



October 31, 2025

TDK Corporation

Contact: IR&SR Group

+81(3)6778-1068

Consolidated Financial Results
for the Second Quarter (First Half) of FY March 2026
(Under IFRS)

(Millions of yen, %)

<div>Term</div> <div>Account</div>	1H of FY March 2025 (April 1, 2024 – September 30, 2024)		1H of FY March 2026 (April 1, 2025 – September 30, 2025)		Change	
	Amount	% to net sales	Amount	% to net sales	Amount	%
Net sales	1,089,501	100.0	1,183,363	100.0	93,862	8.6
Operating profit	133,302	12.2	147,627	12.5	14,325	10.7
Profit before tax	137,304	12.6	147,477	12.5	10,173	7.4
Net profit attributable to owners of parent	105,710	9.7	111,406	9.4	5,696	5.4
Earnings per share:						
- Basic	55.72 yen		58.70 yen			
- Diluted	55.64 yen		58.63 yen			
Purchase of tangible and intangible assets	93,451	-	112,739	-	19,288	20.6
Depreciation and amortization	94,957	8.7	96,576	8.2	1,619	1.7
Research and development expenses	123,186	11.3	133,785	11.3	10,599	8.6
Number of employees	106,374	-	111,673	-		

(Millions of yen, %)

<div> <div>Term</div> <div>Account</div> </div>	2Q of FY March 2025 (July 1, 2024 – September 30, 2024)		2Q of FY March 2026 (July 1, 2025 – September 30, 2025)		Change	
	Amount	% to net sales	Amount	% to net sales	Amount	%
Net sales	570,692	100.0	647,610	100.0	76,918	13.5
Operating profit	75,430	13.2	91,208	14.1	15,778	20.9
Profit before tax	67,741	11.9	89,847	13.9	22,106	32.6
Net profit attributable to owners of parent	46,083	8.1	69,944	10.8	23,861	51.8
Earnings per share:						
- Basic	24.29 yen		36.86 yen			
- Diluted	24.26 yen		36.81 yen			
Purchase of tangible and intangible assets	50,635	-	52,233	-	1,598	3.2
Depreciation and amortization	47,718	8.4	48,565	7.5	847	1.8
Research and development expenses	62,217	10.9	69,096	10.7	6,879	11.1

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, 2025.

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.

October 31, 2025

Consolidated Financial Results for the Second Quarter (First Half) of FY March 2026 (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
 Inquiries: Atsuo Omagari, General Manager, IR&SR Group
 Telephone: +81-3-6778-1068
 Scheduled date to commence dividend payments: December 2, 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 Second Quarter (First Half) of FY March 2026 (from April 1, 2025 to September 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Profit before tax		Net profit	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2025	1,183,363	8.6	147,627	10.7	147,477	7.4	113,363	5.5
September 30, 2024	1,089,501	2.8	133,302	55.8	137,304	71.1	107,457	94.0

	Net profit attributable to owners of parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
Six months ended	Millions of yen	%	Millions of yen	%	Yen	Yen
September 30, 2025	111,406	5.4	146,010	297.9	58.70	58.63
September 30, 2024	105,710	95.1	36,697	(81.1)	55.72	55.64

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 FY March 2025.

(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
As of	Millions of yen	Millions of yen	Millions of yen	%
September 30, 2025	3,957,393	1,927,094	1,913,041	48.3
March 31, 2025	3,541,415	1,811,254	1,800,070	50.8

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY March 2025	-	70.00	-	16.00	-
March 2026	-	16.00			
March 2026 (Forecast)			-	16.00	32.00

Note: Revisions to the forecast of cash dividends most recently announced: Yes

Note: Effective October 1, 2024, TDK implemented a share split at a ratio of five shares per common share. The dividend per share for the second quarter-end dividend for FY March 2025 is the amount prior to the stock split, while the fiscal year-end dividend for FY March 2025 is the amount after the stock split. There is no annual dividend shown for FY March 2025 because, due to the effects of the stock split, a simple total does not accurately reflect the dividend amount. The annual dividend per share, calculated after the stock split, is 30 yen.

3. Consolidated projection for FY 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	%
FY March 2026	2,370,000	7.5	245,000	9.3	250,000	5.1	180,000	7.7

	Basic earnings per share
FY March 2026	Millions of yen 94.84

Note: Revisions to the forecast of projection most recently announced: Yes

*** 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 September 30, 2025	1,943,859,885 shares
As of March 31, 2025	1,943,859,885 shares

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

As of September 30, 2025	45,908,650 shares
As of March 31, 2025	46,225,100 shares

(iii) Average number of shares outstanding during the period

Six months ended September 30, 2025	1,897,733,716 shares
Six months ended September 30, 2024	1,897,194,526 shares

Note: Effective October 1, 2024, TDK implemented a share split at a ratio of five shares per common share. Average number of shares outstanding during the period is calculated assuming that the share split was implemented at the beginning of the FY March 2025.

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* 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 9 of the attached document, '1. Summary Information Regarding Business Results (3) Summary Information Regarding Consolidated Projections.'

We will be live streaming the performance briefing with simultaneous interpretation in English from 5:30 PM Japan Time on Friday, October 31, 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 Friday, October 31, 2025.

[Contents]

1. Summary Information Regarding Business Results

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

2. Other Information

- | | | |
|--|----|------|
| (1) Changes in Significant Subsidiaries | •• | P.11 |
| (2) Accounting Policy Changes, Accounting Estimate Changes and Restatements | •• | P.11 |
| (3) Fundamental Policy for Distribution of Earnings, and FY March 2026 Dividends | •• | P.11 |

3. Condensed Consolidated Financial Statements and Primary Notes

- | | | |
|--|----|------|
| (1) Condensed consolidated statements of financial position | •• | P.12 |
| (2) Condensed consolidated statements of profit or loss and comprehensive income | •• | P.14 |
| (3) Condensed consolidated statements of changes in equity | •• | P.18 |
| (4) Condensed consolidated statements of cash flows | •• | P.20 |
| (5) Notes to the condensed consolidated financial statements | •• | P.22 |
| (6) Appendix to the Consolidated Financial Statements | •• | P.26 |

1. Summary Information Regarding Business Results

(1) Summary Information Regarding Consolidated Business Results

Consolidated results for the first half of FY March 2026, the period from April 1 to September 30, 2025, are as follows.

In the first half of FY March 2026, the global economy remained significantly unstable due to intensifying trade friction and geopolitical risks in the Middle East, although concerns over a slowdown due to tariffs by the United States have abated. Exchange rates showed an appreciation of the yen mainly against the dollar year on year.

In the electronic components market, which has a significant impact on TDK's consolidated business results, the production of ICT (Information and Communication Technology) related products remained strong on a year-on-year basis. The demand for nearline hard disk drives (HDDs) for data centers also remained at a high level. Meanwhile, in the industrial equipment market, demand related to renewable energy remained brisk. On the other hand, in the automotive market, the demand for battery electric vehicles (BEVs) has continued to decline, resulting in lower parts demand than forecasted at the beginning of the current fiscal year.

In this business environment, during the first half of FY March 2026, the Sensor Application Products, Magnetic Application Products, and Energy Application Products segments experienced an increase in sales year on year, mainly driven by robust demand for components in the ICT market and the industrial equipment market and front-loaded demand due to tariffs. As a result, consolidated net sales for the first half of FY March 2026 came to 1,183,363 million yen, up 8.6% year on year.

In terms of profits, reflecting an increase in the shipments of products for the ICT market, in addition to other factors such as the rationalization and benefits from restructuring conducted in the previous fiscal year, operating profit ended at 147,627 million yen, up 10.7% year on year; profit before tax was 147,477 million yen, up 7.4% year on year; and net profit attributable to owners of parent came to 111,406 million yen, up 5.4% year on year, in the first half of the fiscal year.

(Millions of yen, %)

Item	1H of FY March 2025 (April 1, 2024 – September 30, 2024)		1H of FY March 2026 (April 1, 2025 – September 30, 2025)		Change	
	Amount	% to net sales	Amount	% to net sales	Amount	%
Net Sales	1,089,501	100.0	1,183,363	100.0	93,862	8.6
Operating profit	133,302	12.2	147,627	12.5	14,325	10.7
Profit before tax	137,304	12.6	147,477	12.5	10,173	7.4
Net profit attributable to owners of parent	105,710	9.7	111,406	9.4	5,696	5.4
Earnings per share:						
- Basic	55.72 yen		58.70 yen			
- Diluted	55.64 yen		58.63 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 FY March 2025.

Average yen exchange rates for the U.S. dollar and the euro during the first half of FY March 2026 were ¥146.08 and ¥168.07, respectively, as the yen appreciated 4.4% against the U.S. dollar and depreciated 1.2% against the euro. As a result of these factors and fluctuations in foreign exchange rates, net sales decreased by approximately ¥41.7 billion and operating profit decreased by approximately ¥9.2 billion.

[Sales by Product]

Item	1H of FY March 2025 (April 1, 2024 – September 30, 2024)		1H of FY March 2026 (April 1, 2025 – September 30, 2025)		Change	
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	Change (%)
Capacitors	119,505	10.9	121,836	10.3	2,331	2.0
Inductive Devices	103,505	9.5	104,122	8.8	617	0.6
Other Passive Components	61,956	5.7	59,694	5.0	(2,262)	(3.7)
Passive Components	284,966	26.1	285,652	24.1	686	0.2
Sensor Application Products	94,859	8.7	107,916	9.1	13,057	13.8
Magnetic Application Products	110,945	10.2	115,753	9.8	4,808	4.3
Energy Application Products	571,973	52.5	648,138	54.8	76,165	13.3
Other	26,758	2.5	25,904	2.2	(854)	(3.2)
Total	1,089,501	100.0	1,183,363	100.0	93,862	8.6
Overseas Sales	1,004,795	92.2	1,096,738	92.7	91,943	9.2

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 ¥285,652 million, up 0.2% year on year from ¥284,966 million.

Capacitors is made up of Ceramic Capacitors, Aluminum Electrolytic Capacitors, and Film Capacitors. Sales in the Capacitors were ¥121,836 million, up 2.0% year on year from ¥119,505 million. Sales increased mainly to the industrial equipment market.

Sales of Inductive Devices increased by 0.6% year on year from ¥103,505 million to ¥104,122 million. Sales increased to mainly to the ICT market.

Other Passive Components include High-Frequency Devices, Piezoelectric Material Products, and Circuit Protection Components. Sales of Other Passive Components decreased by 3.7% year on year from ¥61,956 million to ¥59,694 million. Sales decreased mainly to the industrial equipment 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 13.8% from ¥94,859 million to ¥107,916 million. Sales increased mainly to the ICT market.

3) Magnetic Application Products Segment

This segment is made up of HDD Heads, HDD Suspension Assemblies, and Magnets. Segment sales increased 4.3% year on year from ¥110,945 million to ¥115,753 million. Sales of HDD Heads and HDD Suspension Assemblies increased to the ICT market. Sales of Magnets decreased mainly to the industrial equipment market.

4) Energy Application Products Segment

This segment is made up of Energy Devices (Rechargeable Batteries) and Power Supplies. Segment sales increased by 13.3% from ¥571,973 million to ¥648,138 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 decreased by 3.2% from ¥26,758 million to ¥25,904 million. Sales of Mechatronics decreased 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 include products not included in these reporting segments, are as follows:

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

[Sales by Region]

Overseas sales increased by 9.2% year on year from ¥1,004,795 million to ¥1,096,738 million. Overseas sales accounted for 92.7% of consolidated net sales, a 0.5 percentage point increase from 92.2% in the first half of FY March 2025. Detailed information on sales by region can be found in the consolidated supplementary information on page 25.

(2) Summary Information Regarding Consolidated Financial Position for the Second Quarter of FY March 2026

1) The following table summarizes TDK's consolidated statements of financial position as of September 30, 2025.

Total assets	¥3,957,393 million	(11.7% increase)
Total equity attributable to owners of parent	¥1,913,041 million	(6.3% increase)
Ratio of equity attributable to owners of parent	48.3%	(2.5 point decrease)

As of September 30, 2025, total assets increased by ¥415,978 million from March 31, 2025. Cash and cash equivalent increased by ¥97,732 million. Also, trade receivables and property, plant and equipment increased by ¥145,237 million, ¥70,219 million respectively.

Total liabilities increased by ¥300,138 million from March 31, 2025. Trade payables increased by ¥ 154,291 million. Also, bonds and borrowings(current) and other financial liabilities(current) increased by ¥ 55,150 million and ¥ 48,142 million respectively.

Total equity attributable to owners of parent, which is included in total equity, increased by ¥112,971 million from March 31, 2025. Mainly, retained earnings increased by ¥81,331 million.

2) Cash Flows

(Millions of yen)

	1H of FY March 2025	1H of FY March 2026	Change
Cash flows from operating activities	205,862	189,379	(16,483)
Cash flows from investing activities	(100,001)	(128,291)	(28,290)
Cash flows from financing activities	(32,792)	28,221	61,013
Effect of exchange rate changes on cash and cash equivalents	(26,355)	8,423	34,778
Net increase in cash and cash equivalents	46,714	97,732	51,018
Cash and cash equivalents at beginning of period	649,998	697,307	47,309
Cash and cash equivalents at end of period	696,712	795,039	98,327

Operating activities provided net cash of ¥189,379 million, a decrease of ¥16,483 million year on year. It mainly came from an increase in working capital.

Investing activities used net cash of ¥128,291 million, an increase of ¥28,290 million year on year. It mainly came from an increase in purchase of tangible and intangible assets.

Financing activities provided net cash of ¥28,221 million, changed by ¥61,013 million year on year. It mainly came from an increase in commercial papers.

(3) Summary Information Regarding Consolidated Projections

[FY March 2026 Consolidated Projections]

Looking at the electronics market during the first half of FY March 2026, while demand from the automotive market remained sluggish, production in the ICT market, including that of smartphones and HDDs, remained robust, surpassing the level of the same period of the previous fiscal year. In the ICT market, sales of rechargeable batteries and sensors expanded due primarily to the launch of new models and front-loaded demand due to tariffs. In addition, sales of HDD Suspension Assemblies remained brisk as demand for HDDs for data centers continued to show strength. Under such circumstances, TDK's performance for the first half of FY March 2026 exceeded the projections announced on April 28, 2025.

As a result of the review of full-year projections in light of the above conditions, TDK has revised its consolidated projections for FY March 2026 from the projections announced on April 28, 2025, as shown below. In addition, to proactively drive our business portfolio management and address the turnaround businesses, TDK will recognize one-time expenses including restructuring costs of approximately 10.0 billion yen in total for FY March 2026, with an increase of approximately 5.0 billion yen from its beginning-of-year forecast.

TDK has changed its consolidated projections for FY March 2026 from a range-based forecast to a single-value format because the impact of the U.S. tariffs is expected to be limited.

Item	FY March 2026 (April 1, 2025 - March 31, 2026)	FY March 2026 (April 1, 2025 - March 31, 2026)	vs Previous forecast Changes		FY March 2025 (April 1, 2024 - March 31, 2025)	vs FY March 2025 Changes	
	Projection in October '25	Projection in April '25			Actual		
	(Millions of yen)	(Millions of yen)	(Millions of yen)	%	(Millions of yen)	(Millions of yen)	%
Net sales	2,370,000	2,120,000 ~ 2,200,000	170,000 ~ 250,000	7.7 ~ 11.8	2,204,806	165,194	7.5
Operating profit	245,000	180,000 ~ 225,000	20,000 ~ 65,000	8.9 ~ 36.1	224,192	20,808	9.3
Profit before tax	250,000	193,000 ~ 238,000	12,000 ~ 57,000	5.0 ~ 29.5	237,808	12,192	5.1
Net profit attributable to owners of parent	180,000	135,000 ~ 170,000	10,000 ~ 45,000	5.9 ~ 33.3	167,161	12,839	7.7
Purchase of tangible and intangible assets	280,000	280,000	-	-	225,290	54,710	24.3
Depreciation and amortization	200,000	205,000	(5,000)	(2.4)	196,228	3,772	1.9
Research and development expenses	260,000	260,000	-	-	253,586	6,414	2.5

(Exchange Rate Forecast)

Average yen exchange rates against the U.S. dollar and the euro of ¥145 and ¥168 respectively will be assumed from the third quarter onward.

Cautionary Statements with Respect to Forward-Looking Statements

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

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

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

2. Other Information

(1) Changes in Significant Subsidiaries

None

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

None

(3) Fundamental Policy for Distribution of Earnings, and FY March 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 FY March 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.

Projected dividends per share for FY March 2026 are as follows. TDK has revised the projected annual dividend from 30 yen in the previous forecast, based on the revision of the consolidated projections for FY March 2026 as well as on the fundamental policy for distribution of earnings. TDK split one share of its common stock into five shares with the effective date of October 1, 2024

(Yen)

	FY March 2026	FY March 2025 Actual
Interim dividend (After the stock split)	16.00	70.00 (14.00)
Year-end dividend	(Forecast) 16.00	16.00
Annual dividend (After the stock split)	(Forecast) 32.00	- (30.00)

3. Condensed Consolidated Financial Statements and Primary Notes

(1) Condensed consolidated statements of financial position

	March 31, 2025		September 30, 2025		Change
	Amount (Millions of yen)	%	Amount (Millions of yen)	%	Amount (Millions of yen)
Assets					
Current assets					
Cash and cash equivalents	697,307		795,039		97,732
Trade receivables	583,133		728,370		145,237
Other financial assets	77,304		79,117		1,813
Inventories	410,038		475,599		65,561
Income taxes receivables	5,852		5,659		(193)
Other current assets	63,224		85,558		22,334
Total current assets	1,836,858	51.9	2,169,342	54.8	332,484
Non-current assets					
Investments accounted for using the equity method	42,186		45,601		3,415
Other financial assets	183,840		190,604		6,764
Property, plant and equipment	1,030,122		1,100,341		70,219
Right-of-use assets	73,230		70,416		(2,814)
Goodwill	164,868		177,837		12,969
Intangible assets	49,159		47,941		(1,218)
Long-term advances to suppliers	93,850		88,747		(5,103)
Deferred tax assets	54,651		54,821		170
Other non-current assets	12,651		11,743		(908)
Total non-current assets	1,704,557	48.1	1,788,051	45.2	83,494
Total assets	3,541,415	100.0	3,957,393	100.0	415,978

TDK Corporation (6762) Financial Results for the Second Quarter (First Half) of FY March 2026 (IFRS)

	March 31, 2025		September 30, 2025		Change
	Amount (Millions of yen)	%	Amount (Millions of yen)	%	Amount (Millions of yen)
Liabilities					
Current liabilities					
Bonds and borrowings	187,145		242,295		55,150
Lease liabilities	12,654		12,122		(532)
Trade payables	392,502		546,793		154,291
Other financial liabilities	114,502		162,644		48,142
Income taxes payables	41,093		56,467		15,374
Provisions	12,329		11,742		(587)
Other current liabilities	338,235		355,444		17,209
Total current liabilities	1,098,460	31.0	1,387,507	35.1	289,047
Non-current liabilities					
Bonds and borrowings	346,001		356,107		10,106
Lease liabilities	62,600		59,788		(2,812)
Other financial liabilities	4,719		3,643		(1,076)
Retirement benefit liabilities	95,368		101,125		5,757
Provisions	13,124		12,438		(686)
Deferred tax liabilities	94,678		93,821		(857)
Other non-current liabilities	15,211		15,870		659
Total non-current liabilities	631,701	17.9	642,792	16.2	11,091
Total liabilities	1,730,161	48.9	2,030,299	51.3	300,138
Equity					
Equity attributable to owners of parent					
Share capital	32,641		32,641		-
Capital surplus	264		400		136
Retained earnings	1,273,453		1,354,784		81,331
Other components of equity	509,555		540,950		31,395
Treasury shares	(15,843)		(15,734)		109
Total equity attributable to owners of parent	1,800,070	50.8	1,913,041	48.3	112,971
Non-controlling interests	11,184	0.3	14,053	0.4	2,869
Total equity	1,811,254	51.1	1,927,094	48.7	115,840
Total liabilities and equity	3,541,415	100.0	3,957,393	100.0	415,978

(2) Condensed consolidated statements of profit or loss and comprehensive income**[1st half results]****Condensed consolidated statements of profit or loss**

	1H of FY March 2025 (April 1, 2024 – September 30, 2024)		1H of FY March 2026 (April 1, 2025 – September 30, 2025)		Change	
	Amount (Millions of yen)	% to net sales	Amount (Millions of yen)	% to net sales	Amount (Millions of yen)	%
Net sales	1,089,501	100.0	1,183,363	100.0	93,862	8.6
Cost of sales	(735,388)		(798,959)		(63,571)	
Gross profit	354,113	32.5	384,404	32.5	30,291	8.6
Selling, general and administrative expenses	(237,989)		(250,192)		(12,203)	
Other operating income	17,320		13,692		(3,628)	
Other operating expenses	(142)		(277)		(135)	
Operating profit	133,302	12.2	147,627	12.5	14,325	10.7
Finance income	13,664		15,650		1,986	
Finance costs	(8,191)		(15,040)		(6,849)	
Share of profit (loss) of investments accounted for using equity method	(1,471)		(760)		711	
Profit before tax	137,304	12.6	147,477	12.5	10,173	7.4
Income tax expense	(29,847)		(34,114)		(4,267)	
Net profit for the period	107,457	9.9	113,363	9.6	5,906	5.5
Net profit attributable to:						
Owners of parent	105,710	9.7	111,406	9.4	5,696	5.4
Non-controlling interests	1,747	0.2	1,957	0.2	210	12.0
Net profit for the period	107,457	9.9	113,363	9.6	5,906	5.5

Condensed consolidated statements of Comprehensive Income

	1H of FY March 2025 (April 1, 2024 – September 30, 2024)	1H of FY March 2026 (April 1, 2025 – September 30, 2025)	Change
	Amount (Millions of yen)	Amount (Millions of yen)	Amount (Millions of yen)
Net profit for the period	107,457	113,363	5,906
Other comprehensive income, net of tax			
Items that will not be reclassified to profit or loss			
Net change in fair value of equity instruments measured at fair value through other comprehensive income	4,728	(1,216)	(5,944)
Remeasurements of defined benefit plans	3	(827)	(830)
Share of other comprehensive income of investments accounted for using the equity method	26	142	116
Total	4,757	(1,901)	(6,658)
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations	(73,905)	34,470	108,375
Share of other comprehensive income of investments accounted for using the equity method	(1,612)	78	1,690
Total	(75,517)	34,548	110,065
Total other comprehensive income, net of tax	(70,760)	32,647	103,407
Comprehensive income for the period	36,697	146,010	109,313
Comprehensive income attributable to:			
Owners of parent	34,896	143,088	108,192
Non-controlling interests	1,801	2,922	1,121
Comprehensive income for the period	36,697	146,010	109,313

[2nd quarter results]**Condensed consolidated statements of profit or loss**

	Three months ended September 30, 2024		Three months ended September 30, 2025		Change	
	Amount (Millions of yen)	% to net sales	Amount (Millions of yen)	% to net sales	Amount (Millions of yen)	%
Net sales	570,692	100.0	647,610	100.0	76,918	13.5
Cost of sales	(383,864)		(432,860)		(48,996)	
Gross profit	186,828	32.7	214,750	33.2	27,922	14.9
Selling, general and administrative expenses	(120,945)		(129,172)		(8,227)	
Other operating income	9,657		5,893		(3,764)	
Other operating expenses	(110)		(263)		(153)	
Operating profit	75,430	13.2	91,208	14.1	15,778	20.9
Finance income	6,978		7,984		1,006	
Finance costs	(13,447)		(9,025)		4,422	
Share of profit (loss) of investments accounted for using equity method	(1,220)		(320)		900	
Profit before tax	67,741	11.9	89,847	13.9	22,106	32.6
Income tax expense	(20,744)		(18,867)		1,877	
Net profit for the period	46,997	8.2	70,980	11.0	23,983	51.0
Net profit attributable to:						
Owners of parent	46,083	8.1	69,944	10.8	23,861	51.8
Non-controlling interests	914	0.1	1,036	0.2	122	13.3
Net profit for the period	46,997	8.2	70,980	11.0	23,983	51.0

Condensed consolidated statements of comprehensive income

	Three months ended September 30, 2024	Three months ended September 30, 2025	Change
	Amount (Millions of yen)	Amount (Millions of yen)	Amount (Millions of yen)
Net profit for the period	46,997	70,980	23,983
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	(451)	611	1,062
Remeasurements of defined benefit plans	3	(827)	(830)
Share of other comprehensive income of investments accounted for using the equity method	(157)	252	409
Total	(605)	36	641
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations	(186,328)	66,247	252,575
Share of other comprehensive income of investments accounted for using the equity method	(2,908)	650	3,558
Total	(189,236)	66,897	256,133
Total other comprehensive income, net of tax	(189,841)	66,933	256,774
Comprehensive income for the period	(142,844)	137,913	280,757
Comprehensive income attributable to:			
Owners of parent	(143,841)	135,875	279,716
Non-controlling interests	997	2,038	1,041
Comprehensive income for the period	(142,844)	137,913	280,757

(3) Condensed consolidated statements of changes in equity

Six months ended September 30, 2024	Equity attributable to owners of parent							Non- controlling interests	Total equity
	Share capital	Capital surplus	Retained earnings	Other components of equity	Other comprehensive income associated with assets held for sale	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)	(Millions of yen)
Balance as of April 1, 2024	32,641	34	1,138,732	551,998	-	(16,073)	1,707,332	7,609	1,714,941
Comprehensive income for the period									
Net profit for the period	-	-	105,710	-	-	-	105,710	1,747	107,457
Other comprehensive income, net of tax	-	-	-	(70,814)	-	-	(70,814)	54	(70,760)
Total comprehensive income for the period	-	-	105,710	(70,814)	-	-	34,896	1,801	36,697
Transactions with owners									
Equity transactions with non-controlling interests	-	19	-	-	-	-	19	1,275	1,294
Dividends paid	-	-	(22,005)	-	-	-	(22,005)	(95)	(22,100)
Purchase of treasury shares	-	-	-	-	-	(1)	(1)	-	(1)
Share-based payment transactions	-	173	-	-	-	-	173	81	254
Exercise of share options	-	(68)	-	-	-	68	0	-	0
Delivery of share under post-delivery type share remuneration plan	-	(101)	-	-	-	101	-	-	-
Total transactions with owners	-	23	(22,005)	-	-	168	(21,814)	1,261	(20,553)
Transfer from other components of equity to retained earnings	-	-	(80)	80	-	-	-	-	-
Transfer from other comprehensive income associated with assets held for sale to retained earnings	-	-	-	(10,362)	10,362	-	-	-	-
Balance as of September 30, 2024	32,641	57	1,222,357	470,902	10,362	(15,905)	1,720,414	10,671	1,731,085

Six months ended September 30, 2025	Equity attributable to owners of parent						Non- controlling interests (Millions of yen)	Total equity (Millions of yen)
	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)		
Balance as of April 1, 2025	32,641	264	1,273,453	509,555	(15,843)	1,800,070	11,184	1,811,254
Comprehensive income for the period								
Net profit for the period	-	-	111,406	-	-	111,406	1,957	113,363
Other comprehensive income, net of tax	-	-	-	31,682	-	31,682	965	32,647
Total comprehensive income for the period	-	-	111,406	31,682	-	143,088	2,922	146,010
Transactions with owners								
Equity transactions with non-controlling interests	-	(1)	-	-	-	(1)	-	(1)
Dividends paid	-	-	(30,362)	-	-	(30,362)	(110)	(30,472)
Purchase of treasury shares	-	-	-	-	(0)	(0)	-	(0)
Sale of treasury shares	-	-	-	-	0	0	-	0
Share-based payment transactions	-	245	-	-	-	245	57	302
Exercise of share options	-	(36)	-	-	37	1	-	1
Delivery of share under post-delivery type share remuneration plan	-	(72)	-	-	72	-	-	-
Total transactions with owners	-	136	(30,362)	-	109	(30,117)	(53)	(30,170)
Transfer from other components of equity to retained earnings	-	-	287	(287)	-	-	-	-
Balance as of September 30, 2025	32,641	400	1,354,784	540,950	(15,734)	1,913,041	14,053	1,927,094

(4) Condensed consolidated statements of cash flows

	1H of FY March 2025 (April 1, 2024 – September 30, 2024)	1H of FY March 2026 (April 1, 2025 – September 30, 2025)
	Amount (Millions of yen)	Amount (Millions of yen)
Cash flows from operating activities		
Net profit for the period	107,457	113,363
Depreciation and amortization	94,957	96,576
Impairment losses (reversal of impairment losses)	2,480	1,670
Finance income	(13,664)	(15,650)
Finance costs	8,191	15,040
Share of profit of investments accounted for using equity method	1,471	760
Income tax expense	29,847	34,114
Changes in assets and liabilities:		
Decrease (increase) in trade receivables	(49,771)	(138,582)
Decrease (increase) in inventories	(15,204)	(57,036)
Decrease (increase) in long-term advances to suppliers	6,766	6,187
Decrease (increase) in other current assets	(13,634)	(20,222)
Increase (decrease) in trade payables	70,621	153,558
Increase (decrease) in other current liabilities	3,448	14,315
Increase (decrease) in retirement benefit liabilities	(1,603)	(151)
Decrease (increase) in other financial assets	(11,838)	(2,277)
Increase (decrease) in other financial liabilities	4,652	4,787
Other	(895)	(3,063)
Subtotal	223,281	203,389
Interest and dividends received	9,863	9,825
Interest paid	(4,285)	(3,957)
Income taxes paid	(22,997)	(19,878)
Cash flows from operating activities	205,862	189,379

	1H of FY March 2025 (April 1, 2024 – September 30, 2024)	1H of FY March 2026 (April 1, 2025 – September 30, 2025)
	Amount (Millions of yen)	Amount (Millions of yen)
Cash flows from investing activities		
Purchase of tangible and intangible assets	(93,451)	(112,739)
Proceeds from sale of tangible and intangible assets	16,248	9,078
Proceeds from withdrawal of time deposits	33,719	59,588
Payments into time deposits	(46,028)	(62,638)
Proceeds from sale and redemption of securities	150	6,827
Payment for purchase of securities	(4,958)	(12,527)
Purchase of investments in associates	(5,975)	(3,966)
Acquisition of businesses	-	(1,343)
Acquisition of subsidiaries, net of cash acquired	-	(10,241)
Other	294	(330)
Cash flows from investing activities	(100,001)	(128,291)
Cash flows from financing activities		
Proceeds from long-term borrowings	13,660	6,771
Repayment of long-term borrowings	(73,874)	(36,172)
Net increase (decrease) in short-term borrowings	54,920	15,048
Proceeds from issuance of bonds	-	50,000
Redemption of bonds	-	(30,000)
Net increase (decrease) in commercial papers	-	59,902
Repayment of lease liabilities	(6,734)	(6,333)
Dividends paid	(21,963)	(30,360)
Other	1,199	(635)
Cash flows from financing activities	(32,792)	28,221
Effect of exchange rate changes on cash and cash equivalents	(26,355)	8,423
Net increase in cash and cash equivalents	46,714	97,732
Cash and cash equivalents at beginning of period	649,998	697,307
Cash and cash equivalents at end of period	696,712	795,039

(5) Notes to the condensed consolidated financial statements

(Notes to going concern assumption)

None

(Material accounting policies)

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

The income tax expense for the six months ended September 30, 2025 is calculated based on the estimated annual effective income tax rates.

(Segment information)

1. Description of reportable segments

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

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

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

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

Accounting policies applied to each segment are the same as those for the condensed 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 six months ended September 30, 2024 and 2025 are as follows:

Net sales

(Millions of yen, %)

		1H of FY March 2025 (April 1, 2024 – September 30, 2024)		1H of FY March 2026 (April 1, 2025 – September 30, 2025)		Change	
		Amount	%	Amount	%	Amount	%
Passive Components	External customers	284,966	26.1	285,652	24.1	686	0.2
	Intersegment	2,064		2,337		273	13.2
	Total	287,030		287,989		959	0.3
Sensor Application Products	External customers	94,859	8.7	107,916	9.1	13,057	13.8
	Intersegment	573		10		(563)	(98.3)
	Total	95,432		107,926		12,494	13.1
Magnetic Application Products	External customers	110,945	10.2	115,753	9.8	4,808	4.3
	Intersegment	34		29		(5)	(14.7)
	Total	110,979		115,782		4,803	4.3
Energy Application Products	External customers	571,973	52.5	648,138	54.8	76,165	13.3
	Intersegment	1		1		0	0.0
	Total	571,974		648,139		76,165	13.3
Other	External customers	26,758	2.5	25,904	2.2	(854)	(3.2)
	Intersegment	2,920		2,262		(658)	(22.5)
	Total	29,678		28,166		(1,512)	(5.1)
Intersegment elimination		(5,592)		(4,639)		953	
Total		1,089,501	100.0	1,183,363	100.0	93,862	8.6

Segment profit (loss)

(Millions of yen, %)

		1H of FY March 2025 (April 1, 2024 – September 30, 2024)		1H of FY March 2026 (April 1, 2025 – September 30, 2025)		Change	
		Amount	% to net sales	Amount	% to net sales	Amount	%
Passive Components		28,892	10.1	14,792	5.2	(14,100)	(48.8)
Sensor Application Products		3,186	3.4	12,082	11.2	8,896	279.2
Magnetic Application Products		1,780	1.6	11,905	10.3	10,125	568.8
Energy Application Products		123,360	21.6	137,661	21.2	14,301	11.6
Other		(1,290)	(4.8)	(3,972)	(15.3)	(2,682)	-
Subtotal		155,928	14.3	172,468	14.6	16,540	10.6
Adjustment		(22,626)		(24,841)		(2,215)	
Operating profit		133,302	12.2	147,627	12.5	14,325	10.7

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

The reportable segment information for the three months ended September 30, 2024 and 2025 are as follows:

Net sales

(Millions of yen, %)

		Three months ended September 30, 2024		Three months ended September 30, 2025		Change	
		Amount	%	Amount	%	Amount	%
Passive Components	External customers	141,915	24.9	147,512	22.8	5,597	3.9
	Intersegment	1,093		1,147		54	4.9
	Total	143,008		148,659		5,651	4.0
Sensor Application Products	External customers	50,779	8.9	61,501	9.5	10,722	21.1
	Intersegment	464		10		(454)	(97.8)
	Total	51,243		61,511		10,268	20.0
Magnetic Application Products	External customers	55,932	9.8	61,199	9.4	5,267	9.4
	Intersegment	18		8		(10)	(55.6)
	Total	55,950		61,207		5,257	9.4
Energy Application Products	External customers	309,053	54.1	362,619	56.0	53,566	17.3
	Intersegment	-		1		1	-
	Total	309,053		362,620		53,567	17.3
Other	External customers	13,013	2.3	14,779	2.3	1,766	13.6
	Intersegment	1,428		1,148		(280)	(19.6)
	Total	14,441		15,927		1,486	10.3
Intersegment elimination		(3,003)		(2,314)		689	
Total		570,692	100.0	647,610	100.0	76,918	13.5

Segment profit (loss)

(Millions of yen, %)

		Three months ended September 30, 2024		Three months ended September 30, 2025		Change	
		Amount	% to net sales	Amount	% to net sales	Amount	%
Passive Components		14,982	10.6	8,405	5.7	(6,577)	(43.9)
Sensor Application Products		3,849	7.6	9,392	15.3	5,543	144.0
Magnetic Application Products		1,022	1.8	5,614	9.2	4,592	449.3
Energy Application Products		68,028	22.0	82,291	22.7	14,263	21.0
Other		(1,169)	(9.0)	(1,496)	(10.1)	(327)	-
Subtotal		86,712	15.2	104,206	16.1	17,494	20.2
Adjustment		(11,282)		(12,998)		(1,716)	
Operating profit		75,430	13.2	91,208	14.1	15,778	20.9

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

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

3. Geographic segment information

The geographic segment information for the six months ended September 30, 2024 and 2025 are as follows:

Net sales

	1H of FY March 2025 (April 1, 2024 – September 30, 2024)	(Millions of yen) 1H of FY March 2026 (April 1, 2025 – September 30, 2025)
Japan	84,706	86,625
Americas	70,187	71,721
Europe	90,944	86,793
China	586,144	648,457
Asia and others	257,520	289,767
Total	1,089,501	1,183,363

The geographic segment information for the three months ended September 30, 2024 and 2025 are as follows:

Net sales

	Three months ended September 30, 2024	(Millions of yen) Three months ended September 30, 2025
Japan	42,655	44,390
Americas	34,393	37,761
Europe	44,586	44,423
China	315,550	366,853
Asia and others	133,508	154,183
Total	570,692	647,610

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

(Significant subsequent events)

None

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

Term Item	1H of FY March 2025 September 30, 2024		1H of FY March 2026 September 30, 2025		FY March 2025 March 31, 2025	
	US\$=¥	EURO=¥	US\$=¥	EURO=¥	US\$=¥	EURO=¥
The end of the period	142.73	159.43	148.88	174.47	149.52	162.08

2) Quarterly sales by product

Term Product category	Q1 of FY March 2025 (April 1, 2024 – June 30, 2024)		Q2 of FY March 2025 (July 1, 2024 – September 30, 2024)		Q3 of FY March 2025 (October 1, 2024 – December 31, 2024)		Q4 of FY March 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

(Millions of yen, %)

Term Product category	Q1 of FY March 2026 (April 1, 2025 – June 30, 2025)		Q2 of FY March 2026 (July 1, 2025 – September 30, 2025)	
	Amount	%	Amount	%
Capacitors	59,785	11.1	62,051	9.6
Inductive devices	49,094	9.2	55,028	8.5
Other passive components	29,261	5.5	30,433	4.7
Passive Components	138,140	25.8	147,512	22.8
Sensor Application Products	46,415	8.6	61,501	9.5
Magnetic Application Products	54,554	10.2	61,199	9.4
Energy Application Products	285,519	53.3	362,619	56.0
Other	11,125	2.1	14,779	2.3
Total	535,753	100.0	647,610	100.0