

**Fiscal Year March 2025**

**1st Quarter  
Performance Briefing**

**Attracting Tomorrow**



**TDK Corporation**

IR&SR Group

July 30, 2024

1

## **Q1, FY March 2025 Results Highlights**

**Tetsuji Yamanishi, Senior Executive Vice President**

2

## **FY March 2025 Projections**

**Tetsuji Yamanishi, Senior Executive Vice President**

3

## **Appendix**

# Q1, FY March 2025 Results Highlights

**Tetsuji Yamanishi**

**Senior Executive Vice President**

# Q1, FY March 2025 key points

- Net sales increased and operating profit increased significantly year on year, due to recovery in demand from the ICT market and the HDD market.

## Net sales (JPY bn)

**518.8**

〔 Up **3.1%** YoY 〕

## Operating profit (JPY bn)

**57.9**

〔 Up **120.0%** YoY 〕

- Sales of small capacity rechargeable batteries, HDD-related components, passive components, and sensors to the ICT market increased.
- Sales growth of passive components and sensors to the automotive market slowed due to slower sales growth of battery electric vehicles (BEVs).
- Sales of medium capacity batteries, passive components, and sensors to the industrial equipment market decreased.
- Demand from the HDD market was significantly higher than the previous fiscal year, resulting in a substantial increase in sales of HDD heads and HDD suspension assemblies.

# Q1, FY March 2025 results

- Net sales and operating profit increased year on year.

	FY3/24	FY3/25	Change	
	Q1	Q1	JPY bn	%
(JPY bn)				
Net sales	503.4	518.8	+15.4	+3.1%
Operating profit	26.3	57.9	+31.6	+120.0%
Operating profit margin	5.2%	11.2%	+6.0pts	-
Profit before tax	21.0	69.6	+48.6	+231.1%
Net profit attributable to owners of parent	14.7	59.6	+44.9	+304.9%
Earnings per share (JPY)	38.82	157.15	-	-
USD (JPY)	137.18	155.82	13.6% JPY depreciation	
EUR (JPY)	149.37	167.79	12.3% JPY depreciation	

## Exchange rate impact on net sales and operating profit (OP)

(JPY bn)

Net sales	Approx. +53.8
OP	Approx. +11.1

## Forex sensitivity (impact by one JPY change)

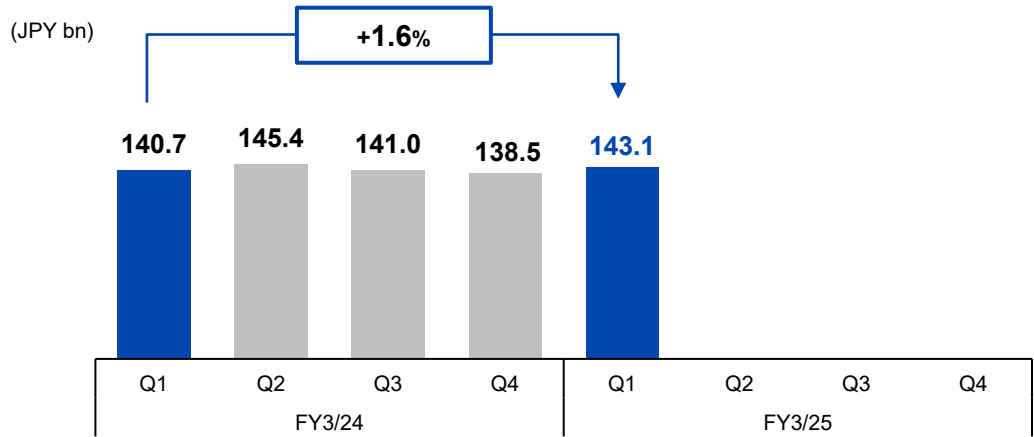
USD		(JPY bn)
Net sales	11.0	
OP	2.0	

EUR		(JPY bn)
Net sales	2.0	
OP	0.3	

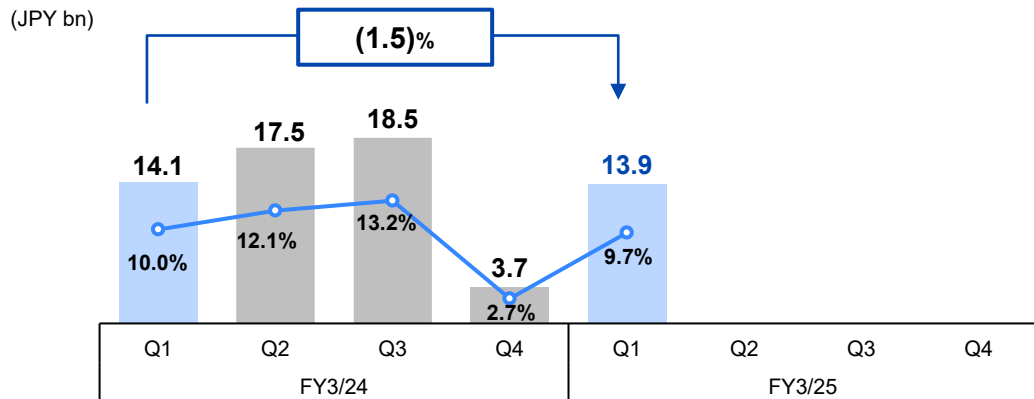
# Passive Components segment – Q1

- While sales to the ICT market increased, results were flat due to a decrease in sales to the industrial market and slower sales to the automotive market.

## Net sales



## Operating profit, OP margin

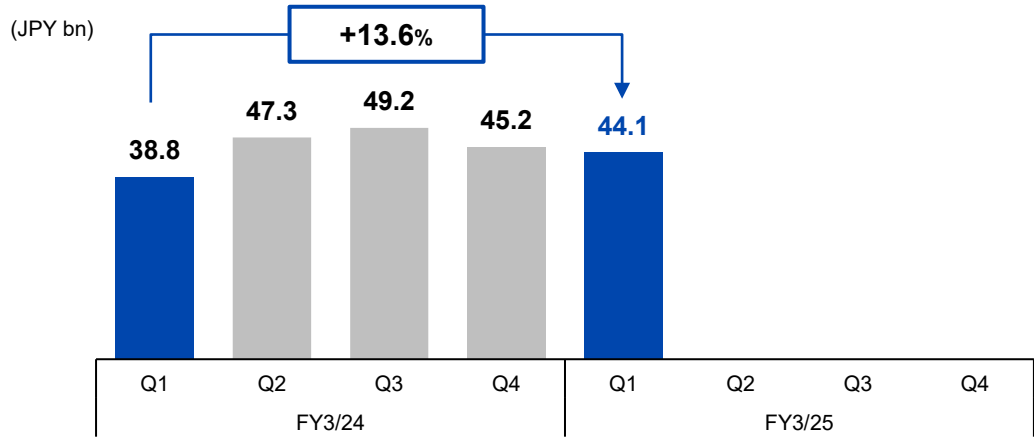


Ceramic capacitors	<ul style="list-style-type: none"><li>Sales increased while profit decreased year on year.</li><li>Sales increased to the automotive market while decreased to the industrial equipment market.</li></ul>
Aluminum electrolytic capacitors and film capacitors	<ul style="list-style-type: none"><li>Sales and profit decreased year on year.</li><li>Sales decreased to the industrial equipment and the automotive markets.</li></ul>
Inductive devices	<ul style="list-style-type: none"><li>Sales and profit increased year on year.</li><li>Sales increased to the automotive and the ICT markets.</li></ul>
High-frequency components	<ul style="list-style-type: none"><li>Sales increased and profitability improved year on year.</li><li>Sales increased to the ICT market.</li></ul>
Piezoelectric material products and circuit protection components	<ul style="list-style-type: none"><li>Sales increased while profit increased year on year.</li><li>Sales decreased the automotive market.</li></ul>

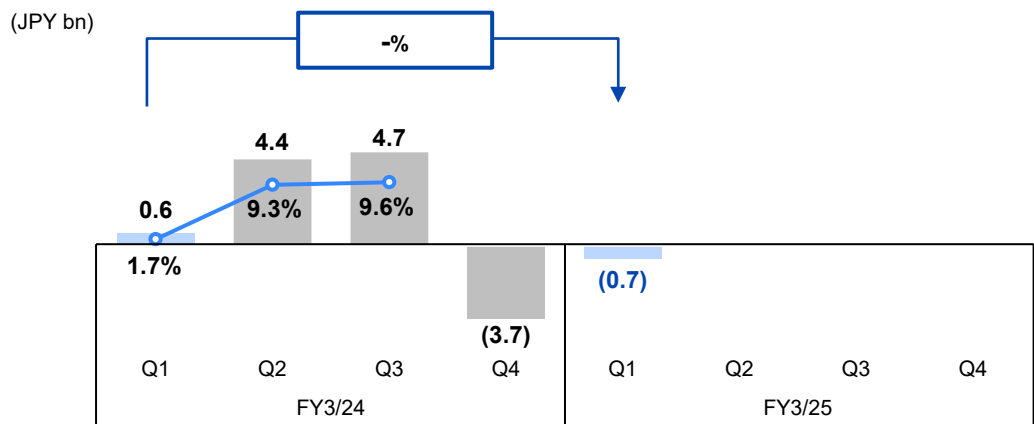
# Sensor Application Products segment – Q1

- While sales to the ICT market increased, profit decreased due to a decline in sales to the industrial equipment market.

## Net sales



## Operating profit, OP margin

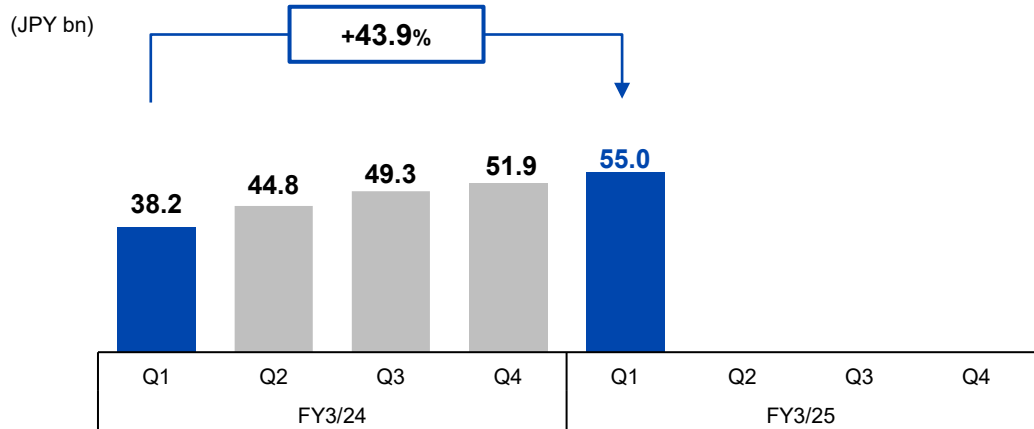


Temperature and pressure sensors	<ul style="list-style-type: none"><li>Sales increased while profit decreased year on year.</li><li>Sales increased to the automotive market.</li></ul>
Magnetic sensors	<ul style="list-style-type: none"><li>Sales and profit increased year on year.</li><li>Sales of TMR sensors to the ICT market expanded.</li></ul>
MEMS sensors	<ul style="list-style-type: none"><li>Sales and profit decreased year on year.</li><li>Profit decreased year on year due to a decline in sales of motion sensors to the industrial equipment market despite an increase of sales of microphones to the ICT market.</li></ul>

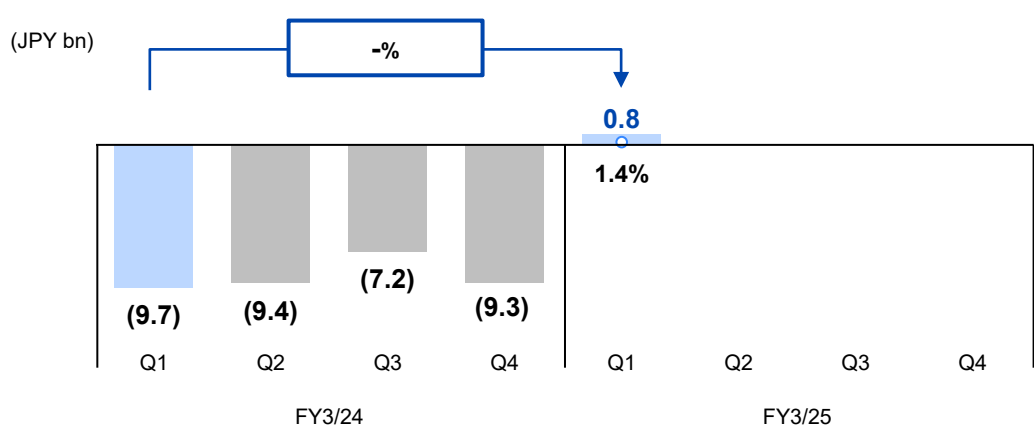
# Magnetic Application Products segment – Q1

- Sales of HDD-related components increased significantly due to a recovery in demand from the HDD market, resulting in improved profitability.

## Net sales



## Operating profit, OP margin



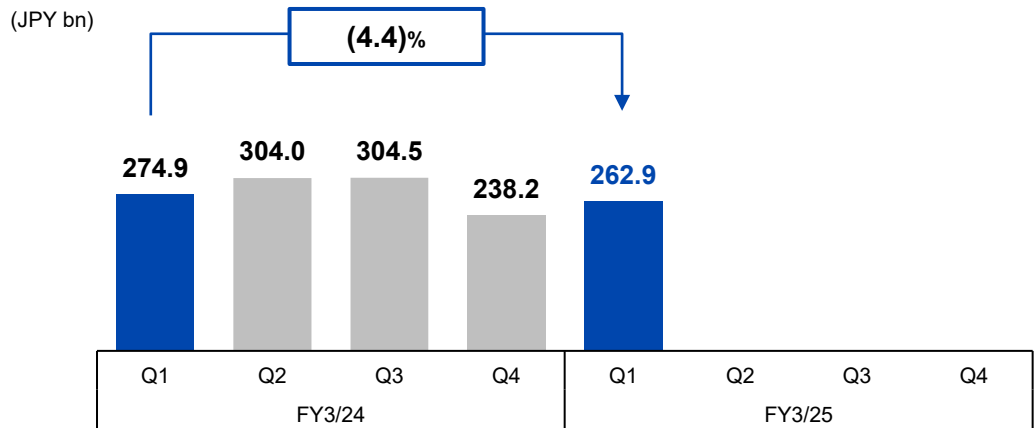
HDD heads and HDD suspension assemblies	<ul style="list-style-type: none"><li>Sales increased year on year and profitability improved.</li></ul>
Magnets	<ul style="list-style-type: none"><li>Sales decreased year on year while profitability improved.</li><li>Sales to the xEV market decreased year on year.</li></ul>



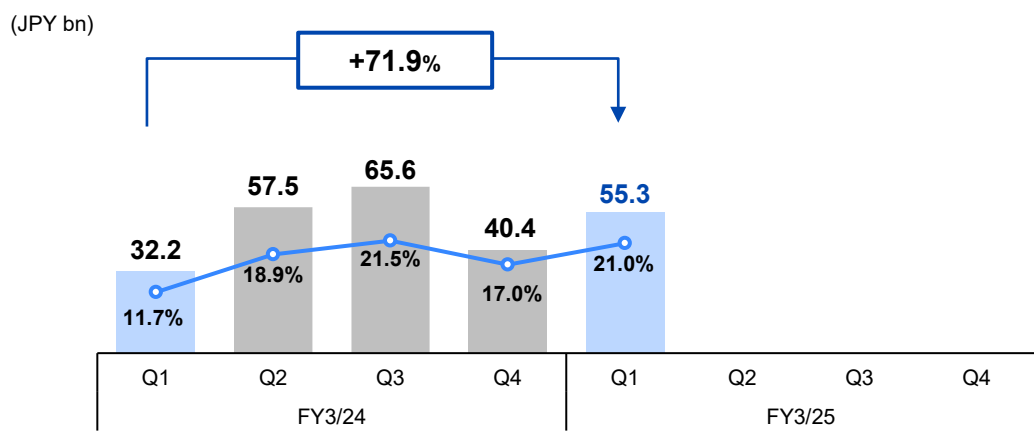
# Energy Application Products segment – Q1

- Small capacity batteries posted an increase in sales volume and a significant increase in profit due to a recovery in demand from the ICT market.

## Net sales



## Operating profit, OP margin



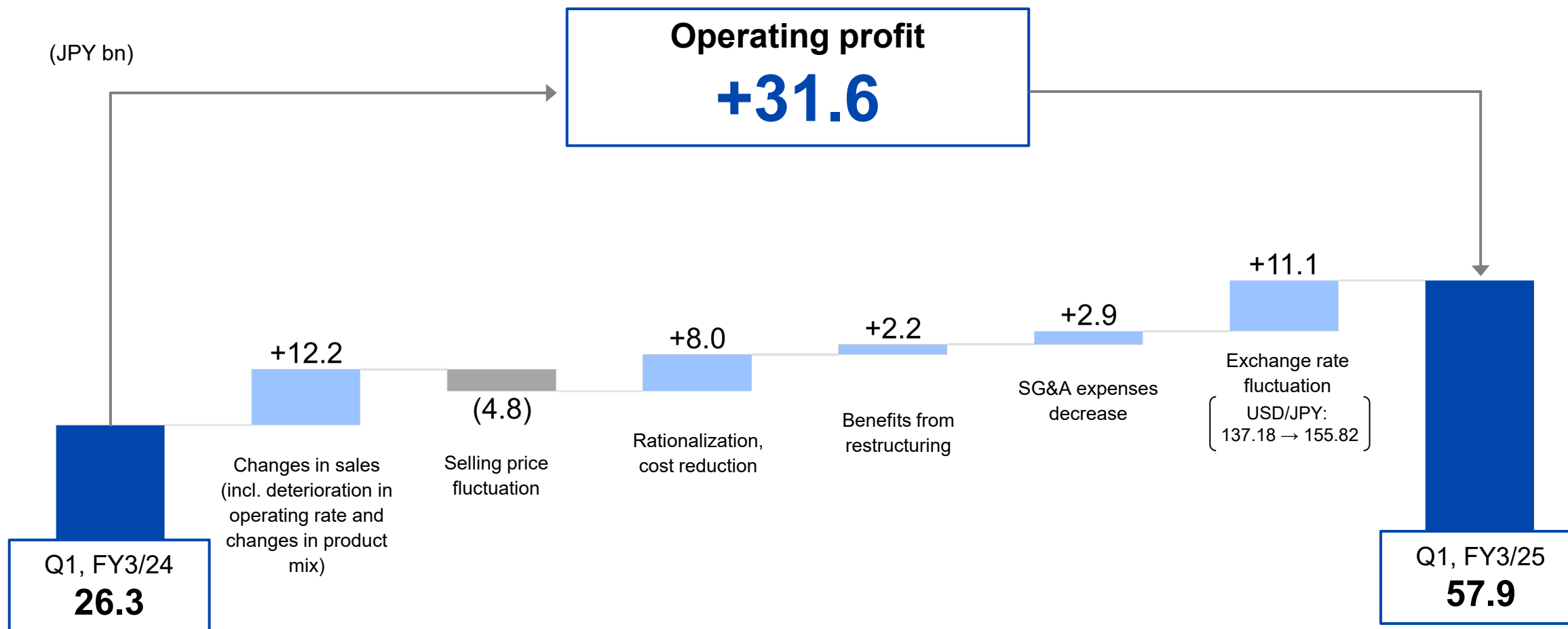
Energy devices (Rechargeable batteries)	<ul style="list-style-type: none"><li>• Sales decreased while profit increased year on year.</li><li>• Profit of small capacity batteries increased due to an increase in the sales volume, despite a fall in selling prices resulting from lower material prices.</li><li>• Sales of medium capacity batteries decreased to the industrial equipment market.</li></ul>
Power supplies	<ul style="list-style-type: none"><li>• Sales and profit of power supplies for industrial equipment decreased year on year.</li><li>• Sales of EV power supplies decreased while profitability improved.</li></ul>

# Quarterly results by segment

		FY3/24	FY3/24	FY3/25	YoY [C] – [A]		QoQ [C] – [B]	
(JPY bn)		Q1 [A]	Q4 [B]	Q1 [C]	JPY bn	%	JPY bn	%
Net sales	Capacitors	62.5	60.5	61.5	(1.0)	(1.6)%	+1.0	+1.6%
	Inductive Devices	47.5	48.3	50.8	+3.3	+6.9%	+2.5	+5.3%
	Other Passive Components	30.7	29.7	30.7	+0.1	+0.3%	+1.0	+3.4%
	Passive Components	140.7	138.5	143.1	+2.3	+1.6%	+4.5	+3.3%
	Sensor Application Products	38.8	45.2	44.1	+5.3	+13.6%	(1.1)	(2.5)%
	Magnetic Application Products	38.2	51.9	55.0	+16.8	+43.9%	+3.2	+6.1%
	Energy Application Products	274.9	238.2	262.9	(12.0)	(4.4)%	+24.7	+10.4%
	Other	10.7	11.1	13.7	+3.0	+28.2%	+2.6	+23.4%
	Total	503.4	484.9	518.8	+15.4	+3.1%	+33.9	+7.0%
Operating profit	Passive Components	14.1	3.7	13.9	(0.2)	(1.5)%	+10.2	+277.8%
	Sensor Application Products	0.6	(3.7)	(0.7)	(1.3)	-	+3.0	-
	Magnetic Application Products	(9.7)	(9.3)	0.8	+10.4	-	+10.1	-
	Energy Application Products	32.2	40.4	55.3	+23.1	+71.9%	+14.9	+37.0%
	Other	(1.2)	(1.7)	(0.1)	+1.1	-	+1.6	-
	Subtotal	36.1	29.3	69.2	+33.1	+91.6%	+39.9	+136.2%
	Adjustment	(9.8)	(12.2)	(11.3)	(1.5)	-	+0.8	-
	Total	26.3	17.1	57.9	+31.6	+120.0%	+40.7	+237.5%
Operating profit margin		5.2%	3.5%	11.2%	+6.0pts	-	+7.7pts	-
USD (JPY)		137.18	148.31	155.82				
EUR (JPY)		149.37	161.16	167.79				

Note: In accordance with the reorganization for the three months 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.

# Analysis of change in operating profit – Q1



# FY March 2025 Projections

# Projections by segment for Q2, FY March 2025

(JPY bn)	Q1, FY3/25 Actual	Q2, FY3/25 projection (QoQ)		Factor
		Assumed exchange rates: Beginning-of-period	Assumed exchange rates: Q1 basis	
Passive Components	143.1	(4) ~ (1)%	+2 ~ +5%	<ul style="list-style-type: none"> <li>Sales of products to the industrial equipment market are expected to decrease despite an increase in sales of inductive devices to the ICT market.</li> </ul>
Sensor Application Products	44.1	+4 ~ +7%	+13 ~ +16%	<ul style="list-style-type: none"> <li>Sales of magnetic sensors for ICT applications are expected to increase.</li> </ul>
Magnetic Application Products	55.0	(9) ~ (6)%	±0 ~ +3%	<ul style="list-style-type: none"> <li>Sales of HDD heads are expected to decrease slightly.</li> <li>Sales of HDD suspension assemblies are expected to increase.</li> </ul>
Energy Application Products	262.9	+10 ~ +13%	+21 ~ +24%	<ul style="list-style-type: none"> <li>Sales of small capacity batteries to the ICT market are expected to increase.</li> </ul>
Other	13.7	-	-	
<b>Total</b>	<b>518.8</b>	<b>+2 ~ +5%</b>	<b>+12 ~ +15%</b>	
USD(JPY)	155.82	140.00	155.00	
EUR(JPY)	167.79	156.00	167.00	

# FY March 2025 projections

- There are no changes to the projections that was announced on April 26, 2024.

	(JPY bn)	FY3/24 Actual [A]	FY3/25 Projection [B]	Change (YoY) [B] – [A]	
				JPY bn	%
Net sales		2,103.9	<b>2,105.0</b>	+1.1	+0.1%
Operating profit		172.9	<b>180.0</b>	+7.1	+4.1%
Operating profit margin		8.2%	<b>8.6%</b>	+0.4pts	-
Profit before tax		179.2	<b>184.0</b>	+4.8	+2.7%
Net profit attributable to owners of parent		124.7	<b>128.0</b>	+3.3	+2.7%
Earnings per share (JPY)*		328.70	<b>337.35</b>	-	-
Annual dividend (JPY)*		116.00	<b>120.00</b>	-	-
Interim dividend (JPY)*		58.00	<b>60.00</b>	-	-
Year-end dividend (JPY)*		58.00	<b>60.00</b>	-	-
USD (JPY)		144.48	<b>140.00</b>	-	-
EUR (JPY)		156.69	<b>156.00</b>	-	-

\*: Prior to the stock split

# Appendix

# Quarterly sales and operating profit by segment

		FY3/24					FY3/25				
		Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Net Sales	Capacitors	62.5	62.6	59.4	60.5	245.0	61.5				
	Inductive Devices	47.5	50.6	50.7	48.3	197.1	50.8				
	Other Passive Components	30.7	32.2	30.9	29.7	123.5	30.7				
	Passive Components	140.7	145.4	141.0	138.5	565.6	143.1				
	Sensor Application Products	38.8	47.3	49.2	45.2	180.5	44.1				
	Magnetic Application Products	38.2	44.8	49.3	51.9	184.2	55.0				
	Energy Application Products	274.9	304.0	304.5	238.2	1,121.7	262.9				
	Other	10.7	14.8	15.2	11.1	51.8	13.7				
	Total	503.4	556.3	559.3	484.9	2,103.9	518.8				
Operating profit	Passive Components	14.1	17.5	18.5	3.7	53.9	13.9				
	Sensor Application Products	0.6	4.4	4.7	(3.7)	6.0	(0.7)				
	Magnetic Application Products	(9.7)	(9.4)	(7.2)	(9.3)	(35.6)	0.8				
	Energy Application Products	32.2	57.5	65.6	40.4	195.7	55.3				
	Other	(1.2)	0.7	0.5	(1.7)	(1.8)	(0.1)				
	Subtotal	36.1	70.7	82.1	29.3	218.2	69.2				
	Adjustment	(9.8)	(11.4)	(11.9)	(12.2)	(45.3)	(11.3)				
	Total	26.3	59.2	70.2	17.1	172.9	57.9				
Operating profit margin		5.2%	10.6%	12.6%	3.5%	8.2%	11.2%				
USD (JPY)		137.18	144.44	147.95	148.31	144.48	155.82				
EUR (JPY)		149.37	157.17	159.04	161.16	156.69	167.79				

Note: In accordance with the reorganization for the three months 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.



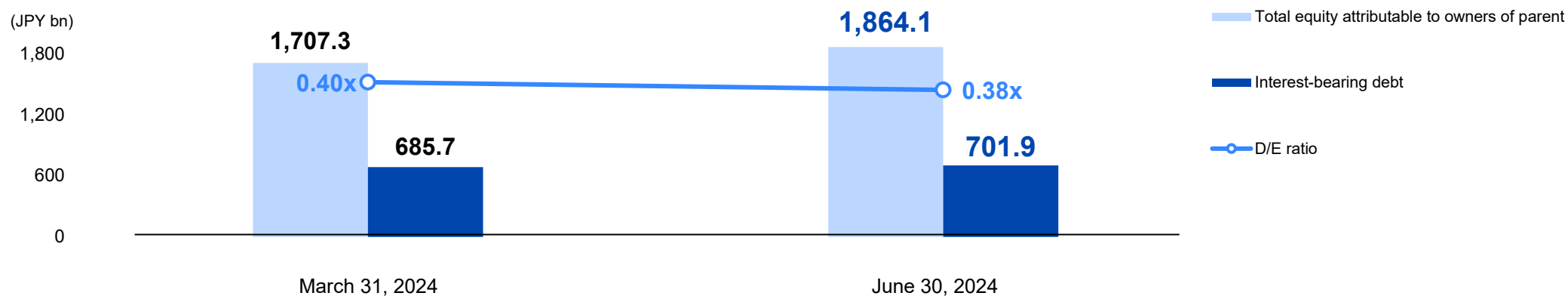
# Financial position

(JPY bn)	March 31, 2024	June 30, 2024	Change
Total assets	3,415.3	<b>3,683.3</b>	+268.0
Total liabilities	1,700.4	<b>1,810.8</b>	+110.5
Total equity attributable to owners of parent	1,707.3	<b>1,864.1</b>	+156.8
Ratio of equity attributable to owners of parent	50.0%	<b>50.6%</b>	+0.6pts
Cash and cash equivalents, short-term investments and marketable securities	666.1	<b>718.3</b>	+52.2
Interest-bearing debt <sup>*1</sup>	685.7	<b>701.9</b>	+16.1
Net cash (Net debt) <sup>*2</sup>	(19.6)	<b>16.4</b>	+36.0
Debt to equity ratio (times) <sup>*3</sup>	0.40	<b>0.38</b>	(0.03)

\*1: Borrowings plus bonds plus lease liabilities

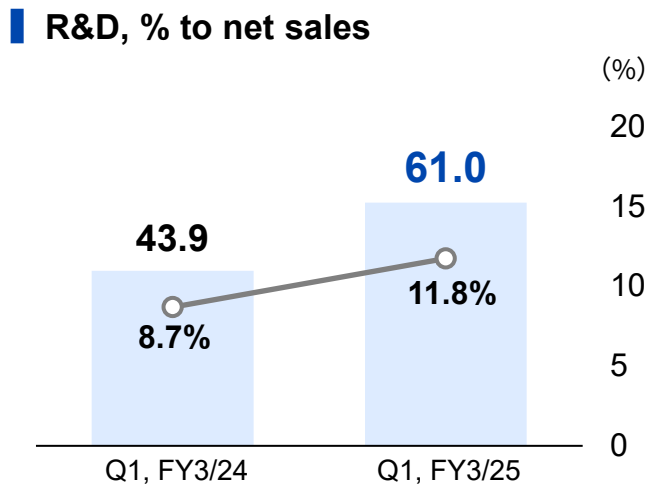
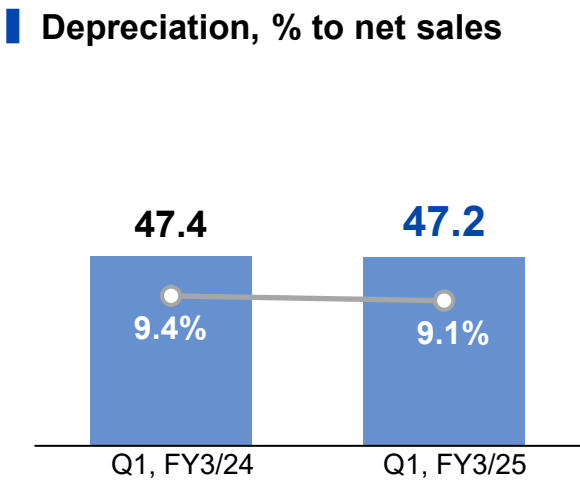
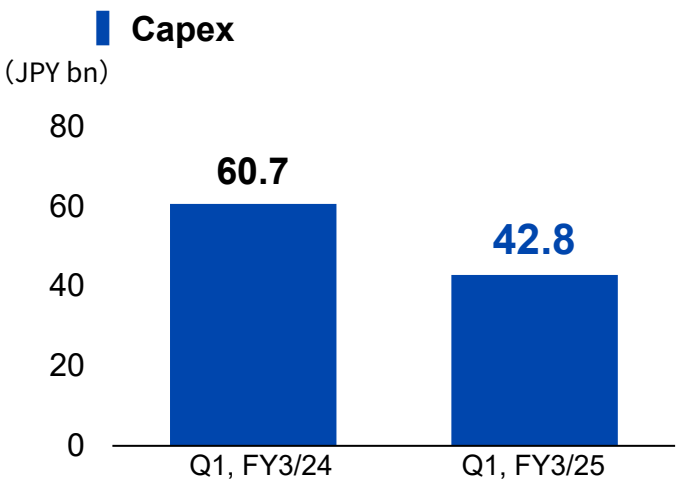
\*3: Interest-bearing debt divided by total equity attributable to owners of parent

\*2: Cash and cash equivalents, short-term investments and marketable securities minus interest-bearing debt

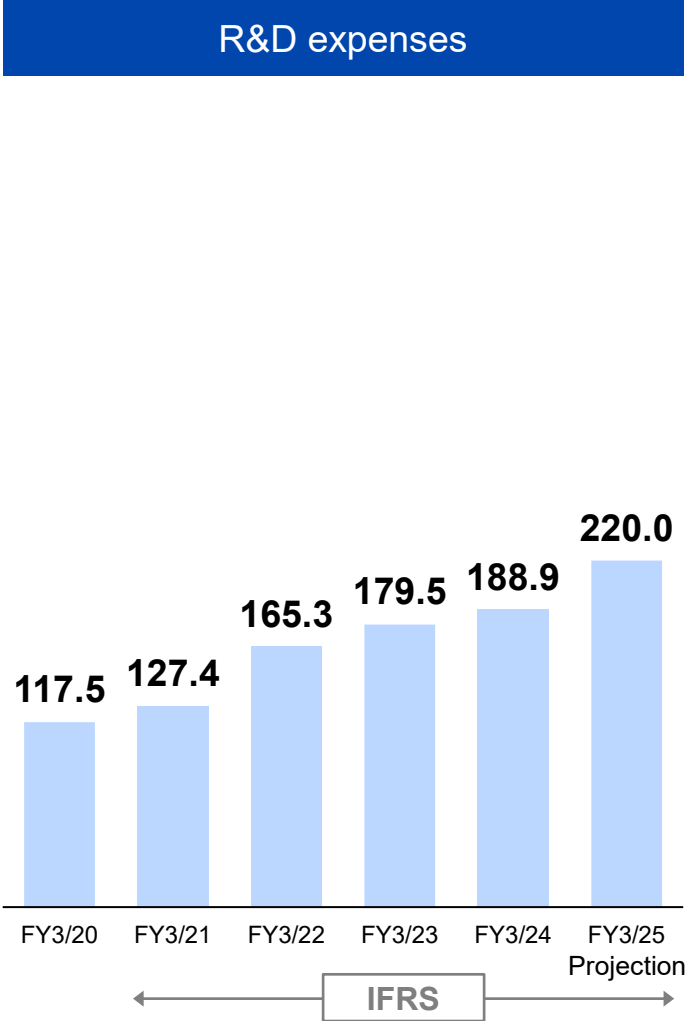
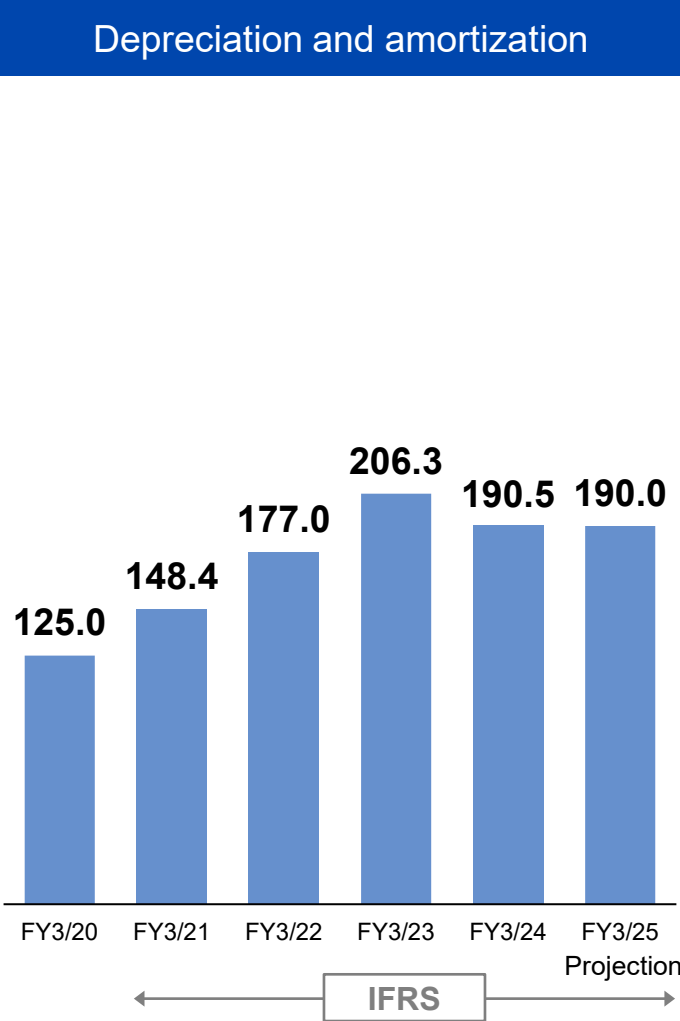
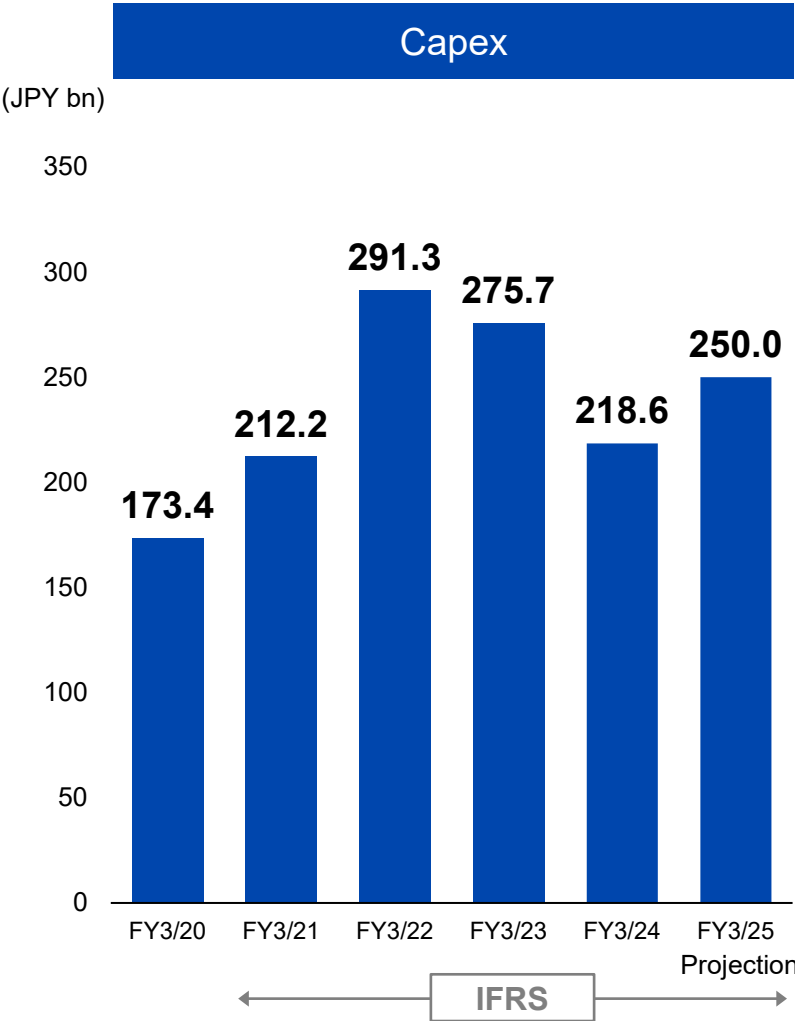


# Capex, Depreciation, R&D - Q1

	(JPY bn)	FY3/24	FY3/25	Change
		Q1	Q1	
Capex		60.7	42.8	(17.9)
Depreciation		47.4	47.2	(0.2)
% to net sales		9.4%	9.1%	-0.3pts
R&D		43.9	61.0	+17.1
% to net sales		8.7%	11.8%	+3.0pts



# Capex, Depreciation, and R&D expenses – Projections

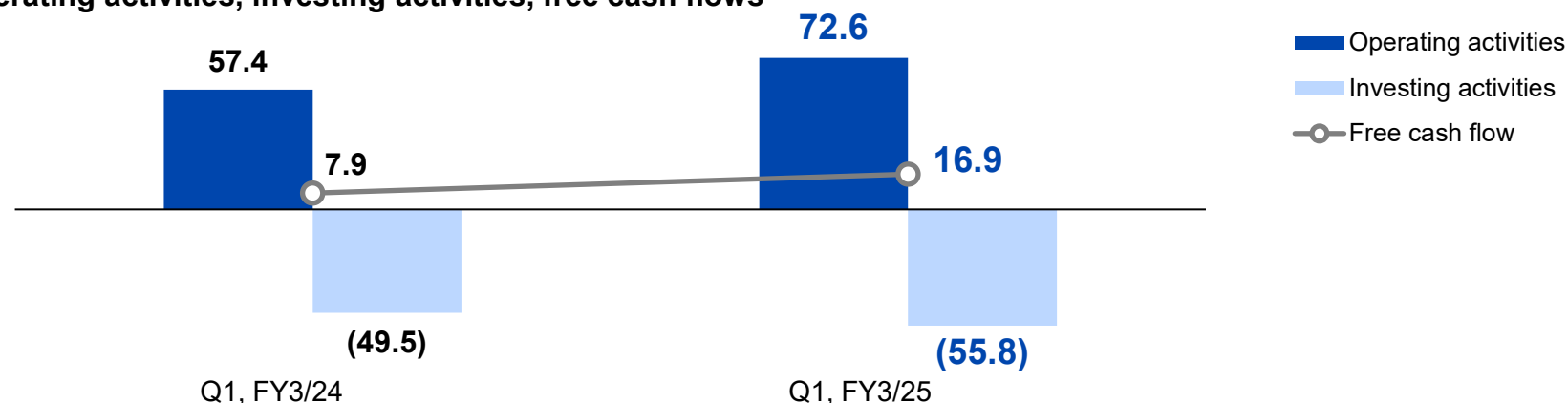


# Cash flows - Q1

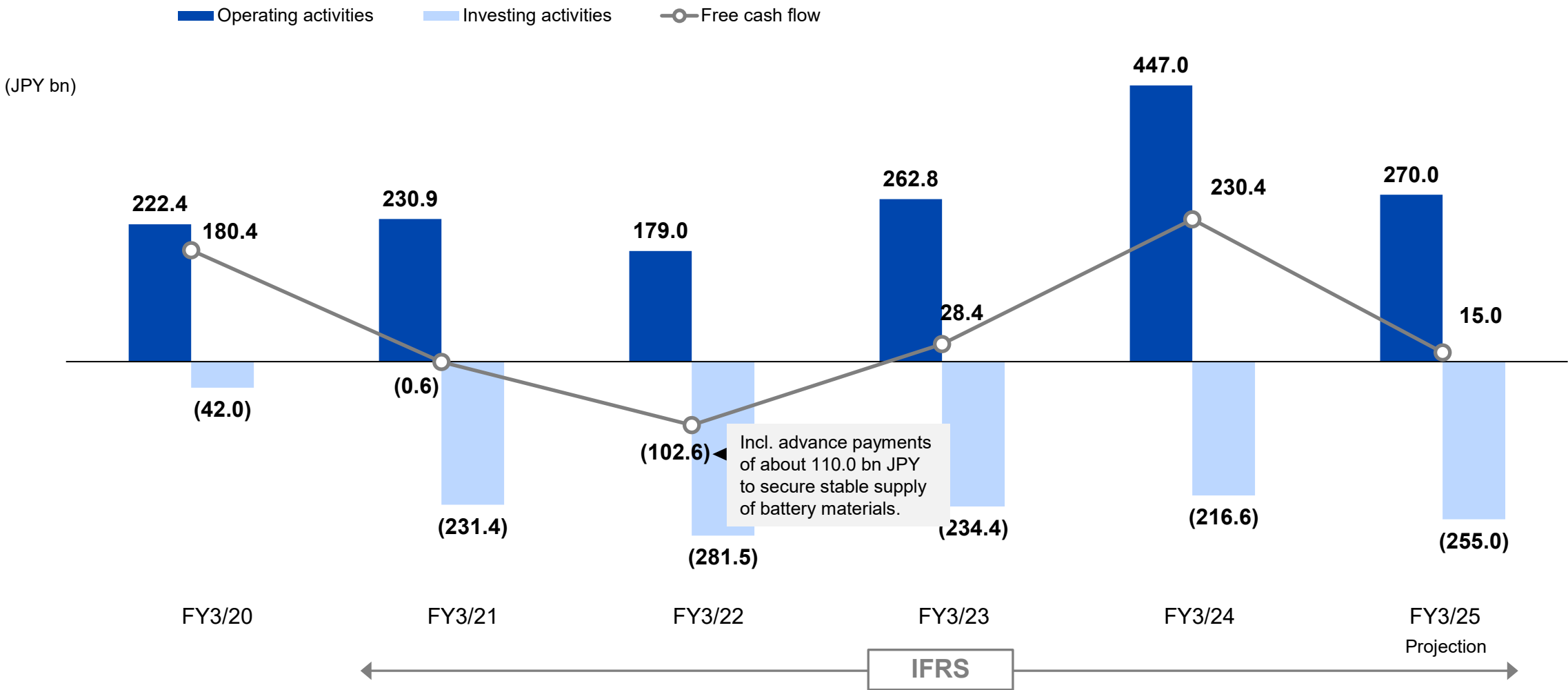
	FY3/24	FY3/25	Change
(JPY bn)	Q1	Q1	
Cash flows from operating activities	57.4	<b>72.6</b>	+15.2
Cash flows from investing activities	(49.5)	<b>(55.8)</b>	(6.2)
Free cash flow	7.9	<b>16.9</b>	+9.0
Cash flows from financing activities	16.0	<b>(22.4)</b>	(38.3)
Effects of exchange rate changes on cash and cash equivalents	26.2	<b>38.1</b>	+11.9
Cash and cash equivalents	556.2	<b>682.6</b>	+126.4

## Cash flows from operating activities, investing activities, free cash flows

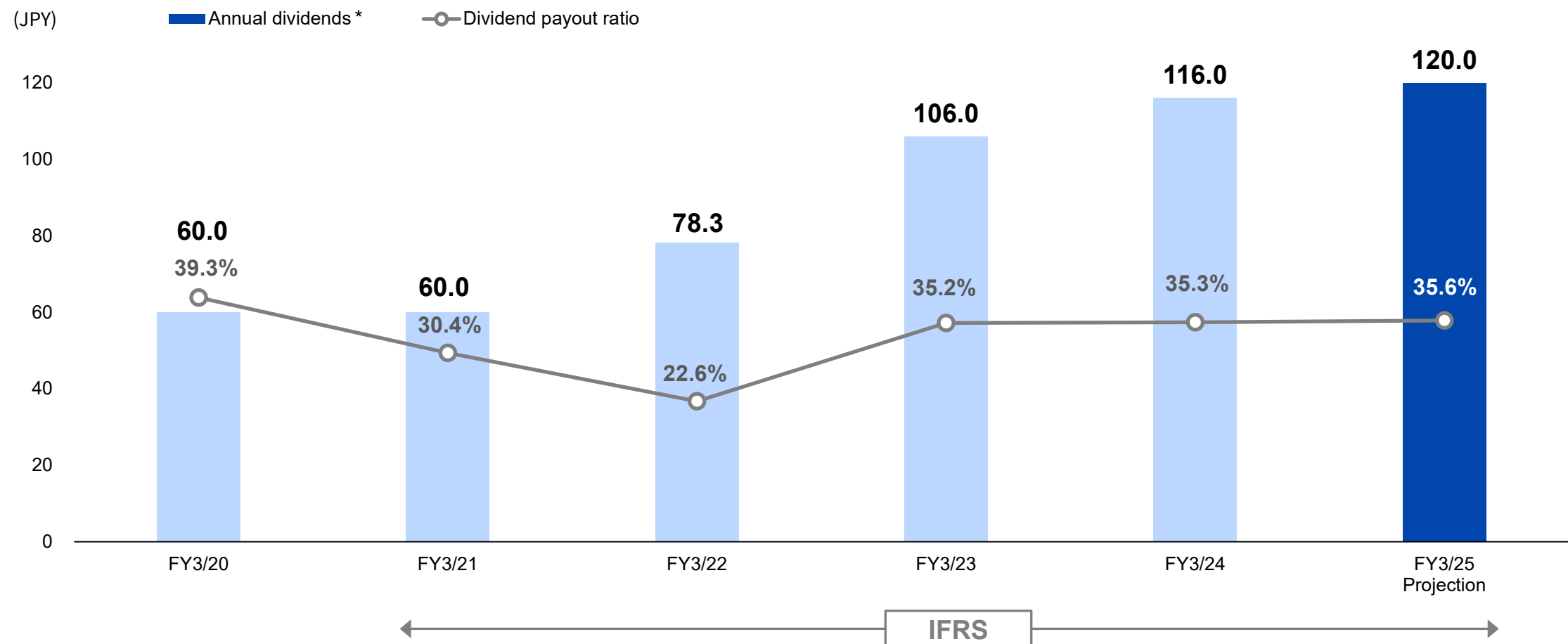
(JPY bn)



# Cash flows



# Shareholder returns



\* Dividends are calculated on the basis of after the stock split on October 1, 2021 and before the stock split on October 1, 2024.

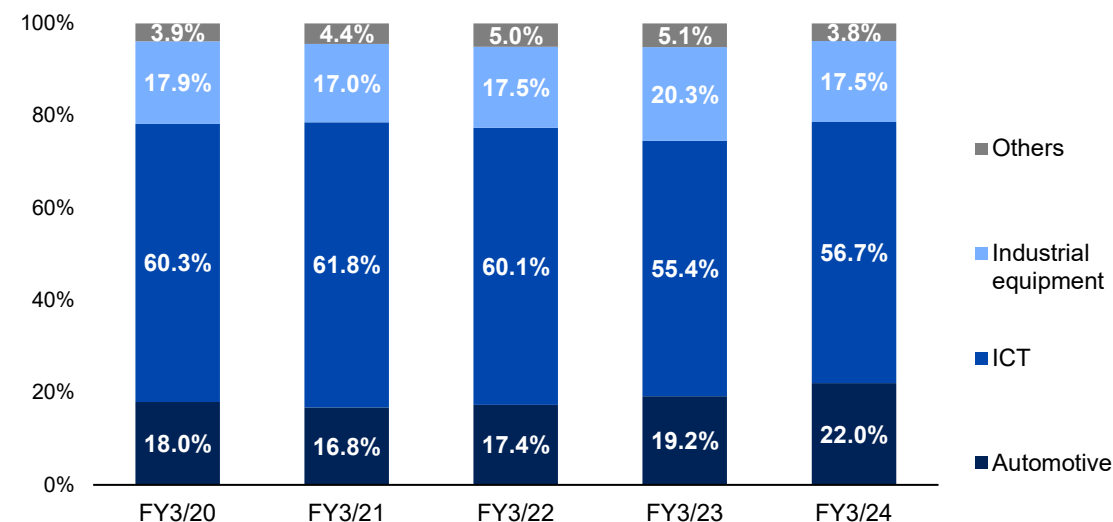
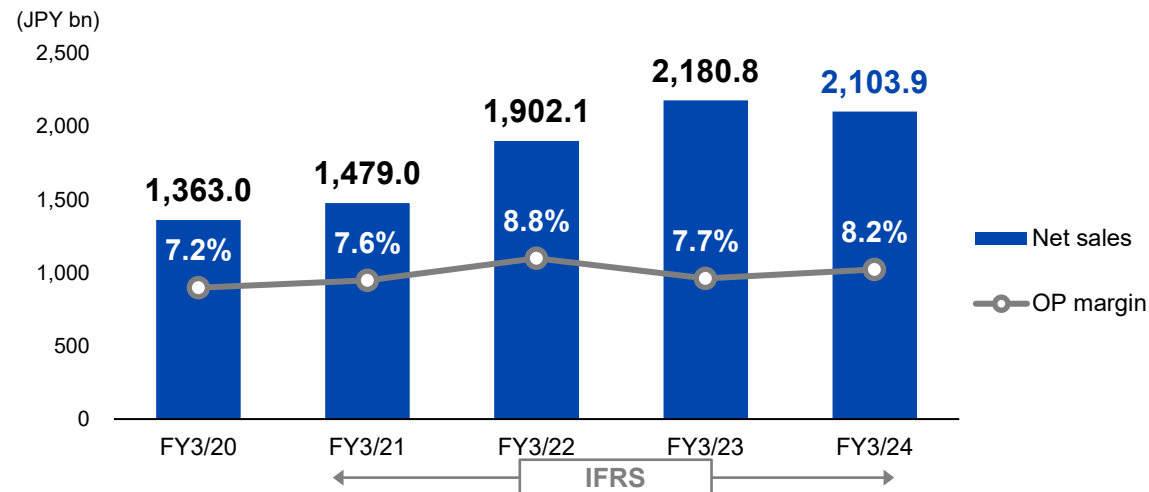
# Annual sales by market (FY3/20 – FY3/24)

All

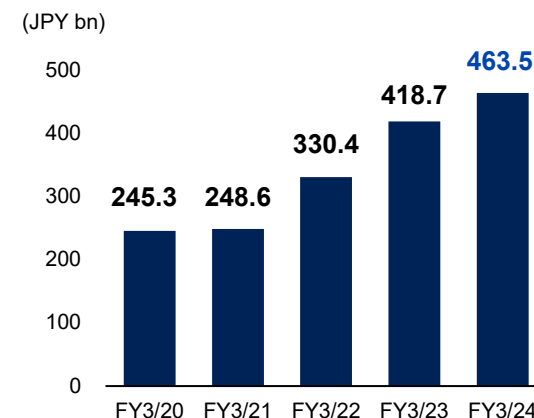
Attracting Tomorrow



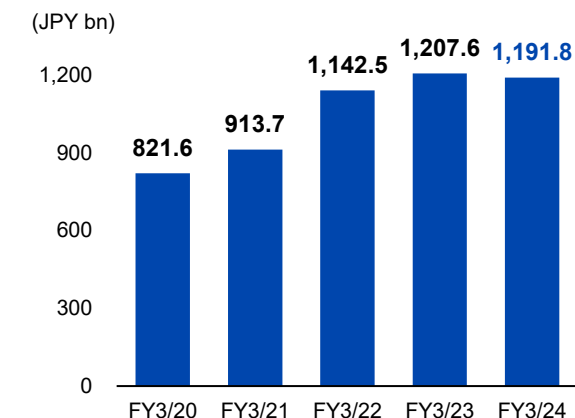
## Net sales, OP margin



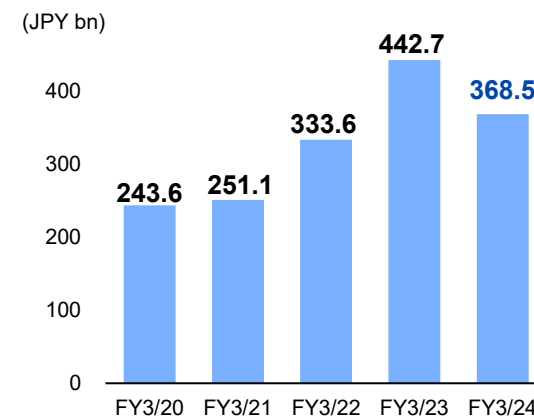
## Automotive



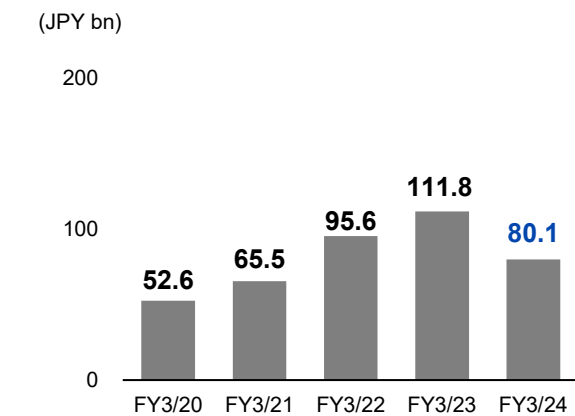
## ICT



## Industrial equipment



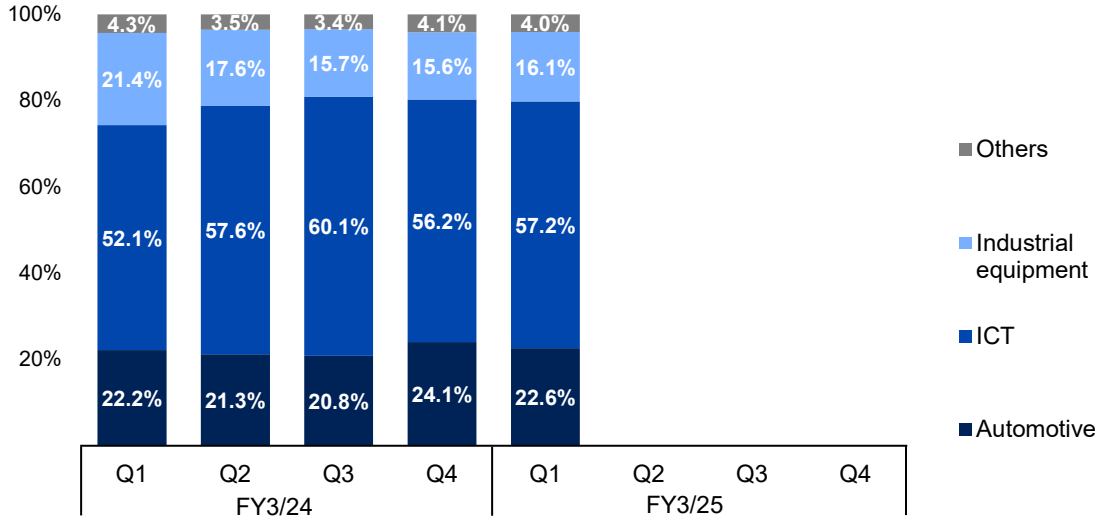
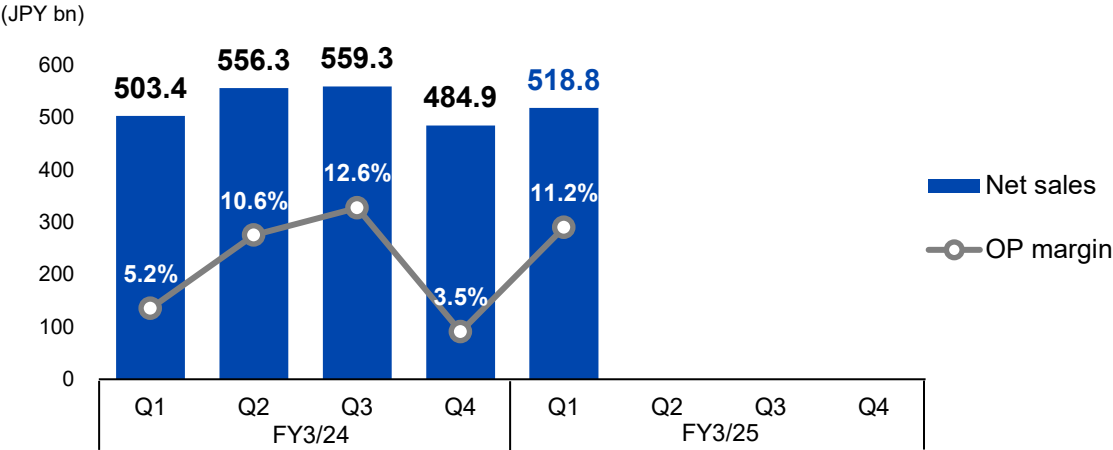
## Others



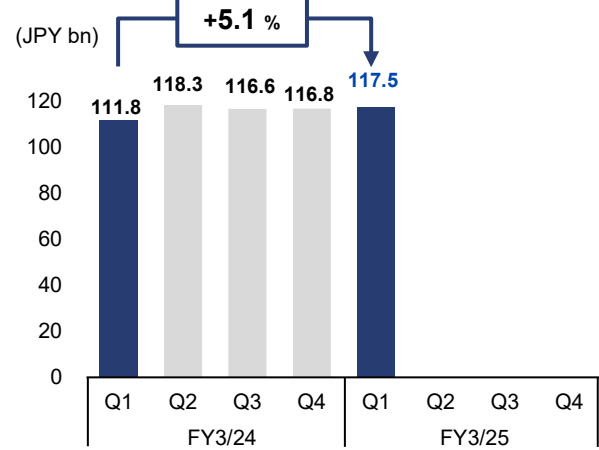
# Quarterly sales by market (FY3/24 – FY3/25)

All

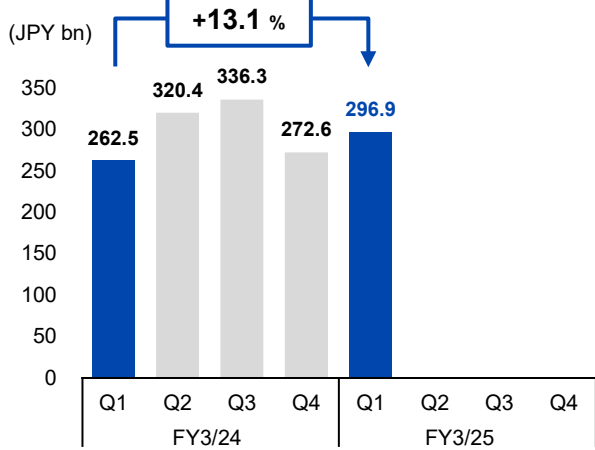
## Net sales, OP margin



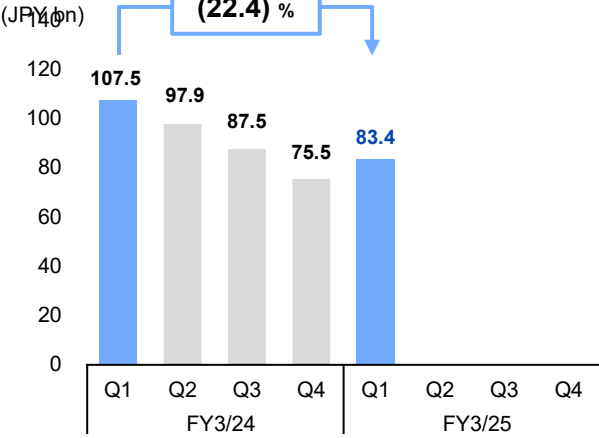
## Automotive



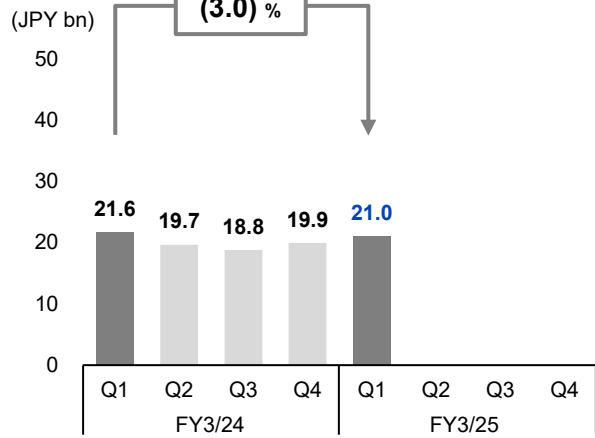
## ICT



## Industrial equipment



## Others





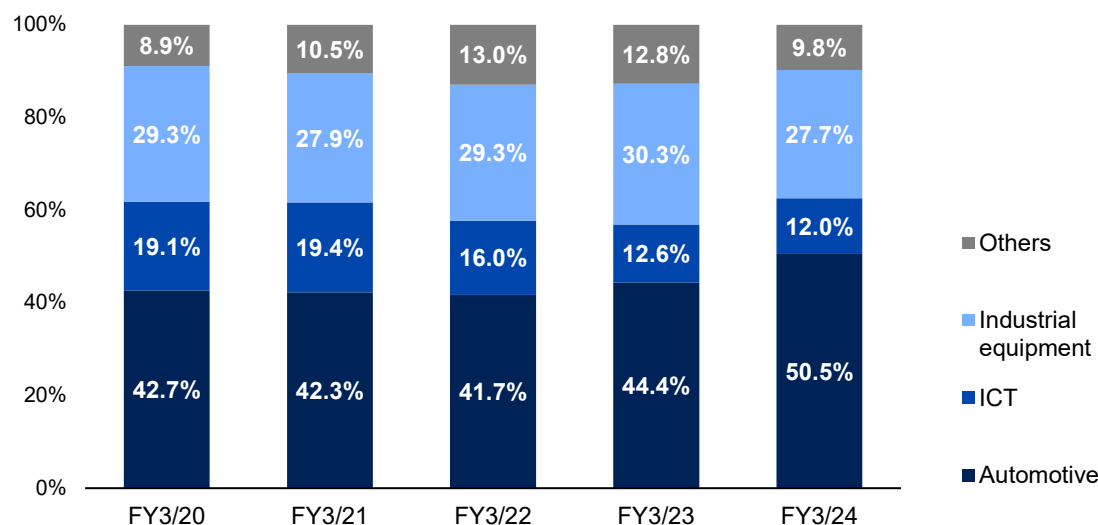
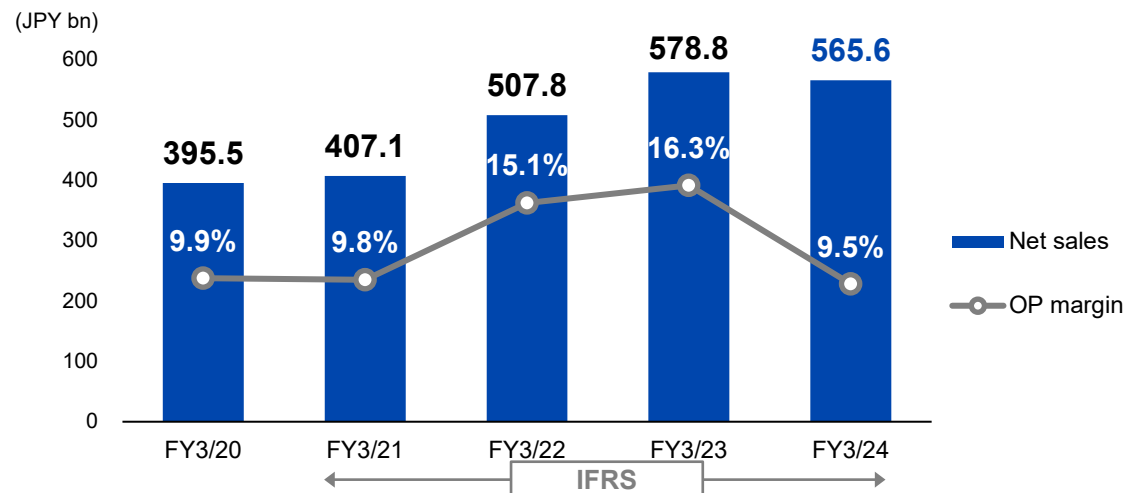
# Annual sales by market (FY3/20 – FY3/24)

Passive Components

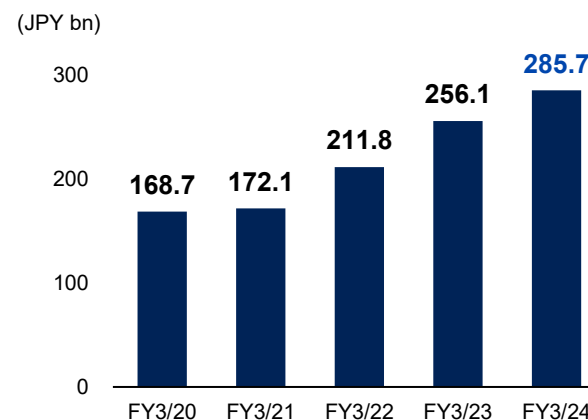
Attracting Tomorrow



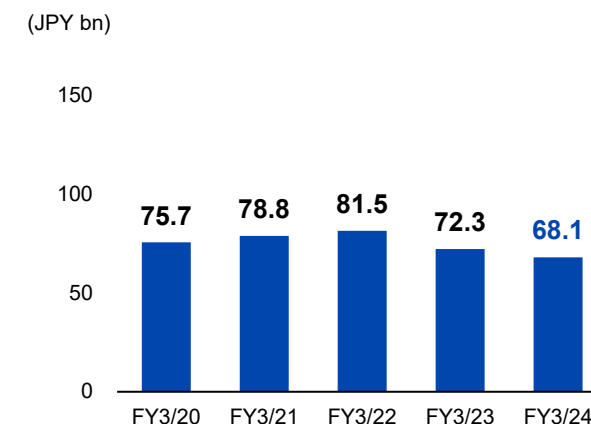
## Net sales, OP margin



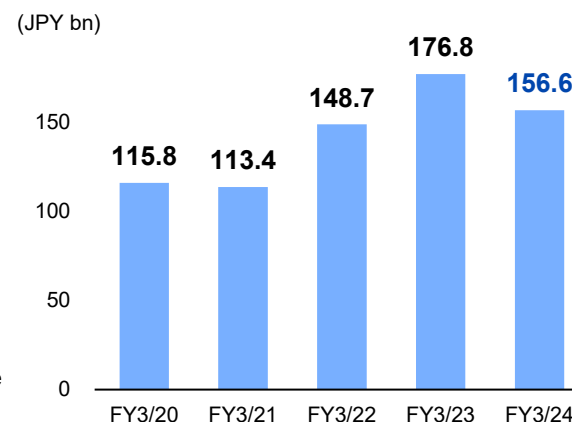
## Automotive



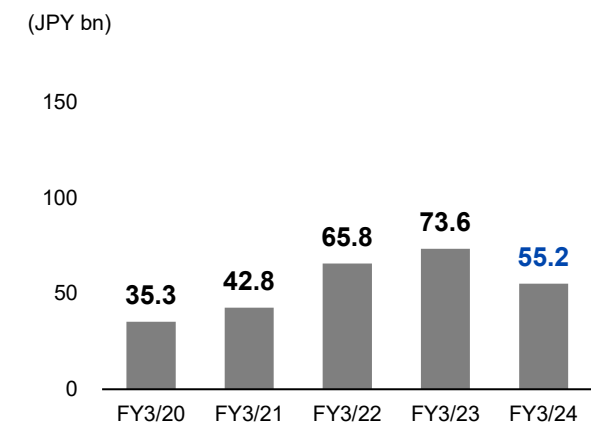
## ICT



## Industrial equipment



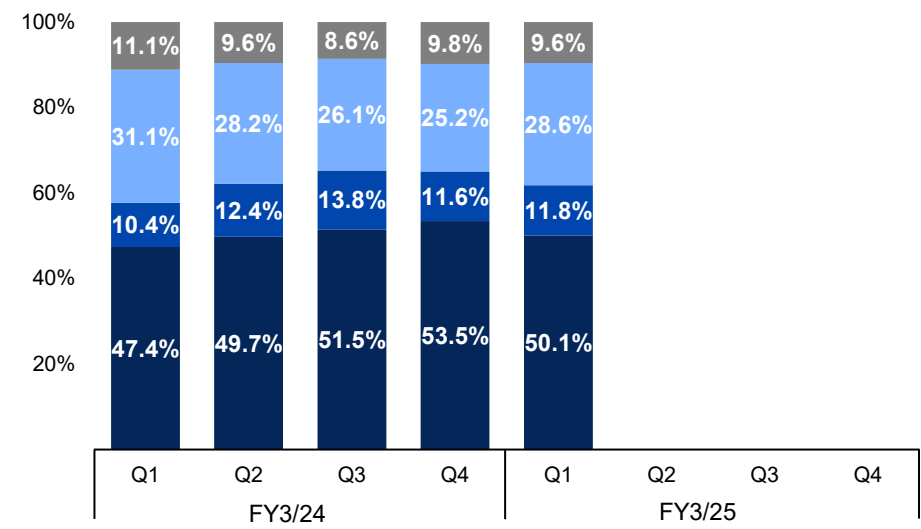
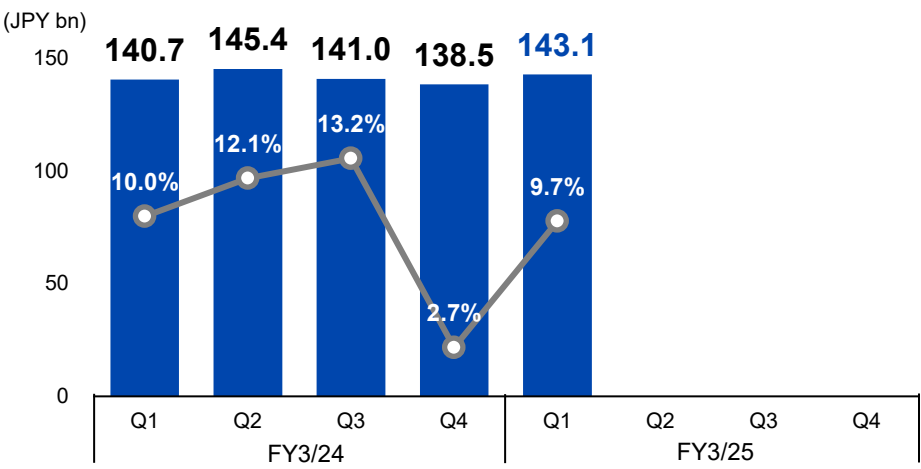
## Others



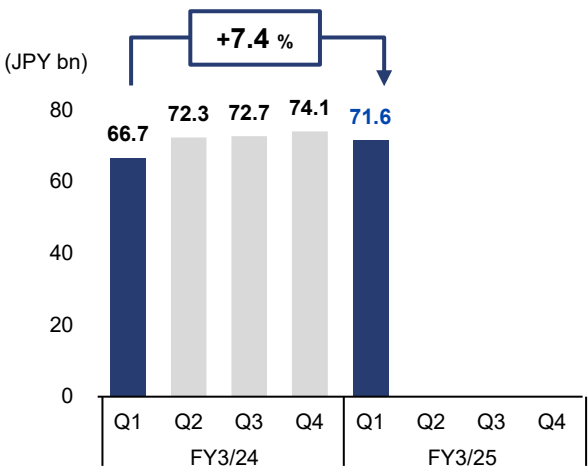
# Quarterly sales by market (FY3/24 – FY3/25)

## Passive Components

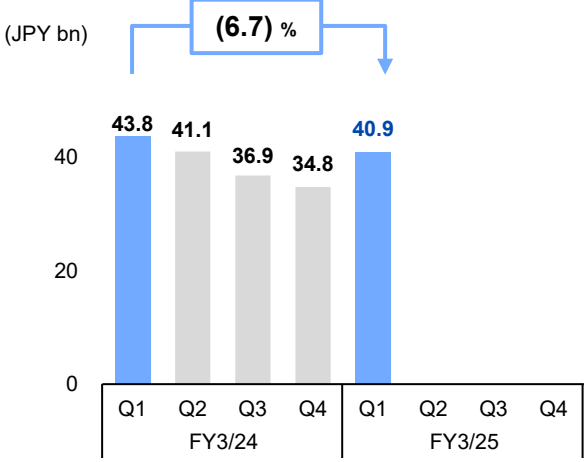
### Net sales, OP margin



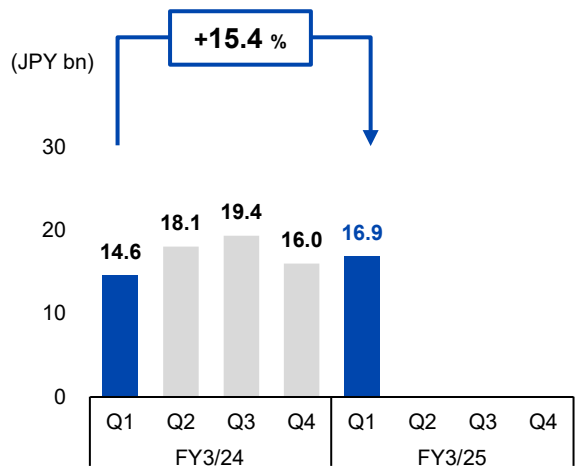
### Automotive



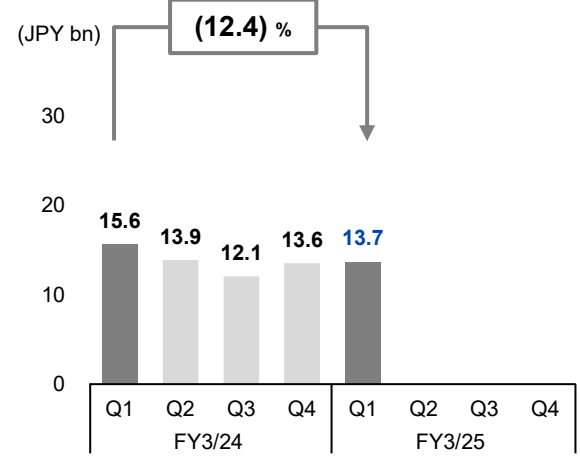
### Industrial equipment



### ICT



### Others



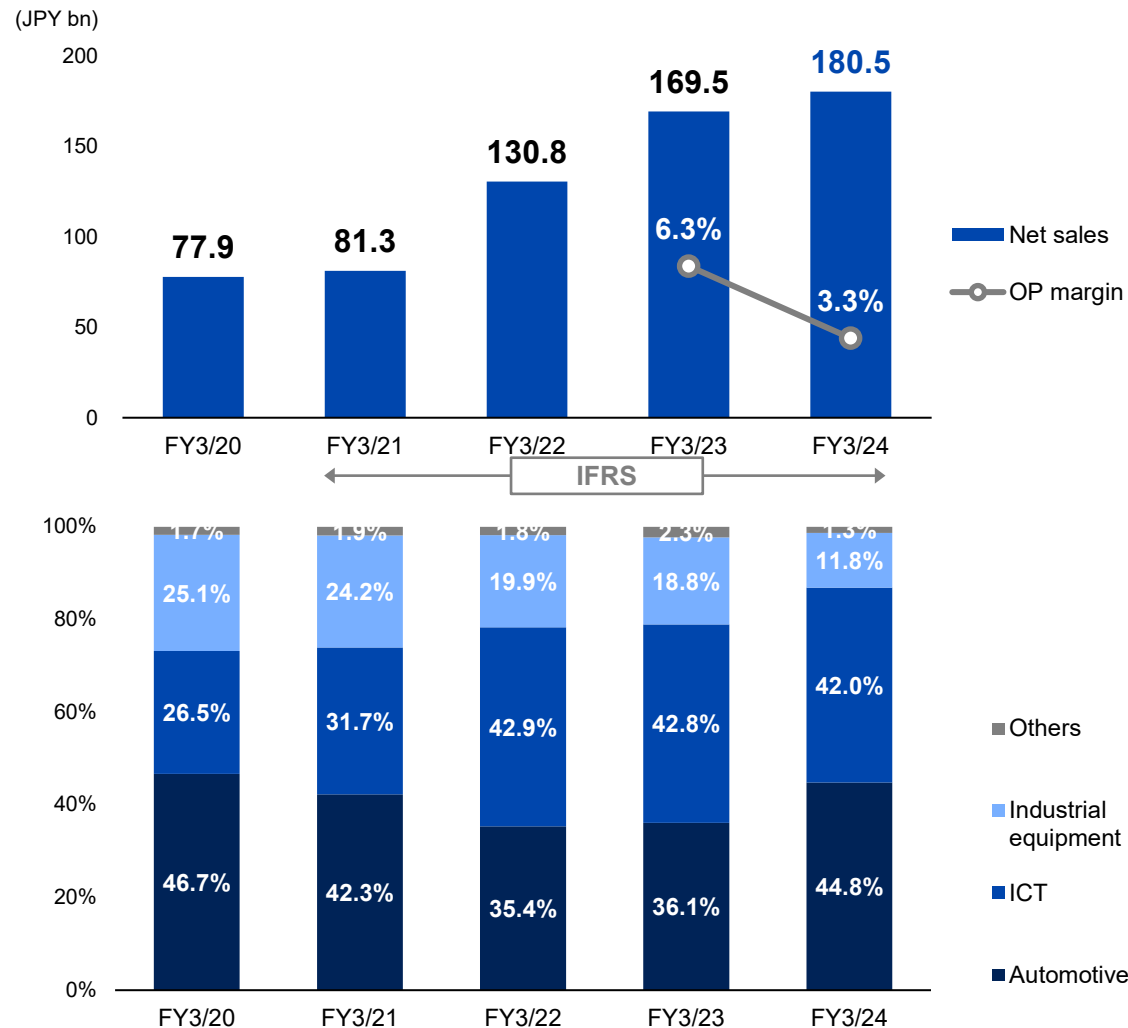
# Annual sales by market (FY3/20 – FY3/24)

Sensor Application Products

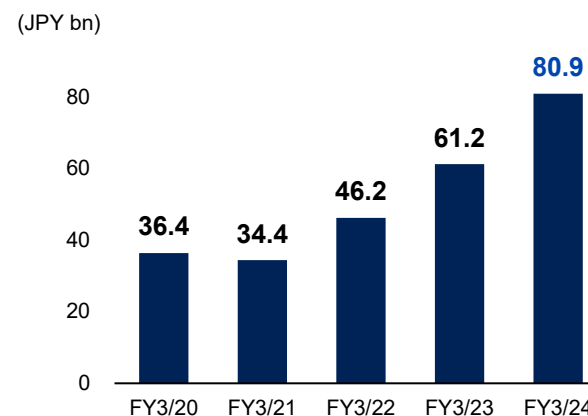
Attracting Tomorrow



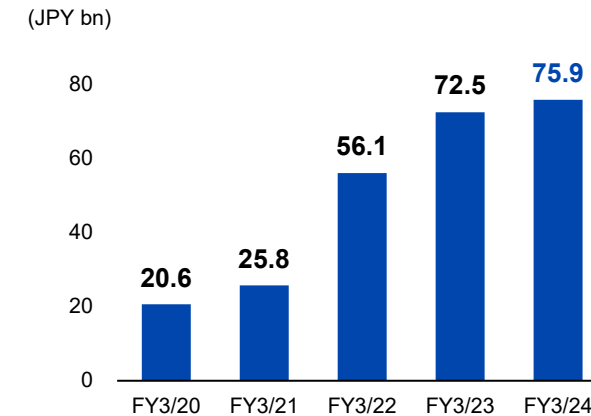
## Net sales, OP margin



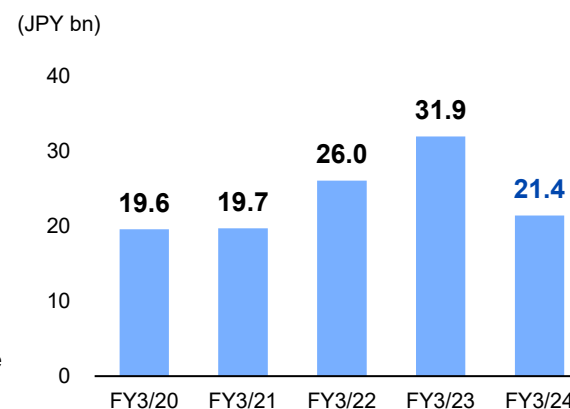
## Automotive



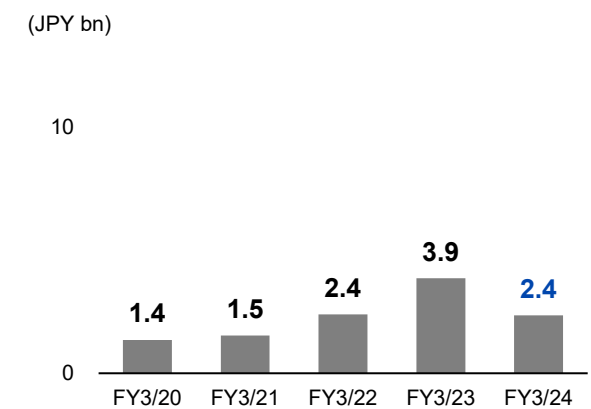
## ICT



## Industrial equipment



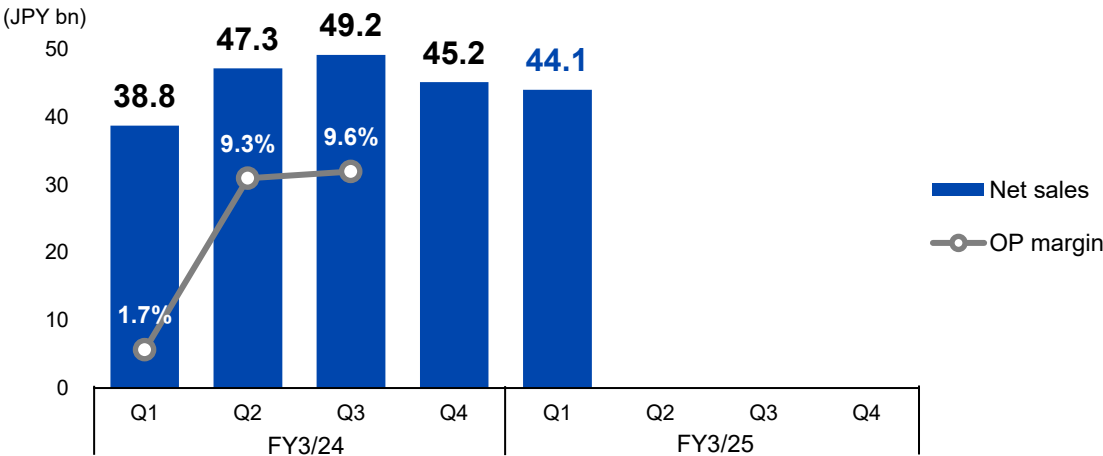
## Others



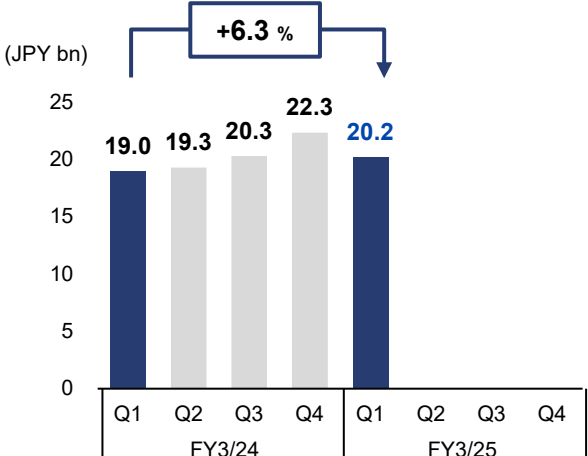
# Quarterly sales by market (FY3/24 – FY3/25)

Sensor Application Products

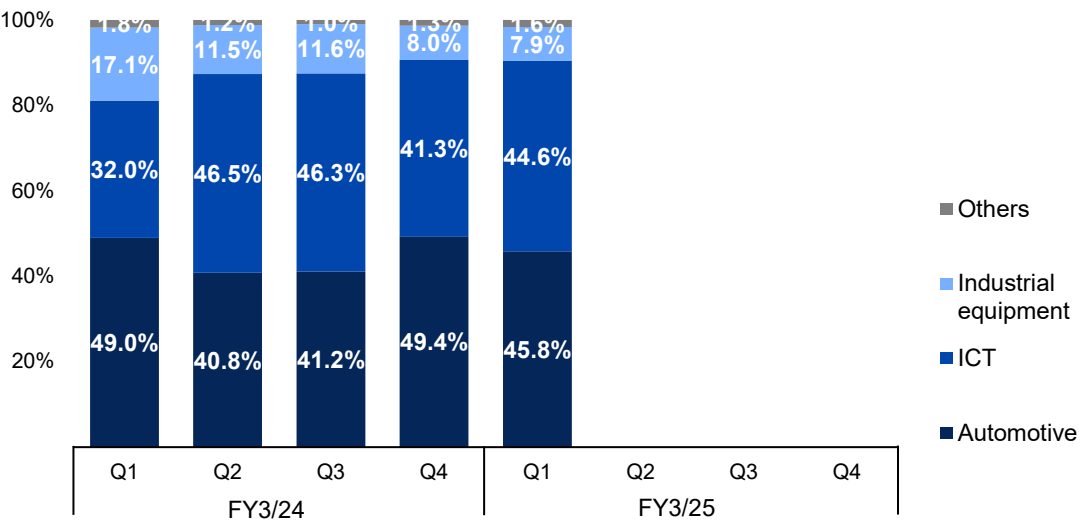
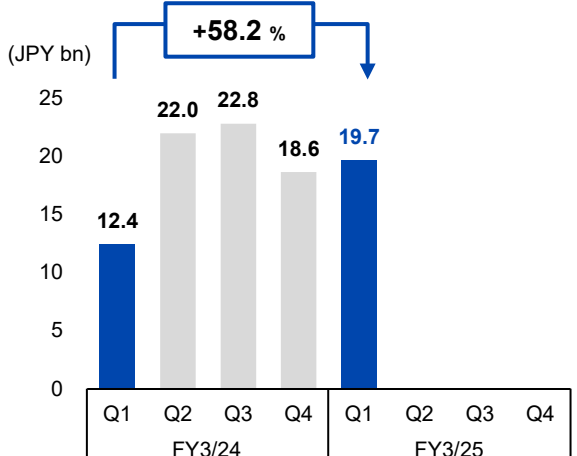
## Net sales, OP margin



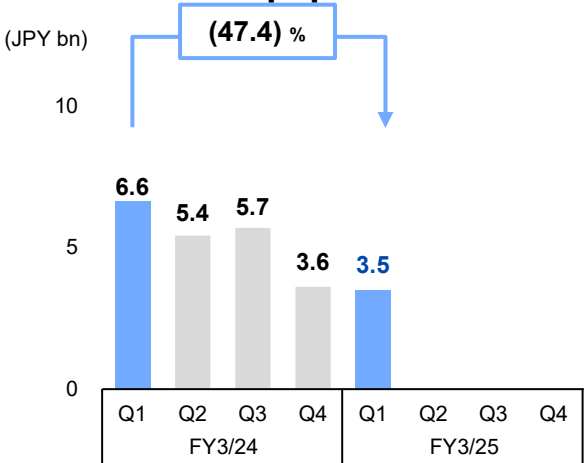
## Automotive



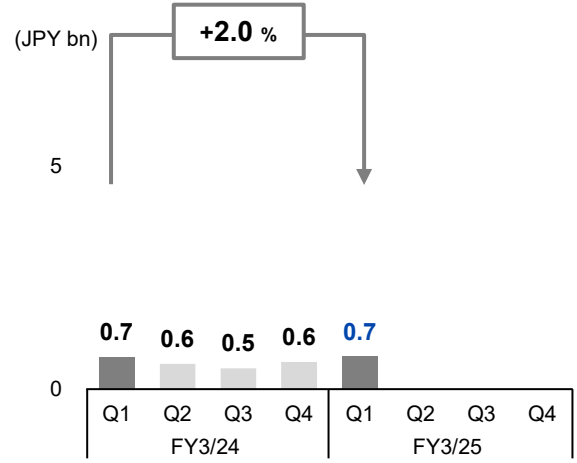
## ICT



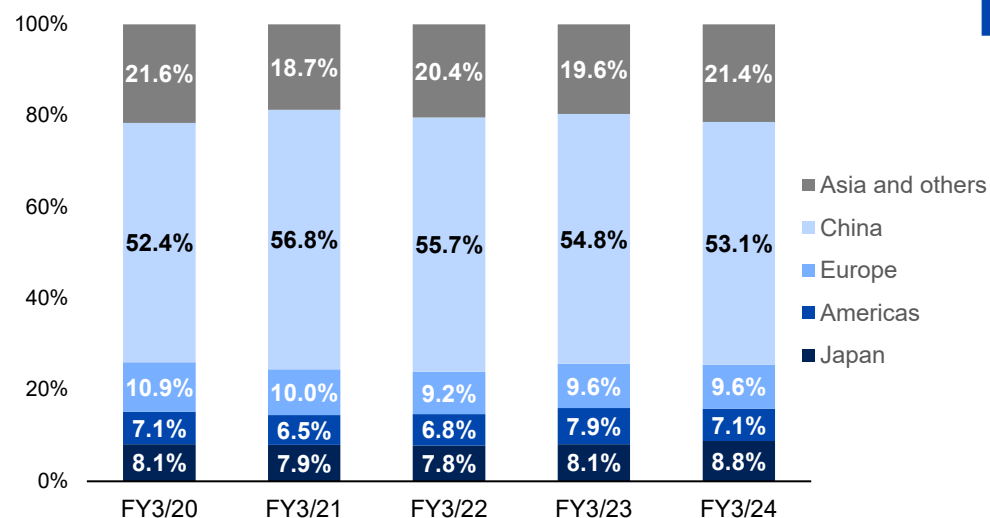
## Industrial equipment



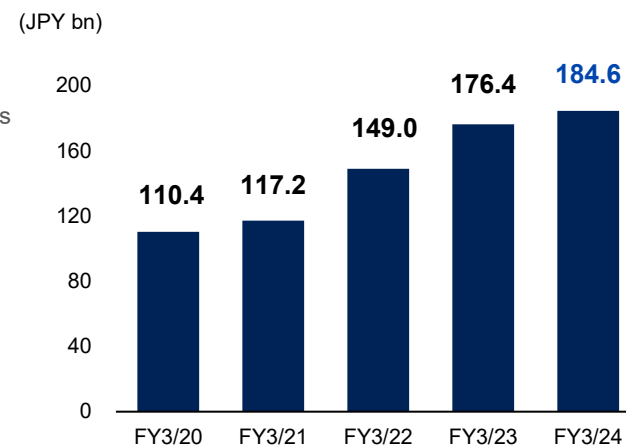
## Others



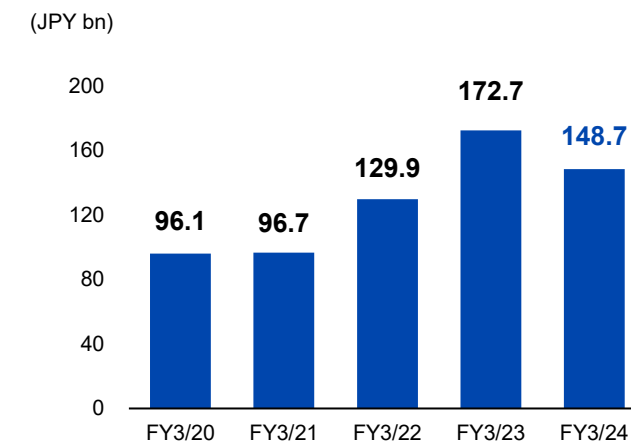
# Annual sales by region (FY3/20 – FY3/24)



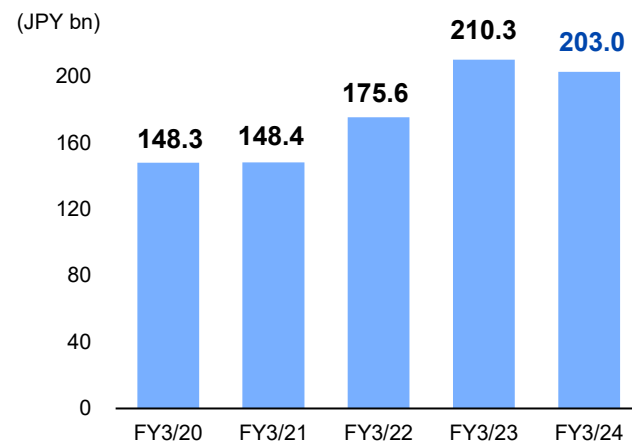
## Japan



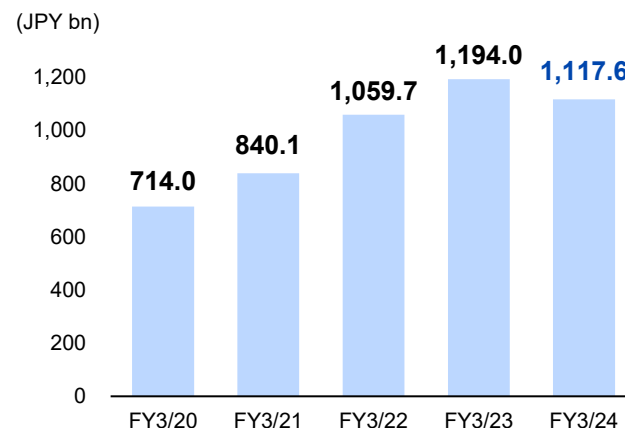
## Americas



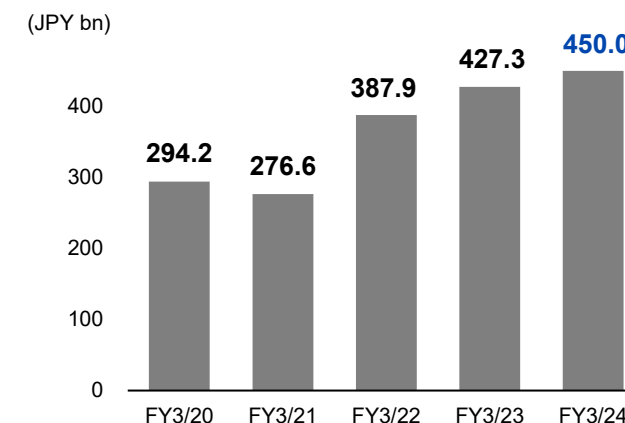
## Europe



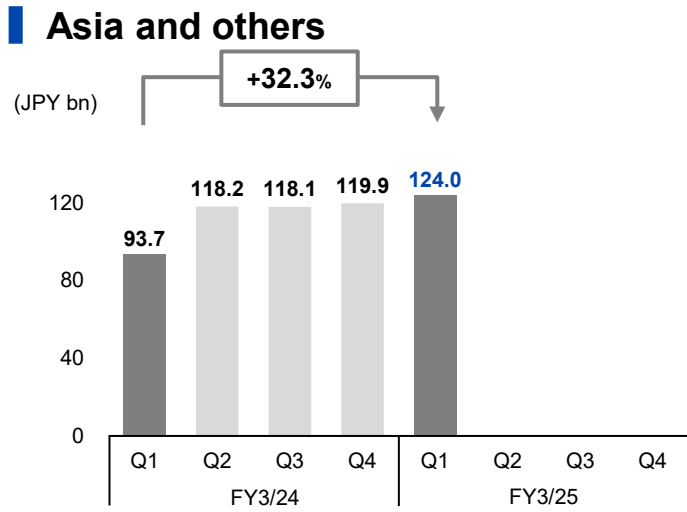
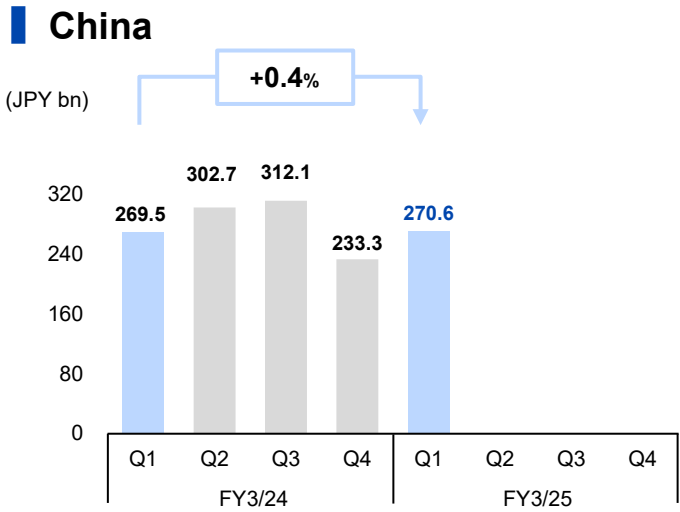
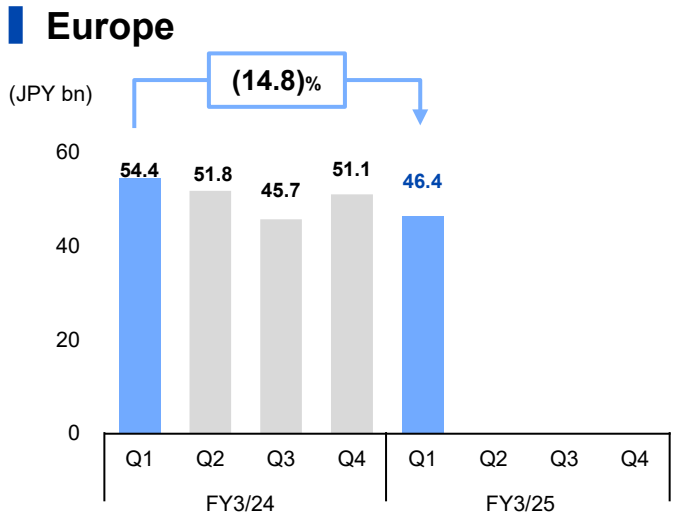
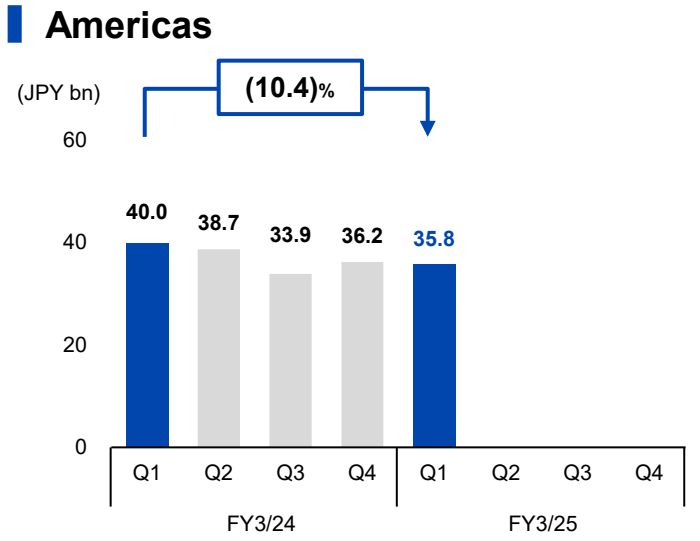
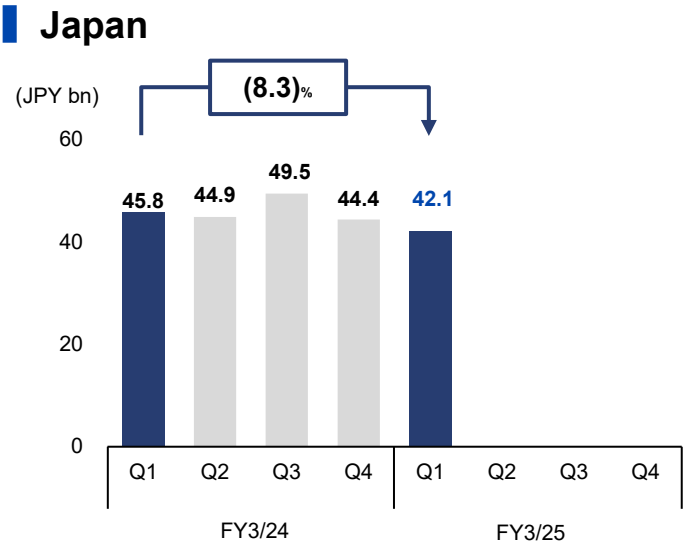
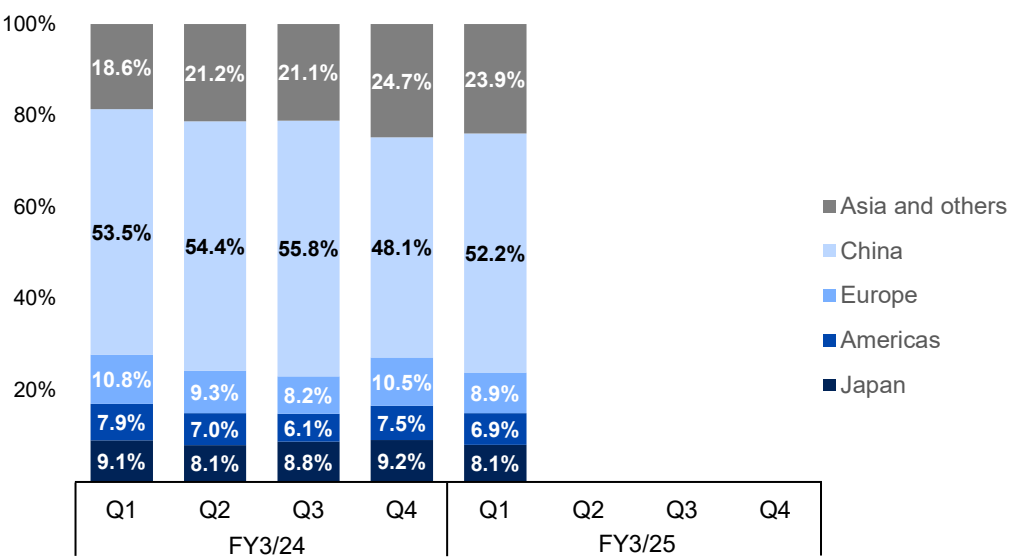
## China



## Asia and others

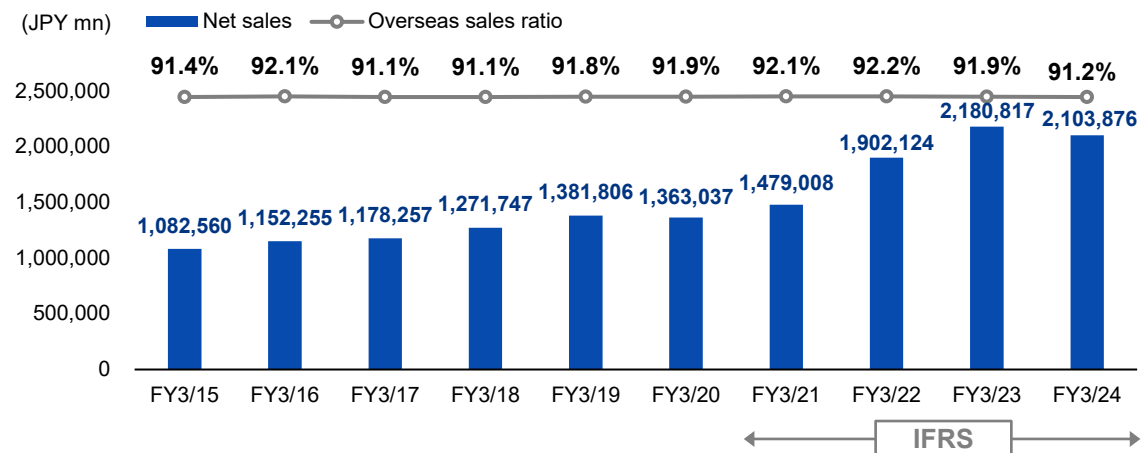


# Quarterly sales by region (FY3/24 – FY3/25)

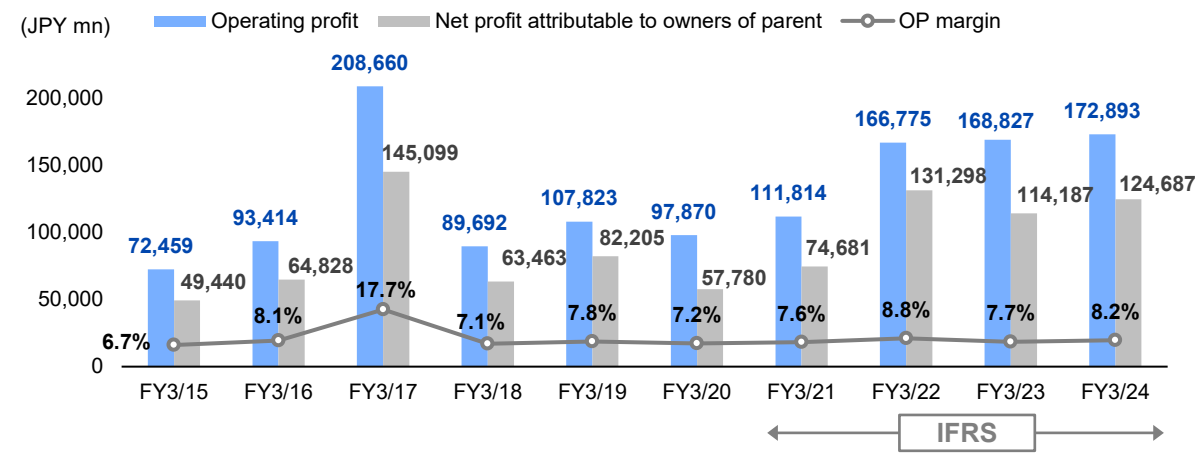


# Financial information: 10-year historical trend

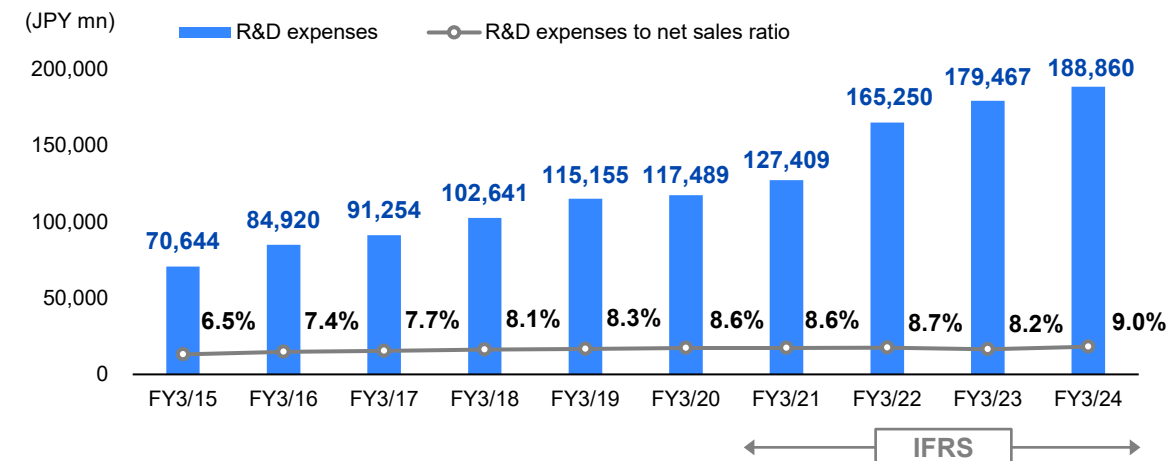
## Net sales, Overseas sales ratio



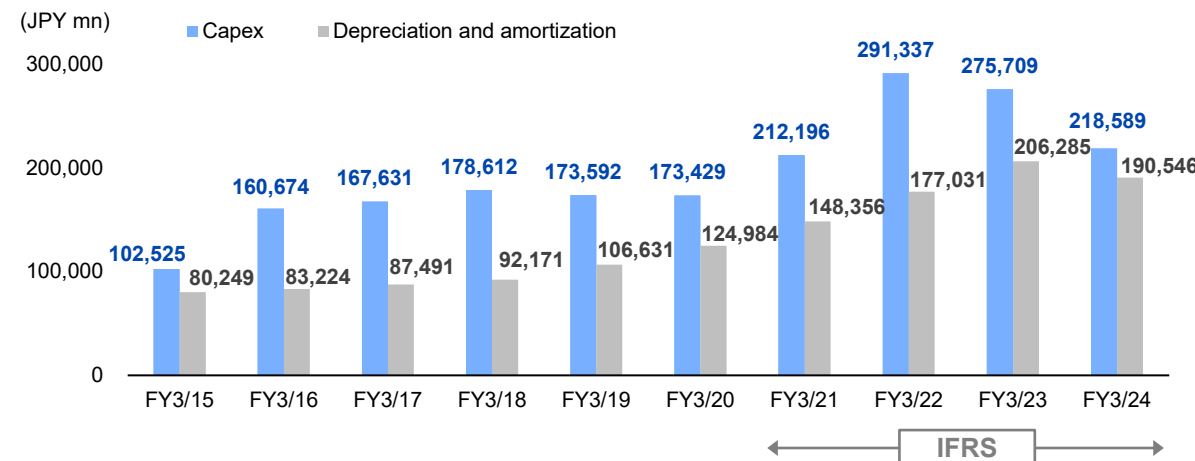
## Operating profit, Net profit attributable to owners of parent, OP margin



## R&D expenses, R&D expenses to net sales ratio

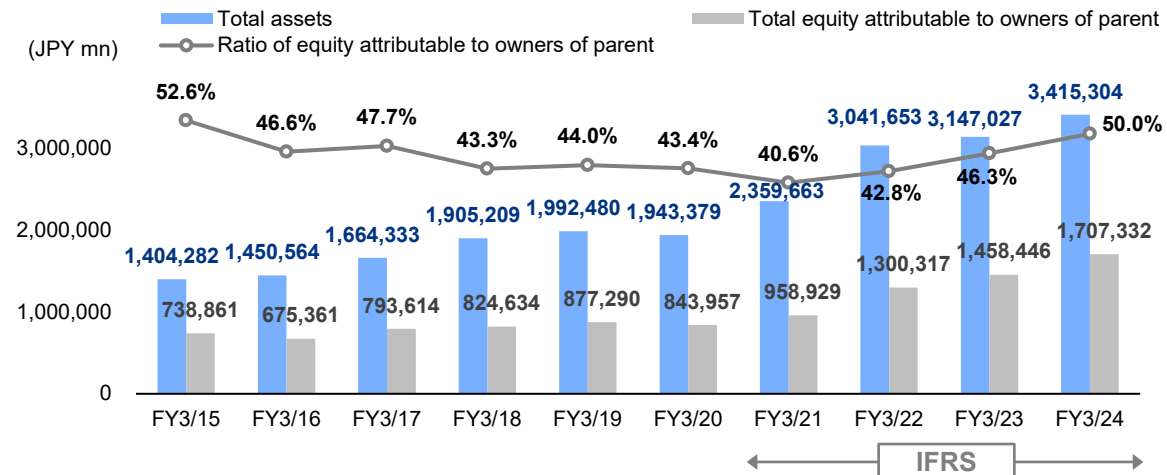


## Capex, Depreciation and amortization

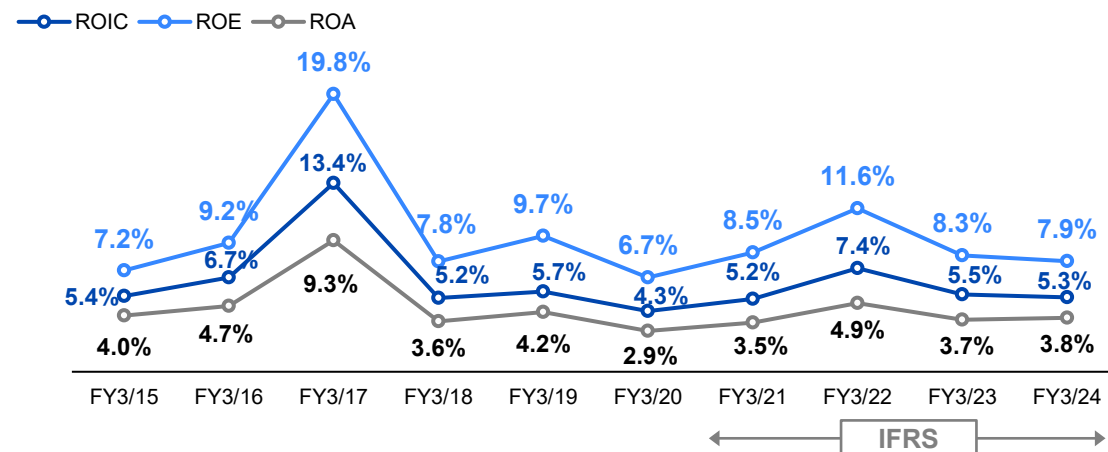


# Financial information: 10-year historical trend

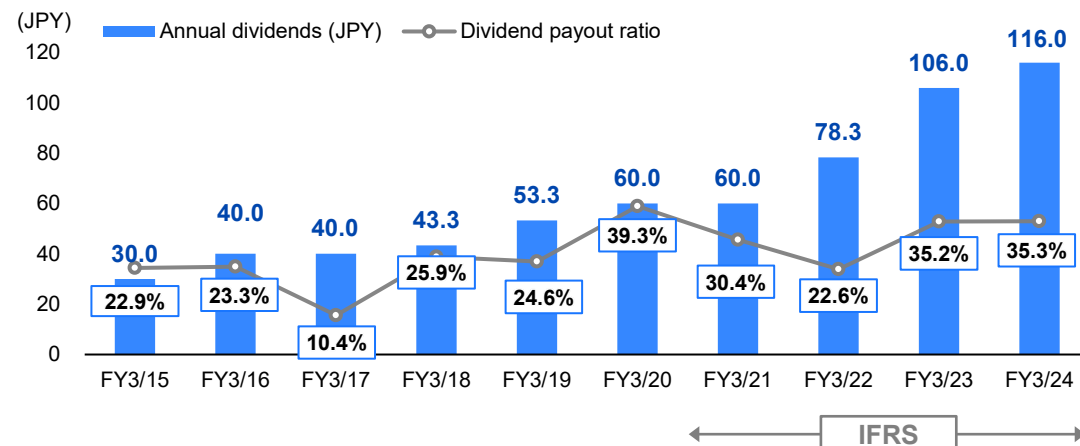
## Total assets, Total equity attributable to owners of parent, Ratio of equity attributable to owners of parent



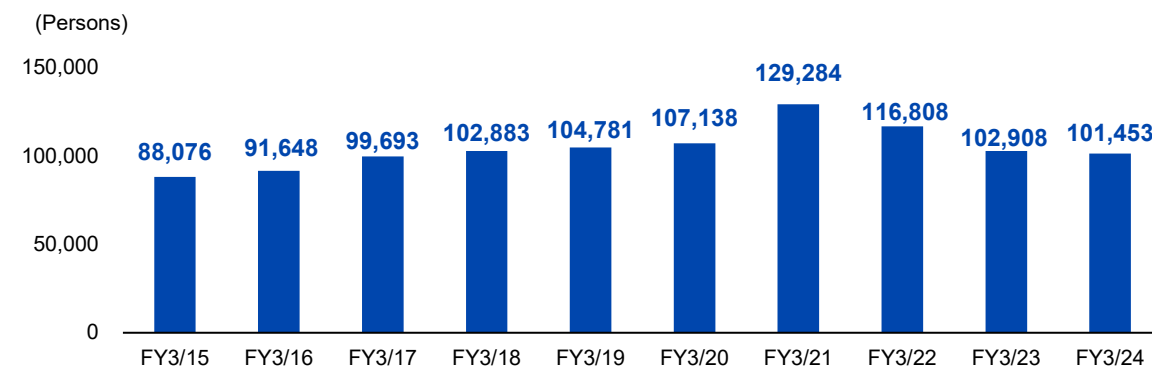
## ROIC, ROE, ROA



## Annual dividends, Dividend payout ratio



## Number of employees





# Status of inclusion in Indices / Evaluation by external organizations

Attracting Tomorrow



## Indices



### JPX Prime 150 Index

An index composed by market capitalization based on two measures of value creation: "return on capital" and "market valuation".



### FTSE4Good Index Series

An index provided by FTSE Russell that was designed to measure the performance of companies that implement strong ESG measures.



### FTSE Blossom Japan Index

An index provided by FTSE Russell that was designed to measure the performance of Japanese companies with outstanding ESG responses.



### FTSE Blossom Japan Sector Relative Index

An index provided by FTSE Russell, designed to be sector neutral, reflecting the performance of Japanese companies with outstanding ESG responses.



### S&P/JPX Carbon Efficient Index

An index was designed to measure the performance of companies in the Tokyo Stock Price Index (TOPIX) while overweighting or underweighting those companies that have lower or higher levels of carbon emissions per unit of revenue.



### Sompo Sustainability Index

An index compiled based on the results of the Buna-no-Mori Environmental Questionnaire and ESG Management Survey conducted by SOMPO Risk Management Inc



### iSTOXX MUTB Japan Platinum Career 150

An index tracks the performance of 150 Japanese companies that actively contribute to employee career development.



### MSCI ESG Leaders Indexes\*<sup>1</sup>

An index provided by MSCI that selects companies with outstanding ESG evaluation.

### 2023 CONSTITUENT MSCI JAPAN ESG SELECT LEADERS INDEX\*<sup>2</sup>

An index provided by MSCI that selects Japanese companies with outstanding ESG performance.

### 2023 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)\*<sup>3</sup>

An index provided by MSCI that selects Japanese companies with excellent gender diversity.

\*1,2,3 THE INCLUSION OF TDK CORPORATION IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF TDK CORPORATION BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

## Evaluation by external organizations



### NIKKEI Integrated Report Award, Award for Excellence (2022, 2023)

CDP Climate Change **A-** (A minus)



### CDP Water Security **A** (four consecutive years)



### CDP Supplier Engagement Rating Leaderboard (four consecutive years)

TDK was praised because it promotes environmental activities working with suppliers and discloses SCOPE3 emissions.

# 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, or its group companies (TDK Group). These forward-looking statements are based on the current forecasts, estimates, assumptions, plans, beliefs, and evaluations of the TDK Group in light of the information currently available to it, and contain known and unknown risks, uncertainties, and other factors. The TDK Group therefore wishes to caution readers that, being subject to risks, uncertainties, and other factors, the TDK Group's actual results, performance, achievements, or financial position could be materially different from any future results, performance, achievements, or financial position expressed or implied by these forward-looking statements, and the TDK Group undertakes no obligation to publicly update or revise any forward-looking statements after the issue of this material except as provided for in laws and ordinances.

The electronics markets in which the TDK Group operates are highly susceptible to rapid changes, risks, uncertainties, and other factors that can have significant effects on the TDK Group including, but 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. Also, since the purpose of these materials is only to give readers a general outline of business performance, many numerical values are shown in units of a billion JPY. Because original values, which are managed in units of a million JPY, are rounded off, the totals, differences, etc. shown in these materials may appear inaccurate. If detailed figures are necessary, please refer to our financial statements and supplementary materials.



Text data including Q&A of performance briefing will be uploaded on following site.  
[https://www.tdk.com/en/ir/ir\\_events/conference/2025/1q\\_1.html](https://www.tdk.com/en/ir/ir_events/conference/2025/1q_1.html)