

[Translation]

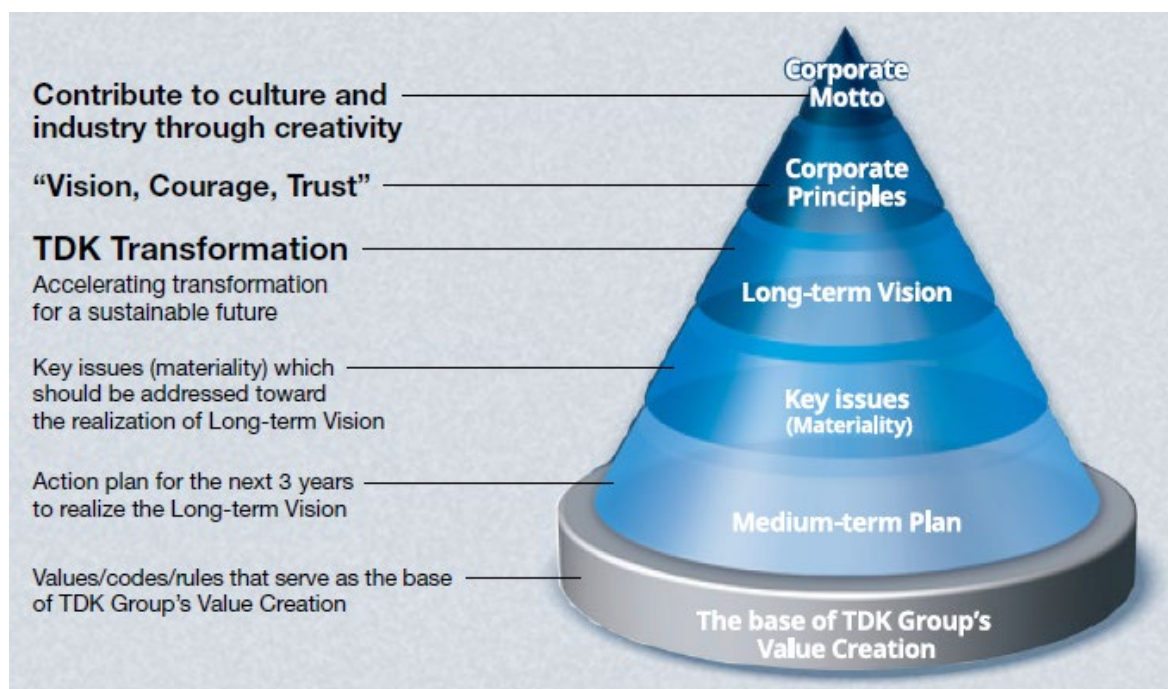
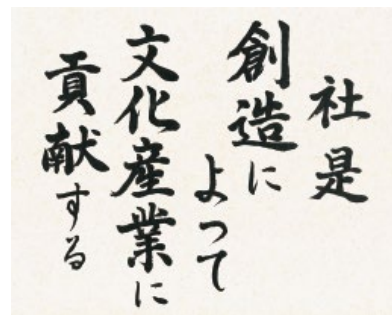
**NOTICE OF CONVOCATION**  
**OF**  
**THE 129TH ORDINARY GENERAL MEETING OF SHAREHOLDERS**

- Notes: 1. This is a translation from Japanese of a notice distributed to shareholders in Japan. The translation is prepared solely for the convenience of foreign shareholders. In the case of any discrepancy between the translation and the Japanese original, the latter shall prevail.
2. There are no English translations of the following: Non-Consolidated Balance Sheet, Non-Consolidated Statement of Operations, Non-Consolidated Statement of Changes in Net Assets and Certified Copy of Accounting Auditors' Report for Non-Consolidated Financial Statements.

**TDK Corporation**  
**Tokyo, Japan**

## [TDK Value Structure]

“Contribute to culture and industry through creativity” is TDK’s Corporate Motto, and “Vision, Courage, Trust” are the Corporate Principles. Based on this unchanging sprit, we revised the existing TDK Value Structure in the 129th Fiscal Year and formulated a new Long-term Vision, key issues (materiality), and Medium-term Plan.



**Attention All Shareholders**

Noboru Saito  
Representative Director,  
President & CEO  
TDK Corporation  
2-5-1, Nihonbashi, Chuo-ku, Tokyo

**NOTICE OF CONVOCATION OF  
THE 129TH ORDINARY GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholder:

Thank you for your continued interest in TDK Corporation (the "Company").

You are hereby notified that the 129th Ordinary General Meeting of Shareholders will be held as stated below.

When convening this Ordinary General Meeting of Shareholders, the Company has taken measures for providing information that constitutes the content of the Reference Documents for the Ordinary General Meeting of Shareholders, etc. (the "matters for which measures for providing information in electronic format will be taken") in electronic format and posted such information on the following websites as "Notice of Convocation of the 129th Ordinary General Meeting of Shareholders." Please access one of the websites to review the information.

The Company's Internet Website:

[https://www.tdk.com/en/ir/ir\\_events/general/index.html](https://www.tdk.com/en/ir/ir_events/general/index.html)

Tokyo Stock Exchange's Internet Website:

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

\* On the Tokyo Stock Exchange's website, please search for the issue name (company name) with "TDK" or the securities code with "6762", and select "Basic information" and then "Documents for public inspection/PR information" to review the information.

**In addition to attending the meeting in person, you may exercise your votes via the Internet, etc. or by mail. Please vote by 5:20 P.M. on June 19, 2025 (Thursday), after carefully reading the Reference Documents for the Ordinary General Meeting of Shareholders.**

**[Voting via the Internet, etc.]**

Please enter your approval or disapproval of the proposals to be resolved by the deadline specified above.

**[Voting by Mail]**

Please indicate your approval or disapproval of the proposals to be resolved on the voting form and return it to the Company. The voting form must reach us by the deadline specified above.

## Details

1. Date and Time: **10:00 A.M. on June 20, 2025 (Friday)**
2. Place of the Meeting: **Toranomon Hills Forum Hall A  
Toranomon Hills Mori Tower 5th Floor  
1-23-3, Toranomon, Minato-ku, Tokyo**
3. Purposes of the Meeting:
  - **Matters to be Reported**
    1. Report on the Business Report and the Consolidated Financial Statements for the 129th Fiscal Year (from April 1, 2024 to March 31, 2025), and Report on the Audit Results of the Consolidated Financial Statements for the 129th Fiscal Year by the Accounting Auditor and the Audit & Supervisory Board
    2. Report on the Non-Consolidated Financial Statements for the 129th Fiscal Year (from April 1, 2024 to March 31, 2025)
  - **Matters to be Resolved**
    - First Item: Appropriation of Retained Earnings**
    - Second Item: Election of Seven (7) Directors**
4. Notes on Exercise of Votes:
  - (1) If you vote both by mail and via the internet, etc., then the vote via the Internet, etc. will be counted as the valid vote.
  - (2) If you vote multiple times via the Internet, etc., your last vote will be counted as the valid vote.
  - (3) If you indicate neither your approval nor disapproval of each proposal on the returned voting form, your answer will be deemed to be an approval.

End

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- If you are attending the meeting, kindly submit the voting form at the reception.
  - If there are any revisions made to the matters for which measures for providing information in electronic format will be taken, a notice to that effect and the matters before and after the revisions will be posted on the aforementioned websites.
  - Among the matters for which measures for providing information in electronic format will be taken, the following matters will not be described in the paper-based documents to be delivered to shareholders who requested the delivery of such documents in accordance with the provisions of laws and regulations and the Articles of Incorporation of the Company. The Audit & Supervisory Board Members and the Accounting Auditor have audited the documents subject to audit which include the following matters.
    - Matters Concerning Stock Acquisition Rights, Etc., Matters Concerning Accounting Auditor, and System and Policy of TDK in Business Report;
    - Consolidated Statement of Changes in Equity and List of Notes to the Consolidated Financial Statements; and
    - Non-Consolidated Statement of Changes in Net Assets and List of Notes to the Non-Consolidated Financial Statements.
  - Any person who is not a shareholder of the Company entitled to votes at the meeting (including, but not limited to, any proxy who is not a shareholder of the Company and any accompanying person) is not allowed to enter the place of the meeting.

**[For Shareholders with disabilities]**

At the venue, we have prepared a dedicated space for shareholders arriving in wheelchairs, information sheet for live streaming with subtitles, and communication writing sets. If you require any assistance, please do not hesitate to speak to our staff. Also, accompanying person of shareholders with disabilities may enter.

## Reference Documents for the Ordinary General Meeting of Shareholders

### Proposals and Reference Information

#### First Item: Appropriation of Retained Earnings

The Company proposes that the appropriation of retained earnings be as provided below:

##### Matters concerning year-end dividends

The Company recognizes that achieving an increase in corporate value over the medium- and long-term ultimately translates into higher shareholder value. In line with this understanding, the Company's fundamental policy is to work towards consistently increasing dividends through growth in earnings per share. In addition, in its Medium-term Plan commencing in the fiscal year ending March 2025, the Company has adopted a shareholder return policy that aims to pay dividends with a dividend payout ratio of 35% as a target. Pursuant to this policy, the Company endeavors to achieve sustainable growth. After reinvesting the Company's realized earnings into business activities, and taking into account comprehensive factors, including, among others, the level of ratio of net profit attributable to owners of parent (ROE) and ratio of dividend on equity attributable to owners of parent (DOE) on a consolidated basis, and changes in the business environment, the Company proposes the payment of year-end dividends for the fiscal year under review as follows:

##### 1. Item concerning the allotment of dividend assets and the total amount thereof:

**¥16** per share of common stock of the Company

Total amount of dividends: **¥30,362,156,560**

\*The Company split one share of its common stock into five shares with the effective date of October 1, 2024. The interim dividend of 70 yen paid on December 3, 2024, is equivalent to 14 yen after the stock split, and the total annual dividend, including the year-end dividend, will be 30 yen per share.

##### 2. Effective date of payment of dividends from retained earnings:

June 23, 2025

#### [Reference] Trends in cash dividends per share and dividend payout ratio on a consolidated basis

	126th (Apr. 1, 2021 to Mar. 31, 2022)	127th (Apr. 1, 2022 to Mar. 31, 2023)	128th (Apr. 1, 2023 to Mar. 31, 2024)	129th (Apr. 1, 2024 to Mar. 31, 2025)
Interim dividend (yen)	6.67	10.60	11.60	14.00
Year-end dividend (yen)	9.00	10.60	11.60	(forecast) 16.00
Annual dividend (yen)	15.67	21.20	23.20	(forecast) 30.00
Dividend payout ratio on a consolidated basis (%)	22.6	35.2	35.3	(forecast) 34.1

Notes: The Company split one share of its common stock into three shares with the effective date of October 1, 2021, and one share of its common stock into five shares with the effective date of October 1, 2024, respectively. The dividend amounts shown in the "Trends in cash dividends per share and dividend payout ratio on a consolidated basis" above are calculated based on the assumption that these stock splits were conducted at the beginning of the 126th Fiscal Year (i.e., on April 1, 2021).

## Second Item: Election of Seven (7) Directors

The Company's Articles of Incorporation provides that the term of office of each Director shall last one (1) year. The terms of office of all seven (7) Directors will expire at the close of this Ordinary General Meeting of Shareholders. Accordingly, you are requested to elect seven (7) Directors (including four (4) Outside Directors).

The Company has a basic policy requiring that at least half of the Directors be Independent Outside Directors. Further, the Company has established the Nomination Advisory Committee as an advisory body to the Board of Directors, and the Chair and more than half of the members of the Nomination Advisory Committee are Independent Outside Directors. All of the candidates in this proposal have been deliberated by the Nomination Advisory Committee.

The Director candidates are as follows:

Candidate No.	Name	Position and duties, etc. at the Company	Nomination Advisory Committee	Compensation Advisory Committee	Corporate Governance Committee	Attendance at meetings of the Board of Directors
1	<b>Noboru Saito</b> Reelection Male	<b>Representative Director President &amp; CEO</b> • General Manager of Humidifier Countermeasures HQ	Member	-	Member	100% (13 out of 13 meetings)
2	<b>Tetsuji Yamanishi</b> Reelection Male	<b>Representative Director Senior Executive Vice President</b> • CFO	-	Member	Member (Chair)	100% (13 out of 13 meetings)
3	<b>Shuichi Hashiyama</b> New Candidate Male	<b>Corporate Officer</b> • CTO • General Manager of Technology & Intellectual Property HQ	-	-	-	-

Candidate No.	Name	Position and duties, etc. at the Company	Nomination Advisory Committee	Compensation Advisory Committee	Corporate Governance Committee	Attendance at meetings of the Board of Directors
4	<b>Kozue Nakayama</b> Reelection Outside Director Independent Director Female	Director	Member (Chair)	Member	Member	100% (13 out of 13 meetings)
5	<b>Mutsuo Iwai</b> Reelection Outside Director Independent Director Male	Director • Chair of the Board	Member	Member	Member	100% (13 out of 13 meetings)
6	<b>Shoei Yamana</b> Reelection Outside Director Independent Director Male	Director	Member	Member (Chair)	Member	100% (13 out of 13 meetings)
7	<b>Toru Katsumoto</b> Reelection Outside Director Independent Director Male	Director	Member	Member	Member	100% (10 out of 10 meetings)

Note: The “Attendance at meetings of the Board of Directors” column for Mr. Toru Katsumoto reflects the number of the meetings of the Board of Directors held after he assumed office as a Director on June 21, 2024.



Candidate No. 1	<div>Noboru Saito</div> <div>(Date of Birth: Sept. 10, 1966)</div>	<div>➤ Candidate for Reelection</div> <div>➤ Number of Shares of the Company Owned: 144,700 shares</div> <div>➤ Years in Office (as of the close of this Ordinary General Meeting of Shareholders): 5 years (total number of years including past years in office as Director)</div>	
<div>➤ Attendance at Meetings of the Board of Directors, etc. during the fiscal year ended March 31, 2025 ("Fiscal 2025") (Number of attendances/Number of times held)</div> <div><div>• Meetings of the Board of Directors: 13/13 (100%)</div><div>• Nomination Advisory Committee: 12/12 (100%)</div><div>• Corporate Governance Committee: 4/4 (100%)</div></div>			
<div>➤ Profile, Position and Duties at the Company, and Situation regarding Significant Concurrent Posts</div>			
Apr. 1989	Entered the Company	Jun. 2013	Senior Vice President of the Company
May 2006	President of TDK Electronics Europe GmbH	Apr. 2014	General Manager of Electronic Components Sales & Marketing Group of the Company
Jan. 2007	General Manager of Europe Sales Division of Electronic Components Sales & Marketing Group of the Company	Apr. 2015	General Manager of Corporate Strategy HQ of the Company
Oct. 2009	Deputy General Manager of Europe Sales Division of Electronic Components Sales & Marketing Group of TDK-EPC Corporation	Jun. 2015	Director of the Company (retired in Jun. 2017)
Jun. 2011	Corporate Officer of the Company Deputy General Manager of Electronic Components Sales & Marketing Group of TDK-EPC Corporation	Apr. 2017	CEO of Sensor Systems Business Company of the Company
Oct. 2012	Deputy General Manager of Electronic Components Sales & Marketing Group of the Company	Apr. 2022	President of the Company General Manager of Humidifier Countermeasures HQ of the Company
Apr. 2013	General Manager of Electronic Components Sales & Marketing Group of the Company	Jun. 2022	<b>Representative Director of the Company (present post)</b>
		Apr. 2024	<b>President &amp; CEO of the Company (present post)</b> <b>General Manager of Humidifier Countermeasures HQ of the Company (present post)</b>
<div>Situation regarding Significant Concurrent Posts</div> <div>-</div>			
<div>➤ Reasons for Nomination as a Candidate for Director</div> <div>After having served as the head of the electronic components sales and marketing, the management strategy and the sensor business divisions of the Company, Mr. Noboru Saito became the President of the Company in April 2022 and its Representative Director in June of the same year, and is currently working to enhance sustainable corporate growth and increase corporate value over the mid- to long-term of TDK Group ("TDK"). The Company believes that Mr. Saito can continuously fulfil the expected role in decisions on important matters and supervision of business execution at the Board of Directors of the Company by utilizing his adequate management experience and knowledge which he has accumulated on a global basis, and has nominated him as a candidate for Director of the Company.</div>			
<div>➤ Other</div> <div>Mr. Noboru Saito currently serves as a member of the Nomination Advisory Committee and a member of the Corporate Governance Committee.</div>			

Candidate No. 2	<b>Tetsuji Yamanishi</b> (Date of Birth: May 29, 1960)	<div>➤ Candidate for Reelection</div> <div>➤ Number of Shares of the Company Owned: 117,000 shares</div> <div>➤ Years in Office (as of the close of this Ordinary General Meeting of Shareholders): 9 years</div>	
<div>➤ Attendance at Meetings of the Board of Directors, etc. during Fiscal 2025 (Number of attendances/ Number of times held)</div> <div><div>• Meetings of the Board of Directors: 13/13 (100%)</div><div>• Compensation Advisory Committee: 10/10 (100%)</div><div>• Corporate Governance Committee*: 3/3 (100%) *After his appointment as a member of the Committee in June 2024.</div></div>			
<div>➤ Profile, Position and Duties at the Company, and Situation regarding Significant Concurrent Posts</div>			
Apr. 1983	Entered the Company	Jun. 2015	Corporate Officer of the Company
Jan. 2005	Senior Manager of Managerial Accounting Department of Finance & Accounting Department of Administration Group of the Company	Jun. 2016	Director of the Company
		Apr. 2017	General Manager of Finance & Accounting HQ of the Company
		Jun. 2017	Senior Vice President of the Company
Jul. 2008	Head of Managerial Accounting Department of Finance & Accounting Department of Administration Group of the Company	Jun. 2018	<b>Representative Director of the Company (present post)</b> Global Chief Compliance Officer of the Company
		Apr. 2019	Executive Vice President of the Company
Jun. 2013	General Manager of Finance & Accounting Department of the Company	Apr. 2020	<b>Senior Executive Vice President of the Company (present post)</b>
		Apr. 2024	<b>CFO of the Company (present post)</b>
Apr. 2015	General Manager of Finance & Accounting Group of the Company		
<div>Situation regarding Significant Concurrent Posts</div> <div>-</div>			
<div>➤ Reasons for Nomination as a Candidate for Director</div> <div>Mr. Tetsuji Yamanishi has experience in accounting and finance in the Company’s domestic and overseas business, and currently serves as Representative Director, Senior Executive Vice President and CFO (Chief Financial Officer). The Company believes that Mr. Yamanishi can continuously fulfil the expected role in decisions on important matters and supervision of business execution at the Board of Directors of the Company by utilizing his experience and insight as well as his high level of expertise and capabilities which he has accumulated in the Company’s financial and managerial administrative aspect on a global basis, and has nominated him as a candidate for Director of the Company.</div>			
<div>➤ Other</div> <div>Mr. Tetsuji Yamanishi currently serves as the chair of Corporate Governance Committee and a member of the Compensation Advisory Committee.</div>			

Candidate No. 3	<b>Shuichi Hashiyama</b> (Date of Birth: Nov. 18, 1966)	<div>➤ New Candidate</div> <div>➤ Number of Shares of the Company Owned: 9,000 shares</div> <div>➤ Years in Office (as of the close of this Ordinary General Meeting of Shareholders): 0 year</div>	
<div>➤ Attendance at Meetings of the Board of Directors, etc. during Fiscal 2025 (Number of attendances/ Number of times held)</div> <div>• Meetings of the Board of Directors: -</div>			
<div>➤ Profile, Position and Duties at the Company, and Situation regarding Significant Concurrent Posts</div>			
Apr. 1990	Entered the Company	Apr. 2022	General Manager of Corporate Strategy HQ of the Company
Apr. 2015	Head of Overseas Sales Department of Sales & Marketing Division of Automotive Group of Electronic Components Sales & Marketing Group of the Company	Jun. 2023	<b>Outside Director of TODA KOGYO CORP. (present post)</b>
Apr. 2016	Deputy General Manager of Automotive Group of Electronic Components Sales & Marketing Group the Company	Apr. 2025	<b>CTO of the Company (present post)</b>
Apr. 2019	General Manager of Energy Systems Business Group of Energy Solutions Business Company of the Company		<b>General Manager of Technology &amp; Intellectual Property HQ of the Company (present post)</b>
Apr. 2021	<b>Corporate Officer of the Company (present post)</b> Deputy General Manager of Corporate Strategy HQ of the Company General Manager of Corporate Planning Group of the Company		
<div>Situation regarding Significant Concurrent Posts</div> <div>• Outside Director of TODA KOGYO CORP.</div>			
<div>➤ Reasons for Nomination as a Candidate for Director</div> <div>Mr. Shuich Hashiyama has held a variety of key positions, including in the research and development and sales departments, as head of a business department, and as head of a corporate strategy department. Since April 2025, he has been serving as CTO (Chief Technology Officer) and General Manager of Technology &amp; Intellectual Property HQ, where he is responsible for promoting the Company’s global research and development initiatives and formulating and executing its intellectual property strategies. The Company believes that Mr. Hashiyama is well qualified to fulfil the expected role in decisions on important matters and supervision of business execution at the Board of Directors of the Company by utilizing his experience and insight, and has nominated him as a candidate for Director of the Company.</div>			

Candidate No. 4	<b>Kozue Nakayama</b> (Date of Birth: Feb. 25, 1958)	<div>➤ Candidate for Reelection</div> <div>➤ Outside Director</div> <div>➤ Independent Director</div> <div>➤ Number of Shares of the Company Owned: 0 shares</div> <div>➤ Years in Office (as of the close of this Ordinary General Meeting of Shareholders): 5 years</div>
<div>➤ Attendance at Meetings of the Board of Directors, etc. during Fiscal 2025 (Number of attendances/ Number of times held)</div> <div><div>• Meetings of the Board of Directors: <b>13/13</b> (100%)</div><div>• Nomination Advisory Committee: <b>12/12</b> (100%)</div><div>• Compensation Advisory Committee: <b>10/10</b> (100%)</div><div>• Corporate Governance Committee: <b>4/4</b> (100%)</div></div>		
<div>➤ Profile, Position and Duties at the Company, and Situation regarding Significant Concurrent Posts</div>		
Apr. 1982 Sep. 2010  Mar. 2011 Apr. 2011 Apr. 2012  Jun. 2018	Entered Nissan Motor Co., Ltd. Deputy General Manager of Global Branding Division of the said company Retired from the said company Entered Yokohama City Director General of Culture and Tourism Bureau of the said city President and Representative Director of Pacific Convention Plaza Yokohama (resigned in Jun. 2020)	Jun. 2019  Jun. 2020  Jun. 2022
		<b>Outside Audit &amp; Supervisory Board Member of Imperial Hotel, Ltd. (present post)</b> <b>Outside Director of the Company (present post)</b> Outside Director of Isuzu Motors Limited <b>Outside Director of Nanto Bank, Ltd. (present post)</b>
<div>Situation regarding Significant Concurrent Posts</div> <div><div>• Outside Audit &amp; Supervisory Board Member of Imperial Hotel, Ltd.</div><div>• Outside Director of Nanto Bank, Ltd.</div></div>		
<div>[Candidate for Outside Director]</div> <div>➤ Reasons for Nomination as a Candidate for Outside Director and Expected Roles</div> <div>Ms. Kozue Nakayama has an abundance of experience and knowledge concerning global business related to the automotive industry as well as knowledge and insight into corporate management. The Company expects her to supervise the overall management of the Company and to give advice and recommendations to ensure the legality and appropriateness of decision-making of the Board of Directors of the Company by utilizing her experience and insight, and has nominated her as a candidate for Outside Director of the Company.</div> <div>In addition, Ms. Kozue Nakayama currently serves both as a member of the Compensation Advisory Committee and a member of the Corporate Governance Committee as well as the chair of the Nomination Advisory Committee. In the event that the proposal of her election in this Item is approved by this Ordinary General Meeting of Shareholders and she becomes an Outside Director, the Company expects that she will continuously contribute to ensure the transparency and objectivity of the decision-making process regarding the nomination of the Company’s Directors, Audit &amp; Supervisory Board Members and Corporate Officers, and the compensation of the Company’s Directors and Corporate Officers as a member of the Nomination Advisory Committee and the Compensation Advisory Committee, as well as contribute to continuous enrichment in corporate governance as a member of the Corporate Governance Committee.</div>		

➤ **Matters relating to Independence**

Ms. Kozue Nakayama meets each of the criteria in the items to be verified regarding independence established by the Company, and the Company has submitted her as an Independent Director to Tokyo Stock Exchange, Inc. In the event that the proposal of her election in this Item is approved by this Ordinary General Meeting of Shareholders and she becomes an Outside Director, she will continue to be an Independent Director.

Candidate No. 5	<b>Mutsuo Iwai</b> (Date of Birth: Oct. 29, 1960)	<div>➤ Candidate for Reelection</div> <div>➤ Outside Director</div> <div>➤ Independent Director</div> <div>➤ Number of Shares of the Company Owned: 0 shares</div> <div>➤ Years in Office (as of the close of this Ordinary General Meeting of Shareholders): 4 years</div>	
<div>➤ Attendance at Meetings of the Board of Directors, etc. during Fiscal 2025 (Number of attendances/ Number of times held)</div> <div><div>• Meetings of the Board of Directors: 13/13 (100%)</div><div>• Nomination Advisory Committee: 11/12 (91.7%)</div><div>• Compensation Advisory Committee: 9/10 (90.0%)</div><div>• Corporate Governance Committee: 4/4 (100%)</div></div>			
<div>➤ Profile, Position and Duties at the Company, and Situation regarding Significant Concurrent Posts</div>			
Apr. 1983	Entered Japan Tobacco and Salt Public Corporation	Jun. 2013	Senior Executive Vice President; Chief Strategy Officer of JT
Jun. 2005	Senior Vice President and Vice President of Food Business Division of Food Business of Japan Tobacco Inc. (“JT”)	Jan. 2016	Executive Vice President; President of Tobacco Business of JT
Jun. 2006	Member of the Board and Executive Vice President; President of Food Business of JT	Mar. 2016	Representative Director and Executive Vice President; President of Tobacco Business of JT
Jun. 2008	Executive Vice President; Chief Strategy Officer of JT	Jan. 2020	Member of the Board of JT
Jun. 2010	Member of the Board and Senior Vice President; Chief Strategy Officer and Assistant to CEO in Food Business of JT	Mar. 2020	Member and Deputy Chairperson of the Board of JT
Jun. 2011	Member of the Board of JT Executive Vice President of JT International S.A.	Jun. 2020	Outside Director of Benesse Holdings, Inc.
		Jun. 2021	<b>Outside Director of the Company (present post)</b>
		Mar. 2022	<b>Member and Chairperson of the Board of JT (present post)</b>
<div>Situation regarding Significant Concurrent Posts</div> <div><div>• Member and Chairperson of the Board of JT (non-Executive Director)</div></div>			
<div>[Candidate for Outside Director]</div> <div>➤ Reasons for Nomination as a Candidate for Outside Director and Expected Roles</div> <div>Mr. Mutsuo Iwai has an abundance of experience and knowledge as a manager of a company that operates globally in the tobacco, pharmaceutical, food and other businesses. The Company expects him to supervise the overall management of the Company and to give advice and recommendations to ensure the legality and appropriateness of decision-making of the Board of Directors of the Company by utilizing his experience and insight, and has nominated him as a candidate for Outside Director of the Company.</div> <div>In addition, Mr. Mutsuo Iwai currently serves as a member of the Nomination Advisory Committee, a member of the Compensation Advisory Committee and a member of the Corporate Governance Committee as well as the Chair of the Board. In the event that the proposal of his election in this Item is approved by this Ordinary General Meeting of Shareholders and he becomes an Outside Director, the Company expects that he will continuously contribute to the effective operation of the Board of Directors Meetings as Chair of the Board and also contribute to ensure the transparency and objectivity of the decision-making process regarding the nomination of the Company’s Directors, Audit &amp; Supervisory Board Members and Corporate Officers, and the compensation of the Company’s Directors</div>			

and Corporate Officers as a member of the Nomination Advisory Committee and the Compensation Advisory Committee, as well as contribute to continuous enrichment in corporate governance as a member of the Corporate Governance Committee.

➤ **Matters relating to Independence**

Mr. Mutsuo Iwai meets each of the criteria in the items to be verified regarding independence established by the Company, and the Company has submitted him as an Independent Director to Tokyo Stock Exchange, Inc. In the event that the proposal of his election in this Item is approved by this Ordinary General Meeting of Shareholders and he becomes an Outside Director, he will continue to be an Independent Director.

Although Mr. Mutsuo Iwai serves as Member and Chairperson of the Board of JT and TDK has a business relationship with JT Group, the transacted amount is so small for both entities that such business relationship is not a significant relationship; in the fiscal year ended March 31, 2025, the ratio of sales of TDK to JT Group represented less than 1% of the consolidated net sales of TDK.

Candidate No. 6	<b>Shoei Yamana</b> (Date of Birth: Nov. 18, 1954)	<div>➤ Candidate for Reelection</div> <div>➤ Outside Director</div> <div>➤ Independent Director</div> <div>➤ Number of Shares of the Company Owned: 0 shares</div> <div>➤ Years in Office (as of the close of this Ordinary General Meeting of Shareholders): 3 years</div>	
<div>➤ Attendance at Meetings of the Board of Directors, etc. during Fiscal 2025 (Number of attendances/ Number of times held)</div> <div><div>• Meetings of the Board of Directors: 13/13 (100%)</div><div>• Nomination Advisory Committee: 12/12 (100%)</div><div>• Compensation Advisory Committee: 10/10 (100%)</div><div>• Corporate Governance Committee: 4/4 (100%)</div></div>			
<div>➤ Profile, Position and Duties at the Company, and Situation regarding Significant Concurrent Posts</div>			
Apr. 1977 Jan. 2001 Jul. 2002	Entered Minolta Camera Co., Ltd. CEO of Minolta QMS Inc. Executive Officer and General Manager of Management Planning Division of Minolta Co., Ltd. Deputy General Manager of Image Information Products General Headquarters, Image Information Products Company of the said company	Apr. 2013  Apr. 2014  Apr. 2022	Director and Senior Managing Executive Officer of Konica Minolta, Inc. Director, President and CEO, and Representative Executive Officer of the said company Director, Executive Chairman and Executive Officer of the said company
Aug. 2003 Oct. 2003	Senior Executive Officer of Konica Minolta Holdings, Inc. (current Konica Minolta, Inc.) Senior Executive Officer of the said company Managing Director of Konica Minolta Business Technologies, Inc.	Jun. 2022 Jun. 2023	<b>Outside Director of the Company (present post)</b> <b>Senior Advisor of Konica Minolta, Inc. (present post)</b> <b>Outside Director of Zensho Holdings Co., Ltd. (present post)</b>
Jun. 2006 Apr. 2011	Director and Senior Executive Officer in charge of Corporate Strategy of Konica Minolta Holdings, Inc. Director and Senior Executive Officer of the said company Representative Director and President of Konica Minolta Business Technologies, Inc.	Jun. 2024	<b>Outside Director of JAPAN POST INSURANCE Co., Ltd. (present post)</b> <b>Outside Director of SCSK Corporation (present post)</b>
<div>Situation regarding Significant Concurrent Posts</div> <div><div>• Outside Director of Zensho Holdings Co., Ltd.</div><div>• Outside Director of JAPAN POST INSURANCE Co., Ltd.</div><div>• Outside Director of SCSK Corporation</div></div>			



## **[Candidate for Outside Director]**

### **➤ Reasons for Nomination as a Candidate for Outside Director and Expected Roles**

Mr. Shoei Yamana has an abundance of experience and knowledge as a manager of a company that operates globally in the MFPs, digital printing systems, healthcare and other businesses. The Company expects him to supervise the overall management of the Company and to give advice and recommendations to ensure the legality and appropriateness of decision-making of the Board of Directors of the Company by utilizing his experience and insight, and has nominated him as a candidate for Outside Director of the Company.

In addition, Mr. Shoei Yamana currently serves both as a member of the Nomination Advisory Committee and a member of the Corporate Governance Committee as well as the chair of the Compensation Advisory Committee. In the event that the proposal of his election in this Item is approved by this Ordinary General Meeting of Shareholders and he becomes an Outside Director, the Company expects that he will continuously contribute to ensure the transparency and objectivity of the decision-making process regarding the nomination of the Company's Directors, Audit & Supervisory Board Members and Corporate Officers, and the compensation of the Company's Directors and Corporate Officers as a member of the Nomination Advisory Committee and the Compensation Advisory Committee, as well as contribute to continuous enrichment in corporate governance as a member of the Corporate Governance Committee.

### **➤ Matters relating to Independence**

Mr. Shoei Yamana meets each of the criteria in the items to be verified regarding independence established by the Company, and the Company has submitted him as an Independent Director to Tokyo Stock Exchange, Inc. In the event that the proposal of his election in this Item is approved by this Ordinary General Meeting of Shareholders and he becomes an Outside Director, he will continue to be an Independent Director.

Although Mr. Shoei Yamana serves as an Outside Director of SCSK Corporation and TDK has business relationships with the SCSK Group, the transacted amount is so small for both entities that such business relationship is not a significant relationship; in the fiscal year ended March 31, 2025, sales of SCSK Group to TDK accounted for less than 1% of consolidated sales of SCSK Group.

Candidate No. 7	<b>Toru Katsumoto</b> (Date of Birth: Oct. 14, 1957)	<div>➤ Candidate for Reelection</div> <div>➤ Outside Director</div> <div>➤ Independent Director</div> <div>➤ Number of Shares of the Company Owned: 0 shares</div> <div>➤ Years in Office (as of the close of this Ordinary General Meeting of Shareholders): 1 year</div>	
<div>➤ Attendance at Meetings of the Board of Directors, etc. during Fiscal 2025 (Number of attendances/ Number of times held) *After his appointment as a member of the Board and the Committees in June 2024.</div> <div><div>• Meetings of the Board of Directors*: 10/10 (100%)</div><div>• Nomination Advisory Committee*: 7/9 (77.8%)</div><div>• Compensation Advisory Committee*: 6/8 (75.0%)</div><div>• Corporate Governance Committee*: 3/3 (100%)</div></div>			
<div>➤ Profile, Position and Duties at the Company, and Situation regarding Significant Concurrent Posts</div>			
Apr. 1982	Entered Sony Corporation (current Sony Group Corporation)	Jun. 2019	Executive Vice President and Senior Managing Director of the said company
Nov. 2012	Senior Vice President of the said company	Jun. 2020	Senior Executive Vice President of the said company
Apr. 2013	Representative Director and President of Sony Olympus Medical Solutions Inc.	Dec. 2020	Senior Executive Vice President and CTO of the said company
Apr. 2017	Representative Director and Executive Deputy President of Sony Imaging Products & Solutions Inc. (current Sony Corporation)	Apr. 2022	Senior Executive Vice President of Sony Group Corporation (resigned in Jun. 2022)
Apr. 2018	Executive Vice President of Sony Corporation	Jun. 2024	<b>Outside Director of the Company (present post)</b>
Jun. 2018	Executive Vice President and Managing Director of the said company		
<div>Situation regarding Significant Concurrent Posts</div> <div>-</div>			
<div>[Candidate for Outside Director]</div>			
<div>➤ Reasons for Nomination as a Candidate for Outside Director and Expected Roles</div>			
<div>Mr. Toru Katsumoto has an abundance of experience and knowledge as a head of the technology division, CTO, and manager of a company that operates globally in the game, music and movie, consumer electronics equipment and other businesses. The Company expects him to supervise the overall management of the Company and to give advice and recommendations to ensure the legality and appropriateness of decision-making of the Board of Directors of the Company by utilizing his experience and insight, and has nominated him as a candidate for Outside Director of the Company.</div>			
<div>In addition, Mr. Toru Katsumoto currently serves as a member of the Nomination Advisory Committee, a member of the Compensation Advisory Committee and a member of the Corporate Governance Committee. In the event that the proposal of his election in this Item is approved by this Ordinary General Meeting of Shareholders and he becomes an Outside Director, the Company expects that he will contribute to ensure the transparency and objectivity of the decision-making process regarding the nomination of the Company’s Directors, Audit &amp; Supervisory Board Members and Corporate Officers, and the compensation of the Company’s Directors and Corporate Officers as a member of the Nomination Advisory Committee and the Compensation Advisory Committee, as well</div>			

as contribute to continuous enrichment in corporate governance as a member of the Corporate Governance Committee.

➤ **Matters relating to Independence**

Mr. Toru Katsumoto meets each of the criteria in the items to be verified regarding independence established by the Company, and the Company has submitted him as an Independent Director to Tokyo Stock Exchange, Inc. In the event that the proposal of election of Mr. Toru Katsumoto in this Item is approved by this Ordinary General Meeting of Shareholders and he becomes an Outside Director, he will become an Independent Director.

Notes: 1. None of the above seven (7) candidates have any special interest in the Company.

2. The Company entered into contracts with each of the current Outside Directors pursuant to Article 427 paragraph 1 of the Companies Act of Japan to limit the liabilities of each such Outside Director to the Company under Article 423 paragraph 1 of the same Act to the amount set forth in each such contract, which shall be equal to the Minimum Liability Amount as provided for in Article 425 paragraph 1 of the same Act.

In the event that the proposal of election of Ms. Kozue Nakayama, Messrs. Mutsuo Iwai, Shoei Yamana and Toru Katsumoto in this Item is approved by this Ordinary General Meeting of Shareholders and they become Outside Directors, such contracts will continue to be in effect.

3. The Company entered into directors, etc. liability insurance contract set forth in Article 430-3, paragraph 1 of the Companies Act of Japan with an insurance company. Under the said insurance contract, the amount of damages and costs of litigation, etc. that an insured may incur due to claims for damages arising from acts (including omissions) committed by the insured in his/her capacity as a Director of the Company, etc. shall be covered by the insurance. The insurance premiums for the insured are fully borne by the Company. In the event that the proposal in this Item is approved by this Ordinary General Meeting of Shareholders and each of the above seven (7) Director candidates becomes a Director of the Company, each of them will be deemed as an insured under the said insurance contract. The Company plans to renew the said insurance contract with the same level of content at the next renewal.
4. Mr. Shoei Yamana has been serving as an Outside Director of Japan Post Insurance Co., Ltd. since June 2024. It was subsequently revealed that the company, at post offices, used customers' non-public financial information to guide them to visit post offices for the purpose of soliciting its insurance products without obtaining prior consent from the customers. In addition, another case was identified in which the company engaged in solicitation activities related to single-premium whole life insurance and other products before obtaining the required authorization under the Insurance Business Act. In response to these matters, on March 18, 2025, the Financial Services Agency requested the company to submit regular reports pursuant to the Insurance Business Act. Mr. Yamana has been fulfilling his responsibilities by making recommendations to strengthen compliance awareness on a regular basis, and, following the identification of the above incidents, has also provided necessary suggestions from the perspective of legal and regulatory compliance.

## **[Reference] Policy and procedures for election of Directors and Audit & Supervisory Board Members**

### **■ Policy for election of Directors and Audit & Supervisory Board Members**

The Company's policy for election of Directors and Audit & Supervisory Board Members is as follows.

- (1) The candidate must be able to understand the Company's board culture and share its values.
- (2) The candidate must have excellent character and insight, as well as experience and abilities to contribute to the sustainable growth of TDK and the enhancement of its corporate value over the medium to long term.
- (3) The candidate must have a high sense of legal compliance and ethics.
- (4) The Company shall strive to balance diversity, including gender, internationality, and professional experience, with appropriate size for the Board of Directors as a whole, including Directors and Audit & Supervisory Board Members.

- (5) Outside Directors and Outside Audit & Supervisory Board Members must satisfy the requirements provided in the items to be verified regarding independence established by the Company.
  - (6) Independent Outside Directors must include those with management experience at other companies.
  - (7) At least one (1) of the Audit & Supervisory Board Members must have sufficient knowledge of finance and accounting.

■ **Procedures for election of Directors and Audit & Supervisory Board Members**

The Company's procedures for election of Directors and Audit & Supervisory Board Members are as follows.

In selecting candidates for Directors and Audit & Supervisory Board Members, the Nomination Advisory Committee, chaired by an Independent Outside Director and composed of a majority of Independent Outside Directors, shall thoroughly deliberate on the candidates and report its recommendations to the Board of Directors. The Board of Directors shall respect and deliberate the contents of the report, decide on the candidates for Directors and Audit & Supervisory Board Members, and submit them to the Ordinary General Meeting of Shareholders. In selecting candidates for Audit & Supervisory Board Members, the Audit & Supervisory Board shall review the candidates in advance, and with the consent of the Audit & Supervisory Board, the Board of Directors shall select the candidates.

**[Reference] Criteria for independence of Outside Directors and Outside Audit & Supervisory Board Members**

In order to secure the independence of the Outside Directors and Outside Audit & Supervisory Board Members it invites, the Company has established "items to be verified regarding independence" with reference to such criteria as "Rule 436-2 of the Securities Listing Regulations regarding Securing Independent Directors/Audit & Supervisory Board Members" and "Rule III. 5. (3)-2 of the Guidelines concerning Listed Company Compliance", etc., both of which are stipulated by Tokyo Stock Exchange, Inc. The outline of these items is as follows.

**【Items to be verified regarding independence】**

- (1) In cases where the relevant Outside Director/Audit & Supervisory Board Member is a person concerned with TDK:
  - An Outside Director/Audit & Supervisory Board Member shall be judged not to be independent if either of the following cases applies to them at present or has applied to them during the past ten (10) years.
  - (i) A Director of the Company or a subsidiary of the Company (except Outside Directors)
  - (ii) An Audit & Supervisory Board Member of the Company or a subsidiary of the Company (except Outside Audit & Supervisory Board Members)
  - (iii) A Corporate Officer of the Company or a subsidiary of the Company
  - (iv) An employee of the Company or a subsidiary of the Company
- (2) In cases where the relevant Outside Director/Audit & Supervisory Board Member has a business relationship with TDK:
  - An Outside Director/Audit & Supervisory Board Member shall be judged not to be independent if they are at present, or have been during the past three (3) years, a party with a business relationship with the Company as described in (i) below, or a person

who executes business for such a party, or if (ii) below applies to them at present or has applied to them during the past three (3) years.

- (i) Where it is recognized, objectively and reasonably, that such business relationship is necessary for, or has a substantial influence on, the continued operation of TDK or the other party to such business relationship (where there is a high degree of dependence in the relationship, where the relationship is the source of 2% or more of consolidated net sales, or where the other party to the relationship receives money or other assets from TDK other than remuneration for Director/Audit & Supervisory Board Member)
  - (ii) Where it is recognized within TDK that the relevant Outside Director/Audit & Supervisory Board Member is involved in a business relationship with the other party to such business relationship
- (3) In cases where the relevant Outside Director/Audit & Supervisory Board Member is a consultant, an accounting professional or a law professional:
- An Outside Director/Audit & Supervisory Board Member shall be judged not to be independent if any of the following cases applies to such person at present or has applied to such person during the past three (3) years.
- (i) Where it is recognized, objectively and reasonably, that the relevant Outside Director/Audit & Supervisory Board Member (including candidates for such position; the same shall apply hereinafter) cannot perform duties as an Independent Director/Audit & Supervisory Board Member because they receive money or other assets from TDK other than remuneration for Director/Audit & Supervisory Board Member (where there is a high degree of dependence)
  - (ii) Where it is recognized, objectively and reasonably, that the relevant Outside Director/Audit & Supervisory Board Member cannot perform duties as an Independent Director/Audit & Supervisory Board Member because an organization to which such person belongs (hereinafter the “Relevant Organization”) receives money or other assets from TDK other than remuneration for Director/Audit & Supervisory Board Member (where this income is equivalent to 2% or more of total consolidated net sales)
  - (iii) Where TDK has a high degree of dependence on a professional or a Relevant Organization, such as a case where services, etc., rendered by such parties are essential to the corporate management of TDK or it would be difficult to find an alternative provider of the same services, etc.
  - (iv) Where it is recognized within TDK that the relevant Outside Director/Audit & Supervisory Board Member is involved in the services, etc., provided by the Relevant Organization
- (4) In the case of a close relative of the relevant Outside Director/Audit & Supervisory Board Member:
- An Outside Director/Audit & Supervisory Board Member shall be judged not to be independent if either of the following cases applies to their close relative (meaning a relative within the second degree of kinship) at present or has applied to them during the past three (3) years.
- (i) A person to whom (2) or (3) above applies (except persons without material significance)
  - (ii) A person who executes business for the Company or a subsidiary of the Company (except persons without material significance)

**[Reference] Skills matrix of Directors and Audit & Supervisory Board Members of the Company (anticipated) after this Ordinary General Meeting of Shareholders**

	Name	Position	Corporate Management	Global Business Experience	Sales/ Marketing	ESG/ Sustainability	Technology/ Research & Development	Manufacture/ Production Technology	Finance/ Accounting	Legal/ Compliance/ Risk Management
Directors	Noboru Saito	Representative Director President & CEO	●	●	●	●				
	Tetsuji Yamanishi	Representative Director Senior Executive Vice President	●	●					●	●
	Shuichi Hashiyama	Director Corporate Officer	●	●			●	●		
	Kozue Nakayama	Outside Director	●	●	●	●				
	Mutsuo Iwai	Outside Director	●	●						●
	Shoei Yamana	Outside Director	●	●	●	●				
	Toru Katsumoto	Outside Director	●	●			●	●		
Audit & Supervisory Board Members	Takakazu Momozuka	Full-time Audit & Supervisory Board Member		●		●			●	●
	Masato Ishikawa	Full-time Audit & Supervisory Board Member		●				●		●
	Douglas K. Freeman	Outside Audit & Supervisory Board Member		●						●
	Chizuko Yamamoto	Outside Audit & Supervisory Board Member		●					●	●
	Takashi Fujino	Outside Audit & Supervisory Board Member	●	●					●	●

Note: “Global business experience” includes practical experience in global business as well as experience related to overseas business.

[Fields where the Company especially expects Directors and Audit & Supervisory Board Members to demonstrate their skills]

Skills the Company expect	Reasons for selecting the skills in question
Corporate Management	To contribute to a sustainable society and increase corporate value, the ability to perform in corporate management and to manage and supervise executive divisions is required.
Global Business Experience	Experience and knowledge in global business are essential in TDK where over 90% of net sales is recorded outside of Japan.
Sales/Marketing	Sales and marketing skills are necessary to understand market demands and create new business opportunities from the conception of both technology-out and market-in.
ESG/Sustainability	In order to align and advance both the sustainability of society and the sustainability of TDK (i.e., the long-term enhancement of corporate value), an adequate understanding of ESG and sustainability is an essential element in the effective oversight of corporate management.
Technology/Research & Development	As under the Corporate Motto “Contribute to culture and industry through creativity”, the Company aims to be a company that contributes to the realization of a sustainable future by accelerating the advancements in technology and the transformation of society.
Manufacture/Production Technology	An adequate understanding and passion for <i>monozukuri</i> (i.e., manufacturing experience) is required as quality and reliability of products are the foundation of TDK’s business.
Finance/Accounting	To aim for sustainable growth and carry out necessary investments, knowledge in finance and accounting, which supports a sound and solid financial basis, is required.
Legal/Compliance/Risk Management	Legal, compliance and risk management skills are necessary to respond to the trust of all stakeholders and to increase corporate value in a sound and sustainable manner.

End

## [Reference] The Corporate Governance of the Company

### (1) Basic Policy

The Company has established “TDK Basic Policy on Corporate Governance” for the purpose of enhancing sustainable corporate growth and increase of corporate value over the mid- to long-term of TDK. Board members consisting of Directors and Audit & Supervisory Board Members and the executive side such as Corporate Officers, based on their respective responsibilities, are working toward the common purpose of achieving sustainable corporate growth and increasing the medium- to long-term corporate value of TDK. The philosophy and culture (board culture) shared by the Board of Directors to achieve this purpose are set forth in the Basic Policy as follows.

#### [TDK’s Board Culture]

- Board members and the executive side build and maintain a relationship of deep mutual trust and a sound tension.
- Board members and the executive side achieve both the delegation of authority to encourage prompt and autonomous decision-making and the transparency in business execution (Empowerment & Transparency).
- Based on the premise that discussions at the Board of Directors meetings should be essential discussions that contribute to corporate value, Board members actively and diversely make remarks and engage in discussions from each member’s standpoint and from a broad point of view, regardless of whether they are inside or outside members or whether they are Directors or Audit & Supervisory Board Members.
- The executive side takes the opinions of the Board of Directors sincerely as an opportunity to improve management and implements necessary measures. Directors and Audit & Supervisory Board Members supervise and audit from an objective standpoint. Through these efforts, they aim to further improve TDK’s corporate value.

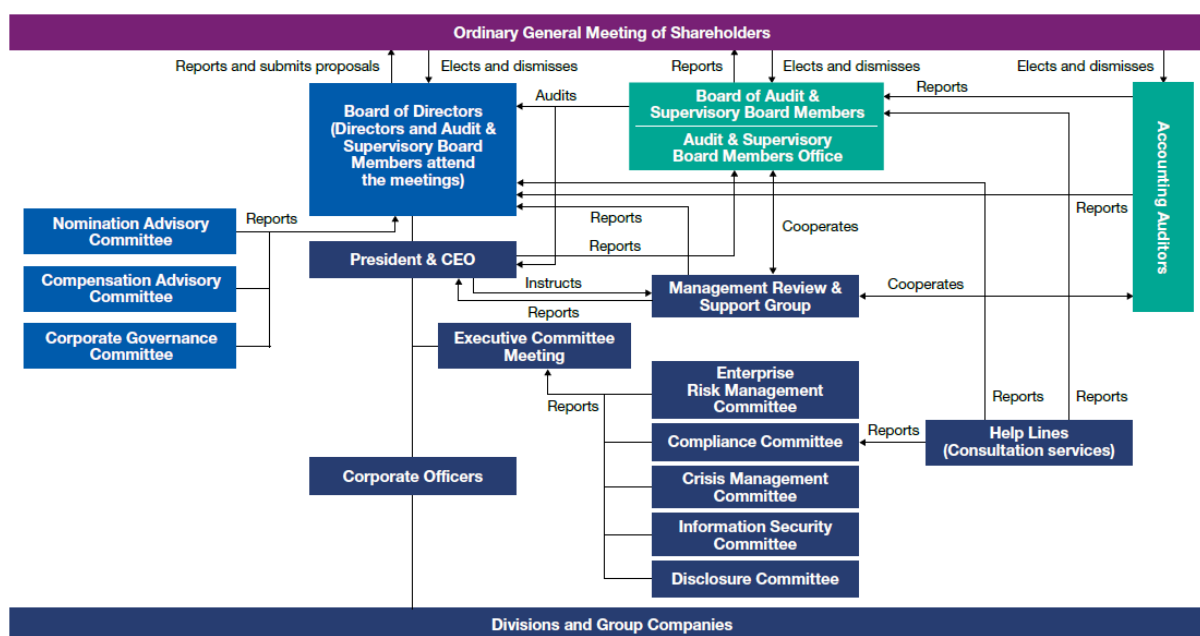
### (2) Composition of Board of Directors

#### ■ Basic policy

- The Board of Directors shall be composed of a small number of Directors in order to expedite the management decision-making process.
- At least half of the Directors shall be Independent Outside Directors.
- An Independent Outside Director shall serve as the chair of the Board of Directors in principle from a standpoint of further ensuring the separation of supervision from execution.



### (3) Structure Chart (as of March 31, 2025)



#### ■ Overview of Advisory Bodies to Board of Directors

<p><b>Nomination Advisory Committee</b></p>	<p>The Nomination Advisory Committee is chaired by an Independent Outside Director and a majority of the members are comprised of Independent Outside Directors.</p> <p>The Nomination Advisory Committee contributes to the securement of the transparency of decision-making process and the reasonableness of appointment of Directors, Audit &amp; Supervisory Board Members and Corporate Officers by nominating candidates after deliberating on the expected requirements regarding nomination of Directors, Audit &amp; Supervisory Board Members and Corporate Officers.</p>
<p><b>Compensation Advisory Committee</b></p>	<p>The Compensation Advisory Committee is chaired by an Independent Outside Director and a majority of the members are comprised of Independent Outside Directors.</p> <p>The Compensation Advisory Committee contributes to the securement of the transparency of remuneration decision-making process and the reasonableness of individual remunerations in light of corporate business performance, individual performance and general industry standards by deliberating and reporting to the Board of Directors on the remuneration system and the level of remuneration pertaining to Directors and Corporate Officers as well as president of principal subsidiaries and officers in position equivalent thereto.</p>
<p><b>Corporate Governance Committee</b></p>	<p>In order to achieve the Company's sustainable growth and enhance its corporate value over the medium- to long- term, the Corporate Governance Committee deliberates on matters such as the structure and framework of the Company's medium- to long- term corporate governance, policies related to corporate governance and matters consulted by the Board of Directors and continuously strives to enhance the Company's corporate governance.</p>

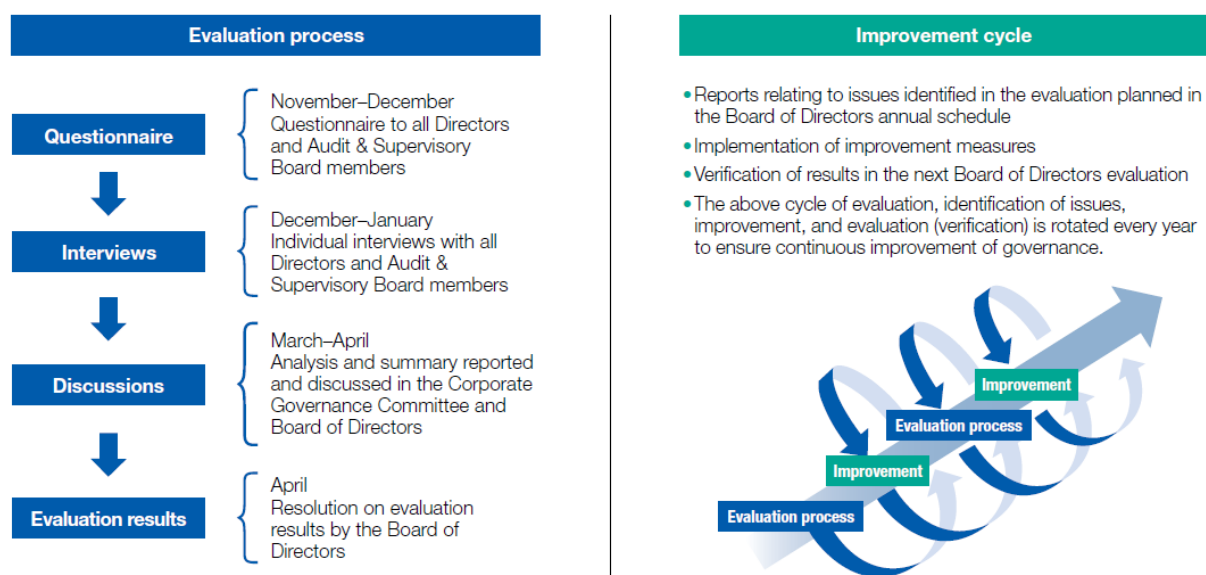
#### (4) Evaluation of the Effectiveness of the Board of Directors

The Company conducts an evaluation of the effectiveness of the Board of Directors each fiscal year in order to verify whether the functions expected of the Board of Directors are properly performed and enhance such functions. Also, the Company requests a third-party evaluation institution to evaluate the effectiveness of the Board of Directors periodically (about once every three (3) years) in order to verify it from a neutral and objective standpoint.

In the Board of Directors evaluation for the fiscal year ended March 2025, the Company requested a preliminary evaluation from a third-party evaluation institution (conducting surveys and interviews and performing a third-party evaluation based on the results), and after discussions by the Corporate Governance Committee and the Board of Directors, the Company conducted a final evaluation. As for the issues identified in the evaluation for the previous fiscal year, the Company implements remedial measures and verifies their results, thereby creating a cycle for continuous improvement of governance.

The results of the evaluation concluded that the effectiveness of the Board of Director and its advisory committees (the Nomination Advisory Committee, the Compensation Advisory Committee and the Corporate Governance Committee) was sufficiently secured in terms of their size and composition, content of agenda items and deliberations, status of discussions, reflection on management, etc. Details are posted on the Company's website.

[The Board of Directors evaluation process and governance improvement cycle]



Information on the corporate governance of the Company is available at the Company's website below.

<https://www.tdk.com/en/ir/governance/index.html>

End

## **Business Report** (From April 1, 2024 to March 31, 2025)

### **1. Business Conditions**

#### **(1) Business Conditions and Results of TDK Group (“TDK”)**

Looking at the global economy in the fiscal year ended March 31, 2025 (“Fiscal 2025”), while North America remained firm, the situation continued to be unstable with regional variances due to growing tensions in the Middle East on top of the protracted economic slowdown in Europe and China. Since the inauguration of the new United States administration in the fourth quarter, the global economy has become more volatile due to concerns about the impact of additional tariffs. 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, the production of products related to Information and Communication Technology (ICT) grew 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 TDK had expected at the beginning of the period. In this business environment, although sales of the Passive Components segment decreased year on year due mainly to a decline in demand for the automotive market in Fiscal 2025, the three segments of Sensor Application Products, Magnetic Application Products and Energy Application Products recorded an increase in sale compared to the previous fiscal year. This was driven by factors such as the recovery in demand for components in the ICT market and the contributions from new product sales.

As a result, consolidated net sales results for Fiscal 2025 ended at 2,204,806 million yen, reflecting a 4.8% year on year increase. In terms of profits for 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 224,192 million yen, up 29.7 % year on year; profit before tax was 237,808 million yen, up 32.7 % year on year; and net profit attributable to owners of parent came to 167,161 million yen, up 34.1 % year on year, setting new record highs for both sales and profits.

	Fiscal 2024 (Millions of yen)	Fiscal 2025 (Millions of yen)	Change from Fiscal 2024 (%)
Net sales	2,103,876	2,204,806	4.8
Operating profit	172,893	224,192	29.7
Profit before tax	179,241	237,808	32.7
Net profit attributable to owners of parent	124,687	167,161	34.1
Net profit attributable to owners of parent / Basic per common share	65.74 yen	88.10 yen	22.36 yen

Notes: 1. For Fiscal 2025, as a result of the review of future changes in demand and projections, TDK posted ¥20.2 billion in impairment losses and restructuring costs mainly for businesses facing challenges in improving profitability.

2. The Company split one share of its common stock into five shares with the effective date of October 1, 2024. Net profit attributable to owners of parent / Basic per common share is calculated based on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

## (2) Segment Information of TDK

TDK's net sales are made up of four reporting segments — “Passive Components”, “Sensor Application Products,” “Magnetic Application Products,” and “Energy Application Products,” as well as “Other” that are not included in any of these four reporting segments. Net sales by business section in each segment were as:

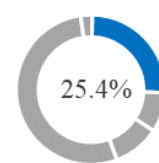
[Consolidated]

Business segment	Net sales (Millions of yen)	Share of sales (%)	Change from Fiscal 2024 (%)
Capacitors	234,260	10.6	(4.4)
Inductive Devices	204,282	9.3	3.7
Other Passive Components	121,097	5.5	(2.0)
Passive Components	559,639	25.4	(1.1)
Sensor Application Products	189,472	8.6	5.0
Magnetic Application Products	223,637	10.1	21.4
Energy Application Products	1,176,499	53.4	4.9
Other	55,559	2.5	7.2
<b>Consolidated total</b>	<b>2,204,806</b>	<b>100.0</b>	<b>4.8</b>
Incl. overseas sales	2,030,391	92.1	5.8

Note: In accordance with a reorganization, certain products previously belonged to Other Passive Components under “Passive Components” have been reclassified into Inductive Devices under “Passive Components” as of beginning of Fiscal 2025. As a result, calculation of year on year change figures are based on the previous fiscal year's net sales, which have been reclassified to conform to the new segmentation.

### [Passive Components segment]

This segment consists of Capacitors, Inductive Devices, and Other Passive Components, and the main applications for its products include automotive, industrial equipment, communications devices and computers. The segment is steadily capturing the trends of green transformation and digital transformation, contributing to the transformation of society.



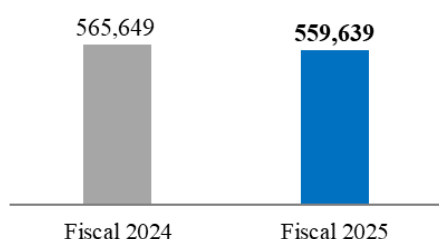
Sales of Capacitors primarily decreased to the automotive market.

Sales of Inductive Devices primarily increased to the automotive market but decreased to the industrial equipment market.

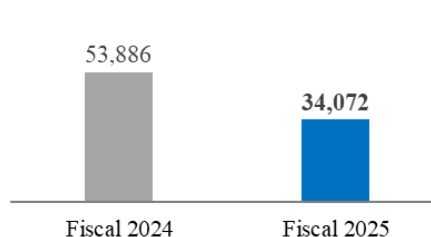
Sales of Other Passive Components decreased to the ICT market. Due to a decline in profitability associated with sluggish sales and other factors, an impairment loss of 10.6 billion yen was recorded on property, plant, and equipment related to the High-Frequency Devices business, among other things, resulting in a total of 11.9 billion yen in impairment losses and restructuring costs as one-time expenses for this segment

As a result, sales and profit of Passive Components segment declined.

**Net Sales** (Millions of yen)

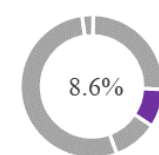


**Operating Profit** (Millions of yen)



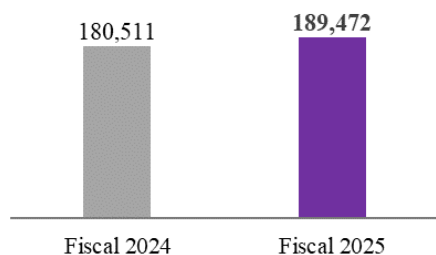
### [Sensor Application Products segment]

This segment consists of Temperature and Pressure Sensors, Magnetic Sensors and MEMS Sensors, and the main applications for its products include communications devices, automotive and industrial equipment. The advancement of digital transformation, such as the spread of AI (Artificial Intelligence), has been expanding the needs of digitization of various physical information.

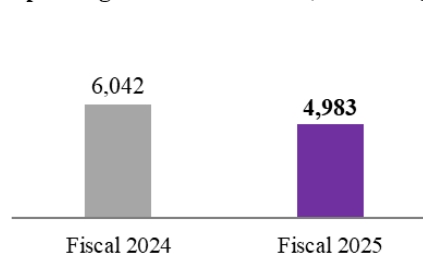


Sales rose but profit declined as sales to the ICT market increased, but decreased to the industrial equipment market and the automotive market.

**Net Sales** (Millions of yen)

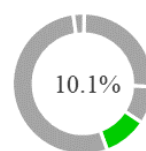


**Operating Profit** (Millions of yen)



### [Magnetic Application Products segment]

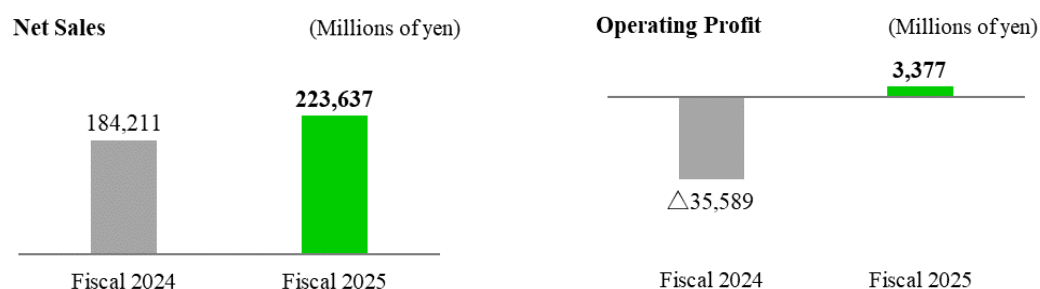
This segment consists of HDD Heads, HDD Suspension Assemblies, and Magnets, and the main applications for its products include HDD storage for data centers, computer periphery equipment and automotive. The segment provides advanced technologies to respond to the needs of the mass storage age.



Sales of HDD Heads and HDD Suspension Assemblies to the ICT market increased significantly.

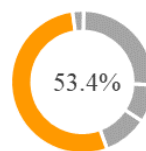
Sales of Magnets decreased to the automotive market.

As a result, partly due to the effects of structural reforms, sales and profit of Magnetic Application Products increased.

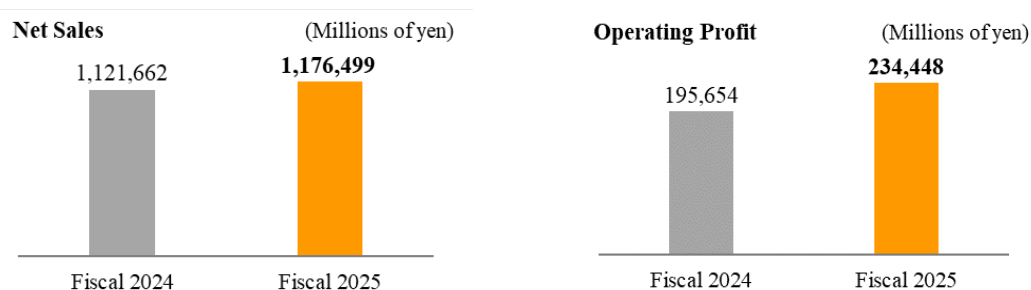


### [Energy Application Products segment]

This segment consists of Energy Devices (Rechargeable Batteries), and Power Supplies, and the main applications for its products include communications devices, computers, industrial equipment and automotive. The segment contributes to the realization of a sustainable society through the rechargeable battery and power supply business.

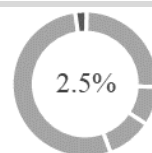


Sales and profit of Energy Application segment increased due to the increase in sales quantity of Energy Devices to the ICT market, driven by the launch of new smartphone models.



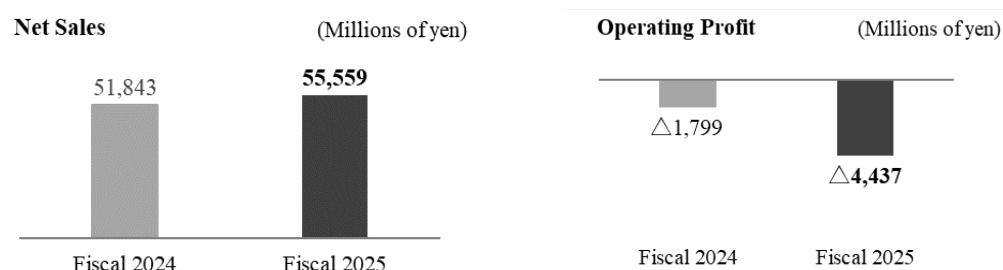
## [Other]

Other consists of Mechatronics (Production Equipment), Camera Module Micro Actuators for smartphones, and others, and the main applications for its products are industrial equipment and communications devices.



In Mechatronics, sales increased to the industrial equipment market.

Sales of Camera Module Micro Actuators for smartphones to the ICT market increased.



## [Reference] Projections for the fiscal year ending March 31, 2026 (Announced April 28, 2025)

	Fiscal 2025 Result (Millions of yen)	Fiscal 2026 Projection (Millions of yen)	Change from Fiscal 2025 (%)
<b>Net sales</b>	2,204,806	2,120,000 ~ 2,200,000	(3.8) ~ (0.2)
<b>Operating profit</b>	224,192	180,000 ~ 225,000	(19.7) ~ 0.4
<b>Profit before tax</b>	237,808	193,000 ~ 238,000	(18.8) ~ 0.1
<b>Net profit attributable to owners of parent</b>	167,161	135,000 ~ 170,000	(19.2) ~ 1.7
<b>Annual dividend per share</b>	30.00 yen	30.00 yen	-

Notes: 1. The projection for the fiscal year ending March 31, 2026 (Fiscal 2026) is announced in a range.

2. The Company split one share of its common stock into five shares with the effective date of October 1, 2024. The result of annual dividend per share for Fiscal 2025, as well as the change from Fiscal 2025 figures are calculated based on the assumption that stock split was conducted at the beginning of the Fiscal 2025.

### (3) Capital Expenditures of TDK

TDK invested ¥225,290 million in capital expenditures in Fiscal 2025, up 3.1% from ¥218,589 million in Fiscal 2024, to provide an accurate response to fast-paced technological innovation and escalating sales competition in the electronics market.

Content of the main capital expenditures included for factories and new production equipment for Rechargeable Batteries; factories and equipment to increase production and raise production efficiency of Ceramic Capacitors for automotive use; and equipment to increase production of HDD Suspension Assemblies and Magnetic Sensors. In Fiscal 2025, TDK mainly executed capital expenditures in the aforementioned core business operations.

### (4) Research and Development of TDK

TDK is strengthening and expanding the ongoing development of new products to respond to the rapidly evolving electronics market, including advancements in AI (Artificial Intelligence). In Fiscal 2025, the expenditure for R&D activities conducted was ¥253,586 million, up 34.3% from ¥188,860 million in Fiscal 2024.

TDK will continue to transform ourselves and contribute to the transformation of society through cutting-edge technology that supports GX (Green Transformation) and DX (Digital Transformation). In addition, TDK is further strengthening collaboration with marketing functions and focusing on developing products required by future markets, such as Rechargeable Batteries, Sensors and Passive Components.

Further, TDK has built a four-base system for global R&D (Japan, Americas, Europe, and Asia), and is developing products in collaboration with R&D organizations and leading companies around the world based on a First-to-Market mindset.

### (5) Fund Procurement of TDK

The balances of straight bonds and debt of TDK as of the end of Fiscal 2025 were as follows:

Issue	Balance at end of Fiscal 2024 (Millions of yen)	Balance at end of Fiscal 2025 (Millions of yen)	Change from previous fiscal year-end (Millions of yen)
Bonds	219,439	219,578	139
Commercial paper	-	29,988	29,988
Short- and long-term debt	466,297	358,834	(107,463)
Total	685,736	608,400	(77,336)

Issuances of bonds and assumption of short-term and long-term debt are mainly decided by and carried out by the Company. Details of bonds issued by the Company and its main lenders as of March 31, 2025 are as follows:



## 1) Straight bonds

Issue	Issue date	Total amount of issue (Millions of yen)	Coupon rate	Redemption date
5th Series Unsecured Straight Bonds	July 28, 2020	30,000	0.18% per annum	July 28, 2025
6th Series Unsecured Straight Bonds	July 28, 2020	30,000	0.31% per annum	July 28, 2027
7th Series Unsecured Straight Bonds	July 28, 2020	40,000	0.43% per annum	July 26, 2030
8th Series Unsecured Straight Bonds	December 2, 2021	30,000	0.15% per annum	December 2, 2026
9th Series Unsecured Straight Bonds (Sustainability-Linked Bonds)	December 2, 2021	40,000	0.26% per annum	December 1, 2028
10th Series Unsecured Straight Bonds	December 2, 2021	30,000	0.38% per annum	December 2, 2031
11th Series Unsecured Straight Bonds (Green Bonds)	September 7, 2023	20,000	0.519% per annum	September 7, 2028

Notes: 1. Sustainability-Linked Bonds are bonds that the means of the Company's achievement of the TDK Environmental Vision 2035 are incorporated as its indicators.

2. Green Bonds are straight bonds that specify the use of proceeds for projects that contribute to the reduction of CO<sub>2</sub> emissions through products.

## 2) Main lenders

Lender	Amount (Millions of yen)
Resona Bank, Limited	53,800
Sumitomo Mitsui Banking Corporation	51,500
MUFG Bank, Ltd.	51,500
Sumitomo Mitsui Trust Bank, Limited	33,500
Mizuho Bank, Ltd.	33,000
Development Bank of Japan Inc.	20,000

## (6) Assignment of Businesses or Acceptance of Assignment of Businesses of Other Companies, or Acquisition or Disposition of Shares, etc., of Other Companies

Not applicable.

## (7) Assets and Earnings in the Previous Three Fiscal Years

[Consolidated results]

Term Item	126th (Apr. 1, 2021 to Mar. 31, 2022)		127th (Apr. 1, 2022 to Mar. 31, 2023)	128th (Apr. 1, 2023 to Mar. 31, 2024)	129th (Apr. 1, 2024 to Mar. 31, 2025)
	U.S. GAAP	IFRS	IFRS	IFRS	IFRS
Net sales (Millions of yen)	1,902,124	1,902,124	2,180,817	2,103,876	2,204,806
Operating profit (Millions of yen)	166,665	166,775	168,827	172,893	224,192
Profit before tax (Millions of yen)	234,185	172,490	167,219	179,241	237,808
Net profit attributable to owners of parent (Millions of yen)	183,632	131,298	114,187	124,687	167,161
Net profit attributable to owners of parent / Basic per common share (yen)	96.91	69.29	60.24	65.74	88.10
Total assets (Millions of yen)	3,086,924	3,041,653	3,147,027	3,415,304	3,541,415
Total equity attributable to owners of parent (Millions of yen)	1,346,683	1,300,317	1,458,446	1,707,332	1,800,070
Total equity attributable to owners of parent per share (yen)	710.60	686.14	769.06	900.04	948.59
Annual dividends per share (yen)	15.67	15.67	21.20	23.20	30.00
Ratio of net profit attributable to owners of parent (ROE) (%)	15.6	11.6	8.3	7.9	9.5
Ratio of net profit to total assets (ROA) (%)	6.7	4.9	3.7	3.8	4.9
Ratio of dividend on equity attributable to owners of parent (DOE) (%)	2.5	2.6	2.9	2.8	3.2

Notes: 1. The Company has produced consolidated financial statements in accordance with IFRS as of the 127th fiscal year, and the above items are presented in accordance with IFRS. Figures for the 126th fiscal year have been reclassified to IFRS and are presented.

2. Net profit attributable to owners of parent / Basic per common share and total equity attributable to owners of parent per share are computed based on the weighted average number of the issued shares and the number of issued shares as of the end of the relevant fiscal year, respectively, after deducting treasury stock.

3. The Company split one share of its common stock into three shares with the effective date of October 1, 2021, and one share of its common stock into five shares with the effective date of October 1, 2024, respectively. Net profit attributable to owners of parent / Basic per common share, total equity

attributable to owners of parent per share and annual dividends per share are calculated based on the assumption that these stock splits were conducted at the beginning of the 126th fiscal year (i.e., on April 1, 2021).

4. The annual dividend for the 129th fiscal year is ¥30.00 per share, including a year-end dividend of ¥16.00 per share. The year-end dividend is scheduled for approval at the 129th Ordinary General Meeting of Shareholders on June 20, 2025.

## (8) Pressing Issues

### 1) Long-term Vision of TDK

The global economy is facing a crisis of fragmentation due to the ongoing opposition between the United States and China against a backdrop of a struggle for hegemony in economic security, including technology. However, even in the face of this crisis, the shift to renewable energy and the trends towards decarbonization are expected to continue from the perspective of countermeasures against global warming, energy security, and other issues. Moreover, the advancement and widespread adoption of technologies such as AI, the metaverse (virtual online space), robotics, ADAS (Advanced Driver Assistance System) and others have led to major social changes, including labor savings and greater efficiency in industries, as well as advancement of urban functions. This transformation of society, including Green Transformation (GX) and Digital Transformation (DX), is expected to further accelerate in the future.

Amid such circumstances, TDK has formulated its Long-term Vision in 2024 to contribute to the transformation of society through business based on the Corporate Motto to “Contribute to culture and industry through creativity.”

[Long-term Vision]

## TDK Transformation

Accelerating transformation for a sustainable future

- Contribute to the transition towards a sustainable future by accelerating the transformation of society and advancements in technology enabled by electronic devices developed through leveraging cutting-edge innovation in materials, processes, and software technology.
- Become the No.1 partner growing alongside our worldwide customers by pursuing continuous “transformation”.



TDK will strive to “capture a position that can detect change ahead of time” and “establish and operate a system that can respond rapidly to change” to realize the Long-term Vision. In the aim to “capture a position that can detect change ahead of time”, TDK will further augment the strengths it has already cultivated in domains such as materials, processes and software technology (intellectual capital, manufactured capital, natural capital), and seek out new strengths as well as carry out various initiatives to establish a leading position (social and relationship capital, intellectual capital) in the electronic device domain. In the aim to “establish and operate a system that can respond quickly to change”, TDK will leverage having captured “a position of being able to detect change ahead of time” and strengthen its capability to envision the future and focus on acquiring and training diverse and outstanding human resources, thus reinforcing the ability to execute the envisioned future in a speedy and efficient manner (human capital, intellectual capital). Through these initiatives, TDK will secure permanent investment capacity (financial capital) and realize optimal investments to aim for further enhancement in “its position to detect change ahead of time”.

## 2) Key issues (materiality) of TDK

Considering the current global situation, with the political tensions between the United States and China persisting, the United States is continuously restricting exports of semiconductors and other goods to China. Since the formation of the new administration, the United States has advanced policies such as imposing additional tariffs on imported goods from countries around the world. In response, China has implemented retaliatory tariffs and restrictions on the export of critical minerals, furthering the separation in the economic field. This economic separation could significantly impact the supply chain and potentially have a negative impact on global economic growth. In addition, as the utilization of AI expands, an increase in electricity demand is anticipated, while the global energy situation remains continuously uncertain due to the complex factors such as Russia's invasion of Ukraine, which has persisted for three years, and the tensions in the Middle East.

However, even amid these changes in the social and industrial landscape, the trends of GX and DX should continue to grow in the electronics market. These trends are expected to bring about the creation of new markets in TDK's business fields. For examples, significant growth opportunities will be presented to TDK by trends that include the widespread adoption of renewable energy and electric vehicles towards the realization of a decarbonized society in GX, and transition to upgraded current 5G i.e. new cellular technology (beyond 5G), the practical use of ADAS in automobiles, the growing use of IoT (Internet of Things) products and AI, and cloud services in DX. It is imperative for TDK to steadily capture these growth opportunities without falling behind these major changes. To this end, TDK will actively conduct research and technological development focused on launching competitive new products in a timely manner and expanding production capacity in line with demand.

TDK has identified materiality as key issues that should be addressed based on the Long-term Vision to further improve corporate value. TDK identified the following three areas for "value creation and establishment of competitive advantage through business activities": "create customer value and build strong relationships", "contribute to social transformation through R&D", "stabilize supply of high-quality products and increase production efficiency". Then, TDK identified the following three areas to support "strengthening of the management foundation that envisions and realizes future": "transformation through promoting and cultivating a diverse pool of human resources to further enhance competitive advantage"; "advance group governance"; and "address environmental and social issues". TDK will establish themes in each area and implement specific measures for each of those themes. For example, to "advance corporate governance" TDK defined the following two themes: evaluate the business portfolio continuously and Empowerment & Transparency. Under the theme of evaluate the business portfolio continuously, TDK will establish a business portfolio management system and operate it continuously. In this way, TDK aims to achieve sustainable growth and increase corporate value by advancing initiatives to address key issues and continuously operating a cycle of creating value through business activities.

From a financial aspect, TDK will allocate management resources and expand free cash flow while considering business risks. By maintaining an appropriate balance between capital efficiency, shareholder returns, and financial soundness, TDK aims to build a strong financial foundation that supports TDK's sustainable growth and improves corporate value.

Details on the key issues (materiality) is available at the Company's website below.

[Key Issues (Materiality) of TDK]

[https://www.tdk.com/en/sustainability/tdk\\_sustainability/tdk-materiality](https://www.tdk.com/en/sustainability/tdk_sustainability/tdk-materiality)

### 3) Medium-term Plan of TDK (129th to 131st)

Medium-term Plan (129th to 131st) was formulated by back-casting from Long-term Vision as a 3-year-activity plan to realize Long-term Vision. As TDK work towards achieving its Long-term Vision, the period of this Medium-term Plan is positioned as a time to strengthen TDK's fundamental business (strengthening profitability of core business, addressing turnaround business).

It is vital for enhancing TDK's corporate value to maximize free cash flow generation, reduce the cost of capital, and increase the expected growth rate. Based on the idea, the Medium-term Plan identifies the following initiatives as its three pillars.

1. Strengthen management focusing on cash flows
2. Enhance business portfolio management (emphasizing ROIC)
3. Evolve the Ferrite Tree (strengthen pre-financial capital\*)

With these three initiatives, the Medium-term Plan has set the pre-financial KPIs in addition to the financial KPIs as follows; it is based on the ways of thinking to sustainably enhance TDK's corporate value through pursuing not only the financial value but the pre-financial value, the source of future financial value, and balancing between the achievement of the short to medium-term target and the activities to continuously generate value in the long-term.

\* TDK considers technological capability, organizational capability, human capital, customer base and so on, which are called "non-financial capital" in general, to be capital that generates future cash flows and expresses it "pre-financial capital".

#### [List of KPIs for the Medium-term Plan]

			129th Results (FY ended March 2025)	131th Plan (FY ending March 2027)	How we want to be in the medium-to long-term
<b>Financial indicator</b>	Growth	Net sales (Billions of yen) (CAGR)	2,204.8	2,500.0 (approx. 5%)	(10% or more)
		ROE	9.5%	10% or more	15% or more
	Efficiency	Business ROA (ROIC) (>WACC)	6.7% (<7.0%)	8% or more	12% or more
		Operating profit margin	10.2%	11% or more	15% or more
	Financial soundness	Shareholders' equity ratio (Equity ratio attributable to owners of parent)	50.8%	50% level	-
		D/E ratio	0.34 x	0.3 ~ 0.4 x	-
	Average exchange rates for fiscal year (assumption)		¥152.66/US\$	(¥135/US\$)	(¥135/US\$)
<b>Pre-financial indicator</b>	KPIs	Team member engagement			
		• Communication score	-	75pts. or more	-
		• Response rate	-	80% or more	-
		CO <sub>2</sub> emission reduction ratio (SBTi Scope 1 + 2) (vs 126th (FY ended March 2022))	-	23.3%	42.0%

Note: Results of pre-financial indicators are scheduled to be disclosed in other disclosure documents from July 2025 onwards.

## (9) Principal Businesses of TDK

TDK is engaged in the manufacture and sale of electronic components. Main businesses in the four reporting segments and others which are not included in such four segments are as follows:

Segment	Main businesses / 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, Others

## (10) Major Business Offices and Factories of TDK

### 1) The Company

Head Office	Chuo-ku, Tokyo
Sales Offices	Sendai Sales Office (Miyagi Pref.), Matsumoto Sales Office (Nagano Pref.), Nagoya Sales Office (Aichi Pref.), Osaka Sales Office (Osaka Pref.), Kyushu Sales Office (Fukuoka Pref.)
Factories	Honjo Factory (Akita Pref.), Nikaho Factory (Akita Pref.), Inakura Factory (Akita Pref.), Ouchi Factory (Akita Pref.), Narita Factory (Chiba Pref.), Kofu Factory (Yamanashi Pref.), Asama Techno Factory (Nagano Pref.), Shizuoka Factory (Shizuoka Pref.), Mikumagawa Factory (Oita Pref.)
Research & Development Sites	Ichikawa-shi (Chiba Pref.), Saku-shi (Nagano Pref.)

### 2) Subsidiaries

Please refer to the following “1) Status of Principal Subsidiaries” of “(11) Status of Principal Subsidiaries”.

## (11) Status of Principal Subsidiaries

### 1) Status of principal subsidiaries

Name of company	Capital	Percentage of votes held by the Company	Outline of principal business
TDK-Lambda Corporation (Chuo-ku, Tokyo)	¥2,976 million	100%	Manufacture and sales of energy application products
TDK Electronics Factories Corporation (Yurihonjo City, Akita Pref.)	¥200 million	100%	Manufacture of passive components
TDK China Co., Ltd. (Shanghai, China)	RMB2,070,910 thousand	100%	Management and supervision of Chinese subsidiaries
TDK HONGKONG COMPANY LIMITED (Hong Kong, China)	HK\$25,500 thousand	100%	Sales of passive components
SAE Magnetics (Hong Kong) Limited (Hong Kong, China)	HK\$50 thousand	*100%	Manufacture and sales of magnetic application products
TDK Xiamen Co., Ltd. (Xiamen, China)	RMB770,099 thousand	*100%	Manufacture and sales of passive components
Amperex Technology Limited (Hong Kong, China)	US\$267,588 thousand	*100%	Manufacture and sales of energy application products
TDK (Shanghai) International Trading Co., Ltd. (Shanghai, China)	RMB1,659 thousand	*100%	Sales of passive components
TDK Taiwan Corporation (Taipei, Taiwan)	NT\$424,125 thousand	95.4%	Manufacture and sales of products classified in "Other"
Magnecomp Precision Technology Public Co., Ltd. (Ayutthaya, Thailand)	US\$96,333 thousand	99.9%	Manufacture and sales of magnetic application products
TDK Electronics Korea Corporation (Seoul, South Korea)	KRW10,000,000 thousand	100%	Sales of passive components
TDK U.S.A. Corporation (New York, U.S.A.)	US\$9 hundred	100%	Management and supervision of U.S. subsidiaries
InvenSense, Inc. (California, U.S.A.)	US\$80 thousand	*100%	Manufacture and sales of sensor application products
TDK Corporation of America (Illinois, U.S.A.)	US\$3,800 thousand	*100%	Sales of passive components
TDK Europe S.A. (Windhof, Luxembourg)	Euro 20,975 thousand	100%	Management and supervision of European subsidiaries
TDK Electronics AG (Munich, Germany)	Euro 66,682 thousand	100%	Manufacture and sales of passive components



Name of company	Capital	Percentage of votes held by the Company	Outline of principal business
TDK Europe GmbH (Munich, Germany)	Euro 46,545 thousand	*100%	Sales of passive components
TDK-Micronas GmbH (Freiburg, Germany)	Euro 500 thousand	100%	Manufacture and sales of sensor application products

Notes: 1. Capital and percentage of votes held by the Company have been rounded to the nearest unit.

2. \* denotes percentage including indirect holdings.

## 2) Business combinations

Classification		No. of companies	Change from previous fiscal year-end
Consolidated subsidiaries	Domestic	10	—
	Overseas	137	+4 companies (+5 companies, -1 company)
	Total	147	+4 companies (+5 companies, -1 company)
Equity-method affiliates	Domestic	3	—
	Overseas	3	—
	Total	6	—

## (12) Status of Employees

Status of employees of TDK

Number of employees (person)	Change from previous fiscal year-end (person)
105,067	3,614

Note: The number of employees represents the number of working personnel. Part-time employees are not included in the figure above.



## 2. Matters Concerning Shares of the Company

### (1) Total Number of Shares Authorized to Be Issued by the Company

7,200,000,000 shares

Note: The Company made partial amendments to the Articles of Incorporation in relation to the stock split of the common shares with the effective date of October 1, 2024. As a result, the total number of shares authorized to be issued by the Company has increased by 5,760,000,000 shares.

### (2) Total Number of Issued Shares

1,943,859,885 shares (inclusive of 46,225,100 shares of treasury stock)

Note: The Company split one share of its common stock into five shares with the effective date of October 1, 2024. As a result, the total number of issued shares has increased by 1,555,087,908 shares.

### (3) Number of Shareholders

57,065 shareholders (30,034 more than at the previous fiscal year-end)

### (4) Top 10 Largest Shareholders

Name of shareholder	Number of shares held (Thousands of shares)	Percentage of shares held (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	510,320	26.89
Custody Bank of Japan, Ltd. (Trust account)	240,451	12.67
JP MORGAN CHASE BANK 385632	63,944	3.37
STATE STREET BANK AND TRUST COMPANY 505001	48,599	2.56
STATE STREET BANK WEST CLIENT – TREATY 505234	40,618	2.14
CITIBANK,N.A. -NY, AS DEPOSITARY BANK FOR DEPOSITARY SHARE HOLDERS	34,444	1.82
HSBC HONGKONG-TREASURY SERVICES A/C ASIAN EQUITIES DERIVATIVES	31,714	1.67
GOVERNMENT OF NORWAY	30,367	1.60
JP MORGAN CHASE BANK 385781	26,869	1.42
JPMorgan Securities Japan Co., Ltd.	24,873	1.31

Notes: 1. The 46,225,100 shares of treasury stock were not considered when calculating the percentage of shares held.

2. Shares of treasury stock are not considered in the number of shares held by the largest shareholders above.

**(5) Status of Shares Granted to Directors of the Company During the Fiscal Year Under Review in Consideration for the Performance of Their Duties**

Classification	Number of shares	Number of recipients issued
Directors (excluding Outside Directors)	136,500 shares	6 people
Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members)	3,000 shares	1 person

- Note: 1. The above shares were issued as the post-delivery type stock remuneration. Please refer to “(3) Remuneration for Directors and Audit & Supervisory Board Members” of “3. Matters Concerning Directors and Audit & Supervisory Board Members” for details of the post-delivery type stock remuneration.
2. The stock delivery for the above-mentioned Audit & Supervisory Board Members is based on the units awarded when they were employees serving as senior management of the Company.
3. The above number of shares reflects the stock split of the common shares carried out with the effective date of October 1, 2024.

### 3. Matters Concerning Directors and Audit & Supervisory Board Members

#### (1) Names and Other Details of Directors and Audit & Supervisory Board Members

Position	Name	Duties at the Company and situation regarding significant concurrent posts
Representative Director President & CEO	Noboru Saito	<ul style="list-style-type: none"> <li>General Manager of Humidifier Countermeasures HQ of the Company</li> </ul>
Representative Director Senior Executive Vice President	Tetsuji Yamanishi	<ul style="list-style-type: none"> <li>CFO</li> </ul>
Director Senior Vice President	Shigeki Sato	<ul style="list-style-type: none"> <li>CTO</li> <li>General Manager of Technology &amp; Intellectual Property HQ of the Company</li> </ul>
Outside Director	Kozue Nakayama	<ul style="list-style-type: none"> <li>Outside Audit &amp; Supervisory Board Member of Imperial Hotel, Ltd.</li> <li>Outside Director of Nanto Bank, Ltd.</li> </ul>
Outside Director	Mutsuo Iwai	<ul style="list-style-type: none"> <li>Member and Chairperson of the Board of Japan Tobacco Inc.</li> </ul>
Outside Director	Shoei Yamana	<ul style="list-style-type: none"> <li>Outside Director of Zensho Holdings Co., Ltd.</li> <li>Outside Director of JAPAN POST INSURANCE Co., Ltd.</li> <li>Outside Director of SCSK Corporation</li> </ul>
Outside Director	Toru Katsumoto	
Full-time Audit & Supervisory Board Member	Masato Ishikawa	
Full-time Audit & Supervisory Board Member	Takakazu Momozuka	
Outside Audit & Supervisory Board Member	Douglas K. Freeman	<ul style="list-style-type: none"> <li>Principal of Freeman &amp; Partners</li> </ul>
Outside Audit & Supervisory Board Member	Chizuko Yamamoto	<ul style="list-style-type: none"> <li>Principal of Chizuko Yamamoto CPA Office</li> <li>Outside Audit &amp; Supervisory Board Member of Ozu Corporation</li> <li>Outside Director of Tokyo Rope Mfg. Co., Ltd.</li> </ul>
Outside Audit & Supervisory Board Member	Takashi Fujino	<ul style="list-style-type: none"> <li>Outside Director of Kyokuto Boeki Kaisha, Ltd.</li> </ul>

Notes: 1. Directors Ms. Kozue Nakayama, Messrs. Mutsuo Iwai, Shoei Yamana and Toru Katsumoto are Outside Directors pursuant to Article 2, item 15 of the Companies Act of Japan and also Independent Directors pursuant to Article 436-2 of the Securities Listing Regulations of the Tokyo Stock Exchange, Inc.

2. Audit & Supervisory Board Members Mr. Douglas K. Freeman, Ms. Chizuko Yamamoto and Mr. Takashi Fujino are Outside Audit & Supervisory Board Members pursuant to Article 2, item 16 of the Companies Act of Japan and also Independent Audit & Supervisory Board Members pursuant to Article 436-2 of the Securities Listing Regulations of the Tokyo Stock Exchange, Inc.

3. The following changes in positions, responsibilities, and important concurrent positions have been made since the end of the fiscal year under review.

Date of change	Position	Name	Duties at the Company and situation regarding significant concurrent posts
April 1, 2025	Director Executive Vice President	Shigeki Sato	• CEO, Electronic Components Business Company

4. Transactions between the Company and other parties where Outside Directors concurrently hold significant positions were as follows:
- Although Mr. Mutsuo Iwai serves as a Member and the Chairperson of the Board of Japan Tobacco Inc. and TDK has business relationships with the JT Group, the transacted amount is so small for both entities that such business relationship is not a significant relationship; in the fiscal year ended March 31, 2025, sales of TDK to the JT Group accounted for less than 1% of consolidated sales of TDK.
  - Although Mr. Shoei Yamana serves as an Outside Director of SCSK Corporation and TDK has business relationships with the SCSK Group, and the transacted amount is so small for both entities that such business relationship is not a significant relationship; in the fiscal year ended March 31, 2025, sales of SCSK Group to TDK accounted for less than 1% of consolidated sales of SCSK Group.
5. Audit & Supervisory Board Members, Mr. Takakazu Momozuka, Ms. Chizuko Yamamoto and Mr. Takashi Fujino have considerable knowledge of financing and accounting as stated below:
- Full-time Audit & Supervisory Board Member Mr. Takakazu Momozuka has the experience of serving for many years in the field of financing and accounting of the Company; thus he has considerable knowledge in this field.
  - Outside Audit & Supervisory Board Member Ms. Chizuko Yamamoto is a certified public accountant; thus she has considerable knowledge in the field of financing and accounting.
  - Outside Audit & Supervisory Board Member Mr. Takashi Fujino has experience in fields such as accounting, finance, investor relations and corporate management in global companies; thus he has considerable knowledge in the field of financing and accounting.
6. The Company entered into contracts with all Outside Directors and all Audit & Supervisory Board Members pursuant to Article 427, paragraph 1 of the Companies Act of Japan to limit their liabilities under Article 423, paragraph 1 of the same Act. The amount of liability set forth in each such contract, which shall be equal to the Minimum Liability Amount as provided for in Article 425, paragraph 1 of the same Act.

## (2) Summary of Contents of Directors and Officers Liability Insurance Contract

The Company entered into a directors and officers liability insurance contract set forth in Article 430-3, paragraph 1 of the Companies Act of Japan with an insurance company. The insured under such insurance contract are Directors, Audit & Supervisory Board Members, and Corporate Officers and other key persons who executes business of the Company and its domestic subsidiaries, and the insurance premiums for the insured are fully borne by the Company.

Under the said insurance contract, the amount of damages and costs of litigation, etc. that an insured may incur due to claims for damages arising from acts (including omissions) committed by the insured in his/her capacity as a Director, Audit & Supervisory Board Member, Corporate Officer, etc. of the Company or its domestic subsidiaries shall be covered by the insurance.

In addition, in order to ensure that the insured's proper performance of his/her duties is not impaired, the contract does not cover damages, etc. arising from the insured's illegally obtaining personal benefits or favors.

### (3) Remuneration for Directors and Audit & Supervisory Board Members

#### 1) Matters concerning the policy on determining the details of remuneration for individual Directors

Regarding the Company's policy on determining the details of remuneration for individual Directors (hereinafter, "Determining Policy"), the Board of Directors passed a resolution on the Determining Policy on April 26, 2024 after consulting the original proposal with and obtaining a report from the Compensation Advisory Committee, an advisory body to the Board of Directors. Outline of the Determining Policy is as follows.

Basic policy	
<p>The Company designs its remuneration system through deliberation and examination of the Compensation Advisory Committee, an advisory body to the Board of Directors, for the following purposes.</p> <p>To promote as much as possible behavior on the part of Directors geared towards enhancing corporate results and stock value and sustainably increase the corporate value of the overall TDK by constantly pursuing the formulation of a competitive remuneration system to secure diverse and excellent human resources that focuses on linkage with short-term as well as medium to long-term results.</p>	
Policy, etc. concerning determination of each remuneration	
(1) Fixed compensation	For fixed compensation, the Company pays basic remuneration on a monthly basis. Remuneration amounts for individual Directors are determined based on remuneration tables approved by the Board of Directors for each rank after consulting the original proposal with and obtaining a report from the Compensation Advisory Committee, while referring to studies, etc. on corporate management remuneration performed by third parties and comparisons of compensation levels at other companies of similar scale, mainly in the same business category.
(2) Results-linked compensation, etc.	For Directors concurrently serving as Corporate Officers, results-linked compensation, etc. shall be results-linked bonuses (monetary compensation) and Performance Share Unit (PSU) (as mentioned in (3) below). For results-linked bonuses, emphasis is placed on the linkage to short-term performance. The payment amounts fluctuate based on the degree of achievement of targets, using the consolidated results for the fiscal year, along with indicators set for each division in charge. The achievement ratio of PSU targets is structured to fluctuate based on the degree of achievement of the targets set for the consolidated performance indicators, etc. in the Medium-term Plan. Results-linked bonuses are paid out at a certain time each year, PSU is paid out after the Medium-term as determined by the Board of Directors after consulting the original proposal with and obtaining a report from the Compensation Advisory Committee.
(3) Non-monetary compensation, etc.	Non-monetary compensation, etc. shall be post-delivery type stock compensation. Restricted Stock Unit (RSU) is paid as fixed stock-linked compensation to Directors excluding Outside Directors. RSU shall be paid with approximately 50% of the vested shares granted as stock and the rest in cash, after the 3 years or longer period defined by the Board of Directors from the first day of the first year to the last day of the final year of the Medium-term plan. The number of Performance Share Unit (PSU) to be vested for Directors concurrently serving as Corporate Officers shall be calculated based on the achievement ratio, with approximately 50% of the vested shares being granted as stock and the rest being paid in cash. Details are determined by the Board of Directors after consulting the original

	proposal with and obtaining a report from the Compensation Advisory Committee.
(4) Ratio of remuneration	<p>Regarding the ratio of remuneration, by type, for Directors concurrently serving as Corporate Officers, the ratio of results-linked compensation is structured so that the higher the responsibility, the higher the ratio of performance-linked remuneration, based on comparisons of compensation levels at other companies of similar scale, mainly in the same business category, while referring to studies, etc. on corporate management remuneration performed by third parties, and is consulted with the Compensation Advisory Committee. While respecting the report from the Compensation Advisory Committee, the Board of Directors determines remuneration tables for each responsibility based on the ratio of remuneration by type indicated in the report.</p> <p>The guideline for the ratio of remuneration etc. by type is basic remuneration : results-linked bonus : post-delivery type stock remuneration = 1 : approximately 0.6~1.0 : approximately 0.8~1.6 (assuming 100% achievement of performance targets etc.).</p>
(5) Return of remuneration, etc. (clawback and malus)	In the event that the Company's performance sharply and significantly deteriorates, or there are illegal activities or violations of laws and regulations, the right to receive the payment or delivery of remuneration may be forfeited, or the remuneration may be reduced or required to be returned to the Company based on deliberations by the Compensation Advisory Committee and a resolution by the Board of Directors.

#### Remuneration decision-making process, etc.

A majority of the members and the Chair of the Compensation Advisory Committee are Independent Outside Directors. The Compensation Advisory Committee deliberates the framework and levels of remuneration for Directors and Corporate Officers and reports to the Board of Directors, thereby contributing to ensuring the transparency in the remuneration decision-making process and the appropriateness of individual remuneration.

As the Compensation Advisory Committee had conducted a multi-faceted examination of the original proposal, including from the viewpoint of accordance with the Determining Policy, the Board of Directors basically respected the Committee's report and judged that the details of remuneration for individual Directors for the fiscal year under review are in accordance with the Determining Policy.

As explained in "Policy, Etc. Concerning Determination of Each Remuneration" above, at the Company, the Board of Directors determined the details of remuneration for individual Directors, and does not delegate this determination to a Director or other third party.

## 2) Structure of Remuneration for Directors and Audit & Supervisory Board Members

Type of remuneration		Details of remuneration	Fixed/ Fluctuating
Basic remuneration		Monetary compensation paid monthly	Fixed
Results-linked bonus		Monetary compensation which is paid at predetermined times each year with an emphasis on the linkage with short-term performance. The amount of the bonus fluctuates within a range of 0% to 200% of the standard payment amount depending on the degree of attainment of the consolidated results for the fiscal year under review (operating income, ROIC) and the targets set for each division.	Fluctuating (single fiscal year)
Post-delivery type stock remuneration	Restricted Stock Unit (RSU)	RSU is a stock remuneration which is issued based on continuous service. In case of RSU, subject to continuous service for a period of three years from the first day of the first year to the last day of the last year of the Medium-term Plan (or a period of three years or more as determined by the Board of Directors of the Company, the "Target Period"), a pre-determined amount of the Company's shares and money is delivered after the end of the Target Period.	Fixed
	Performance Share Unit (PSU)	PSU is a performance-linked stock remuneration which is issued based on results. In case of PSU, an amount of the Company's shares and money calculated in accordance with the degree of achievement of performance targets set by the Medium-term Plan is delivered after the end of the Target Period. The percentage of payment fluctuates based on the degree of achievement of the performance targets, etc. of the Medium-term Plan.	Fluctuating (medium- to long-term)

Note: Directors and Audit & Supervisory Board Members remuneration is classified into results-linked compensation, etc., non-monetary compensation, etc., and other compensation, etc., as defined by the Ordinance for Enforcement of the Companies Act of Japan, as follows:

Classification	Basic remuneration	Results-linked bonus	RSU*	PSU**
Results-linked compensation, etc.	-	●	-	●
Non-monetary compensation, etc.	-	-	●	●
Compensation, etc. other than above	●	-	●	-

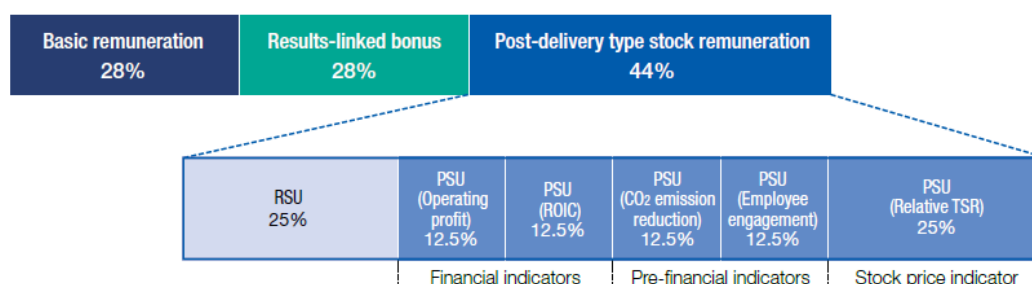
\* Under RSU, the stock remuneration portion is classified as "Non-monetary compensation, etc." and the monetary compensation portion is classified under "Compensation, etc. other than above"

\*\* PSU is classified as "Results-linked compensation, etc." and the stock remuneration portion is also classified as "Non-monetary compensation, etc."

[Eligible for payment]

Classification	Basic remuneration	Results-linked bonus	Post-delivery type stock remuneration	
			RSU	PSU
Directors concurrently serving as Corporate Officers	●	●	●	●
Directors not concurrently serving as Corporate Officers	●	-	●	-
Outside Directors	●	-	-	-
Audit & Supervisory Board Members	●	-	-	-

[Breakdown of Remuneration (In the case that the Representative Director, President & CEO achieves 100% of performance targets, etc.)]



[PSU Evaluation Indicators and Percentage of Payment]

Classification	Evaluation indicators	Plan (FY ending March 2027))	Percentage of payment
Financial indicators	Operating profit targets in the Medium-term Plan	(3 year cumulative) 668.4 billion yen	0 ~ 100%
	ROIC targets in the Medium-term Plan	8.1%	
Pre-financial indicators	Target for CO <sub>2</sub> emission reduction ratio in the Medium-term Plan (SBTi Scope 1 + 2, vs FY ended March 2022))	23.3%	
	Targets for employee engagement in the Medium-term Plan 1) Communication score 2) Response rate	1) 75pt 2) 80%	
Stock price indicator	Relative TSR (vs. TOPIX)	-	0 ~ 200%

- Notes: 1. Relative TSR (vs. TOPIX): TSR stands for Total Shareholder Return, which refers to the comprehensive investment yield for shareholders, combining capital gains and dividends. Relative TSR (vs. TOPIX) compares the Company's TSR during the target period with the average TSR of the TOPIX constituent stocks.
2. The PSU linked to financial indicators and pre-financial indicators is granted in a lump sum for three years in the first year, in alignment with the Medium-term Plan. However, the PSU linked to stock price indicator is granted annually, one year at a time.



### 3) Total Amount of Remuneration, etc. for the Fiscal Year Under Review

Director/ Audit & Supervisory Board Member category	Total amount of remuneration, etc. (Millions of yen)	Total amount of remuneration, etc. by type (Millions of yen)				Number of eligible Directors /Audit & Supervisory Board Members (person)
		Basic remune- ration	Results linked bonus	Post-delivery type stock remuneration		
				Restricted Stock Units (RSU)	Performance Share Units (PSU)	
Directors (Excluding Outside Directors)	701	203	266	93	139	4
Outside Directors	72	72	-	-	-	4
Audit & Supervisory Board Members (Excluding Outside Audit & Supervisory Board Members)	70	70	-	-	-	2
Outside Audit & Supervisory Board Members	43	43	-	-	-	3

Notes: 1. The number of Directors (excluding Outside Directors), Outside Directors, Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members), and Outside Audit & Supervisory Board Members at the end of the fiscal year under review were three (3), four (4), two (2), and three (3), respectively.

The total amount of remuneration, total amount of remuneration, etc. by type and number of eligible Directors/Audit & Supervisory Board Members of Audit & Supervisory Board Members (excluding Outside Directors) as shown above include one (1) Director (excluding outside Director) who retired at the close of the 128th Ordinary General Meeting of Shareholders held on June 21, 2024 and the amount of remuneration paid to him.

2. As for the results-linked bonuses and post-delivery type stock remuneration for Directors, the amounts shown above are those recorded as an expense for the fiscal year under review.

3. In calculating results-linked bonuses, the amount is designed to fluctuate within a range of 0% to 200% of the standard payment amount depending on the degree of attainment of targets, using the consolidated results (operating income, ROIC), the indicators set for each division in charge and other indicators for each fiscal year. The reason for selecting these indicators is to use the same indicators as management targets with an emphasis on the linkage with short-term performance. The targets and results for the main indicators that relate to results-linked bonuses in the fiscal year under review are as .

Consolidated operating income ¥182,000 million (target), ¥224,192 million (result)

Consolidated ROIC 5.5% (target), 6.7% (result)

4. The number of the Company's shares to be delivered and the amount of money to be paid as PSU will be calculated based on the degree of achievement of the performance targets etc. of the Medium-term Plan. Evaluation indicators and percentage of payment is described under "2) Structure of Remuneration for Directors and Audit & Supervisory Board Members [PSU Evaluation Indicators and Percentage of Payment]." The reason for selecting these indicators is to use the same indicators as the financial and pre-financial management targets under the Medium-term Plan, with an emphasis on the linkage with medium- to long-term performance and corporate value, as well as to enhance motivation for

contributing to the realization of a sustainable society. In addition, stock price indicator has been introduced with the aim of further motivating management to be conscious of capital costs and stock prices.

5. In the fiscal year under review, 136,500 shares (shares reflected after one share of its common stock into five shares carried out with the effective date of October 1, 2024) were delivered to six (6) Directors of the Company (excluding Outside Directors, including retired Director) as post-delivery type stock remuneration.
6. The total amount of remuneration, etc. by type in the above table is classified into results-linked compensation, etc., non-monetary compensation, etc. and other compensation, etc. as defined by the Ordinance for Enforcement of the Companies Act of Japan, described under “Note” in “2) Structure of Remuneration for Directors and Audit & Supervisory Board Members.”

#### 4) Matters Concerning Resolutions of General Meeting of Shareholders

Type of remuneration		Eligible for payment	Upper limit	Resolution of general meeting of shareholders	Number of eligible Directors/Audit & Supervisory Board Members at the time of relevant resolution
Basic remuneration		Directors	¥25 million per month	The 106th Ordinary General Meeting of Shareholders held on June 27, 2002	Seven (7) Directors (including one (1) Outside Director)
		Audit & Supervisory Board Members	¥120 million per year	The 124th Ordinary General Meeting of Shareholders held on June 23, 2020	Five (5) Audit & Supervisory Board Members (including three (3) Outside Audit & Supervisory Board Members)
Results-linked bonus		Directors concurrently serving as Corporate Officers	¥350 million per year	The 119th Ordinary General Meeting of Shareholders held on June 26, 2015	Four (4) Directors
Post-delivery type stock remuneration	Restricted Stock Unit (RSU)	Directors (Excluding Outside Directors)	Total amount of monetary compensation claims, etc.: up to the amount obtained by multiplying the upper limit of the number of base stock units (40,000 shares) by the stock price at delivery Number of shares to be delivered: Up to 20,000 shares per year	The 128th Ordinary General Meeting of Shareholders held on June 21, 2024	Three (3) Directors
	Performance Share Unit (PSU)	Directors concurrently serving as Corporate Officers	Total amount of monetary compensation claims, etc.: Up to the amount obtained by multiplying the upper limit of the number of base stock units by the percentage of payment (up to 200,000 shares) by the stock price at delivery Number of shares to be delivered: up to 100,000 shares per year		Three (3) Directors

Notes: 1. The number of base stock units for post-delivery stock compensation is calculated by dividing the base amount (determined by the Company's Board of Directors according to the responsibilities of each

eligible Director) by the stock price at the time of grant (the average closing price of the Company's common stock on the Tokyo Stock Exchange for the one-month period starting from the day before the grant date). In addition, the stock price at the time of delivery is the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day preceding the date of the resolution by the Company's Board of Directors regarding the delivery of shares (if no transaction is completed on that day, the closing price on the nearest preceding transaction day is used).

2. The payout ratio for PSU is determined by a system where the evaluation indicators (including revisions) and payout ratios are resolved by the Board of Directors each time a Medium-term Plan is formulated. The current payout ratio for PSUs is as described in "2) Structure of Remuneration for Directors and Audit & Supervisory Board Members [PSU Evaluation Indicators and Percentage of Payment]".
3. The Company split one share of its common stock into five shares with effective date of October 1, 2024. As a result, the limits for RSU have been adjusted as follows: the total amount of monetary compensation claims, etc., is within the amount obtained by multiplying the upper limit of the base stock unit number (200,000 shares) by the stock price at the time of delivery, and the number of shares delivered is within 100,000 shares per year. For PSU, the limits have been adjusted so that the total amount of monetary compensation claims, etc., is within the amount obtained by multiplying the upper limit of the base stock unit number by the payout ratio (upper limit of 1,000,000 shares) by the stock price at the time of delivery, and the number of shares delivered is within 500,000 shares per year.

#### **(4) Matters Concerning Outside Directors and Outside Audit & Supervisory Board Members**

- 1) Situation regarding Significant Concurrent Posts and Relationships between the Company and the Entities Concerned

Please refer to “3. Matters Concerning Directors and Audit & Supervisory Board Members (1) Names and Other Details of Directors and Audit & Supervisory Board Members.”

- 2) Principal Activities of Outside Directors and Outside Audit & Supervisory Board Members during the Fiscal Year Under Review

Name (Position)	Attendance at meetings of the Board of Directors, etc. (Number of attendances/Number of times held)	Situation regarding opinions in meetings of the Board of Directors, outline of duties conducted regarding roles expected of Outside Directors and other activities
Kozue Nakayama (Outside Director)	Meetings of the Board of Directors: 13/13 Nomination Advisory Committee: 12/12 Compensation Advisory Committee: 10/10 Corporate Governance Committee: 4/4	Ms. Nakayama has fulfilled the role and duties expected of an Outside Director, proactively expressing her opinions while overseeing, advising and guiding management, based on her abundant experience and knowledge concerning global business related to the automotive industry and corporate management.  Ms. Nakayama serves as the Chair of the Nomination Advisory Committee, playing an important role in ensuring the appropriateness in the selection of Directors, Audit & Supervisory Board Members and Corporate Officers, and the transparency in the decision-making process.

Name (Position)	Attendance at meetings of the Board of Directors, etc. (Number of attendances/Number of times held)	Situation regarding opinions in meetings of the Board of Directors, outline of duties conducted regarding roles expected of Outside Directors and other activities
Mutsuo Iwai (Outside Director)	Meetings of the Board of Directors: 13/13 Nomination Advisory Committee: 11/12 Compensation Advisory Committee: 9/10 Corporate Governance Committee: 4/4	Mr. Iwai has fulfilled the role and duties expected of an Outside Director, proactively expressing his opinions while overseeing, advising and guiding management, based on his abundant experience and knowledge as a manager of a company that operates globally in the tobacco, pharmaceutical, food and other businesses.  Mr. Iwai serves as the Chair of the Board of Directors, playing an important role in strengthening the supervisory function of the Board of Directors while aiming to clearly separate management oversight and business execution.
Shoei Yamana (Outside Director)	Meetings of the Board of Directors: 13/13 Nomination Advisory Committee: 12/12 Compensation Advisory Committee: 10/10 Corporate Governance Committee: 4/4	Mr. Yamana has fulfilled the role and duties expected of an Outside Director, proactively expressing his opinions while overseeing, advising and guiding management, based on his abundant experience and knowledge as a manager in a company that operates globally in multifunction devices, digital printing systems, health care and other businesses.  Mr. Yamana serves as the Chair of the Compensation Advisory Committee, playing an important role in ensuring the appropriateness in the selection of Directors, Audit & Supervisory Board Members and Corporate Officers, and the transparency in the decision-making process.
Toru Katsumoto (Outside Director)	Meetings of the Board of Directors: 10/10 Nomination Advisory Committee: 7/9 Compensation Advisory Committee: 6/8 Corporate Governance Committee: 3/3 (After the appointment in June 2024)	Mr. Katsumoto has fulfilled the role and duties expected of an Outside Director, proactively expressing his opinions while overseeing, advising and guiding management, based on his abundant experience and knowledge as a head of the technology division, CTO, and manager of a company that operates globally in the game, music and movie, consumer electronics equipment and other businesses.
Douglas K. Freeman (Outside Audit & Supervisory Board Member)	Meetings of the Audit & Supervisory Board: 14/14 Meetings of the Board of Directors: 13/13	Mr. Freeman has fulfilled the role and duties expected of an Outside Audit & Supervisory Board Member, such as auditing management, while proactively stating opinions based on his specialized knowledge about law as a lawyer and his profound experience about international corporate legal affairs.
Chizuko Yamamoto (Outside Audit & Supervisory Board Member)	Meetings of the Audit & Supervisory Board: 14/14 Meetings of the Board of Directors: 13/13	Ms. Yamamoto has fulfilled the role and duties expected of an Outside Audit & Supervisory Board Member, such as auditing management, while proactively stating opinions based on her specialized knowledge in finance and accounting as a certified public accountant and her extensive experience in auditing.

Name (Position)	Attendance at meetings of the Board of Directors, etc. (Number of attendances/Number of times held)	Situation regarding opinions in meetings of the Board of Directors, outline of duties conducted regarding roles expected of Outside Directors and other activities
Takashi Fujino (Outside Audit & Supervisory Board Member)	Meetings of the Audit & Supervisory Board: 14/14 Meetings of the Board of Directors: 13/13	Mr. Fujino has fulfilled the role and duties expected of an Outside Audit & Supervisory Board Member, such as auditing management, while proactively stating opinions based on his specialized knowledge and experience in fields such as accounting, finance, investor relations and corporate management for global companies with glass, chemicals and other operations.

Note: Unless otherwise noted, each item in this business report describes the status as of Fiscal 2025 (from April 1, 2024 to March 31, 2025) or as of the end of Fiscal 2025 (March 31, 2025).

Also, monetary amounts, numbers of shares, proportions and other figures contained in this business report are rounded to the nearest unit unless otherwise stated or no rounding is required.

## Consolidated Statement of Financial Position

As of March 31, 2025

(Millions of yen)

Account	Amount	Account	Amount
<b>Assets</b>		<b>Liabilities</b>	
<b>Current assets</b>	1,836,858	<b>Current liabilities</b>	1,098,460
Cash and cash equivalents	697,307	Bonds and borrowings	187,145
Trade receivables	583,133	Lease liabilities	12,654
Other financial assets	77,304	Trade payables	392,502
Inventories	410,038	Other financial liabilities	114,502
Income taxes receivables	5,852	Income taxes payables	41,093
Other current assets	63,224	Provisions	12,329
<b>Non-current assets</b>	1,704,557	Other current liabilities	338,235
Investments accounted for using the equity method	42,186	<b>Non-current liabilities</b>	631,701
Other financial assets	183,840	Bonds and borrowings	346,001
Property, plant and equipment	1,030,122	Lease liabilities	62,600
Right-of-use assets	73,230	Other financial liabilities	4,719
Goodwill	164,868	Retirement benefit liabilities	95,368
Intangible assets	49,159	Provisions	13,124
Long-term advances to suppliers	93,850	Deferred tax liabilities	94,678
Deferred tax assets	54,651	Other non-current liabilities	15,211
Other non-current assets	12,651	<b>Total liabilities</b>	1,730,161
		<b>Equity</b>	
		<b>Equity attributable to owners of parent</b>	1,800,070
		Share capital	32,641
		Capital surplus	264
		Retained earnings	1,273,453
		Other components of equity	509,555
		Treasury shares	(15,843)
		<b>Non-controlling interests</b>	11,184
		<b>Total equity</b>	1,811,254
<b>Total assets</b>	3,541,415	<b>Total liabilities and equity</b>	3,541,415

Note: The amounts are rounded to the nearest million yen.

## Consolidated Statement of Profit or Loss

Fiscal year ended March 31, 2025

(Millions of yen)

Account	Amount
<b>Net sales</b>	2,204,806
Cost of sales	(1,516,764)
<b>Gross profit</b>	688,042
Selling, general and administrative expenses	(494,029)
Other operating income	30,717
Other operating expenses	(538)
<b>Operating profit</b>	224,192
Finance income	27,047
Finance costs	(13,365)
Share of profit/(loss) of investments accounted for using the equity method	(66)
<b>Profit before tax</b>	237,808
Income tax expense	(67,419)
<b>Net profit</b>	170,389
Net profit attributable to:	
Owners of parent	167,161
Non-controlling interests	3,228
<b>Net profit</b>	170,389

Note: The amounts are rounded to the nearest million yen.



## **Consolidated Statements of Cash Flows (for reference)**

Fiscal year ended March 31, 2025

(Millions of yen)

Account	Amount
Cash flows from operating activities	
Net profit	170,389
Depreciation and amortization	196,228
Impairment losses (reversal of impairment losses)	18,032
Finance income	(27,047)
Finance costs	13,365
Share of (profit)/loss of investments accounted for using the equity method	66
Income tax expense	67,419
Changes in assets and liabilities:	
Decrease (increase) in trade receivables	(28,011)
Decrease (increase) in inventories	(8,273)
Decrease (increase) in long-term advances to suppliers	10,832
Decrease (increase) in other current assets	5,865
Increase (decrease) in trade payables	38,777
Increase (decrease) in other current liabilities	37,063
Increase (decrease) in retirement benefit liabilities	(4,269)
Decrease (increase) in other financial assets	(1,297)
Increase (decrease) in other financial liabilities	6,669
Other	(2,558)
Subtotal	493,250
Interest and dividends received	20,391
Interest paid	(8,045)
Income taxes paid	(59,757)
Cash flows from operating activities	445,839

Note: The amounts are rounded to the nearest million yen.

## **Consolidated Statements of Cash Flows (for reference)**

Fiscal year ended March 31, 2025

(Millions of yen)

Account	Amount
Cash flows from investing activities	
Purchase of tangible and intangible assets	(225,290)
Proceeds from sale of tangible and intangible assets	20,517
Proceeds from withdrawal of time deposits	71,492
Payments into time deposits	(115,127)
Proceeds from sale and redemption of securities	19,093
Payment for purchase of securities	(9,184)
Purchase of investments in associates	(5,975)
Other	(368)
Cash flows from investing activities	(244,842)
Cash flows from financing activities	
Proceeds from long-term borrowings	13,677
Repayment of long-term borrowings	(134,934)
Net increase (decrease) in short-term borrowings	10,050
Proceeds from bonds	-
Net increase (decrease) in commercial papers	29,954
Repayment of lease liabilities	(14,183)
Dividends paid	(48,536)
Other	639
Cash flows from financing activities	(143,333)
Effect of exchange rate changes on cash and cash equivalents	(10,355)
Net increase in cash and cash equivalents	47,309
Cash and cash equivalents at the beginning of year	649,998
Cash and cash equivalents at the end of year	697,307

Note: The amounts are rounded to the nearest million yen.

CERTIFIED COPY OF ACCOUNTING AUDITOR'S REPORT  
FOR CONSOLIDATED FINANCIAL STATEMENTS

[English Translation of the Independent Auditor's Report Originally Issued in the Japanese Language]

**Independent Auditor's Report**

**(May 16, 2025)**

To the Board of Directors of TDK Corporation:

KPMG AZSA LLC  
Tokyo Office, Japan

Michitaka Shishido  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

Michiaki Yamabe  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

Ryoma Dodo  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

**Opinion**

We have audited the consolidated financial statements, which comprise the consolidated statements of financial position, the consolidated statements of profit or loss, the consolidated statements of changes in equity and notes to the consolidated financial statements of TDK Corporation ("the Company") and its consolidated subsidiaries (collectively referred to as "the Group"), as at March 31, 2025 and for the year from April 1, 2024 to March 31, 2025 in accordance with Article 444-4 of the Companies Act.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position and the results of operations of the Group for the period, for which the consolidated financial statements were prepared, in accordance with the second sentences of Article 120-1 of the Ordinance of Companies Accounting that prescribes some omissions of disclosure items required under International Financial Reporting Standards.

**Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Other Information**

The other information comprises the business report and its supplementary schedules. Management is responsible for the preparation and presentation of the other information. The Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the reporting process for the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Responsibilities of Management, the Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the second sentences of Article 120-1 of the Ordinance of Companies Accounting that prescribes some omissions of disclosure items required under International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with the second sentences of Article 120-1 of the Ordinance of Companies Accounting that prescribes some omissions of disclosure items required under International Financial Reporting Standards.

The Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the Group's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The selection and application of audit procedures depends on the auditor's judgment.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the consolidated financial statements are in accordance with the second sentences of Article 120-1 of the Ordinance of Companies Accounting that prescribes some omissions of disclosure items required under International Financial Reporting Standards, the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purpose of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit & Supervisory Board Members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit & Supervisory Board Members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

#### **Interest required to be disclosed by the Certified Public Accountants Act of Japan**

We do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

#### **Notes to the Reader of Independent Auditor's Report:**

The Independent Auditor's Report herein is the English translation of the Independent Auditor's Report as required by the Companies Act for the conveniences of the reader.

CERTIFIED COPY OF AUDIT REPORT OF AUDIT & SUPERVISORY BOARD

[English Translation of the Audit Report of Audit & Supervisory Board  
Originally Issued in the Japanese Language]

**Audit Report of Audit & Supervisory Board**

The Audit & Supervisory Board (the "Board") of TDK Corporation (the "Company") has reviewed and discussed the audit report prepared by each Audit & Supervisory Board Member with respect to the execution of the duties by the Directors during the 129th Fiscal Year commencing on April 1, 2024 and ending on March 31, 2025 and prepared the following audit report of the Board.

**1. Means and methods of audits employed by the Audit & Supervisory Board Members and the Board**

- (1) The Board established audit policies, schedules, duty allocation policies and other relevant guidance for the relevant fiscal year pursuant to the Code of Audit & Supervisory Board Members' Auditing Standards established by the Board; received reports from each Audit & Supervisory Board Member regarding their execution of audits and the results thereof, as well as reports from Directors, etc. and the Accounting Auditor regarding the execution of their duties; and sought explanations as necessary.
- (2) In accordance with the audit policies, schedules, duty allocation policies set forth above, each Audit & Supervisory Board Member communicated with the Directors, Corporate Officers, internal audit department and other employees; made efforts to develop the audit environment and collect information; and conducted audits as set forth below while utilizing the online conference system, etc.
  - i Each Audit & Supervisory Board Member participated in meetings of the Board of Directors and other important meetings; received reports from Directors, Corporate Officers and employees regarding the execution of their duties; sought explanations as necessary; examined important approval records and associated information; and investigated the status of operations and property. In addition, with respect to subsidiaries, each Audit & Supervisory Board Member communicated and exchanged information with their Directors and Audit & Supervisory Board Members; and received business reports from subsidiaries as necessary.
  - ii With respect to the contents of the resolution of the Board of Directors regarding the development of systems necessary to ensure that the execution of the duties by the Directors complies with the laws and regulations and the Articles of Incorporation and other systems prescribed as necessary for ensuring the properness of operations of a corporate group consisting of a stock company and its subsidiaries under Paragraphs 1 and 3 of Article 100 of the Ordinance for Enforcement of the Companies Act of Japan and the operations of the systems developed based on such resolution (the "Internal Control Systems"), in accordance with the Standards for Conducting Internal Control Audit established by the Board, each Audit & Supervisory Board Member received reports regarding the situation of the establishment and operations of such systems from Directors, Corporate Officers and other employees on a regular basis; sought explanations as necessary; and expressed opinions as Audit & Supervisory Board Member.
  - iii While monitoring and verifying whether the Accounting Auditor maintained its independence and implemented appropriate audits, each Audit & Supervisory Board Member received reports from the Accounting Auditor regarding the execution of its duties; and sought explanations as necessary. In addition, each Audit & Supervisory Board Member in charge of receiving a notice of accounting audit reports from

the Accounting Auditor received a notice from the Accounting Auditor that it had developed the "systems necessary to ensure proper execution of duties", prescribed under Article 131 of the Ordinance of Companies Accounting of Japan, in accordance with the "Quality Management Standards Regarding Audits" (Business Accounting Council), and other relevant standards; and sought explanations as necessary.

Based on the above means and methods, each Audit & Supervisory Board Member examined the business reports and the supplementary schedules thereof, the non-consolidated financial statements (Balance Sheet, Statement of Operations, Statement of Changes in Net Assets and List of Notes to the Financial Statements) and the supplementary schedules thereof, and the consolidated financial statements (Consolidated Statement of Financial Position, Consolidated Statement of Operations, Consolidated Statement of Changes in Equity and List of Notes to the Consolidated Financial Statements) for the relevant fiscal year.

## 2. Audit results

### (1) Results of audits of the business reports and other subjects

- i The Board has confirmed that the business reports and the supplementary schedules thereof accurately indicate the status of the Company in compliance with applicable laws and regulations and the Articles of Incorporation.
- ii The Board has found no misconduct or material facts in violation of laws and regulations or the Articles of Incorporation in connection with the execution of the duties by the Directors.
- iii The Board has confirmed that the content of the resolution of the Board of Directors regarding the Internal Control Systems is appropriate and there is no matter on which to remark in regard to the description of business report and the execution of the duties by the Directors regarding the Internal Control Systems.

### (2) Results of audits of the non-consolidated financial statements and the supplementary schedules thereof

The Board has confirmed that the methods and results of the audits by the Accounting Auditor, audit firm of KPMG AZSA LLC, are appropriate.

### (3) Results of audits of the consolidated financial statements

The Board has confirmed that the methods and results of the audits by the Accounting Auditor, audit firm of KPMG AZSA LLC, are appropriate.

May 20, 2025

Audit & Supervisory Board  
TDK Corporation

Full-time Audit & Supervisory Board Member  
Masato Ishikawa (Seal)  
Full-time Audit & Supervisory Board Member  
Takakazu Momozuka (Seal)  
Outside Audit & Supervisory Board Member  
Douglas K. Freeman (Seal)  
Outside Audit & Supervisory Board Member  
Chizuko Yamamoto (Seal)  
Outside Audit & Supervisory Board Member  
Takashi Fujino (Seal)

End