



TDK Corporation

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Contact:

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Consolidated results (IFRS) for the 3rd quarter of FY March 2025

(Millions of yen, %)

<div>Term</div> <div>Account</div>	The 9-month-period of FY 2024 (April 1, 2023 – December 31, 2023)		The 9-month-period of FY 2025 (April 1, 2024 – December 31, 2024)		Change	
	Amount	% to net sales	Amount	% to net sales	Amount	%
Net sales	1,618,961	100.0	1,670,544	100.0	51,583	3.2
Operating profit	155,748	9.6	209,093	12.5	53,345	34.3
Profit before tax	157,122	9.7	218,082	13.1	60,960	38.8
Net profit attributable to owners of parent	119,491	7.4	160,869	9.6	41,378	34.6
Earnings per share:						
- Basic	63.00 yen		84.79 yen			
- Diluted	62.90 yen		84.67 yen			
Purchase of tangible and intangible assets	156,606	-	162,377	-	5,771	3.7
Depreciation and amortization	142,947	8.8	144,470	8.6	1,523	1.1
Research and development expenses	138,577	8.6	187,294	11.2	48,717	35.2
Number of employees	102,167	-	105,213	-		

(Millions of yen, %)

<div>Term</div> <div>Account</div>	3Q of FY 2024 (October 1, 2023 – December 31, 2023)		3Q of FY 2025 (October 1, 2024 – December 31, 2024)		Change	
	Amount	% to net sales	Amount	% to net sales	Amount	%
Net sales	559,250	100.0	581,043	100.0	21,793	3.9
Operating profit	70,200	12.6	75,791	13.0	5,591	8.0
Profit before tax	76,880	13.7	80,778	13.9	3,898	5.1
Net profit attributable to owners of parent	65,303	11.7	55,159	9.5	(10,144)	(15.5)
Earnings per share:						
- Basic	34.43 yen		29.07 yen			
- Diluted	34.38 yen		29.03 yen			
Purchase of tangible and intangible assets	42,161	-	68,926	-	26,765	63.5
Depreciation and amortization	48,337	8.6	49,513	8.5	1,176	2.4
Research and development expenses	48,471	8.7	64,108	11.0	15,637	32.3

Note: Effective October 1, 2024, TDK implemented a share split at a ratio of five shares per common share. The basic and diluted Earnings per share are calculated assuming that the share split was implemented at the beginning of the fiscal year ended March 31, 2024.

[Contents]

1. Summary Information Regarding Financial Results

- | | | |
|---|----|------|
| (1) Summary Information Regarding Consolidated Business Results | •• | P. 2 |
| (2) Summary Information Regarding Consolidated Financial Position | •• | P. 7 |
| (3) Summary Information Regarding Consolidated Projections | •• | P. 9 |

2. Other Information

- | | | |
|--|----|------|
| (1) Changes in Significant Subsidiaries | •• | P.11 |
| (2) Accounting Policy Changes, Accounting Estimate Changes and Restatements | •• | P.11 |
| (3) Fundamental Policy for Distribution of Earnings, and Fiscal 2025 Dividends | •• | P.11 |

3. Condensed Quarterly Consolidated Financial Statements and Primary Notes

- | | | |
|--|----|------|
| (1) Condensed quarterly consolidated statements of financial position | •• | P.12 |
| (2) Condensed quarterly consolidated statements of profit or loss and comprehensive income | •• | P.14 |
| (3) Condensed quarterly consolidated statements of changes in equity | •• | P.18 |
| (4) Condensed quarterly consolidated statements of cash flows | •• | P.20 |
| (5) Notes to the condensed quarterly consolidated financial statements | •• | P.22 |
| (6) Appendix to the Consolidated Financial Statements | •• | P.27 |

1. Summary Information Regarding Financial Results

(1) Summary Information Regarding Consolidated Business Results

Consolidated results for the first nine months of fiscal 2025, the period from April 1 to December 31, 2024, are as follows.

During the first nine months of fiscal 2025, the global economy remained unstable with regional variances due to growing tensions in the Middle East on top of the continued economic slowdown in Europe and China. North America remained robust. In terms of exchange rates, the yen continued to weaken against the dollar and the euro.

Looking at the electronics market, which has a large bearing on TDK's consolidated business results, an increase in replacement demand, the launch of new models and other factors resulted in growth in the production of products related to information and communication technology (ICT) on a year-on-year basis. Demand for smartphones, notebook PCs and tablets was robust. Demand for nearline hard disk drives (HDDs) for data centers also recovered sharply. On the other hand, in the industrial equipment market, capital investment demand remained weak in general. In the automotive market, demand for battery electric vehicles (BEVs) remained sluggish, resulting in lower component demand than we had expected at the beginning of the period.

In this business environment, sales during the first nine months of fiscal 2025 increased year on year in the three segments of Sensor Application Products, Magnetic Application Products and Energy Application Products due to a recovery in demand for components in the ICT market, while sales in the Passive Components segment decreased year on year due mainly to a decline in demand related to the industrial equipment market. As a result, consolidated net sales for the first nine months of fiscal 2025 came to 1,670,544 million yen, up 3.2% year on year.

In terms of profits during the first nine months of fiscal 2025, reflecting the sharp depreciation of the yen and an increase in shipments of products for the ICT market, as well as rationalization and the benefits from restructuring implemented in the previous fiscal year, operating profit ended at 209,093 million yen, up 34.3% year on year; profit before tax was 218,082 million yen, up 38.8% year on year; and net profit attributable to owners of parent came to 160,869 million yen, up 34.6% year on year, setting a new record for the first nine months of the fiscal year.

TDK Corporation (6762) FY 2025 Third Quarter Financial Results (IFRS)

(Millions of yen, %)

Item	The 9-month-period of FY 2024 (April 1, 2023 – December 31, 2023)		The 9-month-period of FY 2025 (April 1, 2024 – December 31, 2024)		Change	
	Amount	% to net sales	Amount	% to net sales	Amount	%
Net Sales	1,618,961	100.0	1,670,544	100.0	51,583	3.2
Operating profit	155,748	9.6	209,093	12.5	53,345	34.3
Profit before tax	157,122	9.7	218,082	13.1	60,960	38.8
Net profit attributable to owners of parent	119,491	7.4	160,869	9.6	41,378	34.6
Earnings per share:						
- Basic	63.00 yen		84.79 yen			
- Diluted	62.90 yen		84.67 yen			

Note: Effective October 1, 2024, TDK implemented a share split at a ratio of five shares per common share. The basic and diluted Earnings per share are calculated assuming that the share split was implemented at the beginning of the fiscal year ended March 31, 2024.

Average yen exchange rates for the U.S. dollar and the euro during the first nine months of fiscal 2025 were ¥152.61 and ¥164.90, respectively, as the yen depreciated 6.6% against the U.S. dollar and 6.2% against the euro. As a result of these factors and fluctuations in foreign exchange rates, net sales increased by approximately ¥85.6 billion and operating profit increased by approximately ¥16.8 billion.

[Sales by Product]

Item	The 9-month-period of FY 2024 (April 1, 2023 - December 31, 2023)		The 9-month-period of FY 2025 (April 1, 2024 - December 31, 2024)		Change	
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	Change (%)
Capacitors	184,548	11.4	177,040	10.6	(7,508)	(4.1)
Inductive Devices	148,802	9.2	155,320	9.3	6,518	4.4
Other Passive Components	93,787	5.8	92,224	5.5	(1,563)	(1.7)
Passive Components	427,137	26.4	424,584	25.4	(2,553)	(0.6)
Sensor Application Products	135,302	8.3	142,953	8.6	7,651	5.7
Magnetic Application Products	132,354	8.2	165,395	9.9	33,041	25.0
Energy Application Products	883,468	54.6	895,947	53.6	12,479	1.4
Other	40,700	2.5	41,665	2.5	965	2.4
Total	1,618,961	100.0	1,670,544	100.0	51,583	3.2
Overseas Sales	1,478,757	91.3	1,540,990	92.2	62,233	4.2

Note: In accordance with the reorganization for the first quarter ended June 30, 2024, certain products of Other Passive Components are reclassified into Inductive Devices. Thus, the prior year's figures are also reclassified to conform to the new segmentation.

1) Passive Components Segment

This segment is made up of (1) Capacitors, (2) Inductive Devices, and (3) Other Passive Components. Sales in the Passive Components segment were ¥424,584 million, down 0.6% year on year from ¥427,137 million.

Capacitors is made up of Ceramic Capacitors, Aluminum Electrolytic Capacitors, and Film Capacitors. Sales in the Capacitors were ¥177,040 million, down 4.1% year on year from ¥184,548 million. Sales decreased mainly to the automotive market.

Sales of Inductive Devices increased by 4.4% year on year from ¥148,802 million to ¥155,320 million. Sales increased mainly to the automotive market.

Other Passive Components include High-Frequency Devices, Piezoelectric Material Products, and Circuit Protection Components. Sales of Other Passive Components decreased by 1.7% year on year from ¥93,787 million to ¥92,224 million. Sales decreased mainly to the ICT market.

2) Sensor Application Products Segment

This segment is made up of Temperature and Pressure Sensors, Magnetic Sensors, and MEMS Sensors. Segment sales increased by 5.7% from ¥135,302 million to ¥142,953 million. Sales increased mainly to the ICT market.

3) Magnetic Application Products Segment

This segment is made up of HDD Heads, HDD Suspension Assemblies, and Magnets. Segment sales increased 25.0% year on year from ¥132,354 million to ¥165,395 million. Sales of HDD Heads and HDD Suspension Assemblies increased to the ICT market. Sales of Magnets decreased to the automotive market.

4) Energy Application Products Segment

This segment is made up of Energy Devices (Rechargeable Batteries) and Power Supplies. Segment sales increased by 1.4% from ¥883,468 million to ¥895,947 million. Sales of Energy Devices increased mainly to the ICT market.

5) Other

Other includes Mechatronics (Production Equipment), Camera Module Micro Actuators for smartphones, and Others. Segment sales increased by 2.4% from ¥40,700 million to ¥41,665 million. Sales of Mechatronics increased to the industrial equipment market. Sales of Camera Module Micro Actuators for smartphones decreased to the ICT market.

The main businesses making up the four reporting segments and Other, which includes products not included in these reporting segments, are as follows:

Classification	Constituent Main Business
Passive Components	Ceramic Capacitors, Aluminum Electrolytic Capacitors, Film Capacitors, Inductive Devices (Coils/Ferrite Cores/Transformers), High-Frequency Devices, Piezoelectric Material Products, Circuit Protection Components
Sensor Application Products	Temperature and Pressure Sensors, Magnetic Sensors, MEMS Sensors
Magnetic Application Products	HDD Heads, HDD Suspension Assemblies, Magnets
Energy Application Products	Energy Devices (Rechargeable Batteries), Power Supplies
Other	Mechatronics (Production Equipment), Camera Module Micro Actuators for smartphones, Others

[Sales by Region]

Overseas sales increased by 4.2% year on year from ¥1,478,757 million to ¥1,540,990 million. Overseas sales accounted for 92.2% of consolidated net sales, a 0.9 percentage point increase from 91.3% in the first nine months of fiscal 2024. Detailed information on sales by region can be found in the consolidated supplementary information on page 26.

(2) Summary Information Regarding Consolidated Financial Position

1) The following table summarizes TDK's consolidated statements of financial position as of December 31, 2024.

Total assets	¥3,786,190 million	(10.9% increase)
Total equity attributable to owners of parent	¥1,892,880 million	(10.9% increase)
Ratio of equity attributable to owners of parent	50.0%	(Unchanged)

As of December 31, 2024, total assets increased by ¥370,886 million compared with March 31, 2024. Cash and cash equivalent increased by ¥168,373 million. Also, property, plant and equipment and trade receivables increased by ¥73,068 million and ¥65,936 million respectively.

Total liabilities increased by ¥182,127 million from March 31, 2024. Bonds and borrowings(non-current) decreased by ¥52,588. On the other hand, trade payables and bonds and borrowings(current) increased by ¥111,339 million and ¥40,184 million respectively.

Total equity attributable to owners of parent, which is included in total equity, increased by ¥ 185,548 million from March 31, 2024. Mainly, retained earnings increased by ¥ 127,039 million.

2) Cash Flows

(Millions of yen)

	3Q of FY 2024	3Q of FY 2025	Change
Cash flows from operating activities	333,340	368,995	35,655
Cash flows from investing activities	(147,812)	(155,460)	(7,648)
Cash flows from financing activities	(89,974)	(73,305)	16,669
Effect of exchange rate changes on cash and cash equivalents	24,716	28,143	3,427
Net increase in cash and cash equivalents	120,270	168,373	48,103
Cash and cash equivalents at beginning of period	506,185	649,998	143,813
Cash and cash equivalents at end of period	626,455	818,371	191,916

Operating activities provided net cash of ¥368,995 million, an increase of ¥35,655 million year on year. It mainly came from an increase in net profit for the period.

Investing activities used net cash of ¥155,460 million, an increase of ¥7,648 million year on year. It mainly came from an increase in payments into time deposits.

Financing activities used net cash of ¥73,305 million, a decrease of 16,669 million year on year. It mainly came from a change of net increase (decrease) in short-term borrowings.

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(3) Summary Information Regarding Consolidated Projections

[Fiscal 2025 Consolidated Projections]

Looking at the electronics market during the first nine months of fiscal 2025, while production in the industrial equipment market and the automotive market remained sluggish, production in the ICT market, including that of smartphones and HDDs, remained robust, surpassing the level of the same period of the previous fiscal year. Under such circumstances, TDK's performance for the first nine months of fiscal 2025 exceeded the projections held on November 1, 2024. In the ICT market, sales of rechargeable batteries and sensors expanded, and sales of HDD heads remained brisk as demand related to data centers, which had been sluggish in the previous fiscal year, recovered significantly.

As a result of the review of full-year projections in light of the above conditions, TDK has revised its consolidated projections for fiscal 2025 from the projections announced on November 1, 2024, as shown below. In addition, TDK has reviewed and will recognize one-time expenses of approximately ¥18.0 billion in total for fiscal 2025, increased from approximately ¥10.0 in the previous projection announced on November 1, 2024. This includes restructuring costs looking ahead of changes in the future demand trend, considering risks associated with the write-down of assets. The projections of operating profit, profit before tax, and net profit attributable to owners of parent have not been revised from the previous projections.

Item	FY2025 (April 1, 2024 - March 31, 2025)	FY2025 (April 1, 2024 - March 31, 2025)	vs Previous forecast Changes		FY2024 (April 1, 2023 - March 31, 2024)	vs FY2024 Changes	
	Projection in January '25	Projection in November '24			Actual		
	(Millions of yen)	(Millions of yen)	(Millions of yen)	%	(Millions of yen)	(Millions of yen)	%
Net sales	2,180,000	2,120,000	60,000	2.8	2,103,876	76,124	3.6
Operating profit	220,000	220,000	-	-	172,893	47,107	27.2
Profit before tax	227,000	227,000	-	-	179,241	47,759	26.6
Net profit attributable to owners of parent	160,000	160,000	-	-	124,687	35,313	28.3
Purchase of tangible and intangible assets	240,000	250,000	(10,000)	(4.0)	218,589	21,411	9.8
Depreciation and amortization	190,000	190,000	-	-	190,546	(546)	(0.3)
Research and development expenses	250,000	240,000	10,000	4.2	188,860	61,140	32.4

Note: In the fiscal 2025, TDK includes an increase of approximately ¥30.0 billion in research and development expenses on the year-on-year basis, due to a partial reclassification relating to selling, general and administrative expenses.

(Exchange Rate Forecast)

Average yen exchange rates against the U.S. dollar and the euro of ¥152 and ¥164 respectively will be assumed for Fiscal 2025. Average yen exchange rates against the U.S. dollar and the euro of ¥150 and ¥160 respectively will be assumed for the fourth quarter.

Cautionary Statements with Respect to Forward-Looking Statements

This material contains forward-looking statements, including projections, plans, policies, management strategies, targets, schedules, understandings, and evaluations about TDK Corporation and/or its group companies (“TDK”). These forward-looking statements are based on the current forecasts, estimates, assumptions, plans, beliefs, and evaluations of TDK in light of information currently available to it, and contain known and unknown risks, uncertainties and other factors.

TDK therefore wishes to caution readers that, being subject to risks, uncertainties and other factors, TDK’s actual results, performance, achievements or financial positions could be materially different from any future results, performance, achievements or financial positions expressed or implied by these forward-looking statements, and TDK undertakes no obligation to publicly update or revise any forward-looking statements after the issue of this material except as provided for in applicable laws and ordinances.

The electronics markets in which TDK operates are highly susceptible to rapid changes. Risks, uncertainties and other factors that can have significant effects on TDK include, but are not limited to, shifts in technology, fluctuations in demand, prices, interest and foreign exchange rates, and changes in economic environments, conditions of competition, laws, and regulations.

2. Other Information

(1) Changes in Significant Subsidiaries

None

(2) Accounting Policy Changes, Accounting Estimate Changes and Restatements

None

(3) Fundamental Policy for Distribution of Earnings, and Fiscal 2025 Dividends

TDK recognizes that achieving increase in corporate value over the medium- and long-term ultimately translates into higher shareholder value. In line with this understanding, TDK's fundamental policy is to work to consistently increase dividends through growth in earnings per share. By actively investing for growth, mainly in the development of new products and technologies in key fields so as to respond precisely to rapid technological innovation in the electronics industry, TDK is aiming to increase a medium- and long-term corporate value. Accordingly, TDK actively reinvests its earning in business activities and determines its dividends taking into consideration comprehensive factors, including return on equity (ROE) and dividends on equity (DOE) on a consolidated basis, as well as changes in the business environment, among other factors.

Projected dividends per share for fiscal 2025 are as follows. TDK split one share of its common stock into five shares with the effective date of October 1, 2024.

(Yen)

	FY2025	FY2024 Actual
Interim dividend	70.00	58.00
Year-end dividend (Prior to the stock split)	(Forecast) 14.00 (70.00)	58.00
Annual dividend (Prior to the stock split)	- (Forecast) (140.00)	116.00

3. Condensed Quarterly Consolidated Financial Statements and Primary Notes

(1) Condensed quarterly consolidated statements of financial position

	March 31, 2024		December 31, 2024		Change
	Amount (Millions of yen)	%	Amount (Millions of yen)	%	Amount (Millions of yen)
Assets					
Current assets					
Cash and cash equivalents	649,998		818,371		168,373
Trade receivables	558,298		624,234		65,936
Other financial assets	47,052		53,067		6,015
Inventories	406,084		430,775		24,691
Income taxes receivables	4,828		4,741		(87)
Other current assets	61,715		74,206		12,491
Total current assets	1,727,975	50.6	2,005,394	53.0	277,419
Non-current assets					
Investments accounted for using the equity method	36,990		43,921		6,931
Other financial assets	184,425		192,922		8,497
Property, plant and equipment	991,072		1,064,140		73,068
Right-of-use assets	71,334		77,926		6,592
Goodwill	168,383		174,720		6,337
Intangible assets	57,114		52,603		(4,511)
Long-term advances to suppliers	105,941		101,754		(4,187)
Deferred tax assets	56,183		59,070		2,887
Other non-current assets	15,887		13,740		(2,147)
Total non-current assets	1,687,329	49.4	1,780,796	47.0	93,467
Total assets	3,415,304	100.0	3,786,190	100.0	370,886

TDK Corporation (6762) FY 2025 Third Quarter Financial Results (IFRS)

	March 31, 2024		December 31, 2024		Change
	Amount (Millions of yen)	%	Amount (Millions of yen)	%	Amount (Millions of yen)
Liabilities					
Current liabilities					
Bonds and borrowings	212,907		253,091		40,184
Lease liabilities	11,627		12,520		893
Trade payables	351,940		463,279		111,339
Other financial liabilities	81,774		113,334		31,560
Income taxes payables	38,746		49,536		10,790
Provisions	12,605		11,792		(813)
Other current liabilities	307,291		327,503		20,212
Total current liabilities	1,016,890	29.8	1,231,055	32.5	214,165
Non-current liabilities					
Bonds and borrowings	400,259		347,671		(52,588)
Lease liabilities	60,943		68,037		7,094
Other financial liabilities	5,837		4,930		(907)
Retirement benefit liabilities	98,388		100,372		1,984
Provisions	13,660		13,145		(515)
Deferred tax liabilities	91,616		101,351		9,735
Other non-current liabilities	12,770		15,929		3,159
Total non-current liabilities	683,473	20.0	651,435	17.2	(32,038)
Total liabilities	1,700,363	49.8	1,882,490	49.7	182,127
Equity					
Equity attributable to owners of parent					
Share capital	32,641		32,641		-
Capital surplus	34		-		(34)
Retained earnings	1,138,732		1,265,771		127,039
Other components of equity	551,998		610,181		58,183
Treasury shares	(16,073)		(15,713)		360
Total equity attributable to owners of parent	1,707,332	50.0	1,892,880	50.0	185,548
Non-controlling interests	7,609	0.2	10,820	0.3	3,211
Total equity	1,714,941	50.2	1,903,700	50.3	188,759
Total liabilities and equity	3,415,304	100.0	3,786,190	100.0	370,886

**(2) Condensed quarterly consolidated statements of profit or loss and comprehensive income
[9-month-period results]**

Condensed quarterly consolidated statements of profit or loss

	The 9-month-period of FY 2024 (April 1, 2023 – December 31, 2023)		The 9-month-period of FY 2025 (April 1, 2024 – December 31, 2024)		Change	
	Amount (Millions of yen)	% to net sales	Amount (Millions of yen)	% to net sales	Amount (Millions of yen)	%
Net sales	1,618,961	100.0	1,670,544	100.0	51,583	3.2
Cost of sales	(1,143,550)		(1,120,699)		22,851	
Gross profit	475,411	29.4	549,845	32.9	74,434	15.7
Selling, general and administrative expenses	(337,183)		(363,079)		(25,896)	
Other operating income	17,622		22,685		5,063	
Other operating expenses	(102)		(358)		(256)	
Operating profit	155,748	9.6	209,093	12.5	53,345	34.3
Finance income	28,877		20,022		(8,855)	
Finance costs	(28,654)		(10,968)		17,686	
Share of profit (loss) of investments accounted for using equity method	1,151		(65)		(1,216)	
Profit before tax	157,122	9.7	218,082	13.1	60,960	38.8
Income tax expense	(36,223)		(54,576)		(18,353)	
Net profit for the period	120,899	7.5	163,506	9.8	42,607	35.2
Net profit attributable to:						
Owners of parent	119,491	7.4	160,869	9.6	41,378	34.6
Non-controlling interests	1,408	0.1	2,637	0.2	1,229	87.3
Net profit for the period	120,899	7.5	163,506	9.8	42,607	35.2

Condensed quarterly consolidated statements of Comprehensive Income

	The 9-month-period of FY 2024 (April 1, 2023 – December 31, 2023)	The 9-month-period of FY 2025 (April 1, 2024 – December 31, 2024)	Change
	Amount (Millions of yen)	Amount (Millions of yen)	Amount (Millions of yen)
Net profit for the period	120,899	163,506	42,607
Other comprehensive income, net of tax			
Items that will not be reclassified to profit or loss			
Net change in fair value of equity instruments measured at fair value through other comprehensive income	(4,496)	9,394	13,890
Remeasurements of defined benefit plans	(389)	3	392
Share of other comprehensive income of investments accounted for using the equity method	112	89	(23)
Total	(4,773)	9,486	14,259
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations	78,137	62,635	(15,502)
Share of other comprehensive income of investments accounted for using the equity method	245	955	710
Total	78,382	63,590	(14,792)
Total other comprehensive income, net of tax	73,609	73,076	(533)
Comprehensive income for the period	194,508	236,582	42,074
Comprehensive income attributable to:			
Owners of parent	193,190	233,885	40,695
Non-controlling interests	1,318	2,697	1,379
Comprehensive income for the period	194,508	236,582	42,074

[3rd quarter results]

Condensed quarterly consolidated statements of profit or loss

	Three months ended December 31, 2023		Three months ended December 31, 2024		Change	
	Amount (Millions of yen)	% to net sales	Amount (Millions of yen)	% to net sales	Amount (Millions of yen)	%
Net sales	559,250	100.0	581,043	100.0	21,793	3.9
Cost of sales	(377,794)		(385,311)		(7,517)	
Gross profit	181,456	32.4	195,732	33.7	14,276	7.9
Selling, general and administrative expenses	(119,405)		(125,090)		(5,685)	
Other operating income	8,195		5,365		(2,830)	
Other operating expenses	(46)		(216)		(170)	
Operating profit	70,200	12.6	75,791	13.0	5,591	8.0
Finance income	14,484		7,423		(7,061)	
Finance costs	(9,049)		(3,842)		5,207	
Share of profit (loss) of investments accounted for using equity method	1,245		1,406		161	
Profit before tax	76,880	13.7	80,778	13.9	3,898	5.1
Income tax expense	(11,382)		(24,729)		(13,347)	
Net profit for the period	65,498	11.7	56,049	9.6	(9,449)	(14.4)
Net profit attributable to:						
Owners of parent	65,303	11.7	55,159	9.5	(10,144)	(15.5)
Non-controlling interests	195	0.0	890	0.1	695	356.4
Net profit for the period	65,498	11.7	56,049	9.6	(9,449)	(14.4)

Condensed quarterly consolidated statements of comprehensive income

	Three months ended December 31, 2023	Three months ended December 31, 2024	Change
	Amount (Millions of yen)	Amount (Millions of yen)	Amount (Millions of yen)
Net profit for the period	65,498	56,049	(9,449)
Other comprehensive income, net of tax			
Items that will not be reclassified to profit or loss			
Net change in fair value of equity instruments measured at fair value through other comprehensive income	(4,319)	4,666	8,985
Remeasurements of defined benefit plans	(545)	-	545
Share of other comprehensive income of investments accounted for using the equity method	15	63	48
Total	(4,849)	4,729	9,578
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations	(60,077)	136,540	196,617
Share of other comprehensive income of investments accounted for using the equity method	(28)	2,567	2,595
Total	(60,105)	139,107	199,212
Total other comprehensive income, net of tax	(64,954)	143,836	208,790
Comprehensive income for the period	544	199,885	199,341
Comprehensive income attributable to:			
Owners of parent	447	198,989	198,542
Non-controlling interests	97	896	799
Comprehensive income for the period	544	199,885	199,341

(3) Condensed quarterly consolidated statements of changes in equity

Nine months ended December 31, 2023	Equity attributable to owners of parent						Non- controlling interests	Total equity
	Share capital	Capital surplus	Retained earnings	Other components of equity	Treasury shares	Total		
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
Balance as of April 1, 2023	32,641	45	1,054,738	387,281	(16,259)	1,458,446	4,421	1,462,867
Comprehensive income for the period								
Net profit for the period	-	-	119,491	-	-	119,491	1,408	120,899
Other comprehensive income, net of tax	-	-	-	73,699	-	73,699	(90)	73,609
Total comprehensive income for the period	-	-	119,491	73,699	-	193,190	1,318	194,508
Transactions with owners								
Equity transactions with non-controlling interests	-	(34)	-	-	-	(34)	2,112	2,078
Dividends paid	-	-	(42,103)	-	-	(42,103)	(96)	(42,199)
Transfer from retained earnings to capital surplus	-	18	(18)	-	-	-	-	-
Purchase of treasury shares	-	-	-	-	(1)	(1)	-	(1)
Disposal of treasury shares	-	-	-	-	1	1	-	1
Share-based payment transactions	-	131	-	-	-	131	87	218
Exercise of share options	-	(116)	-	-	116	0	-	0
Delivery of share under restricted stock unit	-	(44)	-	-	44	-	-	-
Total transactions with owners	-	(45)	(42,121)	-	160	(42,006)	2,103	(39,903)
Transfer from other components of equity to retained earnings	-	-	(111)	111	-	-	-	-
Balance as of December 31, 2023	32,641	-	1,131,997	461,091	(16,099)	1,609,630	7,842	1,617,472

Nine months ended December 31, 2024	Equity attributable to owners of parent						Non- controlling interests	Total equity
	Share capital	Capital surplus	Retained earnings	Other components of equity	Treasury shares	Total		
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
Balance as of April 1, 2024	32,641	34	1,138,732	551,998	(16,073)	1,707,332	7,609	1,714,941
Comprehensive income for the period								
Net profit for the period	-	-	160,869	-	-	160,869	2,637	163,506
Other comprehensive income, net of tax	-	-	-	73,016	-	73,016	60	73,076
Total comprehensive income for the period	-	-	160,869	73,016	-	233,885	2,697	236,582
Transactions with owners								
Equity transactions with non-controlling interests	-	(48)	-	-	-	(48)	1,342	1,294
Dividends paid	-	-	(48,569)	-	-	(48,569)	(940)	(49,509)
Transfer from retained earnings to capital surplus	-	94	(94)	-	-	-	-	-
Purchase of treasury shares	-	-	-	-	(3)	(3)	-	(3)
Share-based payment transactions	-	283	-	-	-	283	112	395
Exercise of share acquisition rights	-	(122)	-	-	122	0	-	0
Delivery of share under post-delivery type stock remuneration	-	(241)	-	-	241	-	-	-
Total transactions with owners	-	(34)	(48,663)	-	360	(48,337)	514	(47,823)
Transfer from other components of equity to retained earnings	-	-	14,833	(14,833)	-	-	-	-
Balance as of December 31, 2024	32,641	-	1,265,771	610,181	(15,713)	1,892,880	10,820	1,903,700

(4) Condensed quarterly consolidated statements of cash flows

	The 9-month-period of FY 2024 (April 1, 2023 – December 31, 2023)	The 9-month-period of FY 2025 (April 1, 2024 – December 31, 2024)
	Amount (Millions of yen)	Amount (Millions of yen)
Cash flows from operating activities		
Net profit for the period	120,899	163,506
Depreciation and amortization	142,947	144,470
Impairment losses (reversal of impairment losses)	(511)	3,530
Finance income	(28,877)	(20,022)
Finance costs	28,654	10,968
Share of profit of investments accounted for using equity method	(1,151)	65
Income tax expense	36,223	54,576
Changes in assets and liabilities:		
Decrease (increase) in trade receivables	(6,702)	(42,740)
Decrease (increase) in inventories	56,653	(13,653)
Decrease (increase) in long-term advances to suppliers	9,658	7,791
Decrease (increase) in other current assets	(11,192)	(12,295)
Increase (decrease) in trade payables	20,881	96,758
Increase (decrease) in other current liabilities	(4,849)	7,114
Increase (decrease) in retirement benefit liabilities	(5,285)	(2,512)
Decrease (increase) in other financial assets	11,551	(1,461)
Increase (decrease) in other financial liabilities	(178)	4,922
Other	(20,588)	2,040
Subtotal	348,133	403,057
Interest and dividends received	15,630	15,226
Interest paid	(7,295)	(6,027)
Income taxes paid	(23,128)	(43,261)
Cash flows from operating activities	333,340	368,995

	The 9-month-period of FY 2024 (April 1, 2023 – December 31, 2023)	The 9-month-period of FY 2025 (April 1, 2024 – December 31, 2024)
	Amount (Millions of yen)	Amount (Millions of yen)
Cash flows from investing activities		
Purchase of tangible and intangible assets	(156,606)	(162,377)
Proceeds from sale of tangible and intangible assets	24,072	19,504
Proceeds from withdrawal of time deposits	32,048	50,581
Payments into time deposits	(27,193)	(65,863)
Proceeds from sale and redemption of securities	1,828	16,738
Payment for purchase of securities	(12,154)	(7,909)
Purchase of investments in associates	(9,636)	(5,975)
Other	(171)	(159)
Cash flows from investing activities	(147,812)	(155,460)
Cash flows from financing activities		
Proceeds from long-term borrowings	80,091	13,677
Repayment of long-term borrowings	(4,808)	(133,874)
Net increase (decrease) in short-term borrowings	(136,001)	44,591
Proceeds from issuance of bonds	20,000	-
Net increase (decrease) in commercial papers	(9)	59,921
Repayment of lease liabilities	(9,044)	(10,318)
Dividends paid	(42,099)	(48,499)
Other	1,896	1,197
Cash flows from financing activities	(89,974)	(73,305)
Effect of exchange rate changes on cash and cash equivalents	24,716	28,143
Net increase in cash and cash equivalents	120,270	168,373
Cash and cash equivalents at beginning of period	506,185	649,998
Cash and cash equivalents at end of period	626,455	818,371

(5) Notes to the condensed quarterly consolidated financial statements

(Notes to going concern assumption)

None

(Material accounting policies)

The material accounting policies adopted in the condensed quarterly consolidated financial statements are consistent with those adopted in the financial statements for the fiscal year ended March 31, 2024.

The income tax expense for the nine months ended December 31, 2024 is calculated based on the estimated annual effective income tax rates.

(Segment information)

1. Description of reportable segments

TDK Group's operating segments are components of the group for which discrete financial information is available and whose operating results are regularly reviewed by management to make decisions about resources to be allocated to the segment and assess its performance.

TDK Group aggregates its operating segments into the following four reportable segments: Passive Components, Sensor Application Products, Magnetic Application Products, and Energy Application Products, based on the similarities in the type and nature of products, the nature of production processes, markets to distribute products, economic indicators and other characteristics. Operating segments which are not classified as one of these four reportable segments are included in Other.

Principal businesses and products of reportable segments and Other segment are as follows:

Segment	Principal businesses and products
Passive Components	Ceramic Capacitors, Aluminum Electrolytic Capacitors, Film Capacitors, Inductive Devices (Coils/Ferrite Cores/Transformers), High-Frequency Devices, Piezoelectric Material Products, Circuit Protection Components
Sensor Application Products	Temperature and Pressure Sensors, Magnetic Sensors, MEMS Sensors
Magnetic Application Products	HDD Heads, HDD Suspension Assemblies, Magnets
Energy Application Products	Energy Devices (Rechargeable Batteries), Power Supplies
Other	Mechatronics (Production Equipment), Camera Module Micro Actuators for smartphones, etc.

Accounting policies applied to each segment are the same as those for the condensed quarterly consolidated financial statements of TDK Group. Intersegment transactions are based on arm's length prices.

2. Information about reportable segments

The reportable segment information for the nine months ended December 31, 2023 and 2024 are as follows:

Net sales

(Millions of yen, %)

		The 9-month-period of FY 2024 (April 1, 2023 – December 31, 2023)		The 9-month-period of FY 2025 (April 1, 2024 – December 31, 2024)		Change	
		Amount	%	Amount	%	Amount	%
Passive Components	External customers	427,137	26.4	424,584	25.4	(2,553)	(0.6)
	Intersegment	5,410		3,138		(2,272)	(42.0)
	Total	432,547		427,722		(4,825)	(1.1)
Sensor Application Products	External customers	135,302	8.3	142,953	8.6	7,651	5.7
	Intersegment	1,149		956		(193)	(16.8)
	Total	136,451		143,909		7,458	5.5
Magnetic Application Products	External customers	132,354	8.2	165,395	9.9	33,041	25.0
	Intersegment	61		49		(12)	(19.7)
	Total	132,415		165,444		33,029	24.9
Energy Application Products	External customers	883,468	54.6	895,947	53.6	12,479	1.4
	Intersegment	10		1		(9)	(90.0)
	Total	883,478		895,948		12,470	1.4
Other	External customers	40,700	2.5	41,665	2.5	965	2.4
	Intersegment	5,360		3,625		(1,735)	(32.4)
	Total	46,060		45,290		(770)	(1.7)
Intersegment elimination		(11,990)		(7,769)		4,221	
Total		1,618,961	100.0	1,670,544	100.0	51,583	3.2

Segment profit (loss)

(Millions of yen, %)

	The 9-month-period of FY 2024 (April 1, 2023 – December 31, 2023)		The 9-month-period of FY 2025 (April 1, 2024 – December 31, 2024)		Change	
	Amount	% to net sales	Amount	% to net sales	Amount	%
Passive Components	50,204	11.8	40,891	9.6	(9,313)	(18.6)
Sensor Application Products	9,754	7.2	5,350	3.7	(4,404)	(45.2)
Magnetic Application Products	(26,249)	(19.8)	4,045	2.4	30,294	-
Energy Application Products	155,253	17.6	196,687	22.0	41,434	26.7
Other	(69)	(0.2)	(2,155)	(5.2)	(2,086)	-
Subtotal	188,893	11.7	244,818	14.7	55,925	29.6
Adjustment	(33,145)		(35,725)		(2,580)	
Operating profit	155,748	9.6	209,093	12.5	53,345	34.3

Segment profit represents a segment's sales less its cost of sales, selling, general and administrative expenses and other operating income and expense that are not attributable to Corporate headquarters.

Segment profit is mainly adjusted for corporate expenses for company-wide operational and administrative purposes that are not allocated to operating segments.

The reportable segment information for the three months ended December 31, 2023 and 2024 are as follows:

Net sales

(Millions of yen, %)

		Three months ended December 31, 2023		Three months ended December 31, 2024		Change	
		Amount	%	Amount	%	Amount	%
Passive Components	External customers	140,967	25.2	139,618	24.0	(1,349)	(1.0)
	Intersegment	1,625		1,074		(551)	(33.9)
	Total	142,592		140,692		(1,900)	(1.3)
Sensor Application Products	External customers	49,249	8.8	48,094	8.3	(1,155)	(2.3)
	Intersegment	469		383		(86)	(18.3)
	Total	49,718		48,477		(1,241)	(2.5)
Magnetic Application Products	External customers	49,300	8.8	54,450	9.4	5,150	10.4
	Intersegment	29		15		(14)	(48.3)
	Total	49,329		54,465		5,136	10.4
Energy Application Products	External customers	304,545	54.5	323,974	55.8	19,429	6.4
	Intersegment	2		0		(2)	(100.0)
	Total	304,547		323,974		19,427	6.4
Other	External customers	15,189	2.7	14,907	2.5	(282)	(1.9)
	Intersegment	2,043		705		(1,338)	(65.5)
	Total	17,232		15,612		(1,620)	(9.4)
Intersegment elimination		(4,168)		(2,177)		1,991	
Total		559,250	100.0	581,043	100.0	21,793	3.9

Segment profit (loss)

(Millions of yen, %)

		Three months ended December 31, 2023		Three months ended December 31, 2024		Change	
		Amount	% to net sales	Amount	% to net sales	Amount	%
Passive Components		18,539	13.2	11,999	8.6	(6,540)	(35.3)
Sensor Application Products		4,729	9.6	2,164	4.5	(2,565)	(54.2)
Magnetic Application Products		(7,215)	(14.6)	2,265	4.2	9,480	-
Energy Application Products		65,583	21.5	73,327	22.6	7,744	11.8
Other		452	3.0	(865)	(5.8)	(1,317)	-
Subtotal		82,088	14.7	88,890	15.3	6,802	8.3
Adjustment		(11,888)		(13,099)		(1,211)	
Operating profit		70,200	12.6	75,791	13.0	5,591	8.0

Segment profit represents a segment's sales less its cost of sales, selling, general and administrative expenses and other operating profit and expense that are not attributable to Corporate headquarters.

Segment profit is mainly adjusted for corporate expenses for company-wide operational and administrative purposes that are not allocated to operating segments.

3. Geographic segment information

The geographic segment information for the nine months ended December 31, 2023 and 2024 are as follows:

Net sales

	(Millions of yen)	
	The 9-month-period of FY 2024 (April 1, 2023 – December 31, 2023)	The 9-month-period of FY 2025 (April 1, 2024 – December 31, 2024)
Japan	140,204	129,554
Americas	112,503	104,020
Europe	151,925	130,171
China	884,274	925,239
Asia and others	330,055	381,560
Total	1,618,961	1,670,544

The geographic segment information for the three months ended December 31, 2023 and 2024 are as follows:

Net sales

	(Millions of yen)	
	Three months ended December 31, 2023	Three months ended December 31, 2024
Japan	49,474	44,848
Americas	33,863	33,833
Europe	45,700	39,227
China	312,079	339,095
Asia and others	118,134	124,040
Total	559,250	581,043

The net sales are based on the location of external customers.

(Significant subsequent events)

None

(6) Appendix to the Consolidated Financial Statements**1) Foreign exchange rates**

Term Item	Q3 of FY 2024 December 31, 2023		Q3 of FY 2025 December 31, 2024		FY 2024 March 31, 2024	
	US\$=¥	EURO=¥	US\$=¥	EURO=¥	US\$=¥	EURO=¥
The end of the period	141.83	157.12	158.18	164.92	151.41	163.24

2) Quarterly sales by product

Term Product category	Q1 of FY 2024 (April 1, 2023 – June 30, 2023)		Q2 of FY 2024 (July 1, 2023 – September 30, 2023)		Q3 of FY 2024 (October 1, 2023 – December 31, 2023)		Q4 of FY 2024 (January 1, 2024 – March 31, 2024)	
	Amount	%	Amount	%	Amount	%	Amount	%
Capacitors	62,520	12.4	62,627	11.3	59,401	10.6	60,499	12.5
Inductive devices	47,549	9.5	50,582	9.1	50,671	9.1	48,266	10.0
Other passive components	30,670	6.1	32,222	5.7	30,895	5.5	29,747	6.1
Passive Components	140,739	28.0	145,431	26.1	140,967	25.2	138,512	28.6
Sensor Application Products	38,787	7.7	47,266	8.5	49,249	8.8	45,209	9.3
Magnetic Application Products	38,217	7.6	44,837	8.1	49,300	8.8	51,857	10.7
Energy Application Products	274,933	54.6	303,990	54.6	304,545	54.5	238,194	49.1
Other	10,723	2.1	14,788	2.7	15,189	2.7	11,143	2.3
Total	503,399	100.0	556,312	100.0	559,250	100.0	484,915	100.0

(Millions of yen)

Term Product category	Q1 of FY 2025 (April 1, 2024 – June 30, 2024)		Q2 of FY 2025 (July 1, 2024 – September 30, 2024)		Q3 of FY 2025 (October 1, 2024 – December 31, 2024)	
	Amount	%	Amount	%	Amount	%
Capacitors	61,492	11.9	58,013	10.2	57,535	9.9
Inductive devices	50,810	9.8	52,695	9.2	51,815	8.9
Other passive components	30,749	5.9	31,207	5.5	30,268	5.2
Passive Components	143,051	27.6	141,915	24.9	139,618	24.0
Sensor Application Products	44,080	8.5	50,779	8.9	48,094	8.3
Magnetic Application Products	55,013	10.6	55,932	9.8	54,450	9.4
Energy Application Products	262,920	50.7	309,053	54.1	323,974	55.7
Other	13,745	2.6	13,013	2.3	14,907	2.6
Total	518,809	100.0	570,692	100.0	581,043	100.0

Note: In accordance with the reorganization for the first quarter ended June 30, 2024, certain products of Other Passive Components are reclassified into Inductive Devices. Thus, the prior year's figures are also reclassified to conform to the new segmentation.