222,390
Cash flows from investing activities:											
Capital expenditures	(64,370)	(78,638)	(99,653)	(85,606)	(68,606)	(102,525)	(160,674)	(167,631)	(178,612)	(173,592)	(173,429)
Proceeds from sales of tangible and intangible assets	1,262	1,203	12,029	4,246	5,206	7,698	3,918	21,085	9,083	3,921	2,945
Proceeds from sale and maturity of short-term investments	114,540	162,360	55,951	12,363	21,844	21,828	30,348	38,697	168,256	92,197	80,328
Payment for purchase of short-term investments	(159,406)	(151,539)	(12,705)	(14,496)	(20,232)	(30,861)	(27,352)	(73,632)	(156,621)	(87,581)	(74,665)
Proceeds from sale and maturity of securities	17,505	20,869	19,576	2,335	5,269	707	4,833	523	24,933	435	1,608
Payment for purchase of securities	(22,314)	(17,350)	(3,535)	(748)	(1,746)	(248)	(1,112)	(837)	(1,208)	(803)	(2,380)
Acquisitions of assets		(522)									
Proceeds from sale of business	780										
Proceeds from sale of a part of High-Frequency Devices business								128,210	30,365	11,462	
Proceeds from sale of a subsidiary		973									
Acquisition of subsidiaries, net of cash acquired			(545)	(5,633)	(922)		(15,165)	(16,819)	(141,499)	(2,548)	(234)
Proceeds from sale of affiliates										22,064	124,484
Acquisition of affiliates		(2)									
Other-net	6,040	1,305	(1,016)	(2,617)	3,749	(23,911)	24,619	(707)	(796)	(5,734)	(621)
Net cash used in investing activities	(105,963)	(61,341)	(29,898)	(90,156)	(55,438)	(127,312)	(140,585)	(71,111)	(246,099)	(140,179)	(41,964)
Cash flows from financing activities:											
Proceeds from long-term debt	519	6,340	50,306	40,416	33,747	34,777	22,700	119,275			
Repayment of long-term debt	(28,277)	(49,522)	(56,046)	(37,710)	(51,867)	(37,320)	(1,289)	(52,246)			
Proceeds from debt with maturities longer than three months								2,457	151,096	5,166	21,407
Repayment of debt with maturities longer than three months								(1,578)	(64,863)	(68,930)	(95,087)
Net Increase (decrease) in debt with maturities of three months	7,653	19,616	32,487	12,124	(16,634)	(916)	50,213	(81,942)	48,067	95,824	(21,613)
Dividends paid	(11,609)	(9,035)	(10,321)	(10,070)	(7,554)	(10,069)	(13,864)	(15,132)	(15,138)	(18,948)	(21,469)
Acquisition of noncontrolling interests	(7,236)	(4)	(1,201)		(13,981)	(24,633)	(28,504)	(8,914)	(8,796)	(3,590)	(4,991)
Other-net	581	745	(2,296)	(365)	171	2,918	49	327	(278)	(87)	(16)
Net cash provided by (used in) financing activities	(38,369)	(31,860)	12,929	4,395	(56,118)	(35,243)	29,305	(37,753)	110,088	9,435	(121,769)
Effect of exchange rate changes on cash and cash equivalents	(6,636)	(12,571)	(441)	23,491	21,409	33,961	(19,919)	(6,352)	(6,063)	21	(15,115)
Net increase (decrease) in cash and cash equivalents	(32,721)	(3,893)	37,924	46,672	37,161	14,256	20,364	44,920	(50,764)	9,551	43,542
Cash and cash equivalents, beginning of year	165,705	132,984	129,091	167,015	213,687	250,848	265,104	285,468	330,388	279,624	289,175
Cash and cash equivalents, end of year	132,984	129,091	167,015	213,687	250,848	265,104	285,468	330,388	279,624	289,175	332,717

Notes:

1. As a result of the reclassification of Cash flows from financing activities in the year ended March 31, 2019, the figures for the years ended March 31, 2017 and 2018 are also reclassified from "Proceeds from long-term debt," "Repayment of long-term debt," and "Increase (decrease) in short-term debt, net" to "Proceeds from debt with maturities longer than three months," "Repayment of debt with maturities longer than three months," and "Net Increase (decrease) in debt with maturities of three months."

Segment Information (1)

TDK Corporation and Subsidiaries
Years ended March 31, 2010 through 2020

(Yen Million)	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total											
Sales	792,624	862,492	802,534	841,847	984,525	1,082,560	1,152,255	1,178,257	1,271,747	1,381,806	1,363,037
Operating income (loss)	29,443	67,864	20,539	22,054	36,616	72,459	93,414	208,660	89,692	107,823	97,870
Assets	1,091,458	1,060,853	1,072,829	1,169,575	1,239,553	1,404,253	1,450,564	1,664,333	1,905,209	1,992,480	1,943,379

Sales by Segment

Passive Components	364,805	431,111									
Share to net sales (%)	46.0	50.0									
Magnetic Application Products	371,170	359,030									
Share to net sales (%)	46.8	41.6									
Other	56,649	72,351									
Share to net sales (%)	7.1	8.4									

Sales by Segment¹

Passive Components	361,096	425,532	381,576	379,614	466,130	531,998	583,474	548,730			
Share to net sales (%)	45.6	49.3	47.5	45.1	47.3	49.1	50.6	46.6			
Magnetic Application Products	368,235	356,473	316,402	337,947	357,018	363,347	315,322	349,698			
Share to net sales (%)	46.5	41.3	39.4	40.1	36.3	33.6	27.4	29.7			
Film Application Products	40,168	49,146	80,764	102,893	129,304	151,275	219,893	247,693			
Share to net sales (%)	5.1	5.7	10.1	12.2	13.1	14.0	19.1	21.0			
Other	23,125	31,341	23,792	21,393	32,073	35,940	33,566	32,136			
Share to net sales (%)	2.9	3.6	3.0	2.6	3.3	3.3	2.9	2.7			

Sales by Segment²

Passive Components						528,225	437,639				
Share to net sales (%)						44.8	34.4				
Sensor Application Products						42,850	77,578				
Share to net sales (%)						3.7	6.1				
Magnetic Application Products						329,850	333,235				
Share to net sales (%)						28.0	26.2				
Film Application Products						247,693	370,953				
Share to net sales (%)						21.0	29.2				
Other						29,639	52,342				
Share to net sales (%)						2.5	4.1				

Sales by Segment³

Passive Components							417,757	433,406	395,456		
Share to net sales (%)							32.9	31.4	29.0		
Sensor Application Products							77,355	76,467	77,938		
Share to net sales (%)							6.1	5.5	5.7		
Magnetic Application Products							277,548	272,807	219,668		
Share to net sales (%)							21.8	19.7	16.1		
Energy Application Products							442,822	537,502	597,698		
Share to net sales (%)							34.8	38.9	43.9		
Other							56,265	61,624	72,277		
Share to net sales (%)							4.4	4.5	5.3		

*1. From the year ended March 31, 2012, the business result is disclosed with the new business segments of "Passive Components," "Magnetic Application Products," "Film Application Products," and "Other."

*2. From the year ended March 31, 2018, the business result is disclosed with the new business segments of "Passive Components," "Sensor Application Products," "Magnetic Application Products," "Film Application Products," and "Other."

*3. From the year ended March 31, 2019, the business result is disclosed with the new business segments of "Passive Components," "Sensor Application Products," "Magnetic Application Products," "Energy Application Products," and "Other."

Notes:

1. In accordance with the provisions of ASC No.205-20, "Presentation of Financial Statements-Discontinued Operations", operating results relating to the data tape business and the blu-ray business are separately presented as discontinued operations in consolidated statements of operations for the year ended March 31, 2014. Also reclassifications are made to the consolidated statements of operations after the year ended March 31, 2010 to conform to the presentation used for the year ended March 31, 2014.

2. As a result of the reorganization in the year ended March 31, 2016, certain products of the Passive Components segment and the Magnetic Application Products segment were reclassified into Other for the figures for the years ended March 31, 2014 and 2015.

3. As a result of the reorganization in the year ended March 31, 2017, certain products of Other were reclassified into Inductive Devices and Other Passive Components and certain products of Film Application Products were reclassified into Other. The figures for the years ended March 31, 2016 were also reclassified to conform to the new segmentation.

4. TDK adopted Accounting Standards Update ("ASU") 2015-03 "Simplifying the Presentation of Debt Issuance Costs" issued by the Financial Accounting Standards Board ("FASB") after the year ended March 31, 2017. As a result, the bond issuance cost that used to be a part of Total assets is presented as a deduction from Total assets from the year ended March 31, 2013.

5. As a result of the reorganization in the year ended March 31, 2018, Sensor Application Products was newly established. Certain products of Other were reclassified into Passive Components and certain products of Magnetic Application Products were reclassified into Other. The figures for the years ended March 31, 2017 were also reclassified to conform to the new segmentation.

6. As a result of the reorganization in the year ended March 31, 2019, Energy Application Products was newly established. Certain products of Other Passive Components in Passive Components were reclassified into Other, and certain products of Other were reclassified into Other Passive Components in Passive Components, and certain portion of Sensor Application Products were reclassified into Other. The figures for the year ended March 31, 2018 were also reclassified to conform to the new segmentation.

Segment Information (2)

FY March 2019 (Yen Million)	Q1 (Apr.-Jun.)	Q2 (Jul.-Sep.)	Q3 (Oct.-Dec.)	Q4 (Jan.-Mar.)
Sales				
Passive Components	112,722	112,100	106,702	101,882
Sensor Application Products	18,869	20,608	19,701	17,289
Magnetic Application Products	70,476	75,390	66,410	60,531
Energy Application Products	125,587	154,761	145,372	111,782
Other	15,414	16,013	12,618	17,579
	343,068	378,872	350,803	309,063

FY March 2020 (Yen Million)	Q1 (Apr.-Jun.)	Q2 (Jul.-Sep.)	Q3 (Oct.-Dec.)	Q4 (Jan.-Mar.)
Sales				
Passive Components	98,269	101,871	98,349	96,967
Sensor Application Products	18,142	20,777	20,308	18,711
Magnetic Application Products	55,529	54,465	57,859	51,815
Energy Application Products	144,513	173,664	161,177	118,344
Other	20,362	19,437	17,941	14,537
	336,815	370,214	355,634	300,374