

Consolidated Results for First Half of FY March 2022

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Demand for electronic components continued to recover on the back of the gradual waning of the COVID-19 pandemic and normalization of social and economic activities. Both net sales and operating income achieved new record highs as demand related to digital transformation (DX) and energy transformation (EX) remained strong.

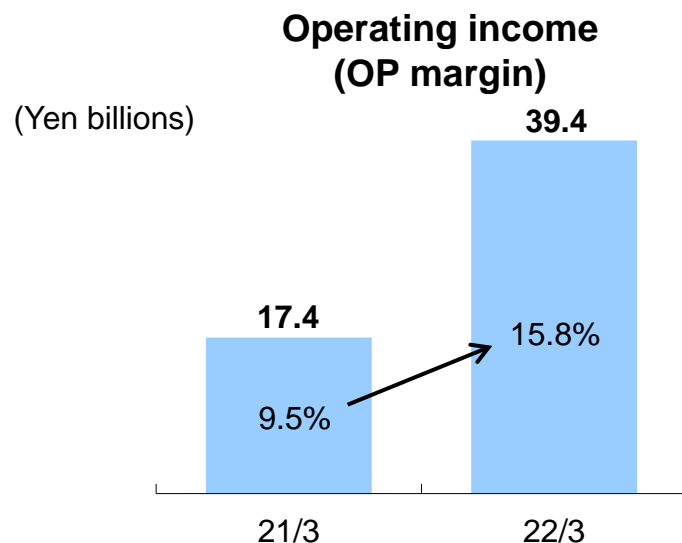
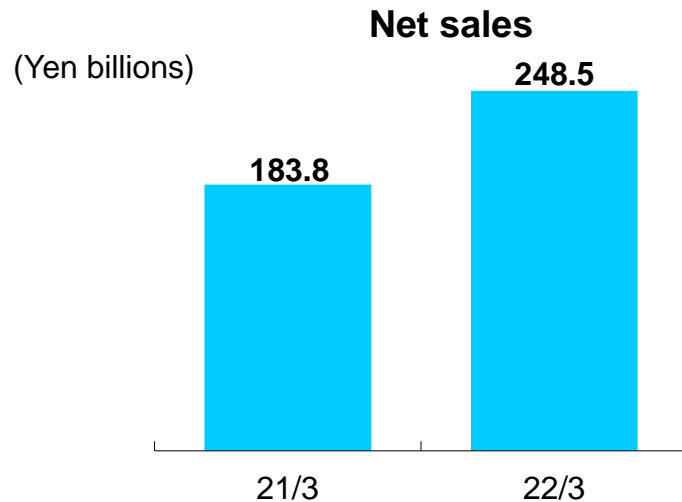
- **Net sales increased 29.4% year on year. Operating income increased 28.2% year on year.**
 - **Net sales and operating income for 2Q and the first half achieved new record highs for both a quarterly and a half-yearly basis.***
- Although automobile production is affected by the shortage in supply of semiconductors and other components, sales to the automotive market remained brisk on the back of an increase in the number of components installed per vehicle. Sales of Passive Components and Sensors increased.
 - As for the ICT market, while production of smartphones was below the initial forecast due to the semiconductor supply shortage and the effects of the resurgence of COVID-19, demand for PCs and tablets remained brisk. In addition, investment in data centers remained strong and demand for servers increased. Sales of Rechargeable Batteries, Sensors, and HDD Heads increased.
 - Sales of Power Supplies for industrial equipment and Passive Components increased as capital expenditures remained at a high level.

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

Consolidated results for first half of FY March 2022

(Yen billions)		FY March 2021 Results through 2Q (2020.4.1-2020.9.30)	FY March 2022 Results through 2Q (2021.4.1-2021.9.30)	Change	
				Yen billions	%
Net sales		691.1	894.2	203.1	29.4
Operating income		62.4	80.0	17.6	28.2
Operating income margin		9.0%	9.0%	-	-
Income before income taxes		63.2	84.5	21.3	33.7
Net income		42.2	68.2	26.0	61.6
Earning per share (JPY)		111.42	180.03	-	-
Ex-rate	US\$ (JPY)	106.92	109.79	Depreciated by 2.7%	
	EURO (JPY)	121.27	130.86	Depreciated by 7.9%	
Ex-rate impact to net sales & operating income		Net sales : Increased by about 45.4 billion Yen Operating income : Decreased by about 1.8 billion Yen			

First half results - Passive Components segment



Net sales 248.5 billion yen (up 35.2% year on year)
Operating income 39.4 billion yen (up 126.4% year on year)

- **Ceramic Capacitors**

- ↳ Sales and profit increased year on year.
- ↳ Sales increased significantly to the automotive market.

- **Aluminum Electrolytic Capacitors and Film Capacitors**

- ↳ Sales and profit increased year on year.
- ↳ Sales increased to the industrial equipment and the automotive markets.

- **Inductive Devices**

- ↳ Sales and profit increased year on year.
- ↳ Sales increased significantly mainly to the automotive market.

- **High-Frequency Components**

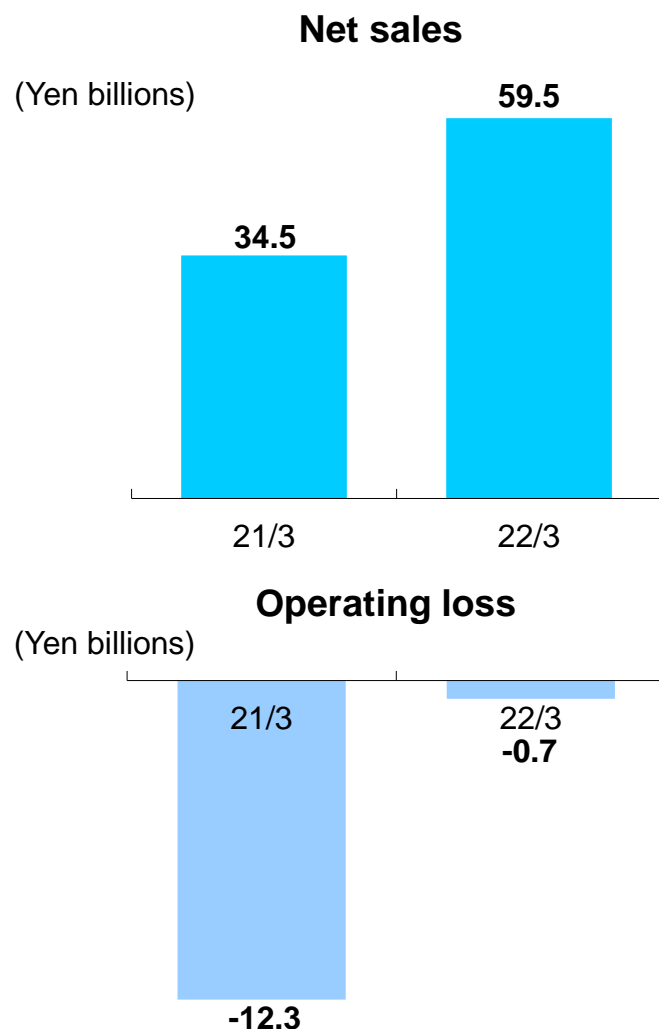
- ↳ Sales increased and profit decreased year on year.
- ↳ Sales to the ICT market increased.

- **Piezoelectric Material Products and Circuit Protection Components**

- ↳ Sales and profit increased year on year.
- ↳ Sales increased mainly to the industrial equipment and the automotive market.

21/3: FY March 2021

First half results - Sensor Application Products segment



Net sales 59.5 billion yen (up 72.5% year on year)
Operating loss -0.7 billion yen (down —% year on year)

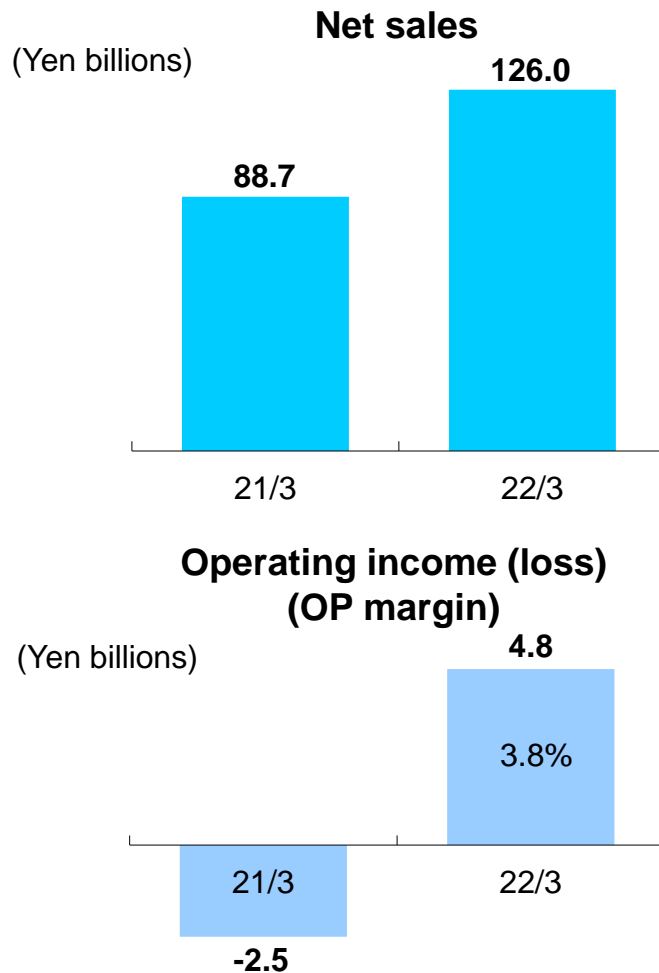
- **Sensors**

- Sales surged year on year, and operating loss declined significantly. The segment achieved profitability in 2Q.
- Sales of Temperature and Pressure Sensors increased to the automotive market and for home appliances. Earnings also improved.
- In Magnetic Sensors, sales of Hall Sensors increased to the automotive market, and sales of TMR Sensors remained at a level significantly above that of the previous fiscal year, thanks to their increased adoption by the ICT market.
- In MEMS Sensors, sales of Motion Sensors and Microphones increased mainly to the ICT market, owing to the expansion of the customer base and applications. Earnings also improved significantly.

21/3: FY March 2021

First half results - Magnetic Application Products segment

Attracting Tomorrow



Net Sales 126.0 billion yen (up 42.0% year on year)
Operating income 4.8 billion yen (up —% year on year)

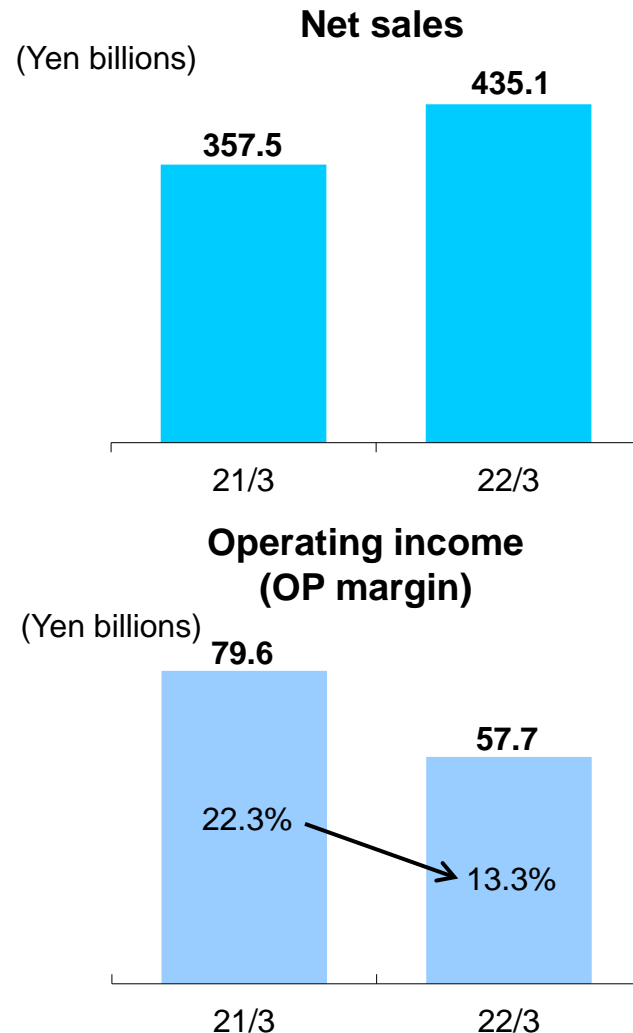
- **HDD Heads and HDD Suspension Assemblies**

- ↪ Sales and profits increased year on year. One-time expenses were recorded in 2Q.
- ↪ Due to growing demand for servers for data centers, sales of nearline HDD Heads increased significantly. Earnings also expanded.

- **Magnets**

- ↪ Sales increased and operating loss decreased year on year.
- ↪ Sales increased to the automotive market.

21/3: FY March 2021



Net Sales 435.1 billion yen (up 21.7% year on year)
Operating income 57.7 billion yen (down 27.5% year on year)

- **Energy Devices (Rechargeable Batteries)**

- Sales increased and profit decreased year on year. Profit decreased due to upfront investments for power cell products and soaring raw material prices.
- Profitability, including royalties, has improved, as a decline in profitability during 1Q due to the effects of higher raw material costs was more than offset by higher profit in 2Q.
- Sales of products for mobile applications (smartphones, tablets, notebook PCs) and mini cell products for small size equipment remained strong.
- Sales of power cell products for electric motorcycles and residential energy storage systems expanded.

- **Power Supplies**

- Due to growing demand for capital expenditures, sales and profit of Power Supplies for industrial equipment increased year on year.

21/3: FY March 2021

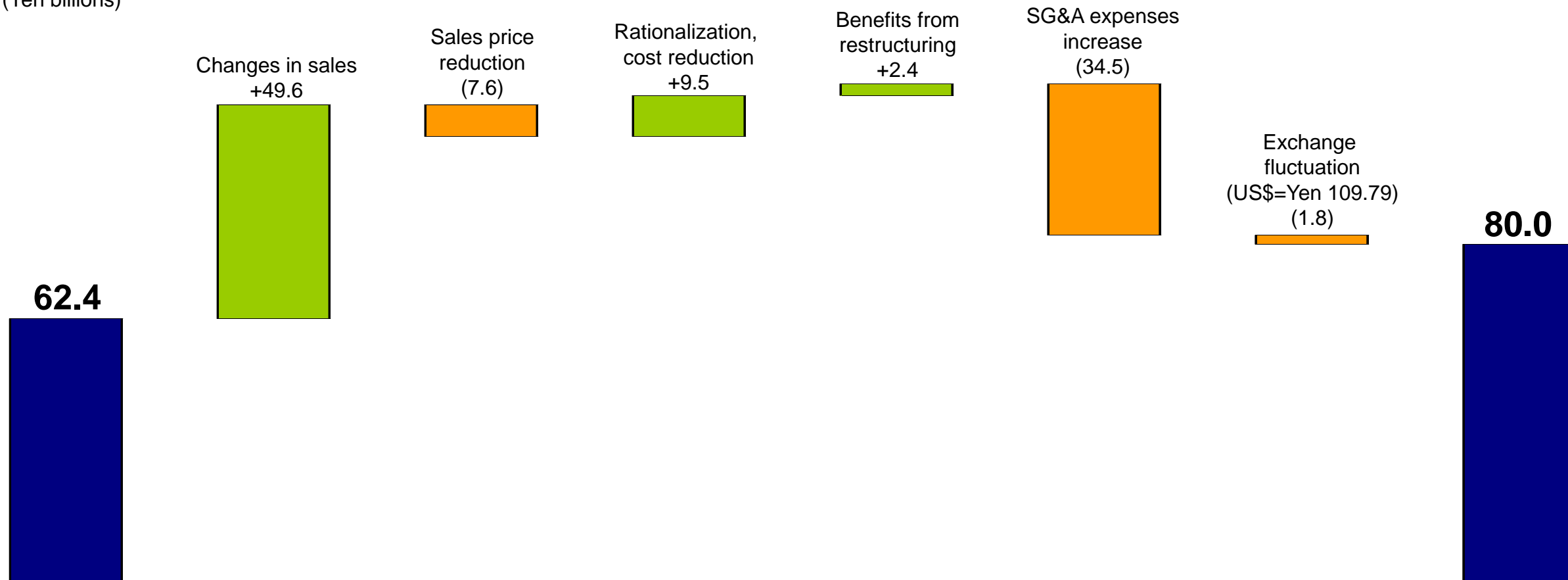
Breakdown of operating income changes

First half of
FY March 2021
62.4 billion yen

Operating income +17.6 billion yen

First half of
FY March 2022
80.0 billion yen

(Yen billions)



Consolidated results for 2Q of FY March 2022

(Yen billions)		FY March 2021 2Q results	FY March 2022 2Q results	Change	
				Yen billions	%
Net sales		381.7	474.1	92.4	24.2
Operating income		44.0	49.2	5.2	11.9
Operating income margin		11.5%	10.4%	-1.1 pt	-
Income before income taxes		42.5	52.2	9.8	23.0
Net income		29.0	41.6	12.5	43.2
Earning per share (JPY)		76.61	109.66	-	-
Ex-rate	US\$ (JPY)	106.23	110.07	Depreciated by 3.6%	
	EURO (JPY)	124.06	129.83	Depreciated by 4.7%	
Ex-rate impact to net sales & operating income		Net sales : Increased by about 24.0 billion Yen Operating income : Decreased by about 0.1 billion Yen			

Quarterly results by segment

(Yen billions)		2Q of FY March 2021 (A)	1Q of FY March 2022 (B)	2Q of FY March 2022 (C)	YoY change (C)-(A)		QoQ change (C)-(B)	
					Yen billions	%	Yen billions	%
Net sales	Capacitors	38.6	47.1	49.8	11.2	29.1	2.7	5.7
	Inductive Devices	34.6	42.0	45.2	10.6	30.6	3.2	7.6
	Other Passive Components	26.2	32.0	32.3	6.1	23.2	0.3	0.9
	Passive Components	99.4	121.2	127.3	27.9	28.1	6.2	5.1
	Sensor Application Products	19.8	26.8	32.7	12.9	65.2	5.9	21.8
	Magnetic Application Products	50.4	60.6	65.4	14.9	29.6	4.7	7.8
	Energy Application Products	200.7	199.6	235.5	34.9	17.4	35.9	18.0
	Other	11.4	11.8	13.2	1.8	15.9	1.4	11.7
	Total	381.7	420.1	474.1	92.4	24.2	54.1	12.9
Operating income	Passive Components	9.7	18.0	21.4	11.7	121.2	3.3	18.5
	Sensor Application Products	(5.1)	(2.0)	1.3	6.4	-	3.4	-
	Magnetic Application Products	1.4	2.8	2.0	0.7	50.9	(0.7)	-26.2
	Energy Application Products	48.3	23.4	34.3	(14.0)	-29.0	10.9	46.8
	Other	(2.8)	(2.9)	(1.2)	1.7	-	1.7	-
	Sub total	51.4	39.2	57.9	6.4	12.5	18.7	47.6
	Corporate and eliminations	(7.5)	(8.4)	(8.7)	(1.2)	-	(0.3)	-
Total	44.0	30.8	49.2	5.2	11.9	18.4	59.6	
Operating income margin		11.5%	7.3%	10.4%	-1.1pt	-	+3.1pt	-
Ex-rate	US\$ (JPY)	106.23	109.50	110.07				
	EURO (JPY)	124.06	131.90	129.83				

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