



July 31, 2026
 TDK Corporation
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Consolidated Financial Results for the Three Months Ended June 30, 2026 (Under IFRS)

Term Account	Three Months Ended June 30, 2025 (April 1, 2025 - June 30, 2025)		Three Months Ended June 30, 2026 (April 1, 2026 - June 30, 2026)		Change	
	Amount	% to net sales	Amount	% to net sales	Amount	%
Net sales	535,753	100.0	741,005	100.0	205,252	38.3
Operating profit	56,419	10.5	86,310	11.6	29,892	53.0
Profit before tax	57,630	10.8	94,500	12.8	36,873	64.0
Net profit attributable to owners of parent	41,462	7.7	80,581	10.9	39,120	94.4
Earnings per share:						
- Basic	21.85yen		42.45yen			
- Diluted	21.82yen		42.40yen			
Purchase of tangible and intangible assets	60,506	—	84,875	—	24,369	40.3
Depreciation and amortization	48,011	9.0	57,321	7.7	9,310	19.4
Research and development expenses	64,689	12.1	78,047	10.5	13,358	20.6
Number of employees	108,895	—	109,289	—		

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.

July 31, 2026

Consolidated Financial Results for the Three Months Ended June 30, 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
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 Scheduled date to commence dividend payments: None
 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 three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Profit before tax		Net profit	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	741,005	38.3	86,310	53.0	94,500	64.0	81,985	93.4
June 30, 2025	535,753	3.3	56,419	(2.5)	57,630	(17.2)	42,383	(29.9)

	Net profit attributable to owners of parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
Three months ended	Millions of yen	%	Millions of yen	%	Yen	Yen
June 30, 2026	80,581	94.4	151,284	—	42.45	42.40
June 30, 2025	41,462	(30.5)	8,097	(95.5)	21.85	21.82

(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	%
June 30, 2026	4,751,331	2,317,073	2,298,943	48.4
March 31, 2026	4,415,175	2,203,545	2,187,234	49.5

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
Fiscal year ended March 31, 2026	—	16.00	—	20.00	36.00
Fiscal year ending March 31, 2027	—				
Fiscal year ending March 31, 2027 (Forecast)		20.00	—	20.00	40.00

Note: Revisions to the forecast of cash dividends most recently announced: None

Note: TDK does not pay dividends for the first and third quarters.

3. Consolidated projection for Fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(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 ending March 31, 2027	2,580,000	3.0	295,000	8.3	300,000	8.4	225,000	15.0

	Basic earnings per share
Fiscal year ending March 31, 2027	Yen 118.54

Note: Revisions to the forecast of projection most recently announced: None

* Notes

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: 1 company (Linergy Power Sdn Bhd)

Excluded: 1 company (Actutek Corporation)

(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 June 30, 2026	1,943,859,885 shares
As of March 31, 2026	1,943,859,885 shares

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

As of June 30, 2026	45,705,825 shares
As of March 31, 2026	45,705,760 shares

(iii) Average number of shares outstanding during the period

Three months ended June 30, 2026	1,898,154,117 shares
Three months ended June 30, 2025	1,897,689,345 shares

* 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 7 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, July 31, 2026. 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, July 31, 2026.

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1. Summary Information Regarding Business Results

(1) Summary Information Regarding Consolidated Business Results

Consolidated results for the first three months of Fiscal year ending March 31, 2027, the period from April 1 to June 30, 2026, are as follows.

In the first three months of the Fiscal year ending March 31, 2027, the global economy remained significantly unstable due to escalating tensions in the Middle East among other factors. Exchange rates showed a significant depreciation of the yen mainly against the dollar and the euro 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, such as smartphones, declined year on year due to memory supply constraints and soaring prices. On the other hand, demand for nearline hard disk drives (HDDs) for AI data centers remained robust. In the industrial equipment market, capital investment demand also remained robust. In the automotive market, demand remained brisk, driven by progress in the adoption of electrified and self-driving vehicles.

In this business environment, despite the impact of a decline in production of ICT-related products, all segments recorded year-on-year sales growth in the first three months of Fiscal year ending March 31, 2027, driven by sales of new products such as smartphones and strong demand related to AI data centers. As a result, consolidated net sales for the first three months of Fiscal year ending March 31, 2027 came to 741,005 million yen, up 38.3% year on year.

In terms of profits, reflecting the depreciation of the yen and an increase in the shipments of products for AI data centers, in addition to other factors such as the rationalization and benefits from restructuring conducted in the previous fiscal year, operating profit increased by 53.0% to 86,310 million yen; profit before tax increased by 64.0% to 94,500 million yen; and net profit attributable to owners of parent was 80,581 million yen, an increase of 94.4% year on year.

Item	Three months ended June 30, 2025 (April 1, 2025 – June 30, 2025)		Three months ended June 30, 2026 (April 1, 2026 – June 30, 2026)		Change	
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	Change(%)
Net Sales	535,753	100.0	741,005	100.0	205,252	38.3
Operating profit	56,419	10.5	86,310	11.6	29,892	53.0
Profit before tax	57,630	10.8	94,500	12.8	36,873	64.0
Net profit attributable to owners of parent	41,462	7.7	80,581	10.9	39,120	94.4
Earnings per share:						
- Basic	21.85yen		42.45yen			
- Diluted	21.82yen		42.40yen			

Average yen exchange rates for the U.S. dollar and the euro during the first three months of the Fiscal year ending March 31, 2027 were ¥159.43 and ¥185.32, respectively, as the yen depreciated 10.3% against the U.S. dollar and 13.2% against the euro. As a result of these factors and fluctuations in foreign exchange rates, net sales increased by approximately ¥72.5 billion and operating profit increased by approximately ¥11.3 billion.

Sales by Product

Item	Three months ended June 30, 2025 (April 1, 2025 – June 30, 2025)		Three months ended June 30, 2026 (April 1, 2026 – June 30, 2026)		Change	
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	Change (%)
Capacitors	59,785	11.1	80,752	10.9	20,967	35.1
Inductive Devices	49,094	9.2	61,980	8.4	12,886	26.2
Other Passive Components	29,261	5.5	34,071	4.6	4,810	16.4
Passive Components	138,140	25.8	176,803	23.9	38,663	28.0
Sensor Application Products	46,415	8.6	61,856	8.3	15,441	33.3
Magnetic Application Products	54,554	10.2	81,608	11.0	27,054	49.6
Energy Application Products	285,519	53.3	405,795	54.8	120,276	42.1
Other	11,125	2.1	14,943	2.0	3,818	34.3
Total	535,753	100.0	741,005	100.0	205,252	38.3
Overseas Sales	493,518	92.1	686,935	92.7	193,417	39.2

1) Passive Components Segment

This segment is made up of Capacitors, Inductive Devices, and Other Passive Components. Sales in the Passive Components segment were ¥176,803 million, up 28.0% year on year from ¥138,140 million.

Capacitors is made up of Ceramic Capacitors, Aluminum Electrolytic Capacitors, and Film Capacitors. Sales in the Capacitors were ¥80,752 million, up 35.1% year on year from ¥59,785 million. Sales increased mainly to the industrial equipment market.

Sales of Inductive Devices increased by 26.2% year on year from ¥49,094 million to ¥61,980 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 increased by 16.4% year on year from ¥29,261 million to ¥34,071 million. Sales increased 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 33.3% from ¥46,415 million to ¥61,856 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 by 49.6% year on year, from ¥54,554 million to ¥81,608 million. Sales of HDD Heads and HDD Suspension Assemblies increased to the ICT market. Sales of Magnets increased 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 42.1% from ¥285,519 million to ¥405,795 million. Sales of Energy Devices increased mainly to the ICT market.

5) Other

Other includes Mechatronics (Production Equipment) and Others. Segment sales increased by 34.3% from ¥11,125 million to ¥14,943 million. Sales of Mechatronics increased to the industrial equipment 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), Others

[Sales by Region]

Overseas sales increased by 39.2% year on year from ¥493,518 million to ¥686,935 million. Overseas sales accounted for 92.7% of consolidated net sales, a 0.6 percentage point increase from 92.1% in the first three months of Fiscal year ended March 31, 2026. Detailed information on sales by region can be found in the consolidated supplementary information on page 19.

(2) Summary Information Regarding Consolidated Financial Position

1) The following table summarizes TDK's consolidated balance sheet as of June 30, 2026.

Total assets	¥4,751,331 million	(7.6% increase)
Total equity attributable to owners of parent	¥2,298,943 million	(5.1% increase)
Ratio of equity attributable to owners of parent	48.4%	(1.1 point decrease)

As of June 30, 2026, total assets increased by ¥336,156 million from March 31, 2026. Cash and cash equivalent increased by ¥27,422 million. Property, plant and equipment, trade receivables and inventories increased ¥124,380 million, ¥119,479 million and ¥52,830 million respectively.

Total liabilities increased by ¥222,628 million from March 31, 2026. Bonds and borrowings (current), other financial liabilities(current) and trade payables increased by ¥142,350 million and ¥48,961 million and ¥37,893 million respectively.

Total equity attributable to owners of parent, which is included in total equity, increased by ¥111,709 million from March 31, 2026. Other components of equity increased by ¥68,648 million, mainly from exchange differences on translation of foreign operations. Retained earnings increased by ¥42,935 million.

2) Cash Flows

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026	Change
Cash flows from operating activities	59,043	(19,154)	(78,197)
Cash flows from investing activities	(62,912)	(60,220)	2,692
Cash flows from financing activities	31,236	85,389	54,153
Effect of exchange rate changes on cash and cash equivalents	(14,270)	21,407	35,678
Net increase in cash and cash equivalents	13,097	27,422	14,326
Cash and cash equivalents at beginning of period	697,307	842,775	145,468
Cash and cash equivalents at end of period	710,404	870,197	159,793

Operating activities used net cash of ¥19,154 million, changed by ¥78,197 million year on year. It mainly came from an increase of trade receivables.

Investing activities used net cash of ¥60,220 million, an decrease of ¥2,692 million year on year. It mainly came from an increase of proceeds from withdrawal of time deposits.

Financing activities provided net cash of ¥85,389 million, an increase of ¥54,153 million year on year. It mainly came from a increase of short-term borrowings.

(3) Summary Information Regarding Consolidated Projections

(Fiscal year ending March 31, 2027 Consolidated Projections)

TDK has not changed the following projections for consolidated business results, purchase of tangible and intangible assets, depreciation and amortization, and research and development expenses for the Fiscal year ending March 31, 2027, since its announcement on April 28, 2026.

Item	Fiscal year ending March 31, 2027 (April 1, 2026 - March 31, 2027)	Fiscal year ended March 31, 2026 (April 1, 2025 - March 31, 2026)	vs Fiscal year ended March 31, 2026 Changes	
	Projection in April '26	Actual		
	(Millions of yen)	(Millions of yen)	(Millions of yen)	%
Net sales	2,580,000	2,504,820	75,180	3.0
Operating profit	295,000	272,415	22,585	8.3
Profit before tax	300,000	276,810	23,190	8.4
Net profit attributable to owners of parent	225,000	195,663	29,337	15.0
Purchase of tangible and intangible assets	370,000	298,591	71,409	23.9
Depreciation and amortization	240,000	204,192	35,808	17.5
Research and development expenses	310,000	289,668	20,332	7.0

(Exchange Rate Forecast)

Average yen exchange rates against the U.S. dollar and the euro of ¥150 and ¥175 respectively will be assumed from the second 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

In the three months ended June 30, 2026, TDK Group acquired all shares of Linergy Power Sdn Bhd, which qualifies as a specified subsidiary, and consolidated the company. In addition, TDK Group sold all shares of Actutek Corporation, a specified subsidiary.

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

None

(3) Fundamental Policy for Distribution of Earnings, and Fiscal Year Ending March 31, 2027 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 the Fiscal year ended March 31, 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 the Fiscal year ending March 31, 2027 are as follows. TDK keeps initial dividend forecast unchanged.

		(Yen)
	Fiscal year ending March 31, 2027 Forecast	Fiscal year ended March 31, 2026 Actual
Interim dividend	20.00	16.00
Year-end dividend	20.00	20.00
Annual dividend	40.00	36.00

3. Condensed Quarterly Consolidated Financial Statements and Primary Notes

(1) Condensed quarterly consolidated statements of financial position

	March 31, 2026		June 30, 2026		Change
	Amount (Millions of yen)	%	Amount (Millions of yen)	%	Amount (Millions of yen)
Assets					
Current assets					
Cash and cash equivalents	842,775		870,197		27,422
Trade receivables	780,580		900,059		119,479
Other financial assets	159,587		105,179		(54,408)
Inventories	585,448		638,278		52,830
Income taxes receivables	5,134		5,748		614
Other current assets	81,707		110,530		28,823
Subtotal	2,455,232		2,629,990		174,758
Assets held for sale	—		3,751		3,751
Total current assets	2,455,232	55.6	2,633,741	55.4	178,509
Non-current assets					
Investments accounted for using the equity method	48,664		49,053		389
Other financial assets	226,803		241,754		14,951
Property, plant and equipment	1,225,762		1,350,142		124,380
Right-of-use assets	72,619		83,378		10,759
Goodwill	188,481		195,292		6,811
Intangible assets	49,683		49,822		139
Long-term advances to suppliers	90,080		89,145		(935)
Deferred tax assets	43,798		45,031		1,233
Other non-current assets	14,054		13,971		(83)
Total non-current assets	1,959,944	44.4	2,117,590	44.6	157,646
Total assets	4,415,175	100.0	4,751,331	100.0	336,156

	March 31, 2026		June 30, 2026		Change
	Amount (Millions of yen)	%	Amount (Millions of yen)	%	Amount (Millions of yen)
Liabilities					
Current liabilities					
Bonds and borrowings	210,953		353,303		142,350
Lease liabilities	12,405		12,277		(128)
Trade payables	706,729		744,622		37,893
Other financial liabilities	165,890		214,851		48,961
Income taxes payables	52,333		27,758		(24,575)
Provisions	15,094		17,688		2,594
Other current liabilities	411,140		419,765		8,625
Subtotal	1,574,545		1,790,265		215,720
Liabilities directly associated with assets held for sale	—		984		984
Total current liabilities	1,574,545	35.7	1,791,248	37.7	216,703
Non-current liabilities					
Bonds and borrowings	332,678		336,208		3,530
Lease liabilities	59,934		62,614		2,680
Other financial liabilities	1,031		1,048		17
Retirement benefit liabilities	97,957		99,079		1,122
Provisions	10,639		11,702		1,063
Deferred tax liabilities	111,528		111,574		46
Other non-current liabilities	23,317		20,784		(2,533)
Total non-current liabilities	637,086	14.4	643,009	13.5	5,923
Total liabilities	2,211,630	50.1	2,434,258	51.2	222,628
Equity					
Equity attributable to owners of parent					
Share capital	32,641		32,641		—
Capital surplus	273		400		127
Retained earnings	1,409,670		1,452,605		42,935
Other components of equity	760,315		828,963		68,648
Treasury shares	(15,665)		(15,665)		(0)
Total equity attributable to owners of parent	2,187,234	49.5	2,298,943	48.4	111,709
Non-controlling interests	16,311	0.4	18,130	0.4	1,819
Total equity	2,203,545	49.9	2,317,073	48.8	113,528
Total liabilities and equity	4,415,175	100.0	4,751,331	100.0	336,156

(2) Condensed quarterly consolidated statements of profit or loss and comprehensive income
Condensed quarterly consolidated statements of profit or loss

	Three months ended June 30, 2025 (April 1, 2025 - June 30, 2025)		Three months ended June 30, 2026 (April 1, 2026 - June 30, 2026)		Change	
	Amount (Millions of yen)	% to net sales	Amount (Millions of yen)	% to net sales	Amount (Millions of yen)	%
Net sales	535,753	100.0	741,005	100.0	205,252	38.3
Cost of sales	(366,099)		(513,283)		(147,184)	
Gross profit	169,654	31.7	227,722	30.7	58,068	34.2
Selling, general and administrative expenses	(121,020)		(153,926)		(32,905)	
Other operating income	7,799		12,966		5,167	
Other operating expenses	(14)		(451)		(436)	
Operating profit	56,419	10.5	86,310	11.6	29,892	53.0
Finance income	7,666		19,236		11,570	
Finance costs	(6,015)		(10,567)		(4,550)	
Share of profit/(loss) of investments accounted for using the equity method	(440)		(480)		(40)	
Profit before tax	57,630	10.8	94,500	12.8	36,873	64.0
Income tax expense	(15,247)		(12,515)		2,730	
Net profit for the period	42,383	7.9	81,985	11.1	39,603	93.4
Net profit attributable to:						
Owners of parent	41,462	7.7	80,581	10.9	39,120	94.4
Non-controlling interests	921	0.2	1,404	0.2	483	52.4
Net profit for the period	42,383	7.9	81,985	11.1	39,603	93.4

Condensed quarterly consolidated statements of comprehensive income

	Three months ended June 30, 2025 (April 1, 2025 - June 30, 2025)	Three months ended June 30, 2026 (April 1, 2026 - June 30, 2026)	Change
	Amount (Millions of yen)	Amount (Millions of yen)	Amount (Millions of yen)
Net profit for the period	42,383	81,985	39,603
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	(1,827)	(107)	1,720
Remeasurements of defined benefit plans	—	83	83
Share of other comprehensive income of investments accounted for using the equity method	(110)	620	730
Total	(1,937)	595	2,532
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations	(31,777)	68,193	99,970
Share of other comprehensive income of investments accounted for using the equity method	(572)	510	1,082
Total	(32,349)	68,703	101,052
Total other comprehensive income, net of tax	(34,286)	69,299	103,584
Comprehensive income for the period	8,097	151,284	143,187
Comprehensive income attributable to:			
Owners of parent	7,213	149,546	142,333
Non-controlling interests	884	1,738	854
Comprehensive income for the period	8,097	151,284	143,187

(3) Condensed quarterly consolidated statements of changes in equity

Three months ended June 30, 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, 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	—	—	41,462	—	—	41,462	921	42,383
Other comprehensive income, net of tax	—	—	—	(34,249)	—	(34,249)	(37)	(34,286)
Total comprehensive income for the period	—	—	41,462	(34,249)	—	7,213	884	8,097
Transactions with owners								
Dividends paid	—	—	(30,362)	—	—	(30,362)	—	(30,362)
Purchase of treasury shares	—	—	—	—	(0)	(0)	—	(0)
Sale of treasury shares	—	—	—	—	0	0	—	0
Share-based payment transactions	—	114	—	—	—	114	37	151
Exercise of share options	—	(22)	—	—	22	0	—	0
Total transactions with owners	—	92	(30,362)	—	22	(30,248)	37	(30,211)
Transfer from other components of equity to retained earnings	—	—	377	(377)	—	—	—	—
Balance as of June 30, 2025	32,641	356	1,284,930	474,929	(15,821)	1,777,035	12,105	1,789,140

Three months ended June 30, 2026	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, 2026	32,641	273	1,409,670	760,315	(15,665)	2,187,234	16,311	2,203,545
Comprehensive income for the period								
Net profit for the period	—	—	80,581	—	—	80,581	1,404	81,985
Other comprehensive income, net of tax	—	—	—	68,965	—	68,965	334	69,299
Total comprehensive income for the period	—	—	80,581	68,965	—	149,546	1,738	151,284
Transactions with owners								
Equity transactions with non-controlling interests	—	—	—	—	—	—	39	39
Dividends paid	—	—	(37,963)	—	—	(37,963)	—	(37,963)
Purchase of treasury shares	—	0	—	—	(0)	(0)	—	(0)
Sale of treasury shares	—	—	—	—	0	0	—	0
Share-based payment transactions	—	127	—	—	—	127	42	169
Exercise of share options	—	—	—	—	—	—	—	—
Total transactions with owners	—	127	(37,963)	—	(0)	(37,836)	81	(37,755)
Transfer from other components of equity to retained earnings	—	—	317	(317)	—	—	—	—
Balance as of June 30, 2026	32,641	400	1,452,605	828,963	(15,665)	2,298,943	18,130	2,317,073

(4) Condensed quarterly consolidated statements of cash flows

	Three months ended June 30, 2025 (April 1, 2025 - June 30, 2025)	Three months ended June 30, 2026 (April 1, 2026 - June 30, 2026)
	Amount (Millions of yen)	Amount (Millions of yen)
Cash flows from operating activities		
Net profit for the period	42,383	81,985
Depreciation and amortization	48,011	57,321
Impairment losses (reversal of impairment losses)	428	321
Finance income	(7,666)	(19,236)
Finance costs	6,015	10,567
Share of (profit)/loss of investments accounted for using the equity method	440	480
Income tax expense	15,247	12,515
Changes in assets and liabilities:		
Decrease (increase) in trade receivables	(16,737)	(108,748)
Decrease (increase) in inventories	(27,862)	(26,579)
Decrease (increase) in long-term advances to suppliers	2,746	3,818
Decrease (increase) in other current assets	(24,420)	(31,340)
Increase (decrease) in trade payables	38,973	17,583
Increase (decrease) in other current liabilities	(3,987)	16,332
Increase (decrease) in retirement benefit liabilities	(17)	(1,111)
Decrease (increase) in other financial assets	(2,848)	1,876
Increase (decrease) in other financial liabilities	3,911	5,044
Other	(5,212)	6,859
Subtotal	69,405	27,686
Interest and dividends received	4,484	12,530
Interest paid	(1,711)	(15,646)
Income taxes paid	(13,135)	(43,725)
Cash flows from operating activities	59,043	(19,154)

	Three months ended June 30, 2025 (April 1, 2025 - June 30, 2025)	Three months ended June 30, 2026 (April 1, 2026 - June 30, 2026)
	Amount (Millions of yen)	Amount (Millions of yen)
Cash flows from investing activities		
Purchase of tangible and intangible assets	(60,506)	(84,875)
Proceeds from sale of tangible and intangible assets	3,046	5,602
Proceeds from withdrawal of time deposits	34,673	82,059
Payments into time deposits	(27,223)	(25,855)
Proceeds from sale and redemption of securities	2,220	6
Payment for purchase of securities	(3,504)	(2,179)
Acquisition of businesses	(1,343)	—
Acquisition of subsidiaries, net of cash acquired	(10,241)	(36,761)
Proceeds from sale of business, net of cash transferred	—	1,875
Other	(34)	(93)
Cash flows from investing activities	(62,912)	(60,220)
Cash flows from financing activities		
Proceeds from long-term borrowings	585	2,979
Repayment of long-term borrowings	(69)	—
Net increase (decrease) in short-term borrowings	(15,659)	67,294
Proceeds from issuance of bonds	50,000	—
Net increase (decrease) in commercial papers	29,951	59,825
Repayment of lease liabilities	(3,149)	(7,010)
Dividends paid	(30,210)	(37,738)
Other	(213)	39
Cash flows from financing activities	31,236	85,389
Effect of exchange rate changes on cash and cash equivalents	(14,270)	21,407
Net increase in cash and cash equivalents	13,097	27,422
Cash and cash equivalents at beginning of period	697,307	842,775
Cash and cash equivalents at end of period	710,404	870,197

(5) Notes to the condensed quarterly consolidated financial statements

(Notes to going concern assumption)

None

(Material accounting policies)

The material accounting policies adopted in the condensed quarterly consolidated financial statements are consistent with those adopted in the financial statements for the Fiscal year ended March 31, 2026.

The income tax expense for the three months ended June 30, 2026 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), Others

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

2. Information about reportable segments

The reportable segment information for the three months ended June 30, 2025 and 2026 are as follows:

[Net sales]

(Millions of yen, %)

		Three months ended June 30, 2025 (April 1, 2025 - June 30, 2025)		Three months ended June 30, 2026 (April 1, 2026 - June 30, 2026)		Change	
		Amount	%	Amount	%	Amount	%
Passive Components	External customers	138,140	25.8	176,803	23.9	38,663	28.0
	Intersegment	1,190		1,746		556	46.7
	Total	139,330		178,549		39,219	28.1
Sensor Application Products	External customers	46,415	8.6	61,856	8.3	15,441	33.3
	Intersegment	0		163		163	—
	Total	46,415		62,019		15,604	33.6
Magnetic Application Products	External customers	54,554	10.2	81,608	11.0	27,054	49.6
	Intersegment	21		257		236	—
	Total	54,575		81,865		27,290	50.0
Energy Application Products	External customers	285,519	53.3	405,795	54.8	120,276	42.1
	Intersegment	0		18		18	—
	Total	285,519		405,813		120,294	42.1
Other	External customers	11,125	2.1	14,943	2.0	3,818	34.3
	Intersegment	1,114		1,279		165	14.8
	Total	12,239		16,221		3,982	32.5
Intersegment elimination		(2,325)		(3,462)		(1,137)	—
Total		535,753	100.0	741,005	100.0	205,252	38.3

[Segment profit (loss)]

(Millions of yen, %)

	Three months ended June 30, 2025 (April 1, 2025 - June 30, 2025)		Three months ended June 30, 2026 (April 1, 2026 - June 30, 2026)		Change	
	Amount	% to net sales	Amount	% to net sales	Amount	%
Passive Components	6,387	4.6	17,385	9.8	10,998	172.2
Sensor Application Products	2,690	5.8	7,845	12.7	5,155	191.6
Magnetic Application Products	6,291	11.5	9,550	11.7	3,259	51.8
Energy Application Products	55,370	19.4	69,389	17.1	14,019	25.3
Other	(2,476)	(22.3)	(1,832)	(12.3)	644	—
Subtotal	68,262	12.7	102,338	13.8	34,076	49.9
Adjustment	(11,843)		(16,028)		(4,185)	
Operating profit	56,419	10.5	86,310	11.6	29,892	53.0

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 three months ended June 30, 2025 and 2026 are as follows:

[Net sales]

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Japan	42,235	54,070
Americas	33,960	43,492
Europe	42,370	52,384
China	281,604	409,915
Asia and others	135,584	181,144
Total	535,753	741,005

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	Three months ended June 30, 2025		Three months ended June 30, 2026		Fiscal year ended March 31, 2026	
Item	US\$=¥	EURO=¥	US\$=¥	EURO=¥	US\$=¥	EURO=¥
The end of the period	144.81	169.66	162.39	185.35	159.88	183.41

2) Quarterly sales by product

(Millions of yen, %)

Term	Three months ended June 30, 2025 (April 1, 2025 – June 30, 2025)		Three months ended September 30, 2025 (July 1, 2025 – September 30, 2025)		Three months ended December 31, 2025 (October 1, 2025 – December 31, 2025)		Three months ended March 31, 2026 (January 1, 2026 – March 31, 2026)	
Product category	Amount	%	Amount	%	Amount	%	Amount	%
Capacitors	59,785	11.1	62,051	9.6	66,314	9.8	69,322	10.7
Inductive Devices	49,094	9.2	55,028	8.5	55,833	8.3	56,255	8.7
Other Passive Components	29,261	5.5	30,433	4.7	30,391	4.5	29,433	4.6
Passive Components	138,140	25.8	147,512	22.8	152,538	22.6	155,010	24.0
Sensor Application Products	46,415	8.6	61,501	9.5	59,826	8.9	56,881	8.8
Magnetic Application Products	54,554	10.2	61,199	9.4	71,066	10.5	76,084	11.8
Energy Application Products	285,519	53.3	362,619	56.0	377,103	55.8	345,064	53.4
Other	11,125	2.1	14,779	2.3	14,670	2.2	13,215	2.0
Total	535,753	100.0	647,610	100.0	675,203	100.0	646,254	100.0

Term	Three months ended June 30, 2026 (April 1, 2026 – June 30, 2026)	
Product category	Amount	%
Capacitors	80,752	10.9
Inductive Devices	61,980	8.4
Other Passive Components	34,071	4.6
Passive Components	176,803	23.9
Sensor Application Products	61,856	8.3
Magnetic Application Products	81,608	11.0
Energy Application Products	405,795	54.8
Other	14,943	2.0
Total	741,005	100.0