

Consolidated Results for FY March 2021

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Key points concerning earnings for FY March 2021

Demand for electronic components continued to recover due to the resumption of social and economic activities as well as production activities from the second quarter, despite a slowdown in the global economy as a result of the conflict between the U.S. and China and the COVID-19 pandemic.

Demand related to digital transformation (DX) and energy transformation (EX) expanded more than initial expectations, and both net sales and operating income reached record highs.*

- **Net sales increased 8.5% year on year. Operating income increased 13.9% year on year.**

- Orders for the automotive market, which had recovered rapidly during 2Q, remained strong, resulting in an increase centered in sales of Passive Components.
- As for sales to the ICT market, DX-related demand was brisk. Sales of Rechargeable Batteries, Passive Components, and Sensors increased for PCs, tablets, and 5G smartphones.
- TDK implemented the short-term earnings improvement measures in response to COVID-19 pandemic, as well as measures to enhance asset efficiency, including business site restructuring, looking ahead to the expected changes in demand trends.

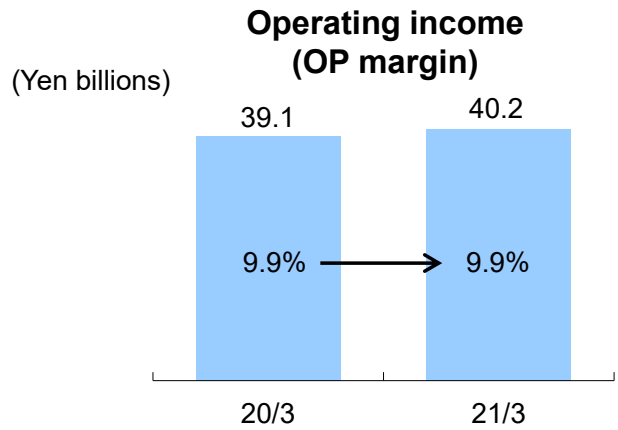
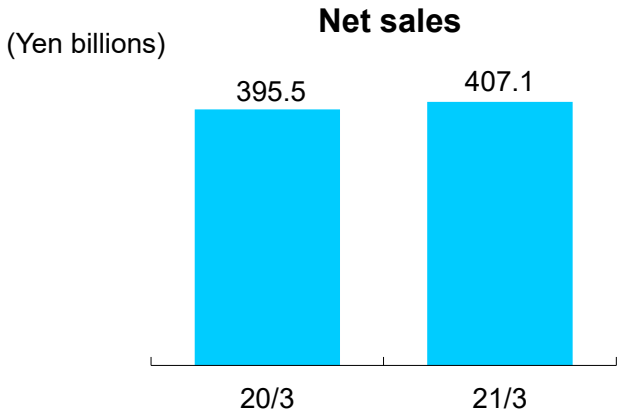
*Operating income is compared on the basis excluding a gain on sale of business recorded in FY March 2017.

Consolidated full year results for FY March 2021

	(Yen billions)	FY March 2020 full year results	FY March 2021 full year results	Change	
				Yen billions	%
Net sales		1,363.0	1,479.0	116.0	8.5
Operating income		97.9	111.5	13.6	13.9
Operating income margin		7.2%	7.5%	+0.3 pt	-
Income before income taxes		95.9	121.9	26.0	27.1
Net income		57.8	79.3	21.5	37.2
Earning per share (JPY)		457.47	628.08	-	-
Ex-rate	US\$ (JPY)	108.82	106.05	Appreciated by 2.5%	
	EURO (JPY)	120.92	123.67	Depreciated by 2.3%	
Ex-rate impact to net sales & operating income		Net sales : Decreased by about 21.7 billion Yen Operating income : Decreased by about 8.1 billion Yen			

FY March 2021 results

- Passive Components segment



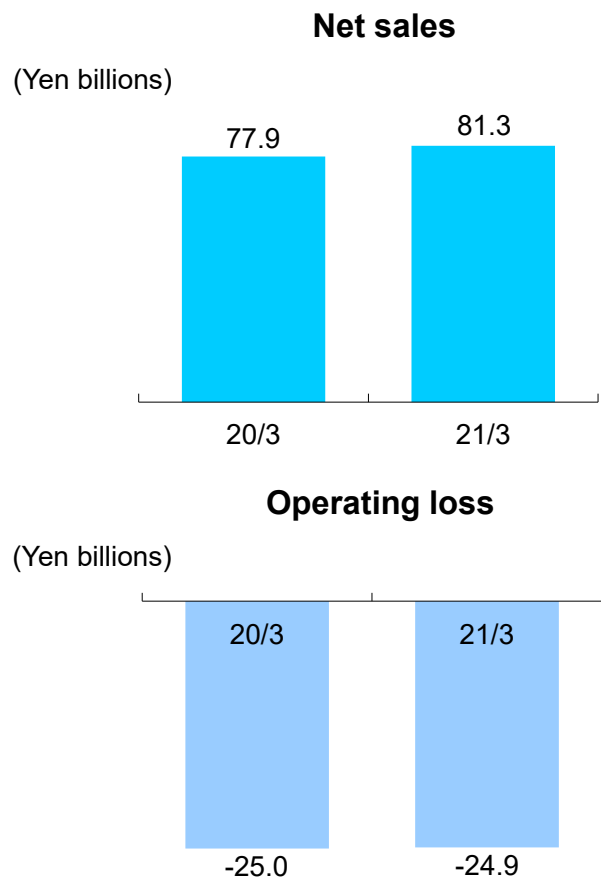
20/3: FY March 2020

Net sales 407.1 billion yen (up 2.9% year on year)
Operating income 40.2 billion yen (up 2.8% year on year)

- **Ceramic Capacitors**
 - Sales increased and profit decreased year on year.
 - Sales increased to the automotive.
- **Aluminum Electrolytic Capacitors and Film Capacitors**
 - Sales increased and profitability improved year on year.
 - Sales increased to the industrial equipment market.
- **Inductive Devices**
 - Sales and profit increased year on year.
 - Sales increased to the ICT market while decreased to the industrial equipment market year on year.
- **High-Frequency Components**
 - Sales and profit increased year on year.
 - Sales increased to the ICT market.
- **Piezoelectric Material Products and Circuit Protection Components**
 - Sales and profit increased year on year.
 - Sales increased to the industrial equipment market.

FY March 2021 results

- Sensor Application Products segment



20/3: FY March 2020

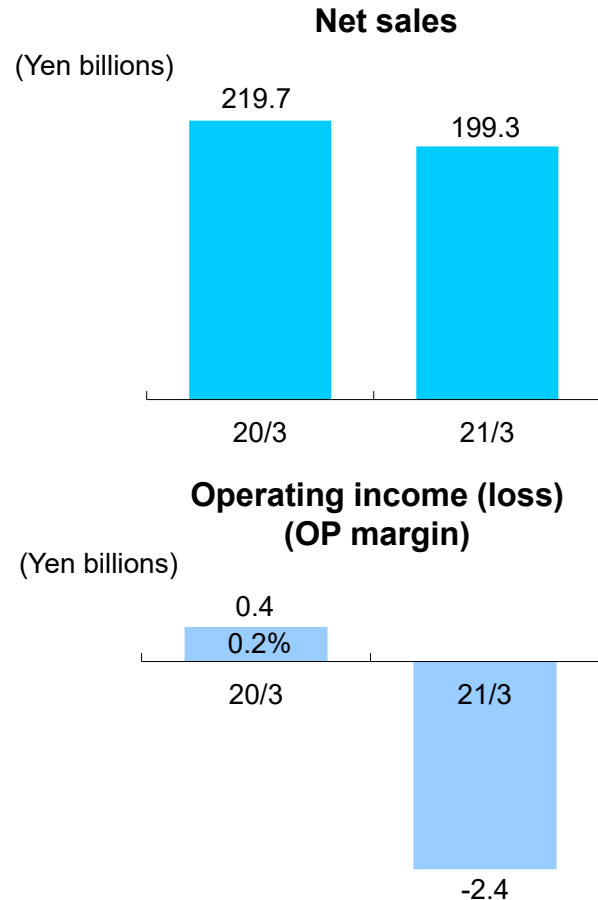
Net sales 81.3 billion yen (up 4.4% year on year)
Operating loss -24.9 billion yen (down —% year on year)

- **Sensors**

- In the first half of the year, sales decreased year on year, reflecting a sharp drop in sales to the automotive market. In the second half, sales increased significantly due to the recovery of demand and the expansion of the customer base and the application base, resulting in record sales in the fourth quarter.
- Although one-time expenses were recorded in the fourth quarter, profit improved due to the enhanced efficiency of development costs as well as the effects of cost improvement measures.
- Earnings from TMR Sensors rose, driven by dramatic growth in sales to the ICT market.
- Sales of MEMS sensors increased, owing to the expansion of the customer base for motion sensors and the launch of new businesses for MEMS microphones.

FY March 2021 results

- Magnetic Application Products segment



20/3: FY March 2020

Net Sales 199.3 billion yen (down 9.3% year on year)
Operating loss -2.4 billion yen (up —% year on year)

- **HDD Heads and HDD Suspension Assemblies**

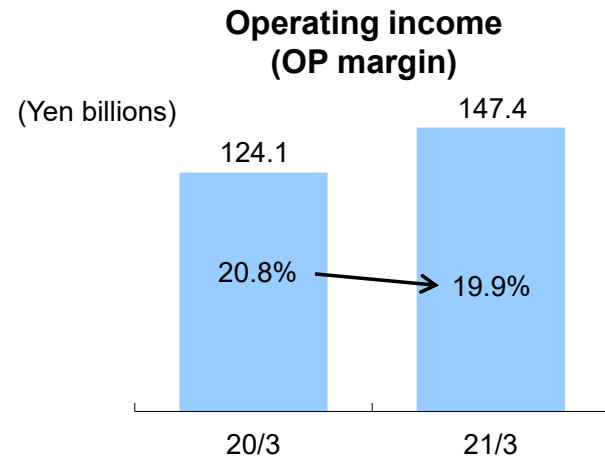
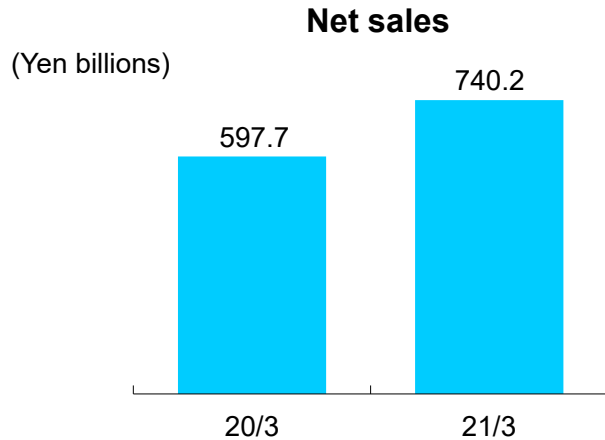
- Sales and profit of HDD heads decreased significantly year on year due to the plant closures (lockdowns) of a major customer, and the earnings of the Magnetic Application Products segment worsened as a whole.
- Sales and profit of HDD suspension assemblies increased year on year due to the sales expansion of μ DSA.

- **Magnets**

- Sales decreased year on year, reflecting a decline in sales to the automotive market. The amount of loss diminished due to a decrease in one-time expenses.

FY March 2021 results

- Energy Application Products segment



20/3: FY March 2020

Net sales 740.2 billion yen (up 23.8% year on year)
Operating income 147.4 billion yen (up 18.8% year on year)

- **Energy Devices (Rechargeable Batteries)**

- Sales and profit increased year on year. Profit increase rate declined slightly due to upfront investments for the launch of new power cell products.
- Sales for mobile applications (smartphones, tablets, notebook PCs) performed strongly, especially sales for tablets and notebook PCs increased dramatically.
- Sales for game consoles and sales of mini cell products increased.
- Sales of power cell products expanded mainly for residential energy storage systems and electric motorcycles.

- **Power Supplies**

- Sales and profit from power supplies for industrial equipment improved year on year.
- Sales declined for EV power supplies.

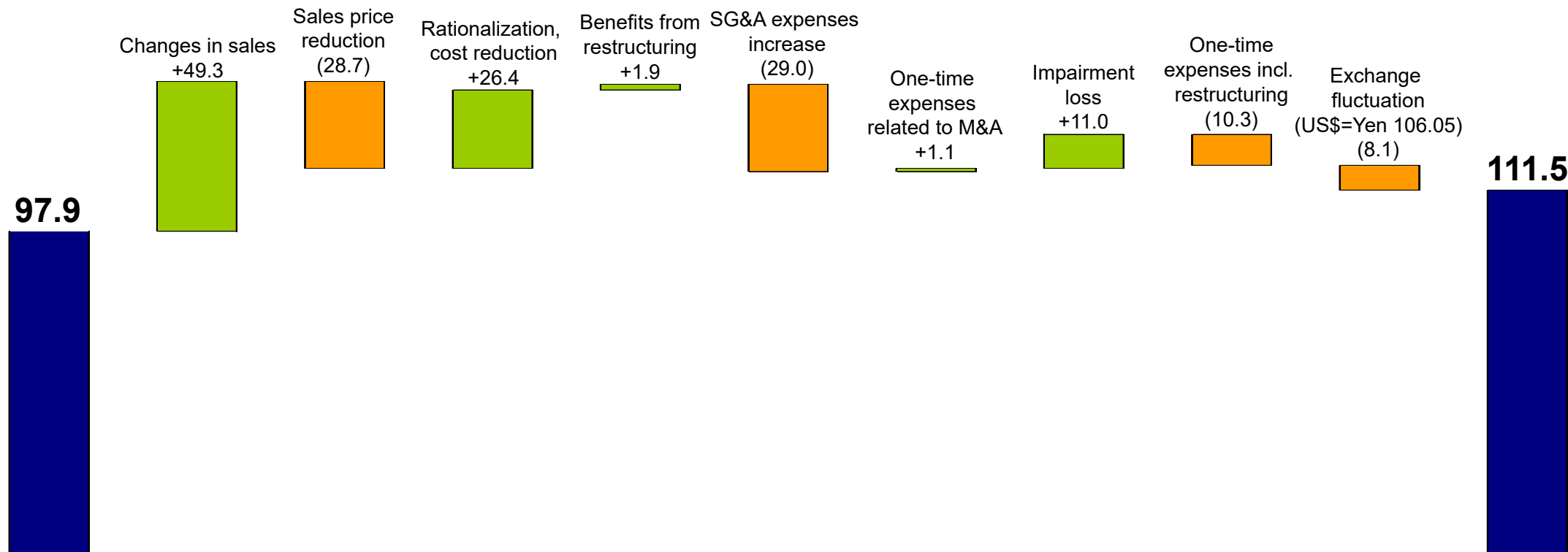
Breakdown of operating income changes

FY March 2020
97.9 billion yen

Operating income +13.6 billion yen

FY March 2021
111.5 billion yen

(Yen billions)



FY March 2021 quarterly results by segment

Attracting Tomorrow



(Yen billions)		4Q of FY March 2020 (A)	3Q of FY March 2021 (B)	4Q of FY March 2021 (C)	YoY change (C)-(A)		QoQ change (C)-(B)	
					Yen billions	%	Yen billions	%
Net sales	Capacitors	37.7	41.9	44.3	6.6	17.5	2.4	5.7
	Inductive Devices	33.0	39.0	39.0	6.0	18.2	0.0	0.0
	Other Passive Components	26.3	28.5	30.6	4.3	16.3	2.1	7.4
	Passive Components	97.0	109.5	113.9	16.9	17.4	4.4	4.0
	Sensor Application Products	18.7	23.0	23.9	5.2	27.8	0.9	3.9
	Magnetic Application Products	51.8	55.9	54.6	2.8	5.4	(1.3)	-2.3
	Energy Application Products	118.3	195.4	187.3	69.0	58.3	(8.1)	-4.1
	Other	14.5	11.9	12.5	(2.0)	-13.8	0.6	5.0
	Total	300.4	395.7	392.2	91.8	30.6	(3.5)	-0.9
Operating income	Passive Components	6.7	13.4	9.5	2.8	41.8	(3.9)	-29.1
	Sensor Application Products	(7.0)	(4.1)	(8.5)	(1.5)	-	(4.4)	-
	Magnetic Application Products	(11.5)	4.2	(4.1)	7.4	-	(8.3)	-
	Energy Application Products	14.7	42.8	25.0	10.3	70.1	(17.8)	-41.6
	Other	(5.8)	(3.0)	(8.3)	(2.5)	-	(5.3)	-
	Sub total	(3.0)	53.3	13.6	16.6	-	(39.7)	-74.5
	Corporate and eliminations	(8.4)	(8.2)	(9.5)	(1.1)	-	(1.3)	-
Total	(11.4)	45.1	4.1	15.5	-	(41.0)	-90.9	
Operating income margin		-	11.4%	1.0%	- pt	-	-10.4 pt	-
Ex-rate	US\$ (JPY)	109.05	104.50	105.87				
	EURO (JPY)	120.32	124.46	127.75				

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