



April 28, 2025

TDK Corporation

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## Consolidated Financial Results (IFRS) for FY March 2025

(Millions of yen, %)

<div> <div>Term</div> <div>Account</div> </div>	FY 2024 (April 1, 2023 - March 31, 2024)		FY 2025 (April 1, 2024 - March 31, 2025)		Change	
	Amount	% to net sales	Amount	% to net sales	Amount	%
Net sales	2,103,876	100.0	2,204,806	100.0	100,930	4.8
Operating profit	172,893	8.2	224,192	10.2	51,299	29.7
Profit before tax	179,241	8.5	237,808	10.8	58,567	32.7
Net profit attributable to owners of parent	124,687	5.9	167,161	7.6	42,474	34.1
Earnings per share:						
- Basic	65.74 yen		88.10 yen			
- Diluted	65.64 yen		87.98 yen			
Purchase of tangible and intangible assets	218,589	-	225,290	-	6,701	3.1
Depreciation and amortization	190,546	9.1	196,228	8.9	5,682	3.0
Research and development expenses	188,860	9.0	253,586	11.5	64,726	34.3
Number of employees	101,453	-	105,067	-		

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

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

April 28, 2025

## Consolidated Financial Results for the Fiscal Year Ended March 2025 (Under IFRS)

Company name: TDK Corporation  
 Listing: Tokyo Stock Exchange  
 Securities code: 6762  
 URL: <https://www.tdk.com/en/ir/index.html>  
 Representative: Noboru Saito, Representative Director, President & CEO  
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 Scheduled date of annual general meeting of shareholders: June 20, 2025  
 Scheduled date to commence dividend payments: June 23, 2025  
 Scheduled date to file annual securities report: June 19, 2025  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: Yes (for institutional investors and securities analysts)

(Yen amounts are rounded to millions, unless otherwise noted.)

### 1. Consolidated financial results for the fiscal year ended March 2025 (from April 1, 2024 to March 31, 2025)

#### (1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Profit before tax		Net profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	2,204,806	4.8	224,192	29.7	237,808	32.7	170,389	35.1
March 31, 2024	2,103,876	(3.5)	172,893	2.4	179,241	7.2	126,135	10.4

	Net profit attributable to owners of parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
Fiscal year ended	Millions of yen	%	Millions of yen	%	Yen	Yen
March 31, 2025	167,161	34.1	143,963	(50.8)	88.10	87.98
March 31, 2024	124,687	9.2	292,327	50.0	65.74	65.64

	Return on equity attributable to owners of parent	Ratio of profit before tax to total assets	Ratio of operating profit to net sales
Fiscal year ended	%	%	%
March 31, 2025	9.5	6.8	10.2
March 31, 2024	7.9	5.5	8.2

Reference: Share of profit (loss) of investments accounted for using equity method

For the fiscal year ended March 31, 2025: ¥ (66) million

For the fiscal year ended March 31, 2024: ¥ 670 million

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

## (2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets	Equity attributable to owners of parent per share
As of	Millions of yen	Millions of yen	Millions of yen	%	Yen
March 31, 2025	3,541,415	1,811,254	1,800,070	50.8	948.59
March 31, 2024	3,415,304	1,714,941	1,707,332	50.0	900.04

Note: Effective October 1, 2024, TDK implemented a share split at a ratio of five shares per common share. Equity attributable to owners of parent per share is calculated assuming that the share split was implemented at the beginning of the fiscal year ended March 31, 2024.

## (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2025	445,839	(244,842)	(143,333)	697,307
March 31, 2024	447,007	(216,592)	(146,368)	649,998

## 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to equity attributable to owners of parent (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2024	-	58.00	-	58.00	116.00	44,006	35.3	2.8
March 31, 2025	-	70.00	-	16.00	-	56,926	34.1	3.2
March 31, 2026 (Forecast)	-	15.00	-	15.00	30.00		-	

Note: TDK split one share of its common stock into five shares with the effective date of October 1, 2024. As for the dividend per share for the fiscal year ended March 31, 2024, and the second quarter-end dividend for the fiscal year ending March 31, 2025, these amounts are prior to the stock split, while the fiscal year-end dividend forecast for the fiscal year ending March 31, 2025, is the amount after the stock split. No annual dividend for fiscal 2025 is provided because, due to the effects of the stock split, the simple total does not accurately reflect the dividend amount. The annual dividend per share, calculated prior to the stock split, is 150 yen. For more details, please refer to page 11 of the attached document, '1. Business Results (5) Fundamental Policy for Distribution of Earnings, and Fiscal 2025 and Fiscal 2026 Dividends.'

No dividend payout ratio (consolidated) for fiscal year ended March 31, 2026, is provided due to consolidated projection in range format. The payout ratio is 33.5% at the upper limit of the consolidated projection and 42.2% at the lower limit.

## 3. Consolidated projection for the fiscal year ended March 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Profit before tax		Net profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2026	2,120,000	(3.8)	180,000	(19.7)	193,000	(18.8)	135,000	(19.2)
	~ 2,200,000	~ (0.2)	~ 225,000	~ 0.4	~ 238,000	~ 0.1	~ 170,000	~ 1.7

	Basic earnings per share
	Millions of yen
Fiscal year ended March 31, 2026	71.14
	~ 89.59

**\* Notes**

(1) Significant changes in the scope of consolidation during the period: None

Newly included: -

Excluded: -

(2) Changes in accounting policies and changes in accounting estimates

(i) Changes in accounting policies required by IFRS: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(3) Number of issued shares (ordinary shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2025	1,943,859,885 shares
As of March 31, 2024	1,943,859,885 shares

(ii) Number of treasury shares at the end of the period

As of March 31, 2025	46,225,100 shares
As of March 31, 2024	46,904,335 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended As of March 31, 2025	1,897,371,645 shares
Fiscal year ended As of March 31, 2024	1,896,679,680 shares

Note: Effective October 1, 2024, TDK implemented a share split at a ratio of five shares per common share. Number of issued shares (ordinary shares) is calculated assuming that the share split was implemented at the beginning of the fiscal year ended March 31, 2024.

\* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

\* Proper use of earnings forecasts, and other special matters

The forward-looking statements, including projections, contained in this document are based on information currently available to TDK and certain assumptions deemed reasonable. Actual performance may differ significantly due to various factors. For assumptions underlying the projections and notes on the use of these projections, please refer to page 6 of the attached document, '1. Business Results (2) Projections.'

We will be live streaming the performance briefing with simultaneous interpretation in English from 5:30 PM Japan Time on Monday, April 28, 2025. The presentation materials for the performance briefing are scheduled to be posted on the IR website's performance briefing page around 5:15 PM on Monday, April 28, 2025.

**[Contents]**

**1. Business Results**

(1) Summary Information Regarding Consolidated Business Results	••••	P.2
(2) Projections	••••	P.6
(3) Summary Information Regarding Consolidated Financial Position	••••	P.8
(4) Summary Information Regarding Consolidated Cash Flows	••••	P.9
(5) Fundamental Policy for Distribution of Earnings, and Fiscal 2025 and Fiscal 2026 Dividends	••••	P.11

**2. Management Policies**

(1) Fundamental Management Policy	••••	P.12
(2) Medium- and Long-term Management Strategy and Pressing Issues of TDK	••••	P.13

**3. Basic Rationale for Selection of Accounting Standards** •••• P.17

**4. Consolidated Financial Statements and Notes to the Consolidated Financial Statements**

(1) Consolidated statements of financial position	••••	P.18
(2) Consolidated statements of profit or loss and comprehensive income	••••	P.20
(3) Consolidated statements of changes in equity	••••	P.22
(4) Consolidated statements of cash flows	••••	P.24
(5) Notes to the consolidated financial statements	••••	P.26
(6) Appendix to the Consolidated Financial Statements	••••	P.30

## **[Summary Information and Financial Statements]**

### **1. Business Results**

#### **(1) Summary Information Regarding Consolidated Business Results**

Consolidated financial results for fiscal 2025, the year ended March 31, 2025, are as follows.

Looking at the global economy in 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 U.S. 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 we had expected at the beginning of the period.

In this business environment, sales during fiscal 2025 increased year on year in the three segments of Sensor Application Products, Magnetic Application Products and Energy Application Products on the back of a recovery in demand for components in the ICT market and new product sales among other factors, while sales in the Passive Components segment decreased year on year due mainly to a decline in demand related to the industrial equipment market. As a result, consolidated net sales for fiscal 2025 came to 2,204,806 million yen, up 4.8 % year on year.

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.

**Summary (April 1, 2024 - March 31, 2025)**

<div> <div>Term</div> <div>Item</div> </div>	FY 2024 (April 1, 2023 - March 31, 2024)		FY 2025 (April 1, 2024 - March 31, 2025)		Change	
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	Change (%)
Net sales	2,103,876	100.0	2,204,806	100.0	100,930	4.8
Operating profit	172,893	8.2	224,192	10.2	51,299	29.7
Profit before tax	179,241	8.5	237,808	10.8	58,567	32.7
Net profit attributable owners of parent	124,687	5.9	167,161	7.6	42,474	34.1
Earnings per share:						
- Basic	65.74 yen		88.10 yen			
- Diluted	65.64 yen		87.98 yen			

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

As a result of the review of future changes in demand and projections, TDK posted a total of ¥20.2 billion in impairment losses and restructuring costs mainly for businesses facing challenges in improving profitability.

Average yen exchange rates for the U.S. dollar and the euro during fiscal 2025 were ¥152.66 and ¥163.86, respectively, as the yen depreciated 5.7% against the U.S. dollar and 4.6% against the euro. As a result of these factors and fluctuations in foreign exchange rates, net sales increased by approximately ¥95.7 billion and operating profit increased by approximately ¥19.7 billion.

**[Sales by Product]**

Term Product		FY 2024 (April 1, 2023 - March 31, 2024)		FY 2025 (April 1, 2024 - March 31, 2025)		Change	
		(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	Change (%)
	Capacitors	245,047	11.7	234,260	10.6	(10,787)	(4.4)
	Inductive Devices	197,068	9.3	204,282	9.3	7,214	3.7
	Other Passive Components	123,534	5.9	121,097	5.5	(2,437)	(2.0)
	Passive Components	565,649	26.9	559,639	25.4	(6,010)	(1.1)
	Sensor Application Products	180,511	8.6	189,472	8.6	8,961	5.0
	Magnetic Application Products	184,211	8.7	223,637	10.1	39,426	21.4
	Energy Application Products	1,121,662	53.3	1,176,499	53.4	54,837	4.9
	Other	51,843	2.5	55,559	2.5	3,716	7.2
	Total	2,103,876	100.0	2,204,806	100.0	100,930	4.8
	Overseas sales	1,919,245	91.2	2,030,391	92.1	111,146	5.8

**Note:** In accordance with the reorganization for the first quarter of the fiscal year ended March 31, 2025, certain products of Other Passive Components are reclassified into Inductive Devices. Thus, the prior year's figures are also reclassified to conform to the new segmentation.

## 1) Passive Components Segment

This segment is made up of (1) Capacitors, (2) Inductive Devices, and (3) Other Passive Components. Sales in the Passive Components segment were ¥559,639 million, down 1.1% year on year from ¥565,649 million.

Capacitors is made up of Ceramic Capacitors, Aluminum Electrolytic Capacitors, and Film Capacitors. Sales in the Capacitors were ¥234,260 million, down 4.4% year on year from ¥245,047 million. Sales decreased mainly to the automotive market.

Sales of Inductive Devices increased by 3.7% year on year from ¥197,068 million to ¥204,282 million. Sales increased mainly to the automotive market.

Other Passive Components include High-Frequency Devices, Piezoelectric Material Products and Circuit Protection Components. Sales of Other Passive Components decreased by 2.0% year on year from ¥123,534 million to ¥121,097 million. Sales decreased mainly to the ICT market.

## 2) Sensor Application Products Segment

This segment is made up of Temperature and Pressure Sensors, Magnetic Sensors, and MEMS Sensors. Segment sales increased by 5.0% year on year from ¥180,511 million to ¥189,472 million. Sales increased to the ICT market.



### 3) Magnetic Application Products Segment

This segment is made up of HDD Heads, HDD Suspension Assemblies, and Magnets. Segment sales increased by 21.4% year on year from ¥184,211 million to ¥223,637 million. Sales of HDD Heads and HDD Suspension Assemblies increased to the ICT market. Sales of Magnets decreased mainly to the automotive market.

### 4) Energy Application Products Segment

This segment is made up of Energy Devices (Rechargeable Batteries) and Power Supplies. Segment sales increased by 4.9% from ¥1,121,662 million to ¥1,176,499 million. Sales of Energy Devices increased mainly to the ICT market.

### 5) Other

Other includes Mechatronics (Production Equipment), Camera Module Micro Actuators for smartphones, and Others. Segment sales increased by 7.2% year on year from ¥51,843 million to ¥55,559 million. Sales of Mechatronics increased to the industrial equipment market. Sales of Camera Module Micro Actuators for smartphones increased to the ICT market.

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

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

### [Sales by Region]

Overseas sales increased by 5.8% year on year from ¥1,919,245 million to ¥2,030,391 million. Overseas sales accounted for 92.1% of consolidated net sales, a 0.9 percentage point increase from 91.2% one year earlier. Detailed information on sales by region can be found in Notes to the consolidated financial statements on page 28.

## (2) Projections

The outlook for the global economy in fiscal 2026 is highly uncertain due to the repeated changes in tariffs by the new U.S. administration. Based on this premise, TDK is currently reviewing the impact of the tariffs on the projections of consolidated operating results for fiscal 2026. Since it is difficult to make rational calculations at this stage, the current projections for both sales and profit have a range.

Additionally, TDK has set the following projections for purchase of tangible and intangible assets, depreciation and amortization, and research and development expenses for fiscal 2026.

Item	FY2026 (April 1, 2025 - March 31, 2026)	FY2025 (April 1, 2024 - March 31, 2025)	vs FY2025 Changes	
	Projection in April '25	Actual		
	(Millions of yen)	(Millions of yen)	(Millions of yen)	%
Net sales	2,120,000	2,204,806	(84,806)	(3.8)
	~ 2,200,000		~ (4,806)	~ (0.2)
Operating profit	180,000	224,192	(44,192)	(19.7)
	~ 225,000		~ 808	~ 0.4
Profit before tax	193,000	237,808	(44,808)	(18.8)
	~ 238,000		~ 192	~ 0.1
Net profit attributable to owners of parent	135,000	167,161	(32,161)	(19.2)
	~ 170,000		~ 2,839	~ 1.7
Purchase of tangible and intangible assets	280,000	225,290	54,710	24.3
Depreciation and amortization	205,000	196,228	8,772	4.5
Research and development expenses	260,000	253,586	6,414	2.5

### (Exchange Rate Forecast)

Average yen exchange rates against the U.S. dollar and the euro of ¥140 and ¥155 respectively will be assumed for fiscal 2026.

### Cautionary Statements with Respect to Forward-Looking Statements

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

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

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

### **(3) Summary Information Regarding Consolidated Financial Position**

The following table summarizes TDK's consolidated balance sheet as of March 31, 2025.

Total assets	¥3,541,415 million	(3.7% increase)
Total equity attributable to owners of parent	¥1,800,070 million	(5.4% increase)
Ratio of equity attributable to owners of parent	50.8%	(0.8 point increase)

As of March 31, 2025, total assets increased by ¥126,111 million from March 31, 2024. Cash and cash equivalents increased by ¥47,309 million. Property, plant and equipment and other financial assets (current) increased by ¥39,050 million and ¥30,252 million respectively.

Total liabilities increased by ¥29,798 million from March 31, 2024. Bonds and borrowings (non-current) decreased by ¥54,258 million. Trade payables and other financial liabilities (current) increased by ¥40,562 million and ¥32,728 million respectively.

Total equity attributable to owners of parent, which is included in total equity, increased by ¥92,738 million from March 31, 2024. Mainly, retained earnings increased by ¥134,721 million.

#### (4) Summary Information Regarding Consolidated Cash Flows

(Millions of yen)

	FY 2024	FY 2025	Change
Cash flows from operating activities	447,007	445,839	(1,168)
Cash flows from investing activities	(216,592)	(244,842)	(28,250)
Cash flows from financing activities	(146,368)	(143,333)	3,035
Effect of exchange rate changes on cash and cash equivalents	59,766	(10,355)	(70,121)
Net increase in cash and cash equivalents	143,813	47,309	(96,504)
Cash and cash equivalents at the beginning of period	506,185	649,998	143,813
Cash and cash equivalents at the end of period	649,998	697,307	47,309

Operating activities provided net cash of ¥445,839 million, a decrease of ¥1,168 million year on year. It mainly came from an increase in working capital.

Investing activities used net cash of ¥244,842 million, an increase of ¥28,250 million year on year. It mainly came from an increase in payments into time deposits.

Financing activities used net cash of ¥143,333 million, a decrease of ¥3,035 million year on year. It mainly came from a change of net increase (decrease) in short-term borrowings.

Trends in Cash Flow Indicators

	FY 2023	FY 2024	FY 2025
1) Ratio of equity attributable to owners of parent (%)	46.3	50.0	50.8
2) Ratio of equity attributable to owners of parent on a market value basis (%)	56.9	83.1	82.8
3) No. of years to redeem borrowings	2.86	1.53	1.36
4) Interest coverage ratio (times)	29.2	50.0	55.4

[Notes]

1) Ratio of equity attributable to owners of parent = Equity attributable to owners of parent/Total assets

2) Ratio of equity attributable to owners of parent on a market value basis =

Market capitalization (\*1)/Total assets

(\*1) Market capitalization = Closing price of TDK's common shares on the Tokyo Stock Exchange at fiscal year-end x Shares issued and outstanding at fiscal year-end after deducting treasury shares

3) No. of years to redeem debt = Interest-bearing liabilities (\*2)/Cash flows from operating activities (\*3)

(\*2) Interest-bearing liabilities: "Bonds and borrowings," and "Lease liabilities" on the consolidated statements of financial position.

(\*3) Cash flows from operating activities: "Net cash provided by operating activities" on the consolidated statements of cash flows.

4) Interest coverage ratio = Cash flows from operating activities/Interest payments (\*4)

(\*4) Interest payments: "Interest paid" on the consolidated statements of cash flows.

**(5) Fundamental Policy for Distribution of Earnings, and Fiscal 2025 and Fiscal 2026 Dividends**

TDK recognizes that achieving increase in corporate value over the medium- and long-term ultimately translates into higher shareholder value. In line with this understanding, TDK's fundamental policy is to work to consistently increase dividends through growth in earnings per share. In addition, since the start of Medium-term Plan from Fiscal 2025, TDK has adopted a shareholder return policy that aims for a dividend payout ratio of 35%. Under these policies, TDK actively reinvests its earning in business activities and determines its dividends taking into consideration comprehensive factors, including return on equity (ROE) and dividends on equity (DOE) on a consolidated basis, as well as changes in the business environment, among other factors.

TDK plans to pay a year-end dividend of ¥16 per common share, subject to approval at the ordinary general meeting of shareholders scheduled for June 20, 2025. Combined with the interim dividend of ¥70 (conversion after the stock split: ¥14) per common share paid in December 2024, the planned dividend per common share applicable to the year will be ¥30 (conversion after the stock split). TDK split one share of its common stock into five shares with the effective date of October 1, 2024.

TDK plans to pay an interim dividend of ¥15 per common share and a year-end dividend of ¥15 per common share respectively in Fiscal 2026.

(Yen)

	FY 2026 Forecast	FY 2025
Interim dividend (Conversion after the stock split)	15.00	(Actual) 70.00 (14.00)
Year-end dividend	15.00	(Forecast) 16.00
Annual dividend (Conversion after the stock split)	30.00	- (30.00)

## **2. Management Policies**

### **(1) Fundamental Management Policy**

TDK was founded as a venture enterprise in 1935 for the purpose of industrializing a magnetic material called ferrite, which was invented at the Tokyo Institute of Technology currently known as the Institute of Science Tokyo. TDK's corporate motto is "Contribute to culture and industry through creativity," a message that embodies the company's founding spirit. Guided by this spirit, in the ensuing years TDK has continuously pursued originality and enhanced corporate value through offering the creation of new value (products/services) by promotion of innovation. In addition, TDK has advanced globalization and diversification of its business operations while actively pursuing M&As, collaboration with external partners and other initiatives. As a result, TDK today is engaged in four main businesses: Passive Components, Sensor Application Products, Magnetic Application Products, and Energy Application Products.

Looking ahead, TDK brings together the entire TDK Group's strengths while taking full advantage of the strengths of each TDK group company, and constantly drawing on innovative thinking and a willingness to tackle new challenges. By this, TDK aims to achieve satisfaction, trust, and support of all stakeholders, including shareholders, customers, suppliers, employees, and local communities. Additionally, we strive to contribute to the resolution of social issues through our business and remain a socially beneficial entity, thereby contributing to the development of a sustainable society.



## (2) Medium- and Long-term Management Strategy and Pressing Issues of TDK

### ① Long-term Vision

The global economy is facing a crisis of fragmentation due to the ongoing opposition between the U.S. 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 transition to decarbonization are expected to continue from the perspective of countermeasures against global warming, energy security, and other issues. Moreover, the sophistication and permeation of technologies such as AI, the metaverse (virtual online space), robotics, and ADAS (Advanced Driver Assistance System) have led to major social changes such as labor savings and greater efficiency in industry, as well as advancement of urban functions. This social transformation, including GX and 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 social transformation through business based on the Corporate Motto to “Contribute to culture and industry through creativity.”

<Long-term Vision>



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 auger 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 in the electronic device domain (Social and relationship capital • Intellectual capital). 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 capability 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.”

## ②Key issues (Materiality)

The global energy situation has become increasingly uncertain due to a sharp rise in energy prices, led by a combination of factors such as a lack of investment in fossil fuels, Russia's invasion of Ukraine, and tensions in the Middle East. In addition, political tensions between the United States and China have led to economic separation, with the United States continuously restricting exports of semiconductors and others to China. Moreover, 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 make a crucial impact on the supply chain relating TDK significantly as well as global economic growth.

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. 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 enhance 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 the 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”. For example, to “advance group 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 enhance 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 paying due consideration to business risks, and by maintaining an appropriate balance between capital

efficiency, shareholder returns, and financial soundness, aims to build a strong financial foundation that will support TDK's sustainable growth and enhance corporate value.

More information on Key issues (Materiality) can be found on the website.

<TDK Group's Key issues (Materiality)>

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

### ③Medium-term Plan (fiscal 2025–2027)

Medium-term Plan (fiscal 2025–2027) was formulated by back-casting from Long-term Vision as a 3-year-activity plan to realize Long-term Vision. As we work towards achieving our Long-term Vision, we position the period of this Medium-term Plan as a time to strengthen our fundamental business (Strengthening profitability of core business, Addressing turnaround business).

It is vital for enhancing our corporate value to maximize free cash flow (FCF) generation, reduce the cost of capital, and increase the expected growth rate. Based on the idea, we will pursue these three pillars below in the Medium-term Plan.

1. Strengthen management focusing on cash flows
2. Enhance business portfolio management (Emphasizing ROIC)
3. Evolve the Ferrite Tree (Pre-financial capital).

With these three pillars, the Medium-term Plan has set the pre-financial KPIs in addition to the financial KPIs; it is based on the ways of thinking to enhance our 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".

## &lt;List of KPIs for the Medium-term Plan&gt;

			FY 2025 Result	FY 2027 Plan	How we want to be in the medium-to long-term
Financial indices	Growth	Net sales [¥ bn] (CAGR)	2,204.8	2500.0 (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 (OPM)	10.2%	11% or more	15% or more
	Financial soundness	Shareholders' equity ratio	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\$)
Pre- financial indices	KPIs	Team member engagement (TME)			
		- Communication score	-	75 pts. or more	-
		- Response rate	-	80% or more	-
		CO2 emission reductions ratio (SBTi Scope 1+2) (vs. FY 2022)	-	23.3%	42.0%

Note: Actual results of pre-financial indices will be disclosed in other disclosure documents after July 2025.

### **3. Basic Rationale for Selection of Accounting Standards**

TDK adopted International Financial Reporting Standards (“IFRS”) from the fiscal year ended March 2022 in order to enhance the international comparability of its financial information in the capital markets and to improve the efficiency and quality of group management.

## 4. Consolidated Financial Statements and Notes to the Consolidated Financial Statements

### (1) Consolidated statements of financial position

	March 31, 2024		March 31, 2025		Change
	Amount (Millions of yen)	%	Amount (Millions of yen)	%	Amount (Millions of yen)
Assets					
Current assets					
Cash and cash equivalents	649,998		697,307		47,309
Trade receivables	558,298		583,133		24,835
Other financial assets	47,052		77,304		30,252
Inventories	406,084		410,038		3,954
Income taxes receivables	4,828		5,852		1,024
Other current assets	61,715		63,224		1,509
Total current assets	1,727,975	50.6	1,836,858	51.9	108,883
Non-current assets					
Investments accounted for using the equity method	36,990		42,186		5,196
Other financial assets	184,425		183,840		(585)
Property, plant and equipment	991,072		1,030,122		39,050
Right-of-use assets	71,334		73,230		1,896
Goodwill	168,383		164,868		(3,515)
Intangible assets	57,114		49,159		(7,955)
Long-term advances to suppliers	105,941		93,850		(12,091)
Deferred tax assets	56,183		54,651		(1,532)
Other non-current assets	15,887		12,651		(3,236)
Total non-current assets	1,687,329	49.4	1,704,557	48.1	17,228
Total assets	3,415,304	100.0	3,541,415	100.0	126,111

TDK Corporation (6762) Consolidated FY March 2025 (IFRS)

	March 31, 2024		March 31, 2025		Change
	Amount (Millions of yen)	%	Amount (Millions of yen)	%	Amount (Millions of yen)
Liabilities					
Current liabilities					
Bonds and borrowings	212,907		187,145		(25,762)
Lease liabilities	11,627		12,654		1,027
Trade payables	351,940		392,502		40,562
Other financial liabilities	81,774		114,502		32,728
Income taxes payables	38,746		41,093		2,347
Provisions	12,605		12,329		(276)
Other current liabilities	307,291		338,235		30,944
Total current liabilities	1,016,890	29.8	1,098,460	31.0	81,570
Non-current liabilities					
Bonds and borrowings	400,259		346,001		(54,258)
Lease liabilities	60,943		62,600		1,657
Other financial liabilities	5,837		4,719		(1,118)
Retirement benefit liabilities	98,388		95,368		(3,020)
Provisions	13,660		13,124		(536)
Deferred tax liabilities	91,616		94,678		3,062
Other non-current liabilities	12,770		15,211		2,441
Total non-current liabilities	683,473	20.0	631,701	17.9	(51,772)
Total liabilities	1,700,363	49.8	1,730,161	48.9	29,798
Equity					
Equity attributable to owners of parent					
Share capital	32,641		32,641		-
Capital surplus	34		264		230
Retained earnings	1,138,732		1,273,453		134,721
Other components of equity	551,998		509,555		(42,443)
Treasury shares	(16,073)		(15,843)		230
Total equity attributable to owners of parent	1,707,332	50.0	1,800,070	50.8	92,738
Non-controlling interests	7,609	0.2	11,184	0.3	3,575
Total equity	1,714,941	50.2	1,811,254	51.1	96,313
Total liabilities and equity	3,415,304	100.0	3,541,415	100.0	126,111

**(2) Consolidated statements of profit or loss and comprehensive income****Consolidated statements of profit or loss**

	Fiscal year ended March 31, 2024		Fiscal year ended March 31, 2025		Change	
	Amount (Millions of yen)	% to net sales	Amount (Millions of yen)	% to net sales	Amount (Millions of yen)	%
Net sales	2,103,876	100.0	2,204,806	100.0	100,930	4.8
Cost of sales	(1,500,858)		(1,516,764)		(15,906)	
Gross profit	603,018	28.7	688,042	31.2	85,024	14.1
Selling, general and administrative expenses	(452,520)		(494,029)		(41,509)	
Other operating income	22,712		30,717		8,005	
Other operating expenses	(317)		(538)		(221)	
Operating profit	172,893	8.2	224,192	10.2	51,299	29.7
Finance income	35,902		27,047		(8,855)	
Finance costs	(30,224)		(13,365)		16,859	
Share of profit/(loss) of investments accounted for using the equity method	670		(66)		(736)	
Profit before tax	179,241	8.5	237,808	10.8	58,567	32.7
Income tax expense	(53,106)		(67,419)		(14,313)	
Net profit	126,135	6.0	170,389	7.7	44,254	35.1
Net profit attributable to:						
Owners of parent	124,687	5.9	167,161	7.6	42,474	34.1
Non-controlling interests	1,448	0.1	3,228	0.1	1,780	122.9
Net profit	126,135	6.0	170,389	7.7	44,254	35.1



**Consolidated statements of comprehensive income**

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Change
	Amount (Millions of yen)	Amount (Millions of yen)	Amount (Millions of yen)
Net profit	126,135	170,389	44,254
Other comprehensive income, net of tax			
Items that will not be reclassified to profit or loss			
Net change in fair value of equity instruments measured at fair value through other comprehensive income	(13,308)	9,537	22,845
Remeasurements of defined benefit plans	1,160	1,607	447
Share of other comprehensive income of investments accounted for using the equity method	151	(33)	(184)
Total	(11,997)	11,111	23,108
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations	177,972	(36,889)	(214,861)
Share of other comprehensive income of investments accounted for using the equity method	217	(648)	(865)
Total	178,189	(37,537)	(215,726)
Total other comprehensive income, net of tax	166,192	(26,426)	(192,618)
Comprehensive income	292,327	143,963	(148,364)
Comprehensive income attributable to:			
Owners of parent	290,832	140,941	(149,891)
Non-controlling interests	1,495	3,022	1,527
Comprehensive income	292,327	143,963	(148,364)

**(3) Consolidated statements of changes in equity**

Fiscal year ended March 31, 2024	Equity attributable to owners of parent						Non- controlling interests	Total equity
	Share capital	Capital surplus	Retained earnings	Other components of equity	Treasury shares	Total		
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
Balance as of April 1, 2023	32,641	45	1,054,738	387,281	(16,259)	1,458,446	4,421	1,462,867
Comprehensive income								
Net profit	-	-	124,687	-	-	124,687	1,448	126,135
Other comprehensive income, net of tax	-	-	-	166,145	-	166,145	47	166,192
Total comprehensive income	-	-	124,687	166,145	-	290,832	1,495	292,327
Transactions with owners								
Equity transactions with non-controlling interests	-	(34)	-	-	-	(34)	2,112	2,078
Dividends paid	-	-	(42,103)	-	-	(42,103)	(546)	(42,649)
Transfer from retained earnings to capital surplus	-	18	(18)	-	-	-	-	-
Purchase of treasury shares	-	-	-	-	(1)	(1)	-	(1)
Disposal of treasury shares	-	-	-	-	1	1	-	1
Share-based payment transactions	-	191	-	-	-	191	127	318
Exercise of share options	-	(142)	-	-	142	0	-	0
Delivery of share under restricted stock unit	-	(44)	-	-	44	-	-	-
Total transactions with owners	-	(11)	(42,121)	-	186	(41,946)	1,693	(40,253)
Transfer from other components of equity to retained earnings	-	-	1,428	(1,428)	-	-	-	-
Balance as of March 31, 2024	32,641	34	1,138,732	551,998	(16,073)	1,707,332	7,609	1,714,941

TDK Corporation (6762) Consolidated FY March 2025 (IFRS)

Fiscal year ended March 31, 2025	Equity attributable to owners of parent						Non- controlling interests	Total equity
	Share capital	Capital surplus	Retained earnings	Other components of equity	Treasury shares	Total		
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
Balance as of April 1, 2024	32,641	34	1,138,732	551,998	(16,073)	1,707,332	7,609	1,714,941
Comprehensive income								
Net profit	-	-	167,161	-	-	167,161	3,228	170,389
Other comprehensive income, net of tax	-	-	-	(26,220)	-	(26,220)	(206)	(26,426)
Total comprehensive income	-	-	167,161	(26,220)	-	140,941	3,022	143,963
Transactions with owners								
Equity transactions with non-controlling interests	-	(48)	-	-	-	(48)	1,342	1,294
Dividends paid	-	-	(48,569)	-	-	(48,569)	(940)	(49,509)
Transfer from retained earnings to capital surplus	-	94	(94)	-	-	-	-	-
Purchase of treasury shares	-	-	-	-	(3)	(3)	-	(3)
Share-based payment transactions	-	417	-	-	-	417	151	568
Exercise of share options	-	(105)	-	-	105	0	-	0
Delivery of share under post-delivery type stock remuneration	-	(128)	-	-	128	-	-	-
Total transactions with owners	-	230	(48,663)	-	230	(48,203)	553	(47,650)
Transfer from other components of equity to retained earnings	-	-	16,223	(16,223)	-	-	-	-
Balance as of March 31, 2025	32,641	264	1,273,453	509,555	(15,843)	1,800,070	11,184	1,811,254

**(4) Consolidated statements of cash flows**

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
	Amount (Millions of yen)	Amount (Millions of yen)
Cash flows from operating activities		
Net profit	126,135	170,389
Depreciation and amortization	190,546	196,228
Impairment losses (reversal of impairment losses)	9,570	18,032
Finance income	(35,902)	(27,047)
Finance costs	30,224	13,365
Share of (profit)/loss of investments accounted for using the equity method	(670)	66
Income tax expense	53,106	67,419
Changes in assets and liabilities:		
Decrease (increase) in trade receivables	36,976	(28,011)
Decrease (increase) in inventories	72,950	(8,273)
Decrease (increase) in long-term advances to suppliers	13,093	10,832
Decrease (increase) in other current assets	(2,905)	5,865
Increase (decrease) in trade payables	(19,744)	38,777
Increase (decrease) in other current liabilities	14,966	37,063
Increase (decrease) in retirement benefit liabilities	(4,533)	(4,269)
Decrease (increase) in other financial assets	12,997	(1,297)
Increase (decrease) in other financial liabilities	(2,834)	6,669
Other	(18,794)	(2,558)
Subtotal	475,181	493,250
Interest and dividends received	20,965	20,391
Interest paid	(8,942)	(8,045)
Income taxes paid	(40,197)	(59,757)
Cash flows from operating activities	447,007	445,839

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
	Amount (Millions of yen)	Amount (Millions of yen)
Cash flows from investing activities		
Purchase of tangible and intangible assets	(218,589)	(225,290)
Proceeds from sale of tangible and intangible assets	26,100	20,517
Proceeds from withdrawal of time deposits	44,796	71,492
Payments into time deposits	(43,183)	(115,127)
Proceeds from sale and redemption of securities	1,952	19,093
Payment for purchase of securities	(17,918)	(9,184)
Purchase of investments in associates	(9,693)	(5,975)
Other	(57)	(368)
Cash flows from investing activities	(216,592)	(244,842)
Cash flows from financing activities		
Proceeds from long-term borrowings	80,339	13,677
Repayment of long-term borrowings	(25,478)	(134,934)
Net increase (decrease) in short-term borrowings	(168,237)	10,050
Proceeds from bonds	20,000	-
Net increase (decrease) in commercial papers	-	29,954
Repayment of lease liabilities	(12,286)	(14,183)
Dividends paid	(42,152)	(48,536)
Other	1,446	639
Cash flows from financing activities	(146,368)	(143,333)
Effect of exchange rate changes on cash and cash equivalents	59,766	(10,355)
Net increase in cash and cash equivalents	143,813	47,309
Cash and cash equivalents at the beginning of year	506,185	649,998
Cash and cash equivalents at end of year	649,998	697,307

**(5) Notes to the consolidated financial statements**

(Notes to going concern assumption)

None

(Material accounting policies)

The material accounting policies adopted in the consolidated financial statements for the fiscal year ended March 31, 2025 are consistent with those applied in the consolidated financial statements for the fiscal year ended March 31, 2024.

(Segment information)

**1. Description of reportable segments**

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

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

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

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

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

## 2. Information about reportable segments

The reportable segment information for the fiscal years ended March 31, 2024 and 2025 are as follows:

[Net sales]

(Millions of yen, %)

		Fiscal year ended March 31, 2024		Fiscal year ended March 31, 2025		Change	
		Amount	%	Amount	%	Amount	%
Passive Components	External customers	565,649	26.9	559,639	25.4	(6,010)	(1.1)
	Intersegment	6,901		4,225		(2,676)	(38.8)
	Total	572,550		563,864		(8,686)	(1.5)
Sensor Application Products	External customers	180,511	8.6	189,472	8.6	8,961	5.0
	Intersegment	1,697		981		(716)	(42.2)
	Total	182,208		190,453		8,245	4.5
Magnetic Application Products	External customers	184,211	8.7	223,637	10.1	39,426	21.4
	Intersegment	79		68		(11)	(13.9)
	Total	184,290		223,705		39,415	21.4
Energy Application Products	External customers	1,121,662	53.3	1,176,499	53.4	54,837	4.9
	Intersegment	11		2		(9)	(81.8)
	Total	1,121,673		1,176,501		54,828	4.9
Other	External customers	51,843	2.5	55,559	2.5	3,716	7.2
	Intersegment	7,215		4,740		(2,475)	(34.3)
	Total	59,058		60,299		1,241	2.1
Intersegment elimination		(15,903)		(10,016)		5,887	
Total		2,103,876	100.0	2,204,806	100.0	100,930	4.8

[Segment profit (loss)]

(Millions of yen, %)

	Fiscal year ended March 31, 2024		Fiscal year ended March 31, 2025		Change	
	Amount	% to net sales	Amount	% to net sales	Amount	%
Passive Components	53,886	9.5	34,072	6.1	(19,814)	(36.8)
Sensor Application Products	6,042	3.3	4,983	2.6	(1,059)	(17.5)
Magnetic Application Products	(35,589)	(19.3)	3,377	1.5	38,966	-
Energy Application Products	195,654	17.4	234,448	19.9	38,794	19.8
Other	(1,799)	(3.5)	(4,437)	(8.0)	(2,638)	-
Subtotal	218,194	10.4	272,443	12.4	54,249	24.9
Adjustment	(45,301)		(48,251)		(2,950)	
Operating profit	172,893	8.2	224,192	10.2	51,299	29.7

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

The adjustment in the table above mainly represents corporate expenses for company-wide operational and administrative purposes that are not allocated to operating segments.

### 3. Geographic segment information

The geographic segment information for the fiscal years ended March 31, 2024 and 2025 are as follows:

[Net sales]

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Japan	184,631	174,415
Americas	148,687	140,109
Europe	203,003	175,168
China	1,117,576	1,192,472
Asia and others	449,979	522,642
Total	2,103,876	2,204,806

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



(Earnings per share)

The basic and diluted earnings per share are as follows:

	(Millions of yen)			
	Fiscal year ended March 31, 2024		Fiscal year ended March 31, 2025	
	Basic	Diluted	Basic	Diluted
Net profit attributable to owners of parent	124,687	124,687	167,161	167,161
				Number of shares (thousands)
Weighted average number of common shares issued	1,896,680	1,896,680	1,897,372	1,897,372
Incremental shares arising from exercise of share options	-	2,530	-	2,069
Incremental shares arising from delivery under restricted stock unit plan	-	305	-	359
Incremental shares arising from delivery under performance share unit plan	-	95	-	122
Weighted average number of common shares issued - Total	1,896,680	1,899,610	1,897,372	1,899,922
				(Yen)
Earnings per share	65.74	65.64	88.10	87.98

Note: Effective October 1, 2024, TDK implemented a share split at a ratio of five shares per common share. The weighted average number of common shares issued, incremental shares arising from exercise of share options, incremental shares arising from delivery under restricted stock unit plan, incremental shares arising from delivery under performance share unit plan, and Earnings per share are calculated assuming that the share split was implemented at the beginning of the fiscal year ended March 31, 2024.

(Significant subsequent events)

None

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

Term  Item	FY 2024 (March 31, 2024)		FY 2025 (March 31, 2025)	
	US\$=¥	EURO=¥	US\$=¥	EURO=¥
Fiscal year-end	151.41	163.24	149.52	162.08

**2) Quarterly sales by product**

(Millions of yen, %)

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

(Millions of yen, %)

Term  Product category	Q1 of FY 2025 (April 1, 2024 - June 30, 2024)		Q2 of FY 2025 (July 1, 2024 - September 30, 2024)		Q3 of FY 2025 (October 1, 2024 - December 31, 2024)		Q4 of FY 2025 (January 1, 2025 - March 31, 2025)	
	Amount	%	Amount	%	Amount	%	Amount	%
Capacitors	61,492	11.9	58,013	10.2	57,535	9.9	57,220	10.7
Inductive Devices	50,810	9.8	52,695	9.2	51,815	8.9	48,962	9.2
Other Passive Components	30,749	5.9	31,207	5.5	30,268	5.2	28,873	5.4
Passive Components	143,051	27.6	141,915	24.9	139,618	24.0	135,055	25.3
Sensor Application Products	44,080	8.5	50,779	8.9	48,094	8.3	46,519	8.7
Magnetic Application Products	55,013	10.6	55,932	9.8	54,450	9.4	58,242	10.9
Energy Application Products	262,920	50.7	309,053	54.1	323,974	55.7	280,552	52.5
Other	13,745	2.6	13,013	2.3	14,907	2.6	13,894	2.6
Total	518,809	100.0	570,692	100.0	581,043	100.0	534,262	100.0

Note: In accordance with the reorganization for the first quarter of the fiscal year ended March 31, 2025, certain products of Other Passive Components are reclassified into Inductive Devices. Thus, the prior year's figures are also reclassified to conform to the new segmentation.