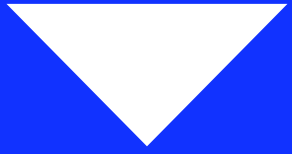




TDK IR Meeting

Material

TDK Corporation
May 2026

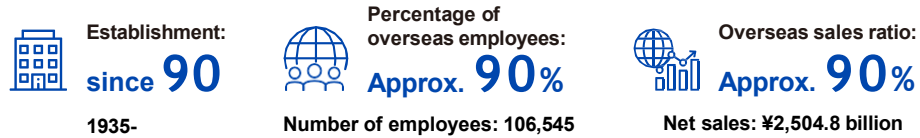


Agenda







- **TDK Basic Information**
- **Long-term Vision**
- **Progress on Medium-term Plan**
- **FY March 2026 Results
FY March 2027 Projections**
- **Strategy by Segment**

About TDK

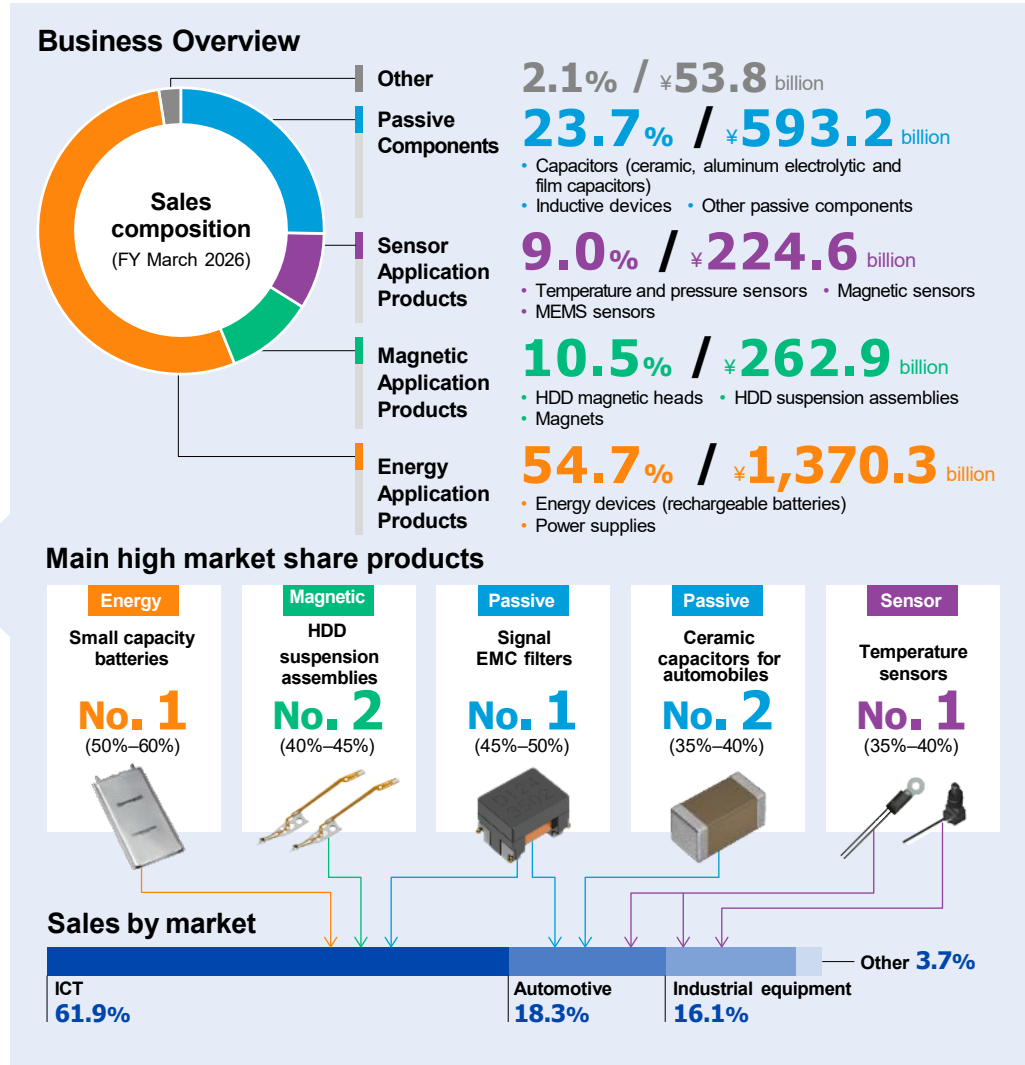
TDK Corporation is a manufacturing company that produces worldwide cutting-edge electronic components, contributing to cultures and industries in the world through creativity.



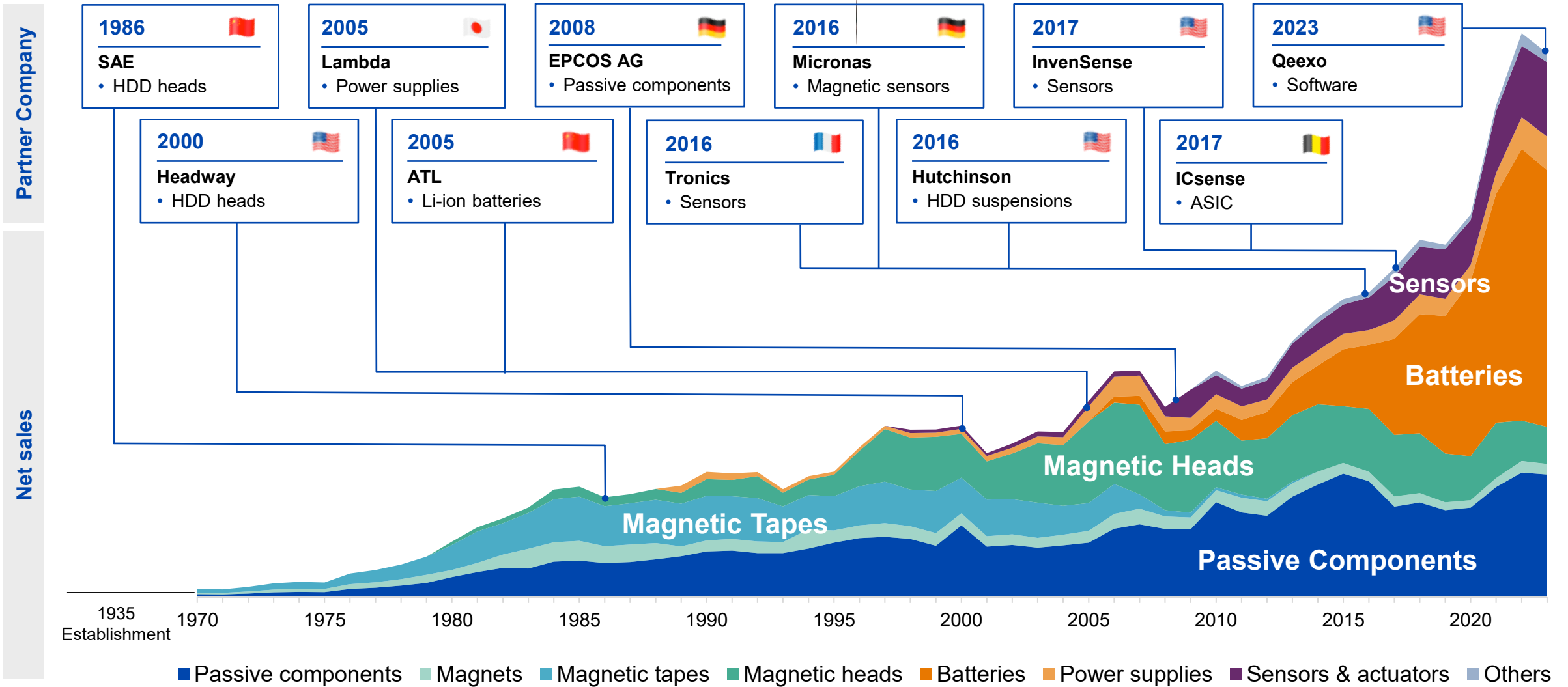
Financial capital ensuring TDK's growth		
Operating profit (OPM)	Free cash flow (% of net sales)	
¥272.4 billion (10.9%)	¥129.9 billion (5.2%)	
ROIC (FY March 2027)	Shareholders' equity ratio	D/E ratio
7.5% Target: 8%)	49.5%	0.28x

Pre-financial capital supporting TDK's growth		
Customer base	Strong, long-term relationships with various customers located worldwide (maintain high market shares based on market-in, concept-out thinking)	
Technological capability	 Research and development expenses (% of net sales) ¥289.7 billion (11.6%)	 Number of CVC investments^{*1} 45 companies
Human capital	 Female manager ratio^{*2} 23.0%	 Team member engagement^{*3} Communication score 68pt
Organizational capability	 TDK's unique corporate culture (TDK venture spirit, Respect diversity TDK United, functional equality, etc.)	 Sites More than 250 sites in more than 30 countries and regions worldwide

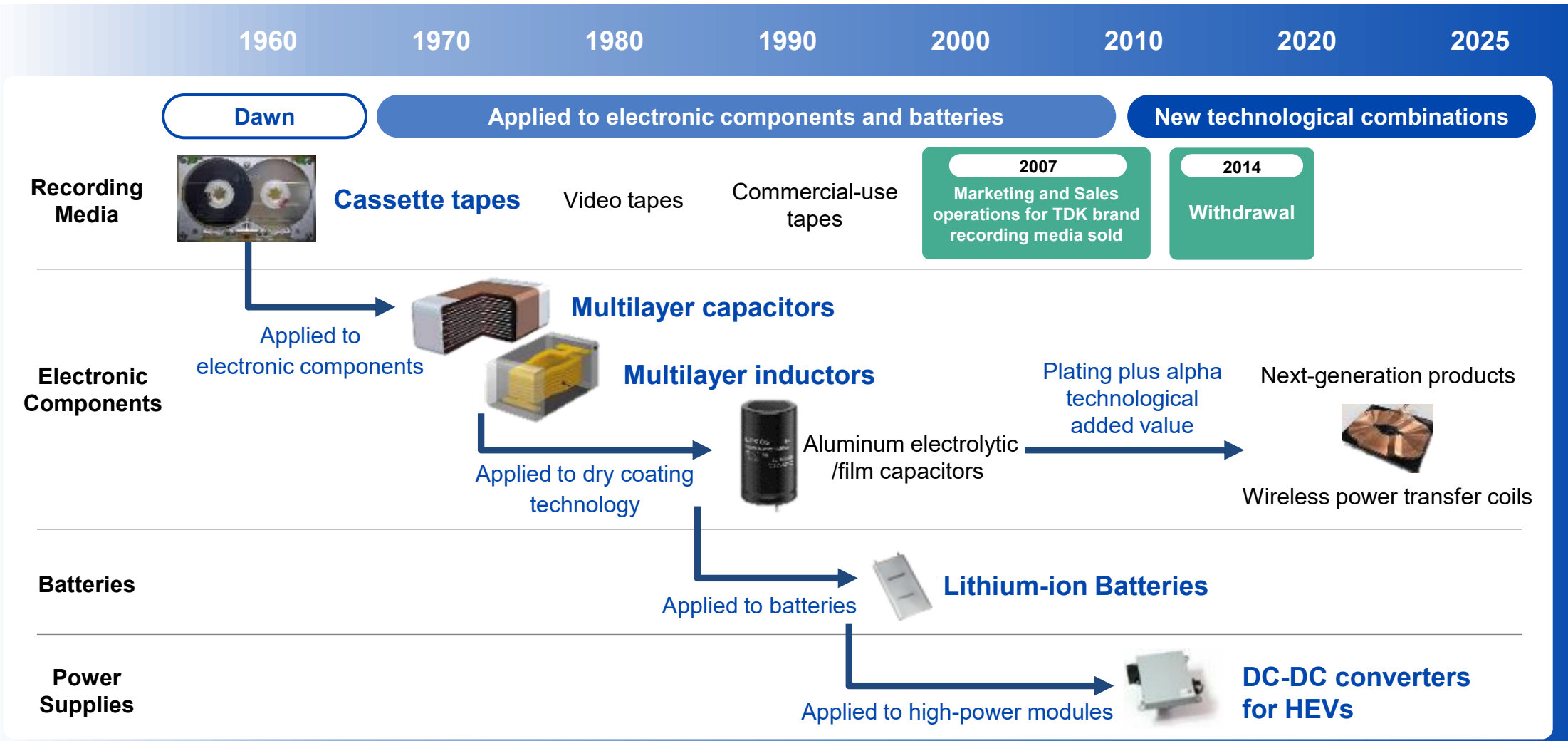
*1 As of June 2025 *2 TDK Group *3 As of September 2024



History of business portfolio

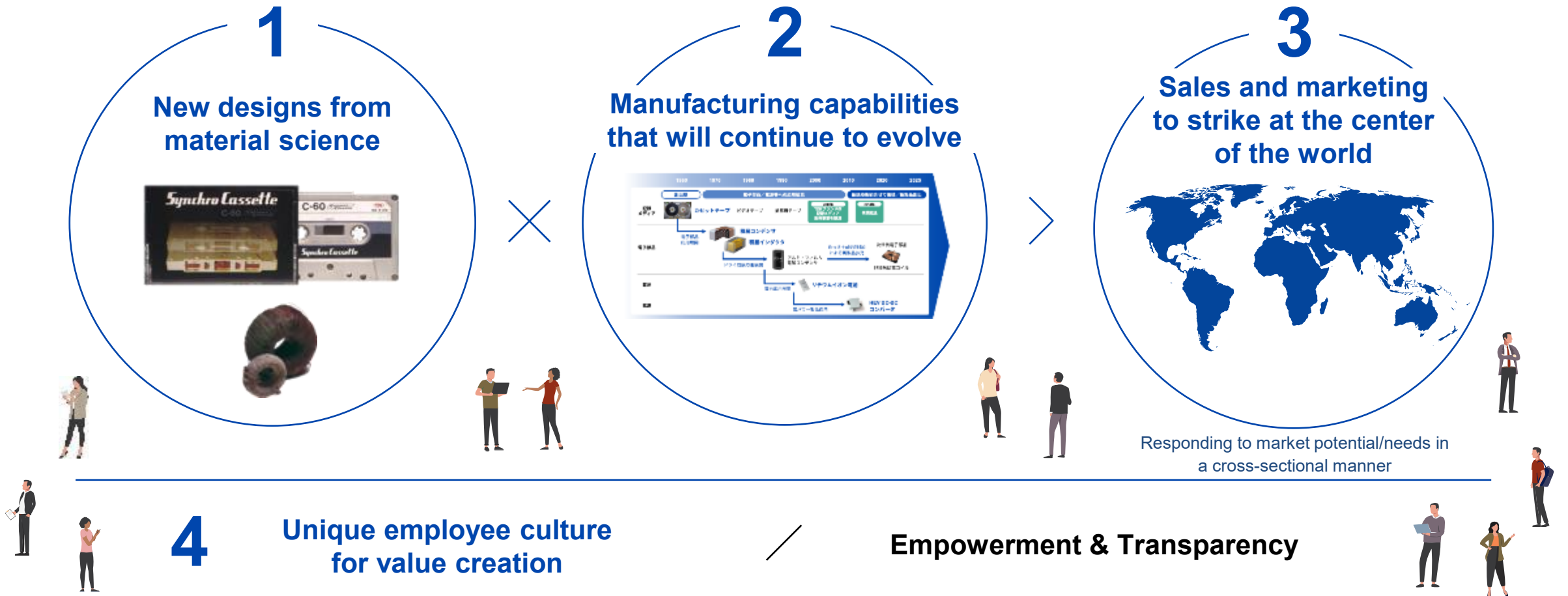


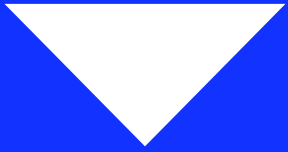
From TDK, known for cassette tapes, to TDK, a global electronic components manufacturer



TDK's core competencies

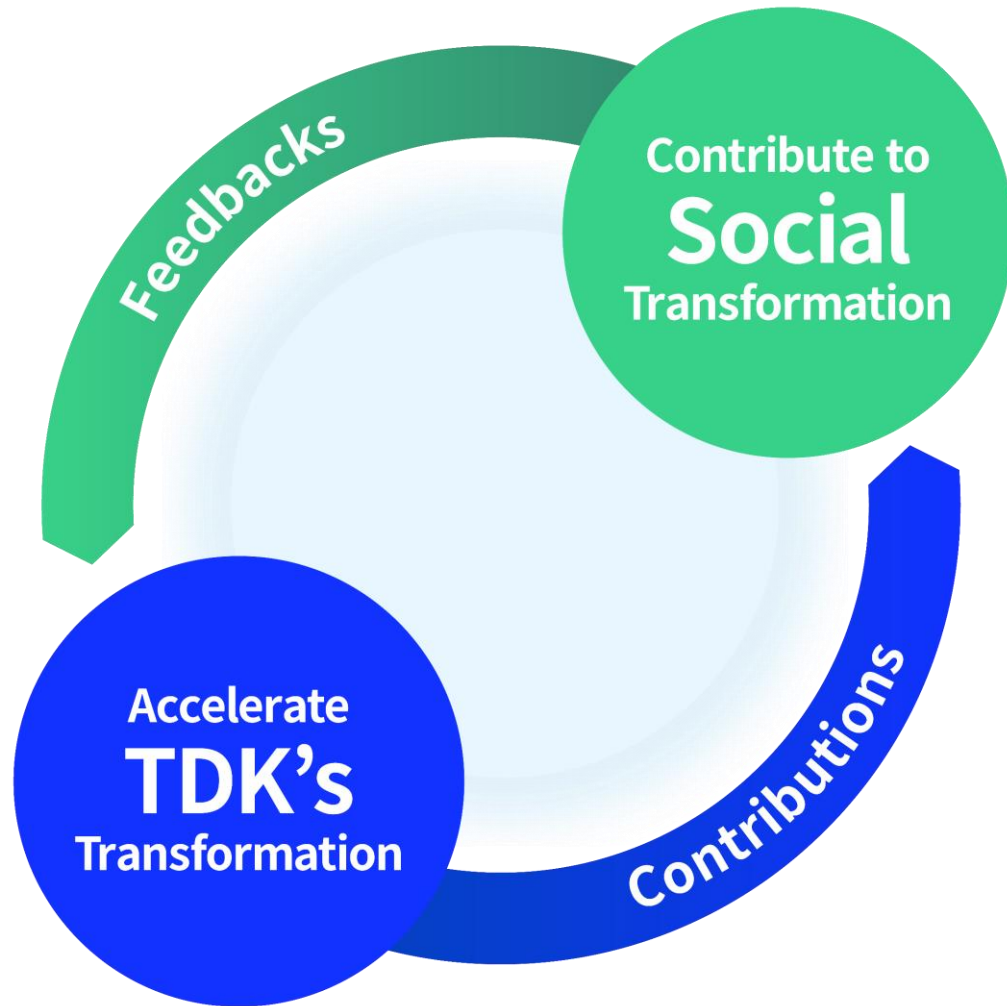
TDK is enhancing its four core competencies to realize sustained growth.





Long-term Vision Medium-term Plan

Long-term Vision: TDK Transformation (from Investor Day 2024)

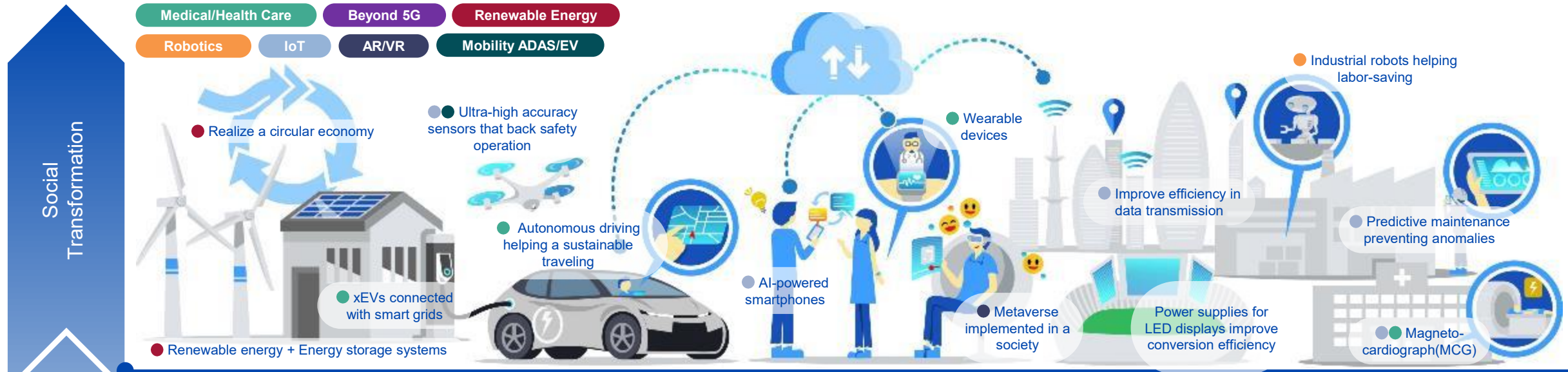


Long-term Vision

TDK Transformation

Accelerating transformation
for a sustainable future

Contribute to Social Transformation



Social Transformation

Advancement of Technology

TDK Transformation

Green Transformation

Decarbonization,
energy saving,
Energy storage

Capability of Management Transformation

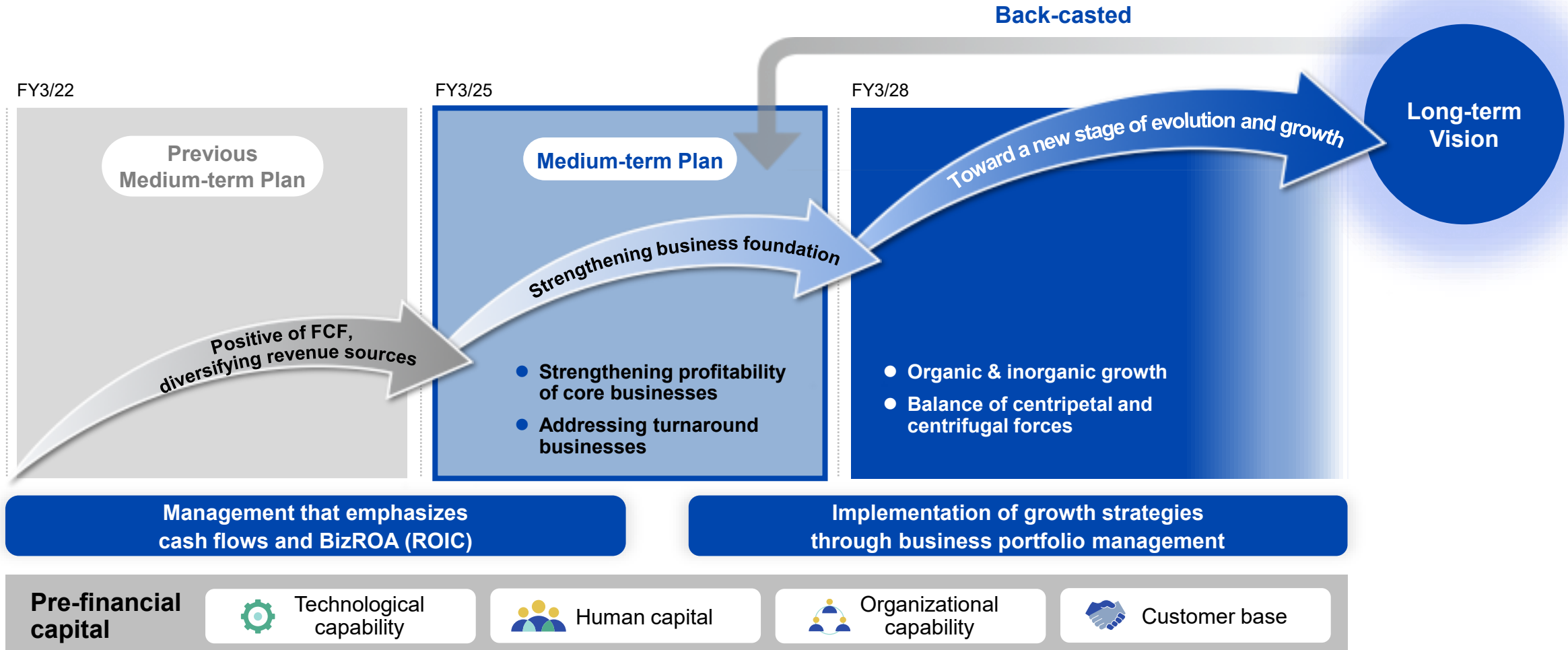


Digital Transformation

AI, automation & labor-saving



Medium-term Plan back-casted from the Long-term Vision



Progress on Financial KPIs

- ▶ In FY3/26, we achieved initial targets; no change to final-year targets of the Medium-term Plan (FY3/27).
- ▶ Management's focus is oriented toward the mid- to long-term target state.



		FY3/26	FY3/27 Projection	FY3/27 Target	Mid/long-term target state
Growth	Net sales [¥ bn] (CAGR)	2,504.8	2,580.0	2,500.0 (approx.5%)	(10% or more)
	ROE	9.8%	10.3%	10% or more	15% or more
Efficiency	ROIC (> WACC)	7.5% (> 7.0%)	8.0% (> 7.0%)	8% or more	12% or more
	Operating profit margin(OPM)	10.9%	11.4%	11% or more	15% or more
Financial soundness	Shareholders' equity ratio	49.5%	51%	50% level	-
	D/E ratio	0.28x	0.3x	0.3 - 0.4x	-

Exchange rate assumptions

¥151/US\$

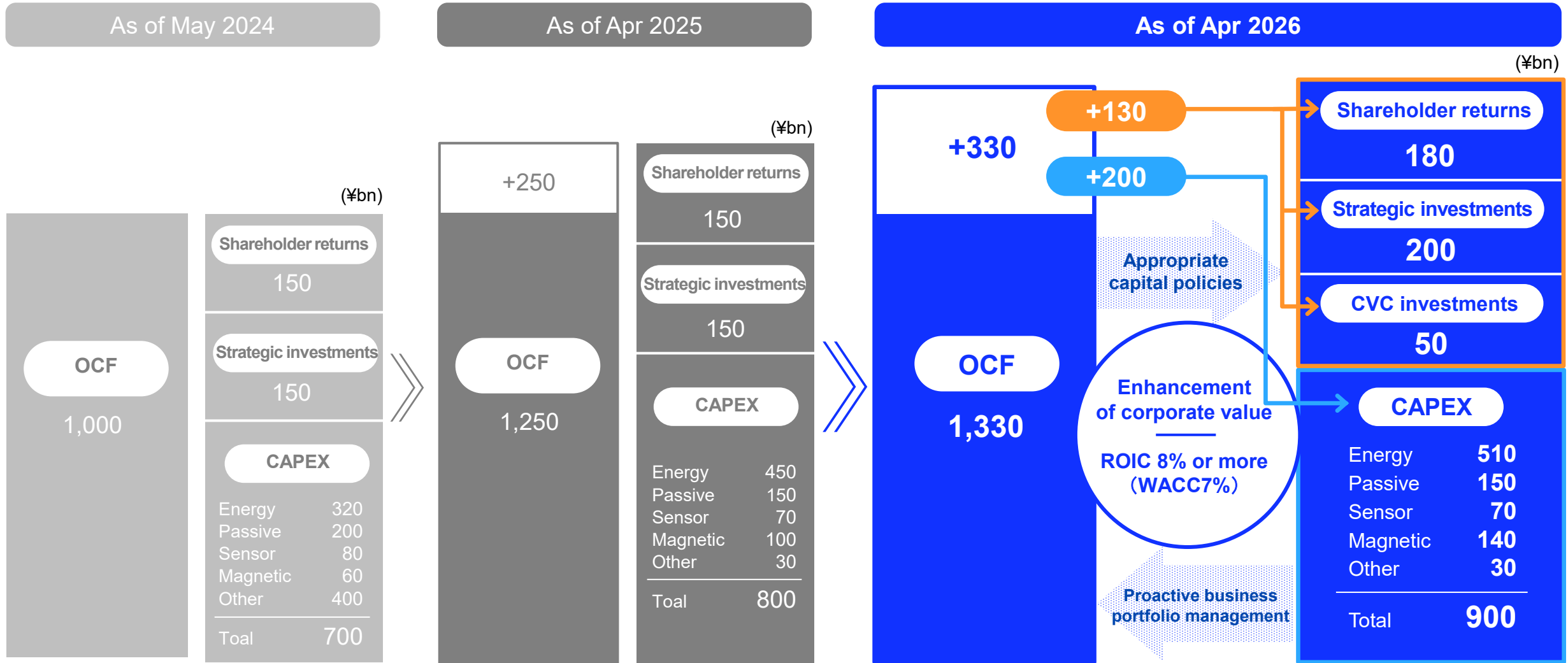
¥150/US\$

¥135/US\$

¥135/US\$

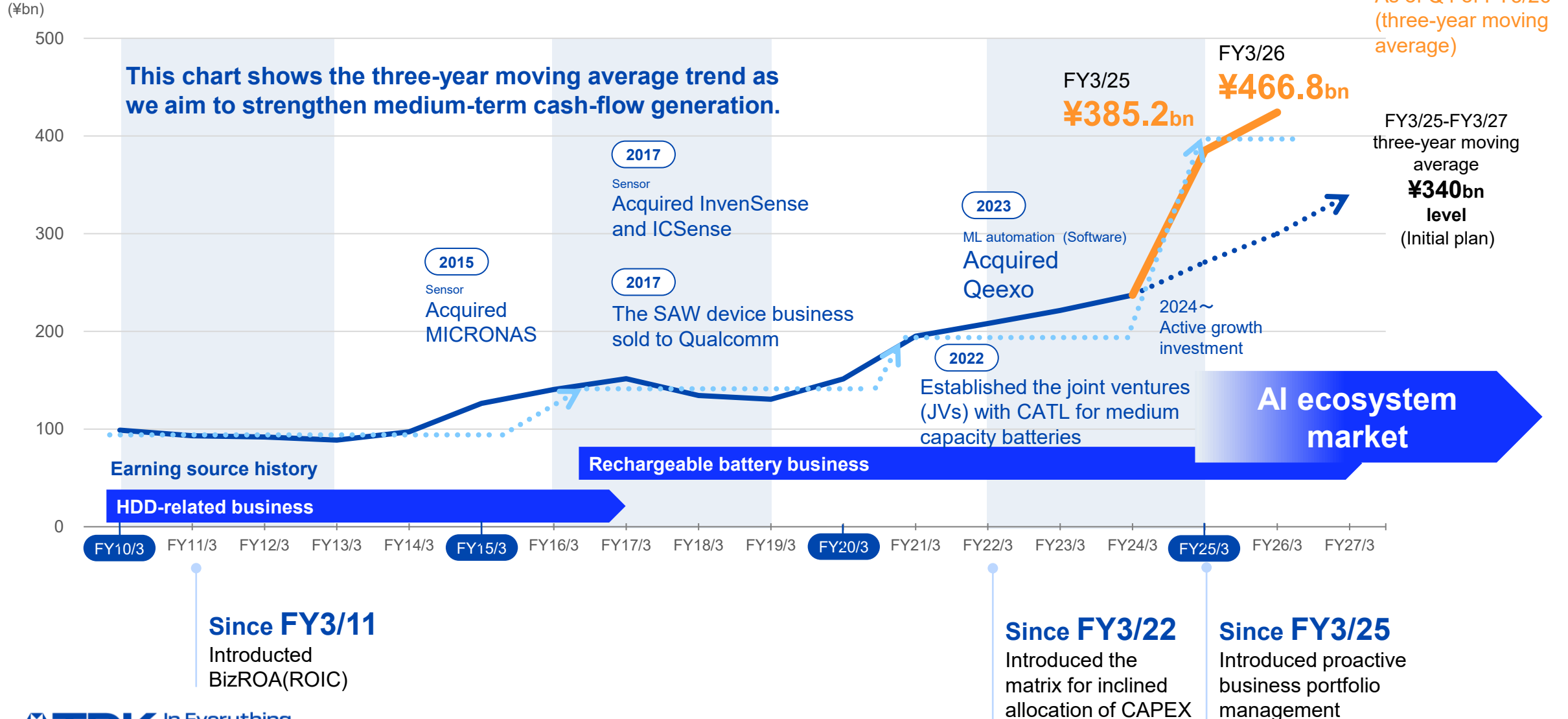
Change of capital allocation plan (FY3/25 to FY3/27 accumulated)

- Allocate the expected OCF increase from the initial plan to CAPEX. Considering the market environment, allocate to strategic investments and shareholder returns.



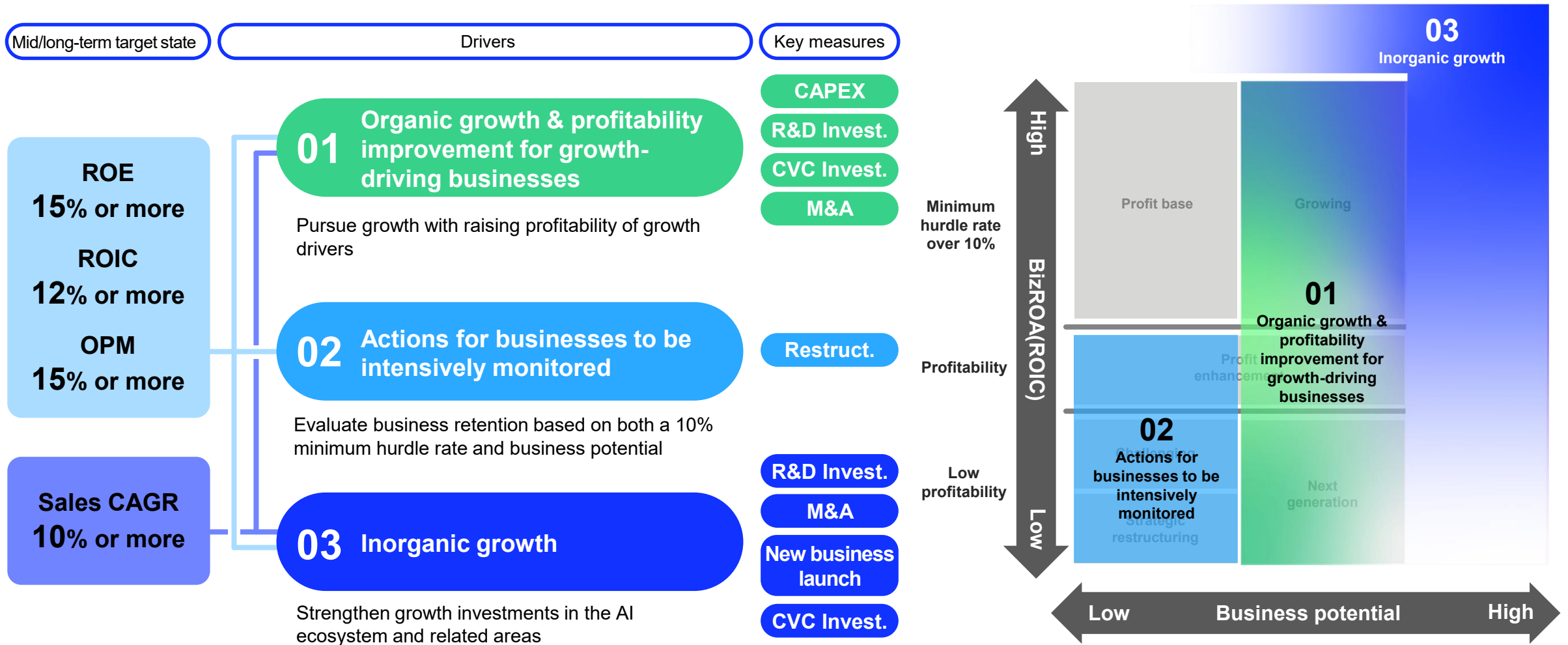
Improved our earning capability by replacing our business portfolio

Operating cash flow (OCF) history on a three-year moving average



Toward realizing our mid- to long-term target state

- We will further advance our business portfolio management by pursuing both organic and inorganic growth.



TDK constantly contributes to the entire AI ecosystem

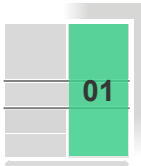
Organic growth & profitability
improvement for growth-
driving businesses

01

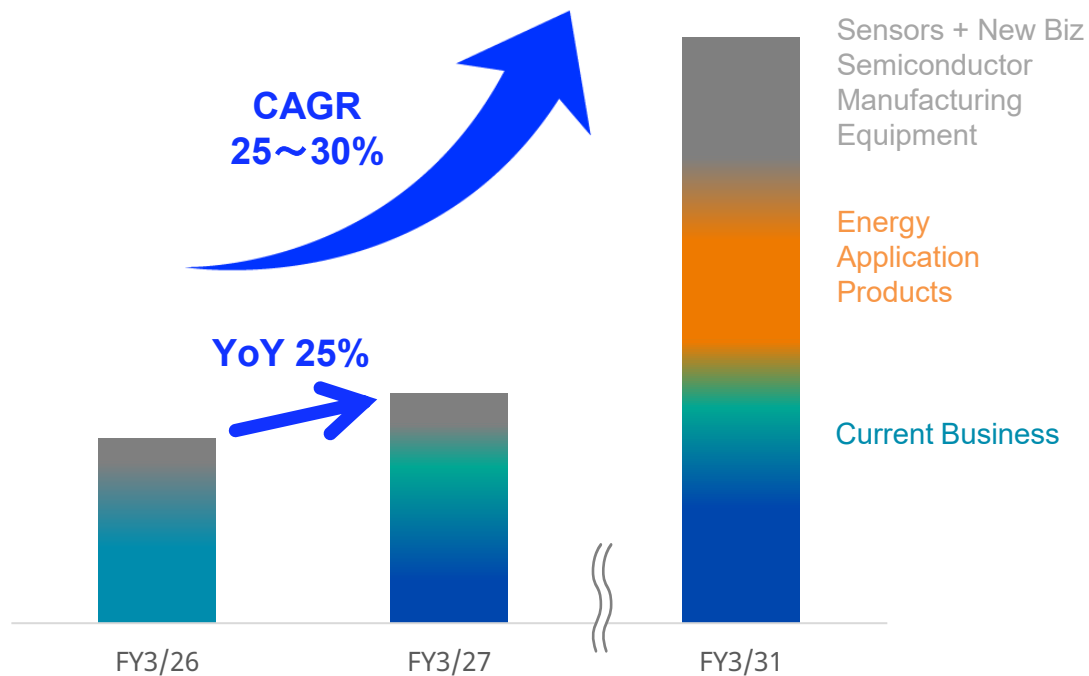


We will help boost sales for the entire AI ecosystem

Organic growth & profitability improvement for growth-driving businesses



Sales for AI Market (FY3/26 Actual · FY3/31 Target)

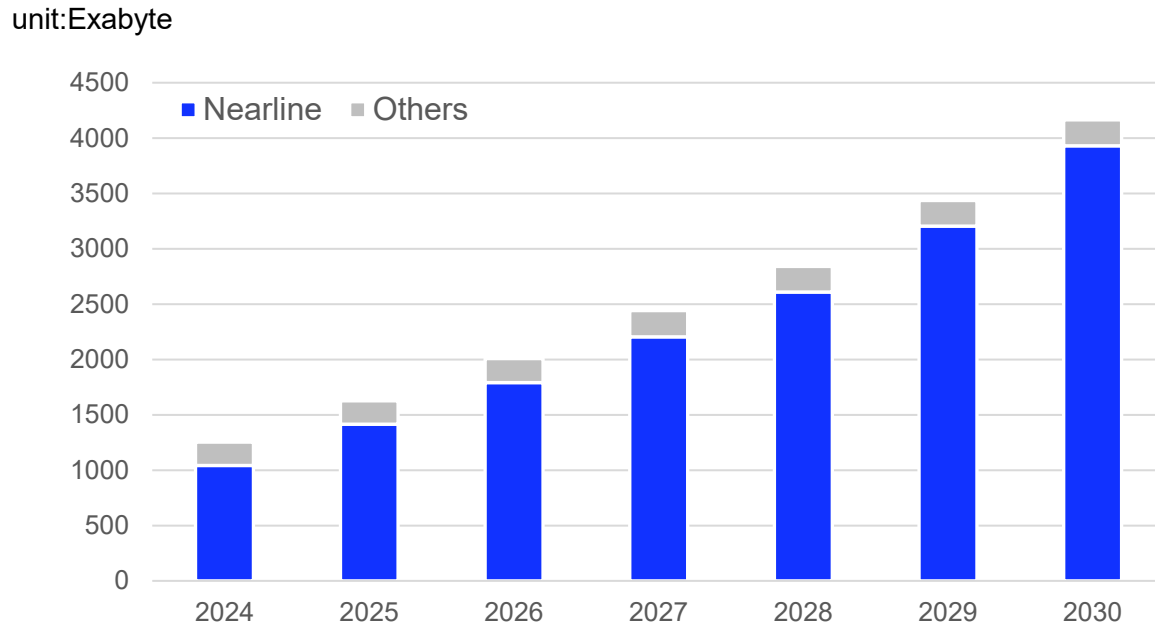


Products	Progress
Current business	Passive Components <ul style="list-style-type: none"> Increase in supply capacity for aluminum electrolytic capacitors Capacity expansion for thin-film and wire-wound inductors Broaden product lineup for optical transceiver modules
	HDD heads and suspensions <ul style="list-style-type: none"> Continue expansion of suspension production capacity Prepare for mass production of HAMR
Medium capacity batteries <ul style="list-style-type: none"> Broaden product lineup for AI data centers 	
Semiconductor manufacturing equipment <ul style="list-style-type: none"> Launch industry-first mass production of nanocomposite material 	
Sensors + New Biz <ul style="list-style-type: none"> Collaboration of EdgeRX platform with AWS Established ARPBD to strengthen sales synergies 	

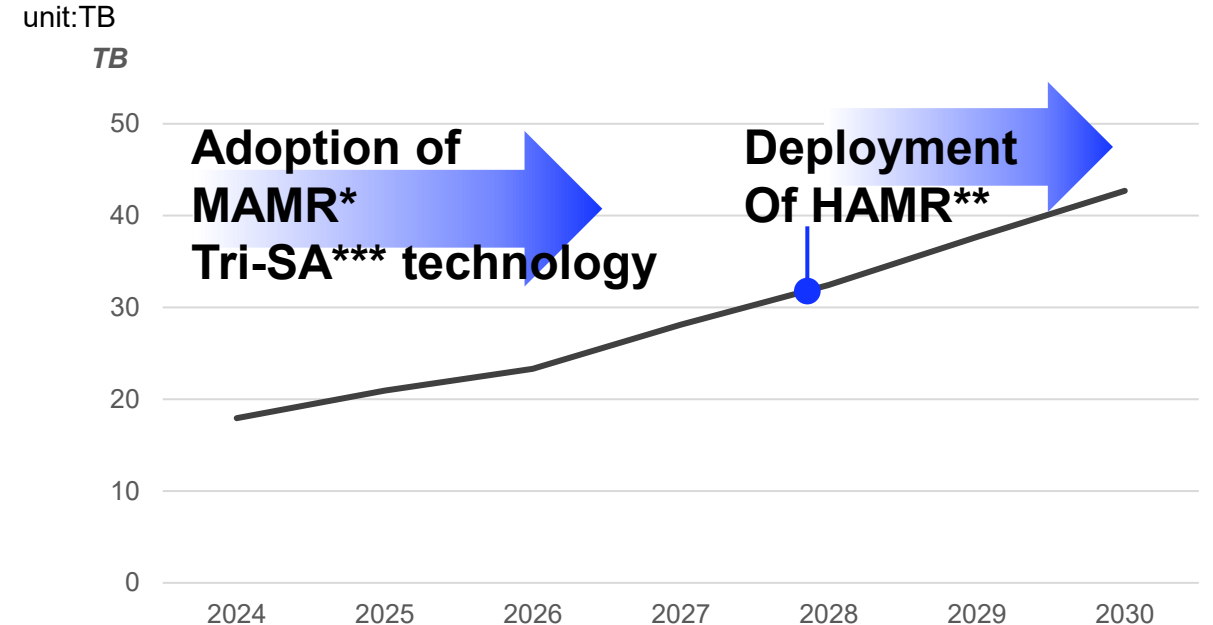
Update of HDD Market components

- ▶ Nearline HDD demand continues to increase due to ongoing growth in demand for high-capacity storage
- ▶ Enhance value via next-generation technology(MAMR, HAMR and Tri-SA) investments to be a high-margin business

HDD Exabytes Shipment Forecast



Capacity per Nearline HDD unit forecast



Source: TrendFocus, HDD Information Service, CQ4'25 Update and Long-Term Forecast, February 2026

Key Initiatives

- Continue R&D and capital investment to enable mass production of HAMR technology
- Ongoing expansion of Tri-SA capacity

* MAMR: Microwave-Assisted Magnetic Recording

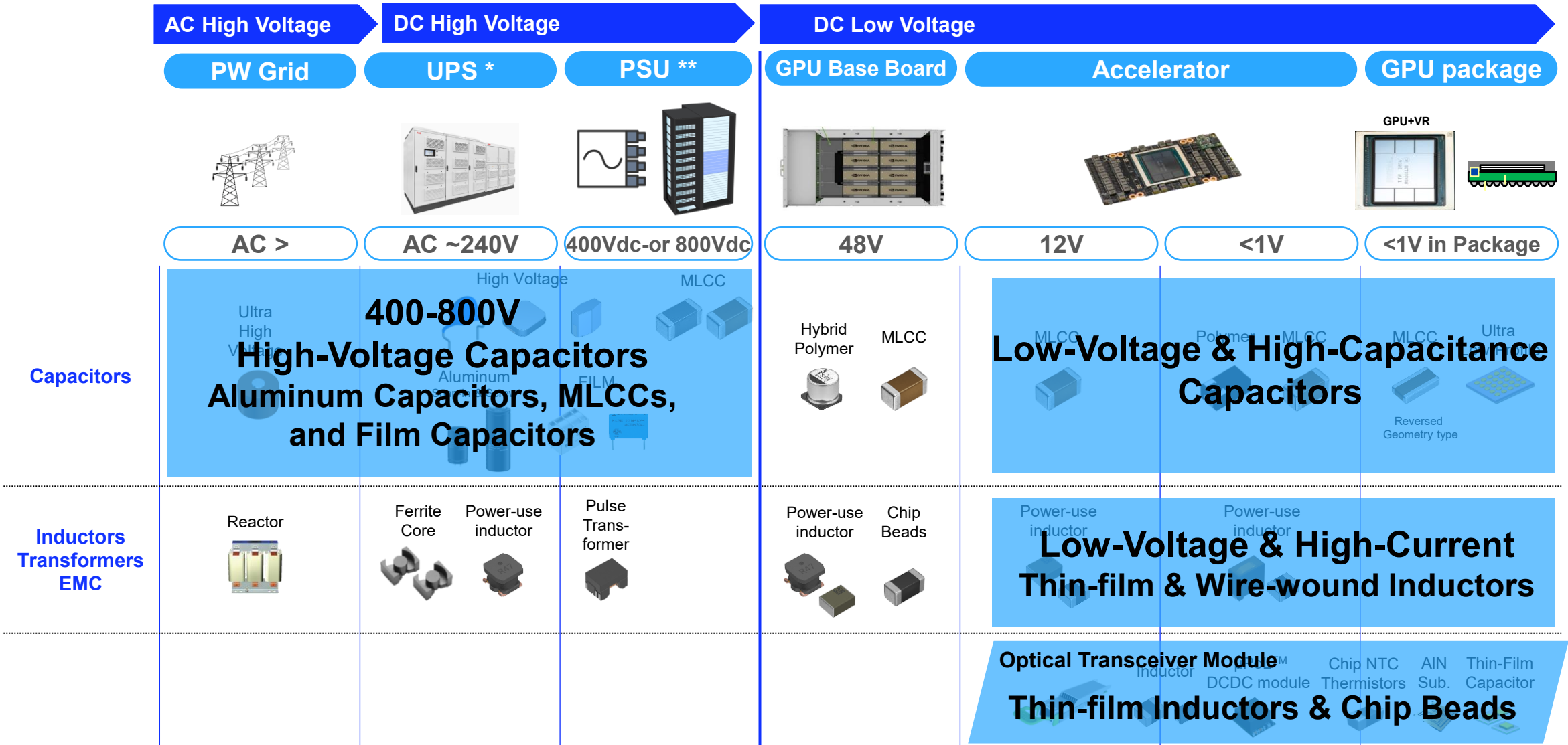
**HAMR: Heat-Assisted Magnetic Recording

***Tri-SA: Tri-Stage Actuator Suspension

Sales expansion of high-voltage / low-voltage and high-current components for AI data center-related applications

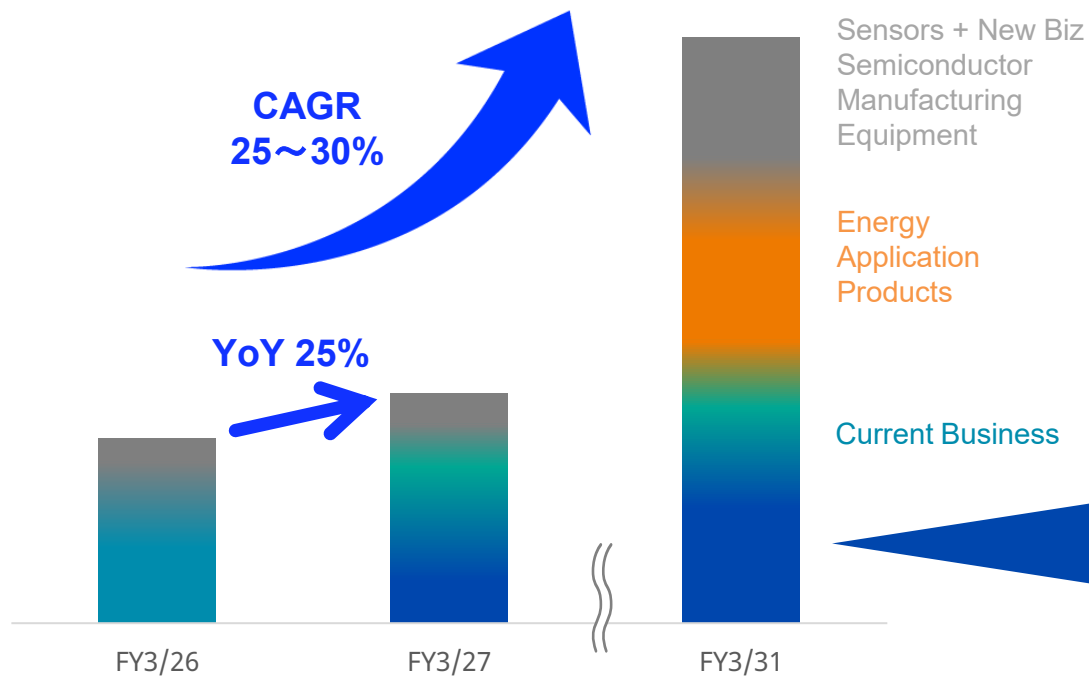
Organic growth & profitability improvement for growth-driving businesses

01

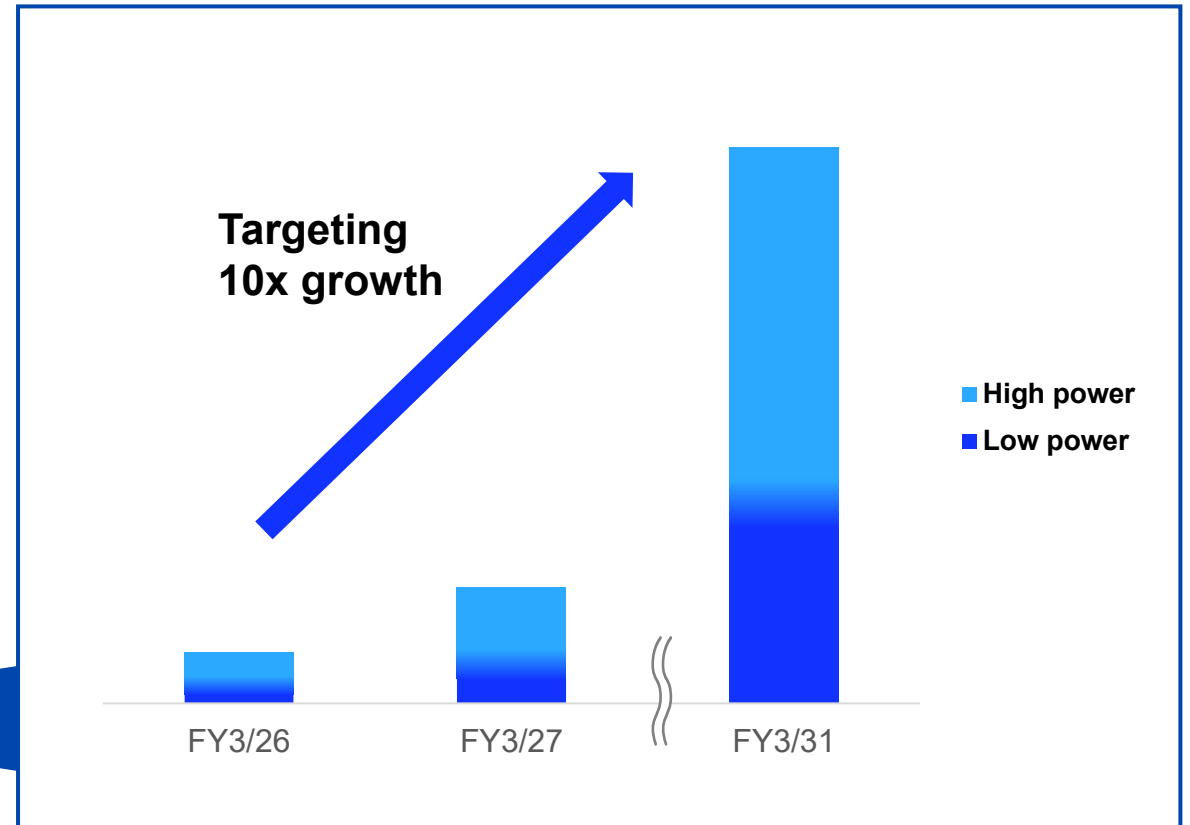


Scaling up Passive Components sales for AI data center-related applications

Sales for AI Market (FY3/26 Actual · FY3/31 Target)



Sales forecast of passive components for AI data center-related applications



Growth strategy for semiconductor manufacturing equipment

Organic growth & profitability improvement for growth-driving businesses

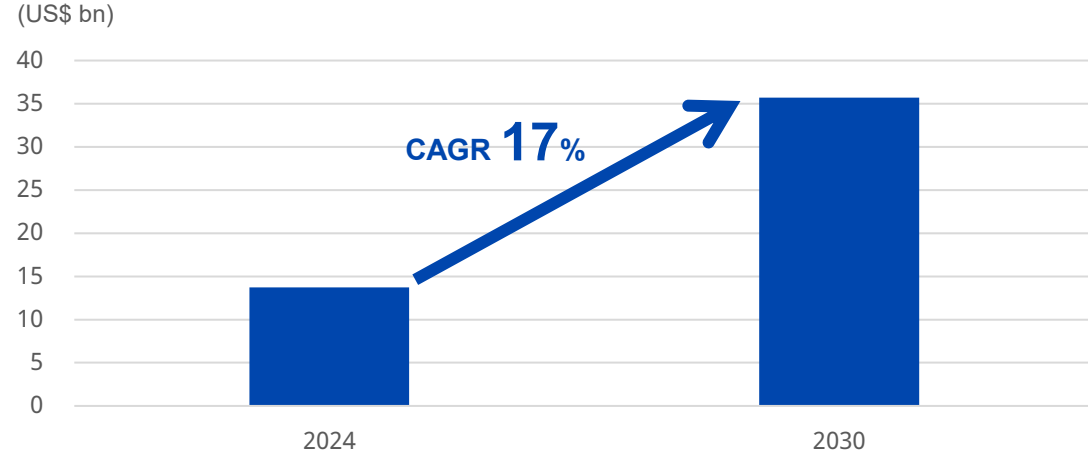
Business strategy

- Contribute to the AI ecosystem by combining materials and equipment technologies
- Combine proprietary bonding materials technology with bonding systems
- Require action on high thermal dissipation products for AI and power ICs
- Focus on high-reliability bonding products for logic ICs and develop the market

Requirement from market

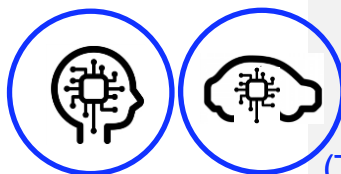
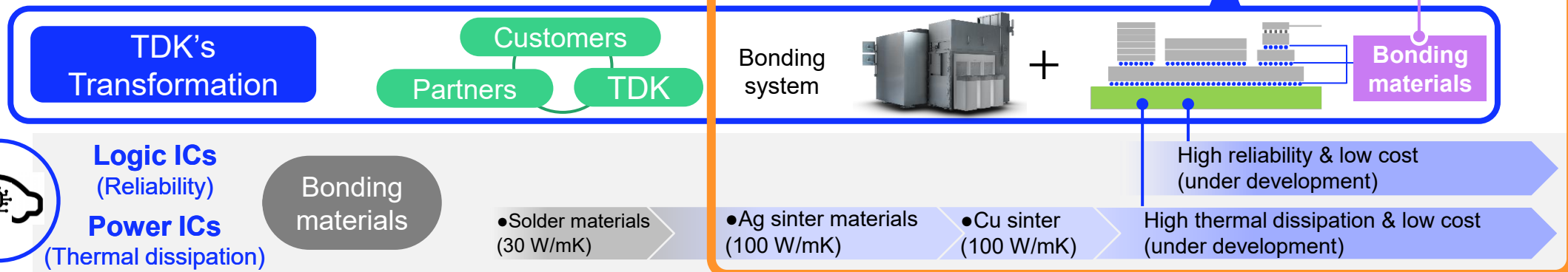
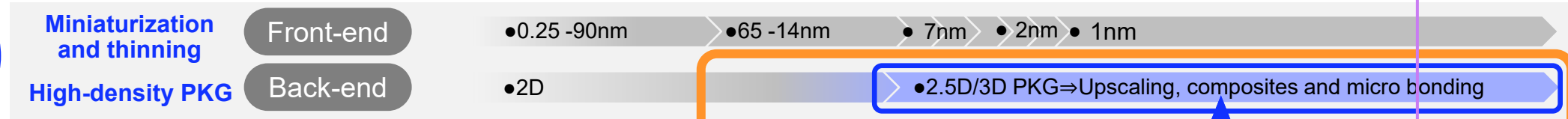
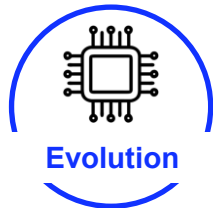
- Alongside front-end miniaturization and thinning, increased density in back-end PKG is critical to semiconductor advancement.
- In back-end PKG, high-precision bonding and high thermal dissipation to reduce power consumption losses are crucial.

Advanced-packaging market growth rate



Source: Yole Development

Details on next page ▶



Commercializing Precious-Metal-Free Semiconductor Bonding Materials

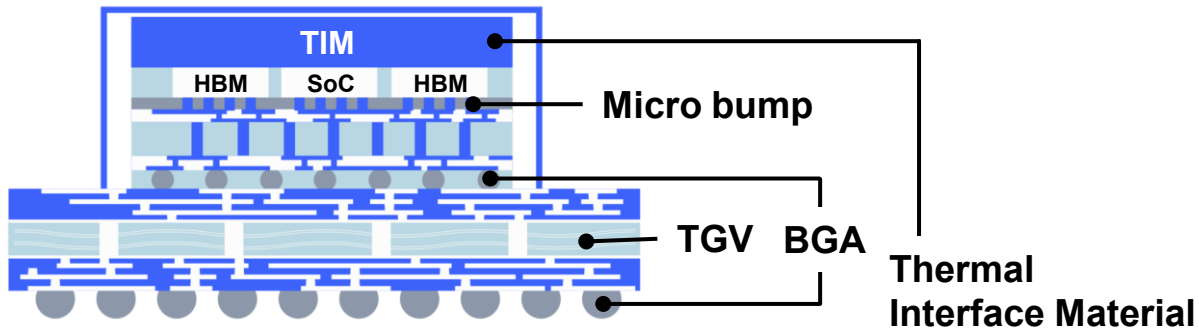
Nanocomposite Particles

- ▶ Pioneering the industry's first mass production of Nanocomposite particles
- ▶ Integrating advanced materials with TDK's proprietary process technologies and equipment to achieve fine-pitch, high-reliability bonding and superior heat dissipation, thereby driving energy efficiency.

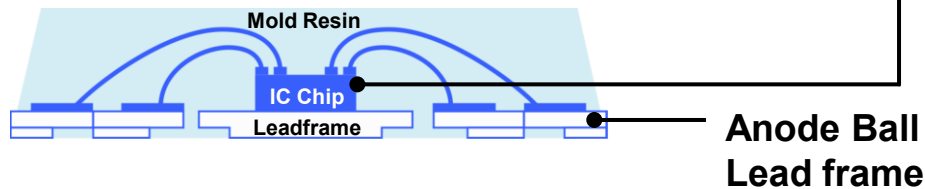
Nanocomposites = Nanoscale composite materials, including alloys

- Advanced bonding and plating materials that enable fine-pitch, high-reliability connections for 2.5D/3D packaging.
- Reducing power consumption in AI and power semiconductors through superior heat dissipation performance.
- Delivers high environmental compatibility through a lead-free composition, while remaining entirely precious-metal-free.

Logic ICs



Power ICs



Convention materials

▶ Nanocomposites

Material	Ag sinter	Sn-3Ag-0.5Cu	Nanocomposites
Heat Resistance	~200 degC (High melting point but soft)	~150 degC (Low melting point and soft) 😞	~200 degC (Middle melting point and stiff) 😊
Void	~ 10 % (due to micro pore) 😞	~ 8% (due to Kirkendall void)	~ 5% (can reduce Kirkendall void) 😊
Cracks	😞	😞	😊
Heat Dissipation	~ 50 W/m · K (due to micro pore)	~ 35 W/m · K (due to Kirkendall void)	~ 100 W/m · K (thinner) 😊
Cost	😞	😞	😊

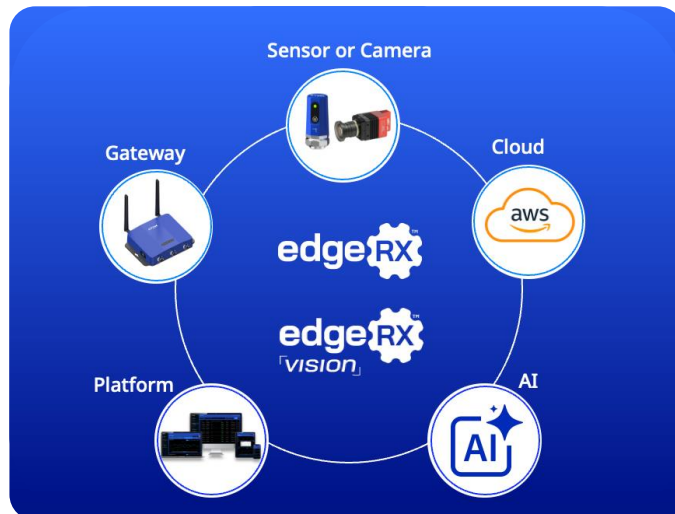
Source: TDK Estimate

Growth strategy for SensEI

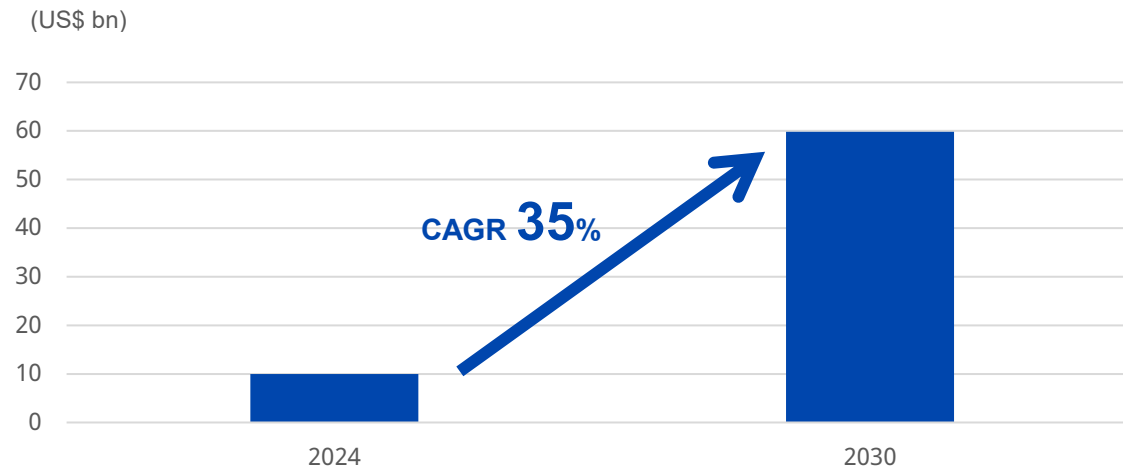
- Integration of AWS* IoT tools and secure cloud services into TDK SensEI's edgeRX™ platform.
- It will be integrated with key AWS services, and bringing scalable, intelligent machine health monitoring and predictive maintenance to industrial customers globally.

Business strategy

- Complete Solutions: HW + SW + Edge AI
- Multi-class detection
- AI executed on sensor device
- Multiple sensor types
- Low touch deployment
- TDK manufacturing recognition



Market size of predictive maintenance



Source: Markets & Markets PdM 2024

Requirement from market

- Cloud light
- Sensor device with higher intelligence
- Multiple function sensors not only vibration & temperature
- Agility
- Manufacturing capability

*AWS= Amazon Web Services, Inc.

Growth strategy for smart glasses business

- By acquiring SoftEye and establishing AR platform BD, we aim to expand our product lineup and pursue growth.

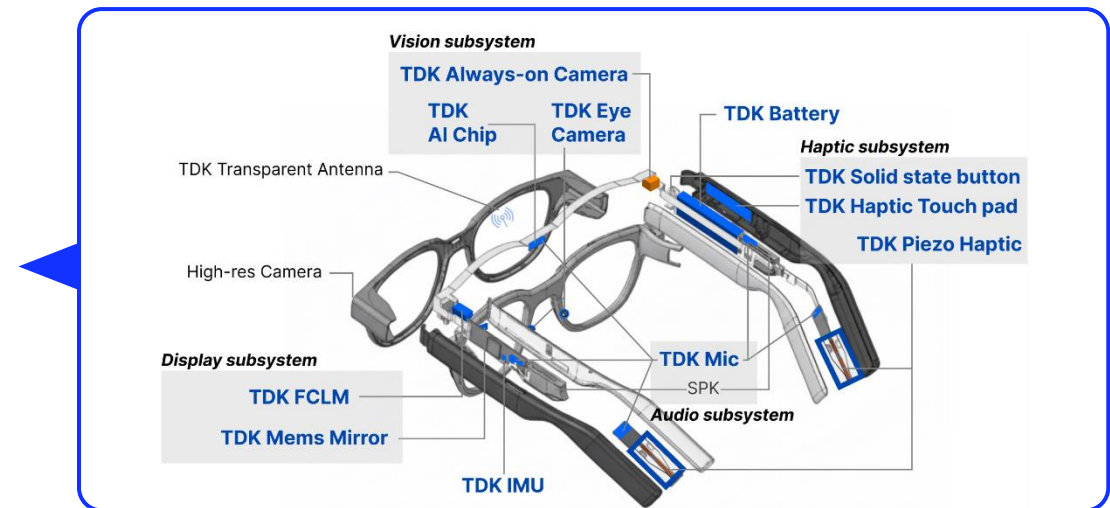
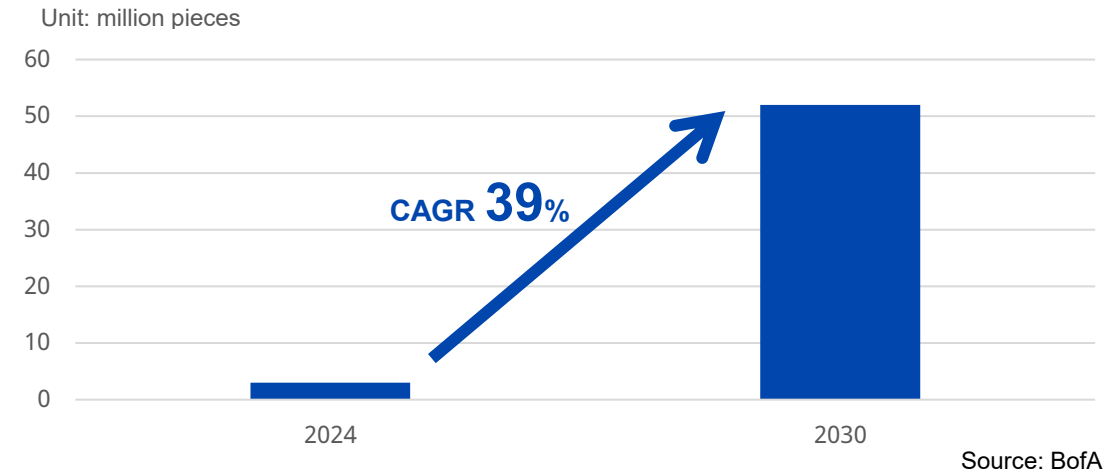
Business strategy

- TDK addressed eye-intent/tracking solution by acquiring SoftEye technology.
- Establishment of AR Platform BD.
- We combine our custom chips and software with TDK components efficiently. This platforms will showcase AI Glasses user experiences that customers can commercialize and scale effectively.
- FCLM, MEMS mirror, Micro actuator, Battery tech, IMU, Mic are key to an “AR Solution.”
- TDK plans to provide an “AR Engine” with display controller + hub & lite app processing in about two year.

Requirement from market

- Usability - low power enables all day battery life
- Comfort – smaller battery enables smaller & lighter form factors
- Fashionable – smaller & lighter form factors enable fashionable designs
- Scalable – retinal projection requires no modification to prescription lens

Market size and growth rate of smart glasses

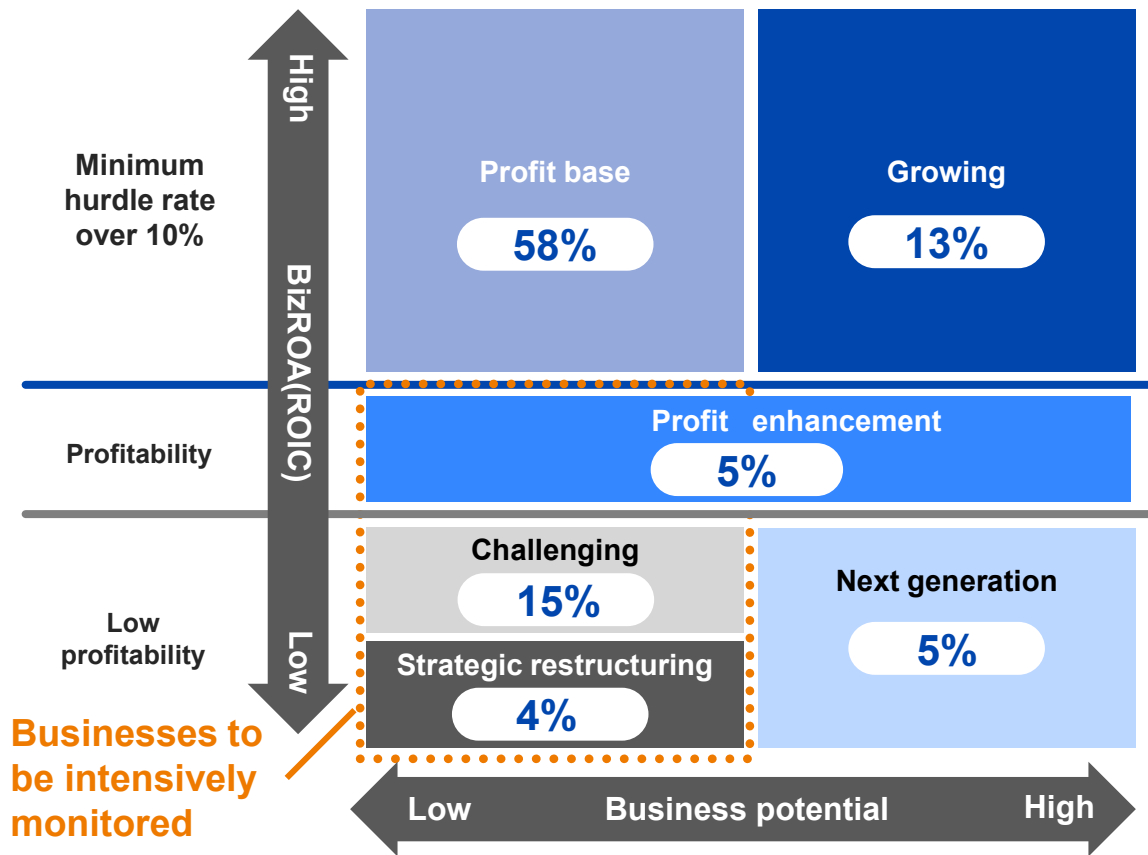


Enhancing business portfolio management

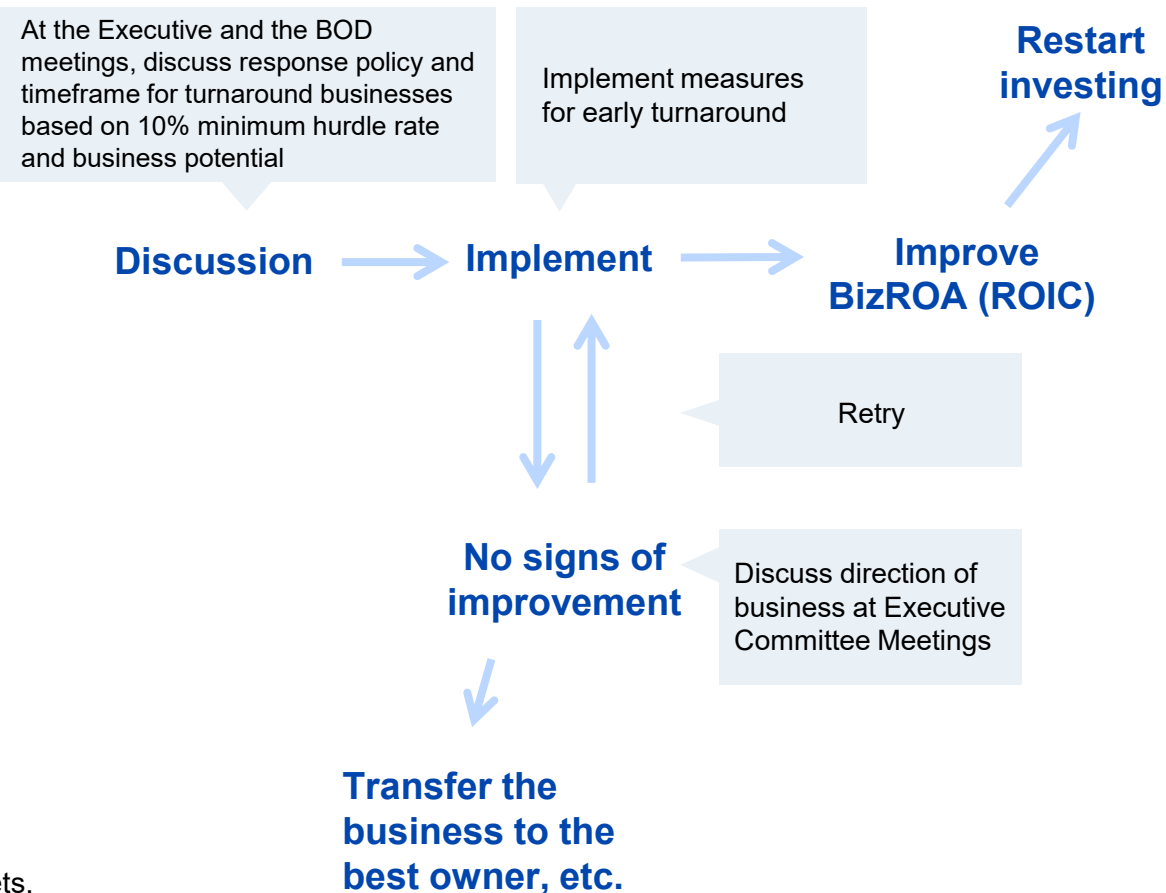
- Have evolved from the previous double-axis investment allocation map to a double-axis business portfolio map.
- Appropriately address businesses that fall below the minimum hurdle rate and prioritize allocating capital into growth areas.

Business portfolio map

Sales composition (% , as of March 2025)



Proactive portfolio transformation

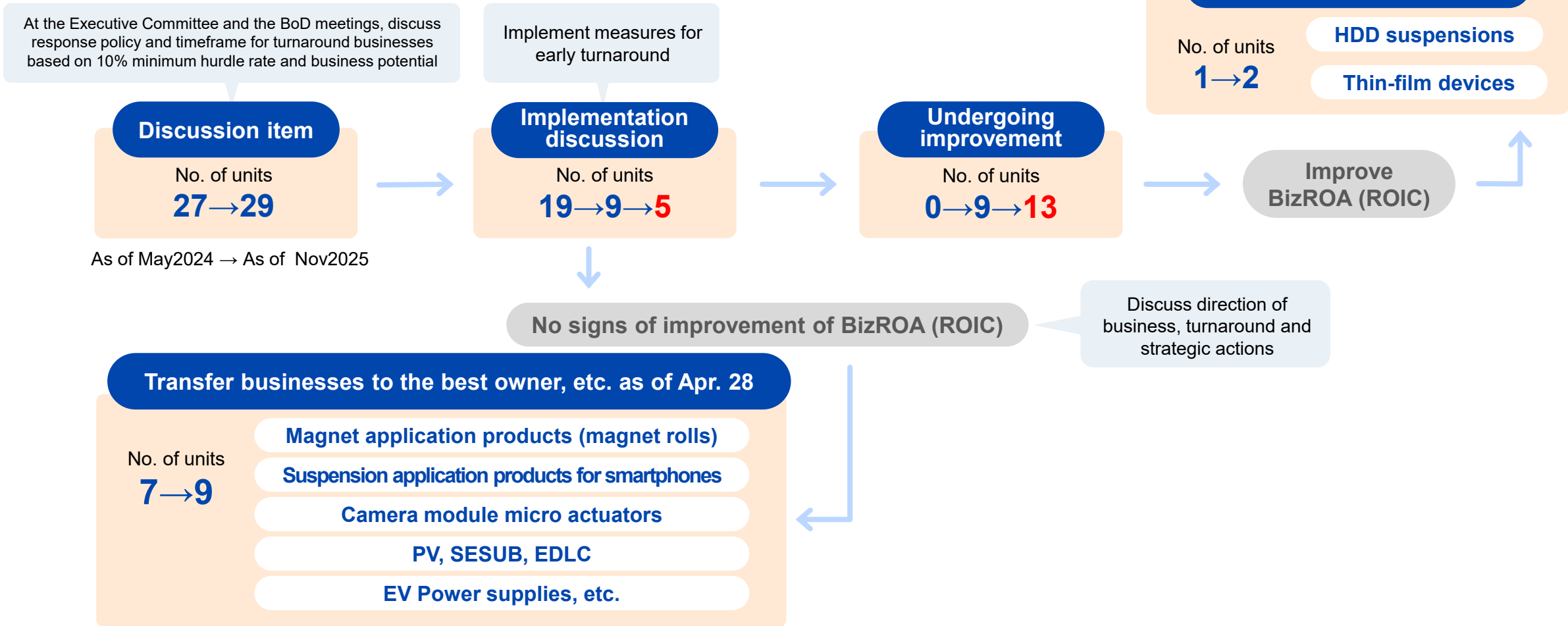


- BizROA = Business OP after tax and before distribution of corporate expenses / business assets.
- The 10% minimum hurdle rate is calculated, considering the 7% corporate WACC and corporate expenses.

Improving profitability of 'Businesses to be intensively monitored'

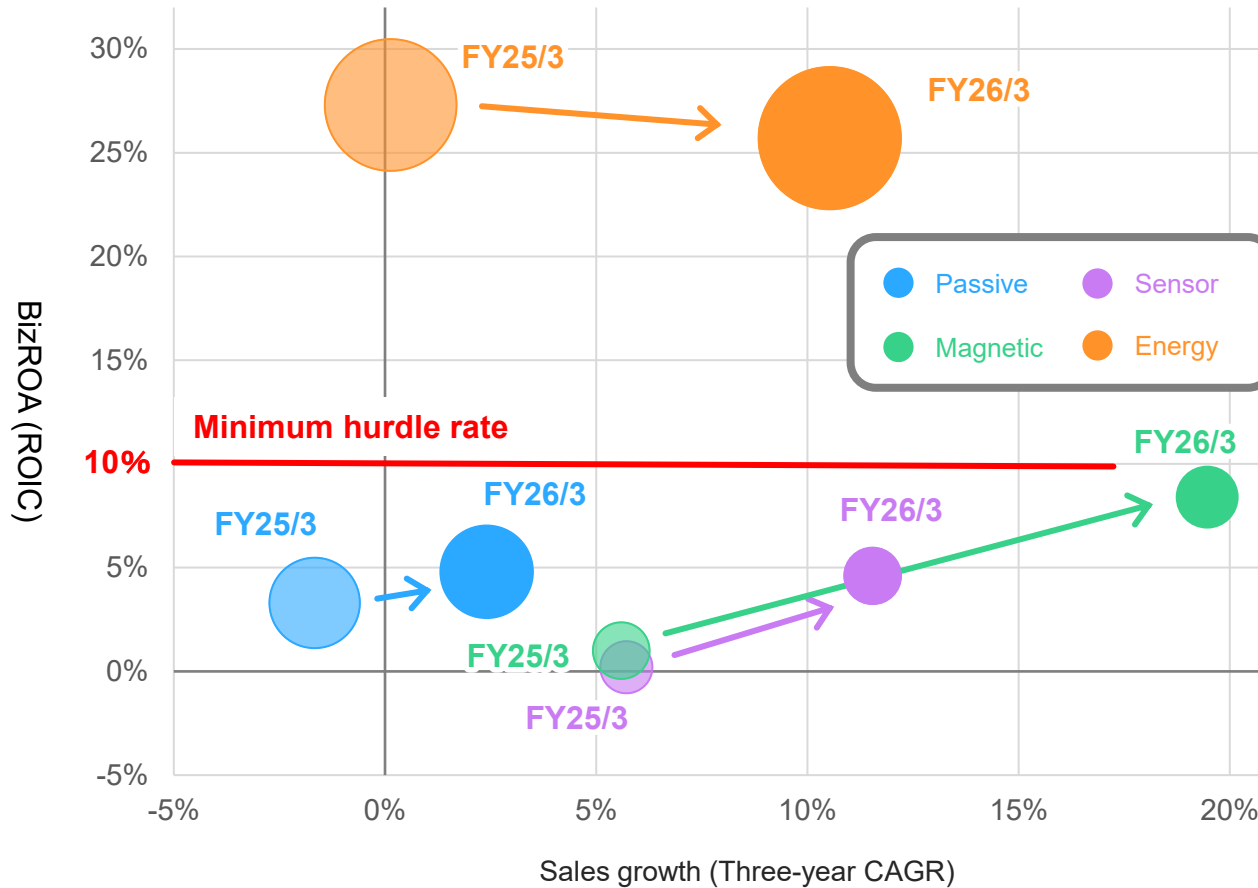
- ▶ All 29 CBUs selected for businesses to be intensively monitored; 2 CBUs moved to Profit Base; 13 are being improved.
- ▶ 9 CBUs were divested/transferred; and 5 are under discussion for implementation.

Progress of proactive business portfolio management



Progress on ROIC by segment

Chart for growth and capital efficiency by segment

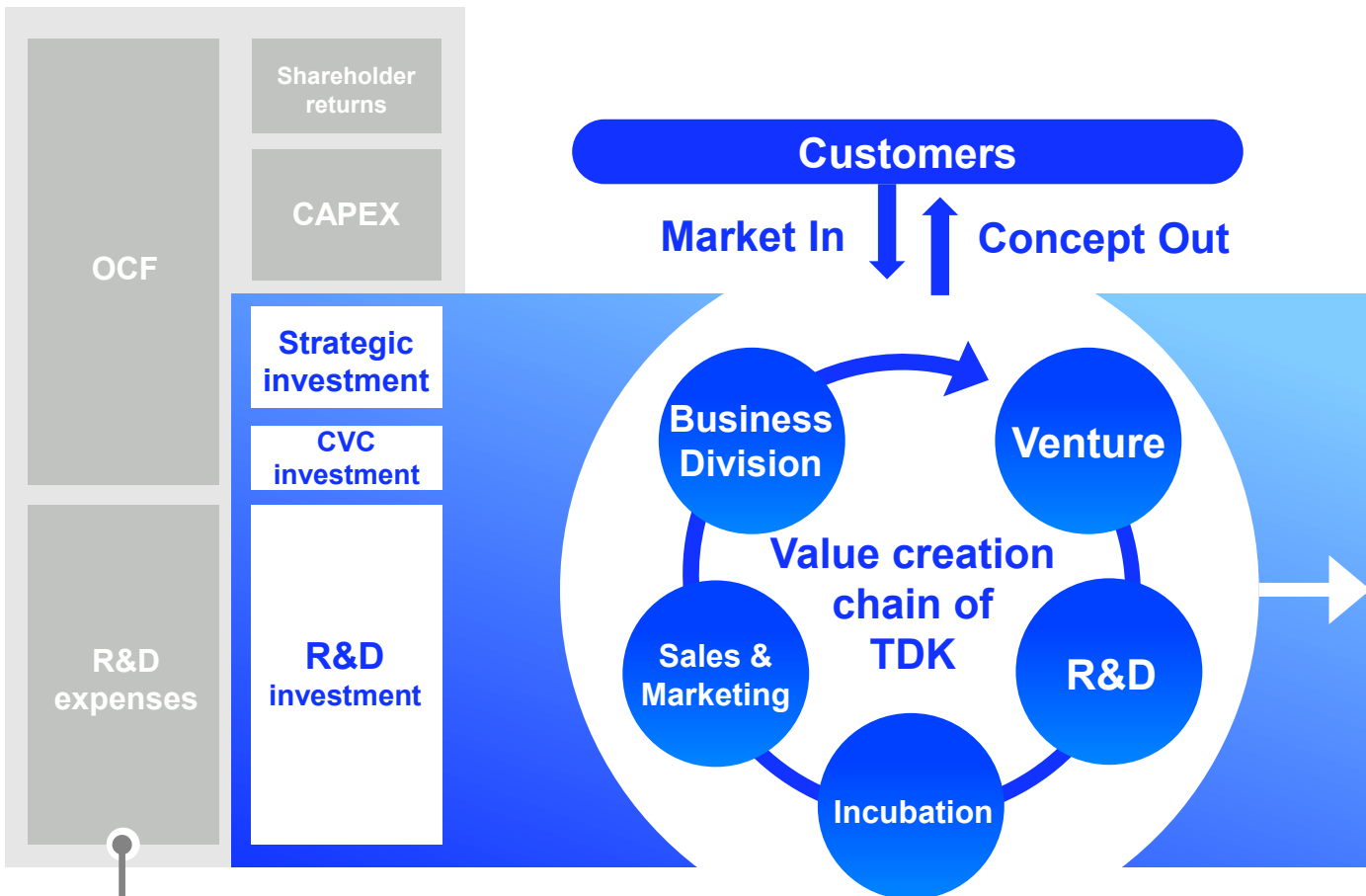


Net sales, BizROA by segment

	(¥bn) FY3/25	FY3/26
Net sales	2,204.8	2,504.8
Passive Components	559.6	593.2
Sensor Application Products	189.5	224.7
Magnetic Application Products	223.6	262.9
Energy Application Products	1,176.5	1,370.3
OP margin	10.2%	10.9%
BizROA (ROIC)	6.7%	7.5%
Passive Components	3.3%	4.8%
Sensor Application Products	0.2%	4.7%
Magnetic Application Products	1.0%	8.4%
Energy Application Products	27.3%	25.7%

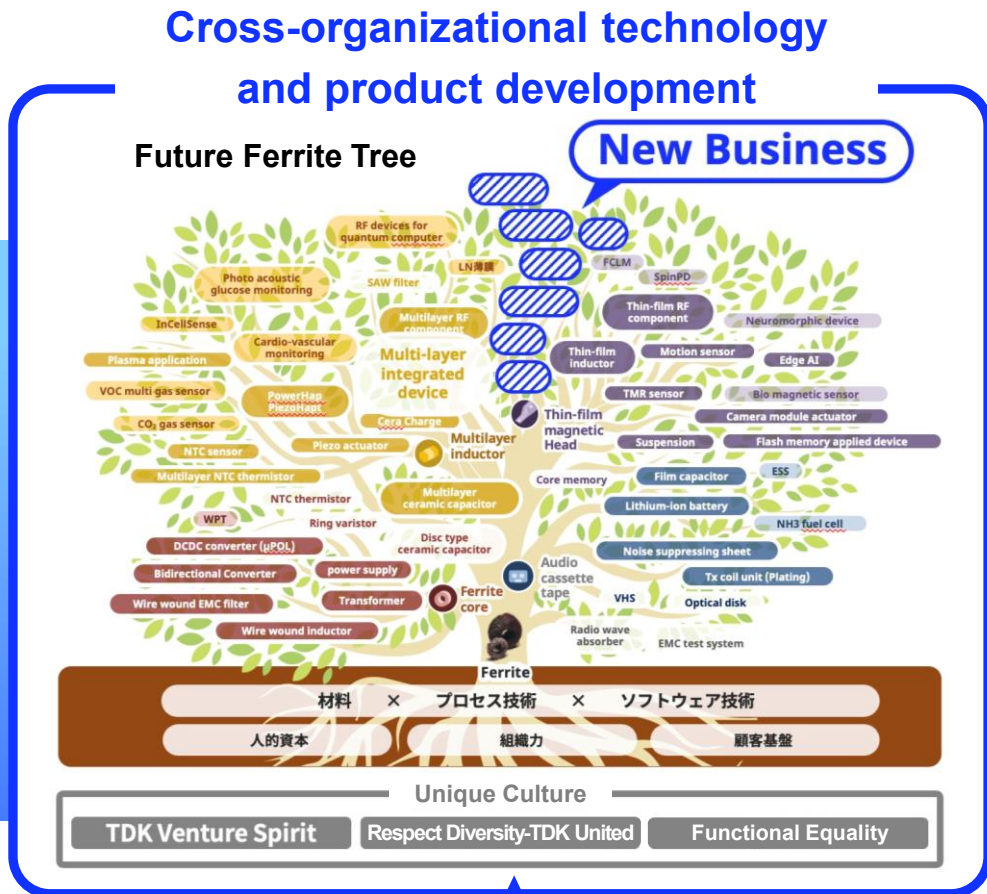
Long-term technology strategy: Accelerate and strengthen investment in growth areas

- ▶ With market-in and concept-out approaches, we strengthen the capabilities of the value creation chain of TDK.

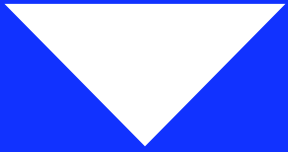


Strengthening both profitability and R&D investments for a sustainable growth.

Accelerating the Value Creation Cycle with a new organizational structure



At the Investor Day on Sep. 1, Explain human capital and software technology



FY March 2026 Results Highlights

FY March 2026 key points

- ▶ Net sales and operating profit increased year on year due to continuous robust demand in the ICT and HDD markets.
- ▶ Net sales and operating profit reached new record highs for the full year of the fiscal year.

Net sales

¥2,504.8 bn

[YoY **+13.6%**]

Operating profit

¥272.4 bn

[YoY **+21.5%**]

- Sales of small capacity batteries and sensors to the ICT market increased considerably.
- Sales of HDD heads and suspension assemblies grew considerably as demand in the HDD market significantly exceeded the previous year's level.
- Sales of sensors and passive components to the automotive market increased despite sluggish sales of battery electric vehicles (BEVs).
- Sales of small capacity batteries, passive components and sensors to the industrial equipment market increased.

FY March 2026 results

*TDK split one share of its common share into five shares with the effective date of October 1, 2024. Earnings per share is calculated on the assumption that the share split had been implemented at the beginning of the previous fiscal year.

- ▶ Net sales and operating profit increased year on year. TDK set record highs in net sales and all profit items.
- ▶ One-time expenses: ¥13.6 bn

	FY3/25	FY3/26	Change	
			¥bn	%
(¥bn)				
Net sales	2,204.8	2,504.8	+300.0	+13.6%
Operating profit	224.2	272.4	+48.2	+21.5%
Operating profit margin	10.2%	10.9%	+0.7pts	-
Profit before tax	237.8	276.8	+39.0	+16.4%
Net profit attributable to owners of parent	167.2	195.7	+28.5	+17.1%
ROIC	6.7%	7.5%	+0.8pt	
Free cash flow (FCF)	201.0	129.9	(71.1)	(35.4)%
Earnings per share (¥)*	88.10	103.09	-	-
USD/JPY	152.66	150.76	1.2% JPY appreciation	
EUR/JPY	163.86	174.76	6.7% JPY depreciation	

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

Net sales	Decreased by approx. ¥2.5 bn
OP	Decreased by approx. ¥10.6 bn

Forex sensitivity (impact by one JPY change)

USD

Net Sales	¥11.0 bn
OP	¥2.0 bn

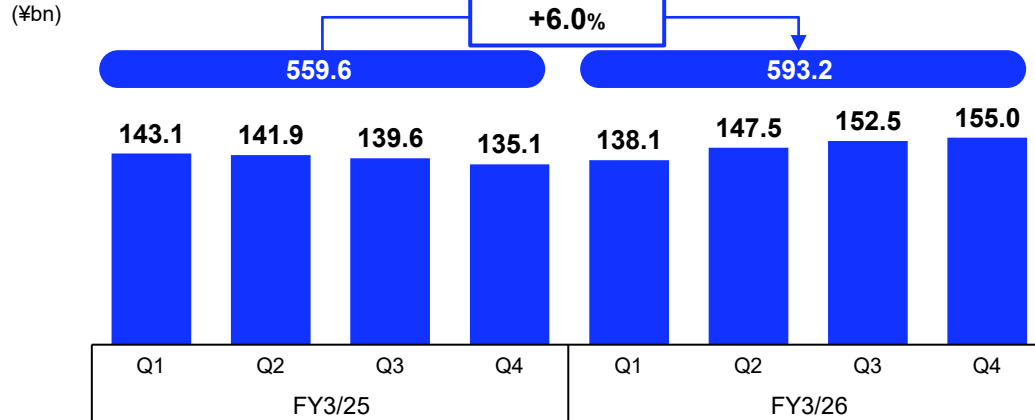
EUR

Net Sales	¥2.0 bn
OP	¥0.3 bn

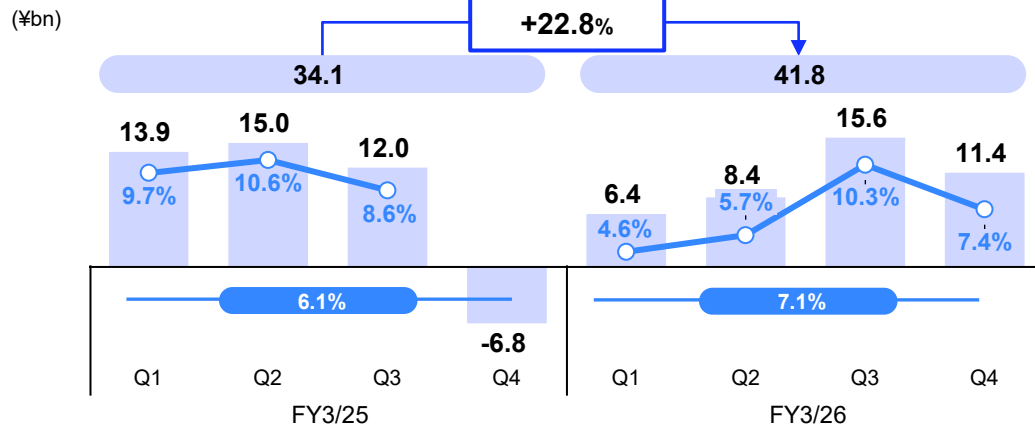
Passive Components segment

▶ Sales increased to the industrial equipment and automotive markets year on year.

Net sales



Operating profit, OP margin



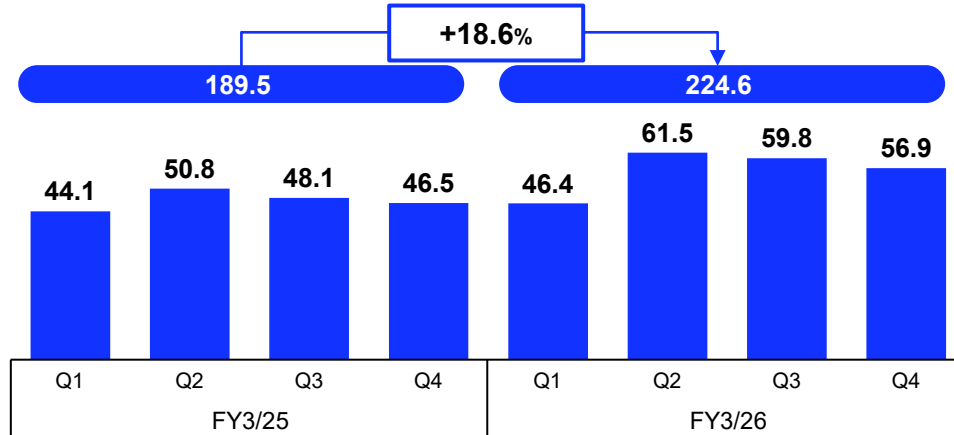
Ceramic capacitors	<ul style="list-style-type: none"> Sales increased while profit decreased year on year. Sales increased to the automotive and industrial equipment markets.
Aluminum electrolytic capacitors and film capacitors	<ul style="list-style-type: none"> Sales and profit increased year on year.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

Sensor Application Products segment

▶ Profit in the sensor business as a whole increased considerably due to an increase in sales to the three priority markets.

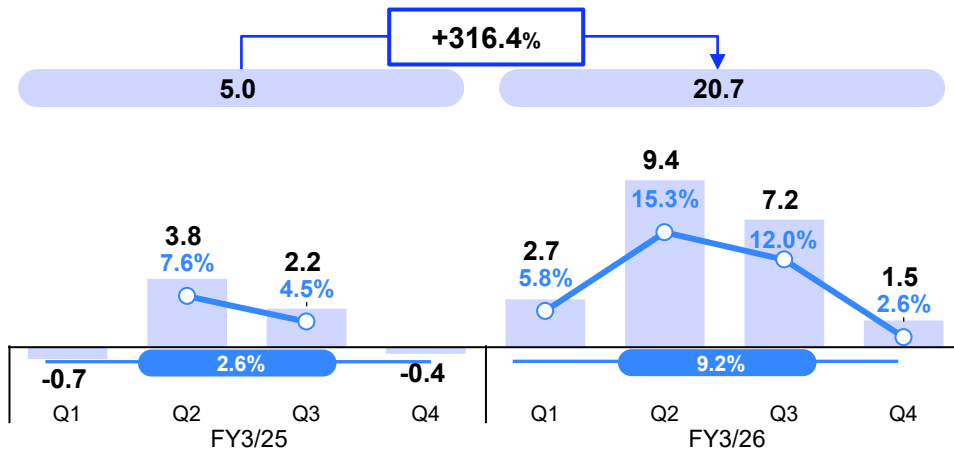
Net sales

(¥bn)



Operating profit, OP margin

(¥bn)



Temperature and pressure sensors

- Sales increased while profit decreased year on year.
- Sales increased to the automotive market.

Magnetic sensors

- Sales and profit increased year on year.
- Sales increased to the ICT and automotive markets.

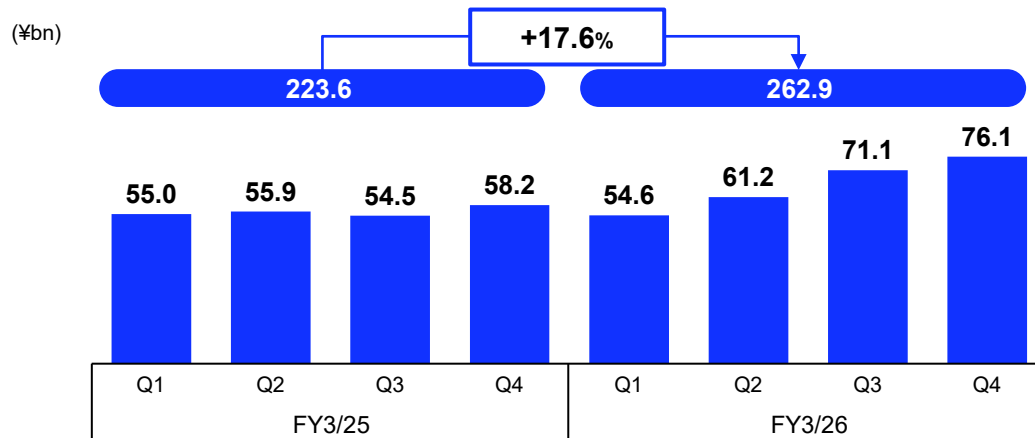
MEMS sensors

- Sales increased year on year, returning to profitability.
- Sales of microphones to the ICT market increased.
- Sales of motion sensors to the industrial equipment market increased.

Magnetic Application Products segment

- ▶ Sales of HDD heads and suspension assemblies increased due to continuous robust demand in the HDD market, resulting in a significant improvement in profitability.

Net sales



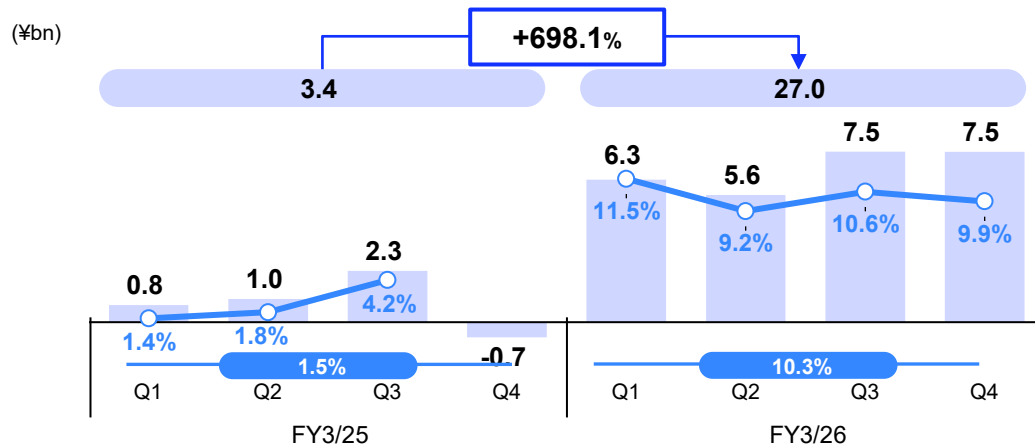
HDD heads and HDD suspension assemblies

- Sales increased and profit rose significantly year on year.

Magnets

- Sales increased year on year and profitability improved.

Operating profit, OP margin

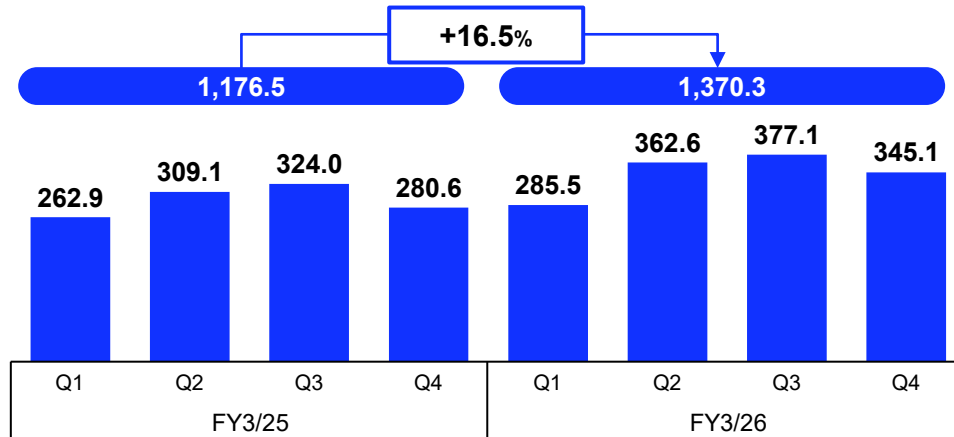


Energy Application Products segment

▶ Small capacity batteries posted an increase in sales volume and profit reflecting robust demand in the ICT market.

Net sales

(¥bn)



Energy devices
(Rechargeable
batteries)

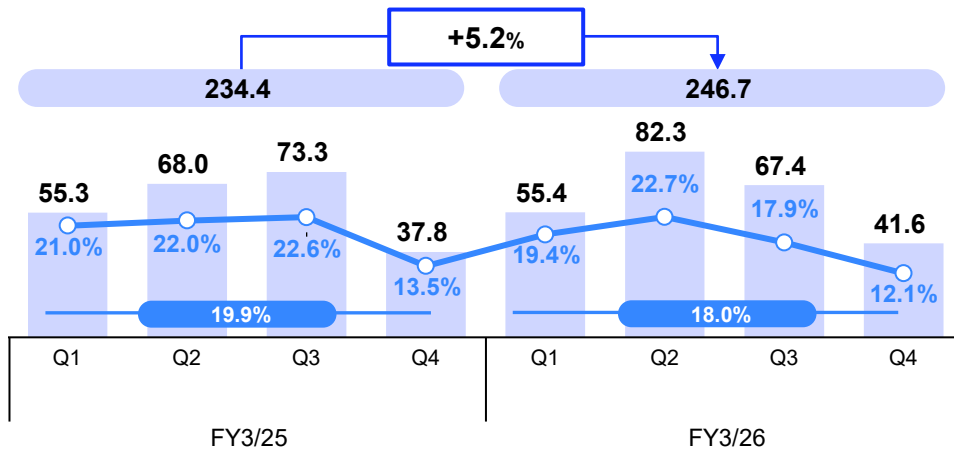
- Sales and profit increased year on year.
- Sales of small capacity batteries increased due to an increase in the sales volume and the effect of new model sales.
- Sales of small capacity batteries increased to the industrial equipment market.

Power supplies

- Sales and profit of power supplies for industrial equipment increased year on year.

Operating profit, OP margin

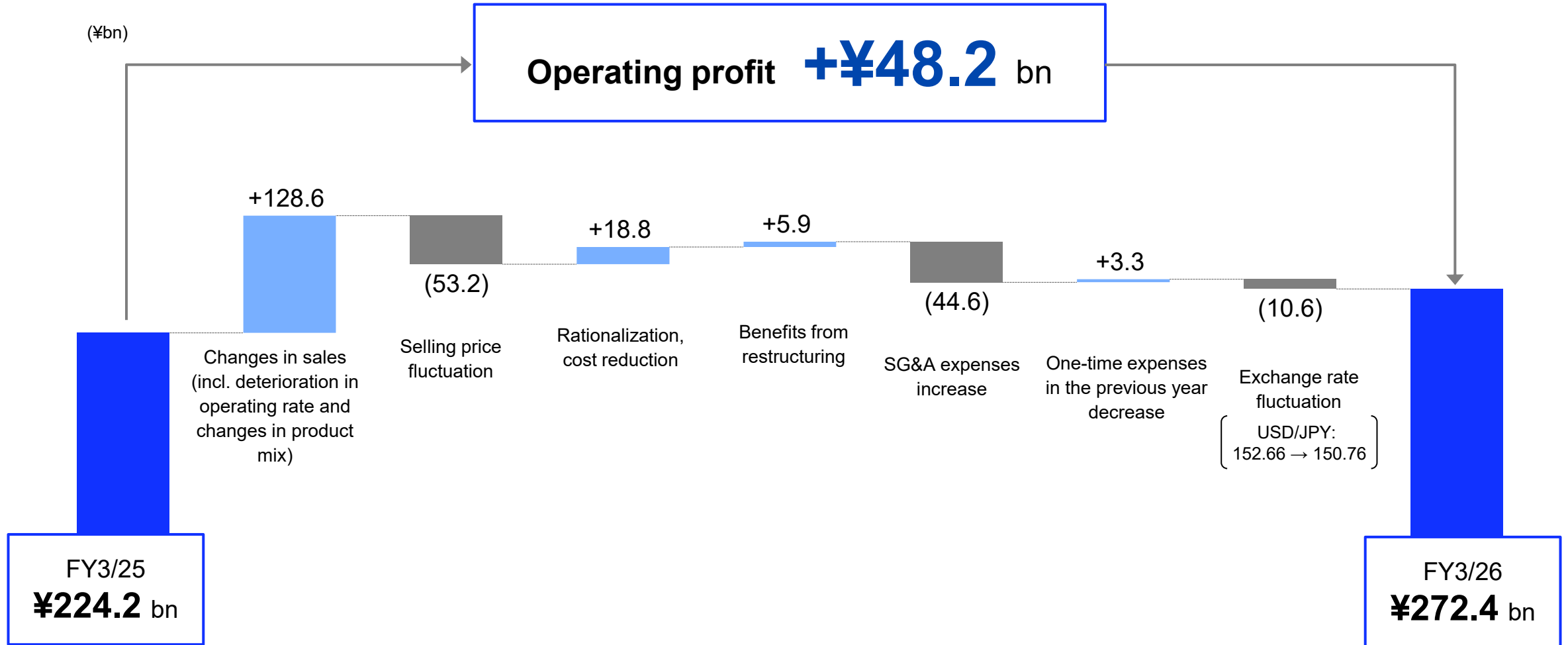
(¥bn)



Quarterly results by segment

		FY3/25	FY3/26	FY3/26	YoY [C] – [A]		QoQ [C] – [B]	
		(¥bn) Q4 [A]	Q3 [B]	Q4 [C]	¥bn	%	¥bn	%
Net Sales	Capacitors	57.2	66.3	69.3	+12.1	+21.1%	+3.0	+4.5%
	Inductive Devices	49.0	55.8	56.3	+7.3	+14.9%	+0.4	+0.8%
	Other Passive Components	28.9	30.4	29.4	+0.6	+1.9%	(1.0)	(3.2)%
	Passive Components	135.1	152.5	155.0	+20.0	+14.8%	+2.5	+1.6%
	Sensor Application Products	46.5	59.8	56.9	+10.4	+22.3%	(2.9)	(4.9)%
	Magnetic Application Products	58.2	71.1	76.1	+17.8	+30.6%	+5.0	+7.1%
	Energy Application Products	280.6	377.1	345.1	+64.5	+23.0%	(32.0)	(8.5)%
	Other	13.9	14.7	13.2	(0.7)	(4.9)%	(1.5)	(9.9)%
	Total	534.3	675.2	646.3	+112.0	+21.0%	(28.9)	(4.3)%
Operating Profit	Passive Components	(6.8)	15.6	11.4	+18.2	-	(4.2)	(27.1)%
	Sensor Application Products	(0.4)	7.2	1.5	+1.9	-	(5.7)	(79.1)%
	Magnetic Application Products	(0.7)	7.5	7.5	+8.2	-	±0	(0.1)%
	Energy Application Products	37.8	67.4	41.6	+3.8	+10.2%	(25.8)	(38.3)%
	Other	(2.3)	(1.5)	(4.7)	(2.5)	-	(3.2)	-
	Subtotal	27.6	96.2	57.3	+29.7	+107.4%	(38.9)	(40.5)%
	Adjustment	(12.5)	(13.1)	(15.6)	(3.1)	-	(2.5)	-
	Total	15.1	83.1	41.7	+26.6	+176.0%	(41.4)	(49.9)%
Operating profit margin		2.8%	12.3%	6.4%	+3.6pts	-	(5.9)pts	-
USD/JPY		152.82	154.04	156.94				
EUR/JPY		160.69	179.32	183.68				

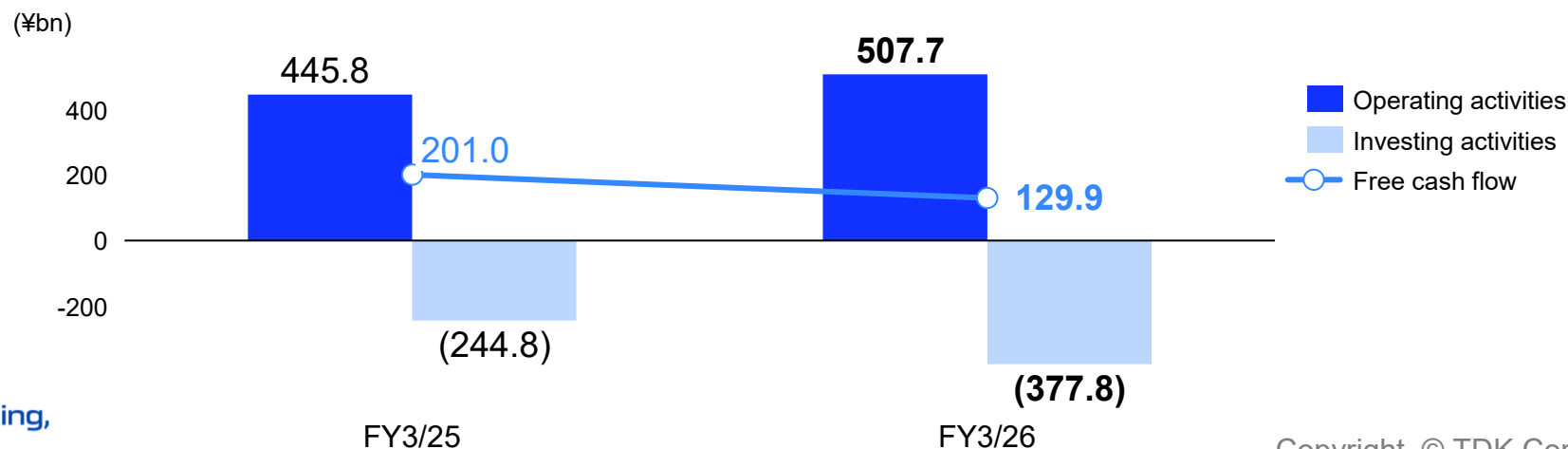
Analysis of change in operating profit – Full Year

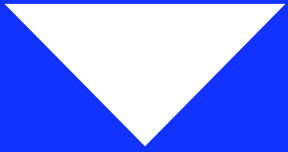


Cash flows – Full Year

(¥bn)	FY3/25	FY3/26	Change
Cash flows from operating activities	445.8	507.7	+61.8
Cash flows from investing activities	(244.8)	(377.8)	(132.9)
Free cash flow	201.0	129.9	(71.1)
Cash flows from financing activities	(143.3)	(64.7)	+78.6
Effects of exchange rate changes on cash and cash equivalents	(10.4)	80.3	+90.6
Cash and cash equivalents	697.3	842.8	+145.5

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





FY March 2027 Projections

Assumptions for performance forecast – key market predictions

- ▶ While smartphone production volume is expected to decline due to spikes in memory prices, demand for nearline HDD and AI servers is expected to grow.

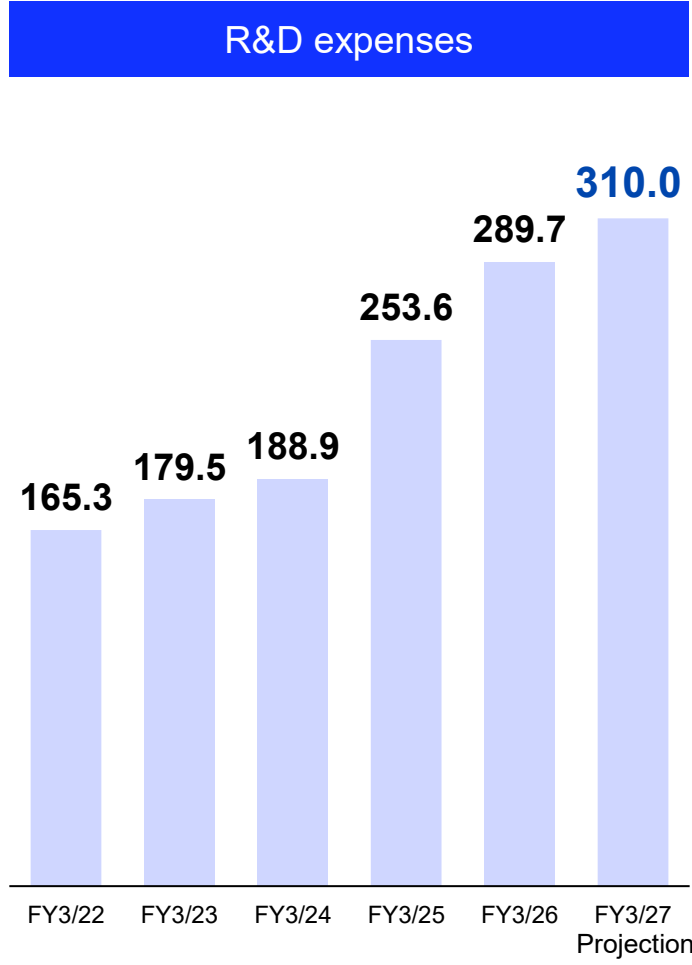
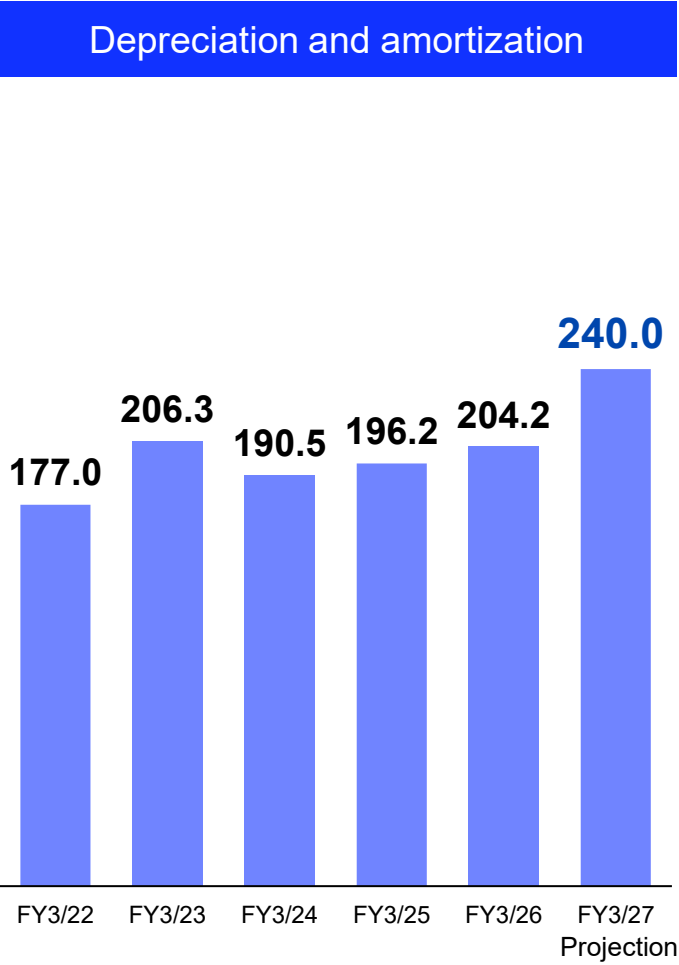
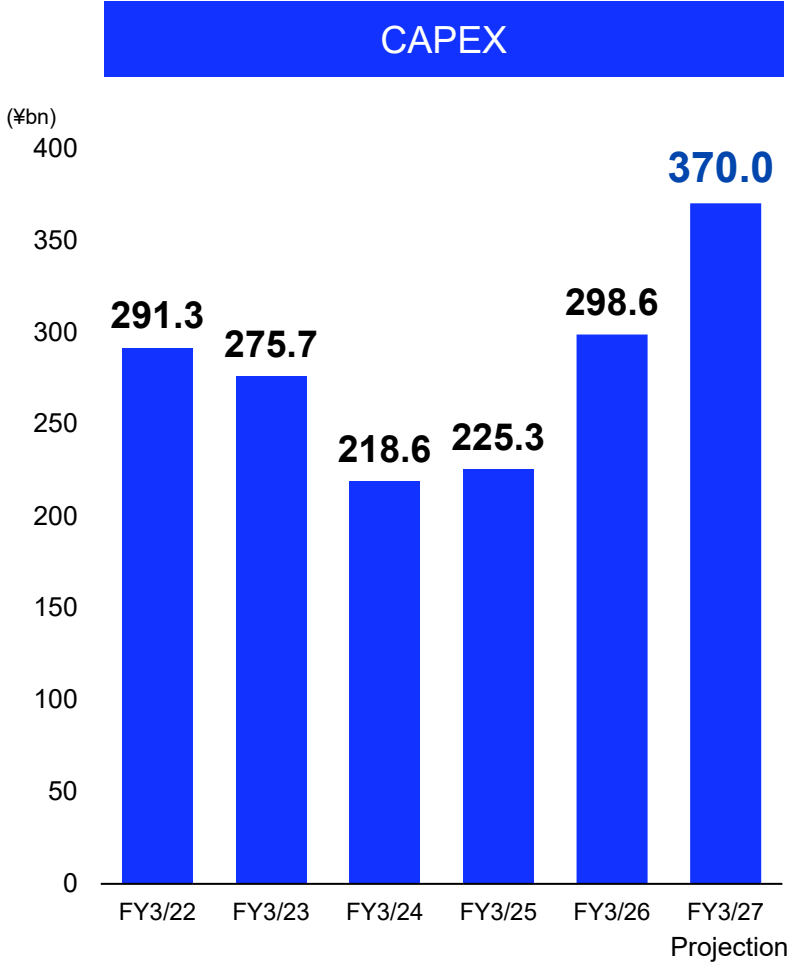
(Production volume: Unit mn)	FY3/26 Actual	FY3/27 Forecast	
		Volume [B]	YoY [A]vs[B]
Automobile*	92.4	91.6	(1)%
xEV	31.4	35.6	+13%
HEV	8.4	9.6	+15%
PHEV	7.5	8.7	+16%
BEV	15.5	17.2	+11%
Smartphone	1,240	1,112	(10)%
5G Smartphone	817	844	+7%
HDD	127	125	(2)%
Nearline	71	76	+7%
AI Server	2.2	2.6	+21%
Notebook PC	205	181	(12)%
Tablet	152	140	(8)%

*:The number of Automobile includes commercial vehicles.

FY March 2027 projections

	FY3/26 Actual	FY3/27 projections	Change	
			¥bn	%
(¥bn)				
Net sales	2,504.8	2,580.0	+75.2	+3.0%
Operating profit	272.4	295.0	+22.6	+8.3%
Operating profit margin	10.9%	11.4%	+0.5pts	-
Profit before tax	276.8	300.0	+23.2	+8.4%
Net profit attributable to owners of parent	195.7	225.0	+29.3	+15.0%
ROIC	7.5%	8.0%	+0.5pts	-
Free cash flow	129.9	60.0	(69.9)	(53.8)%
Earnings per share (¥)	103.09	118.54	-	-
Annual dividends (¥)	36.00	40.00	-	-
USD/JPY	150.76	150.00	-	-
EUR/JPY	174.76	175.00	-	-

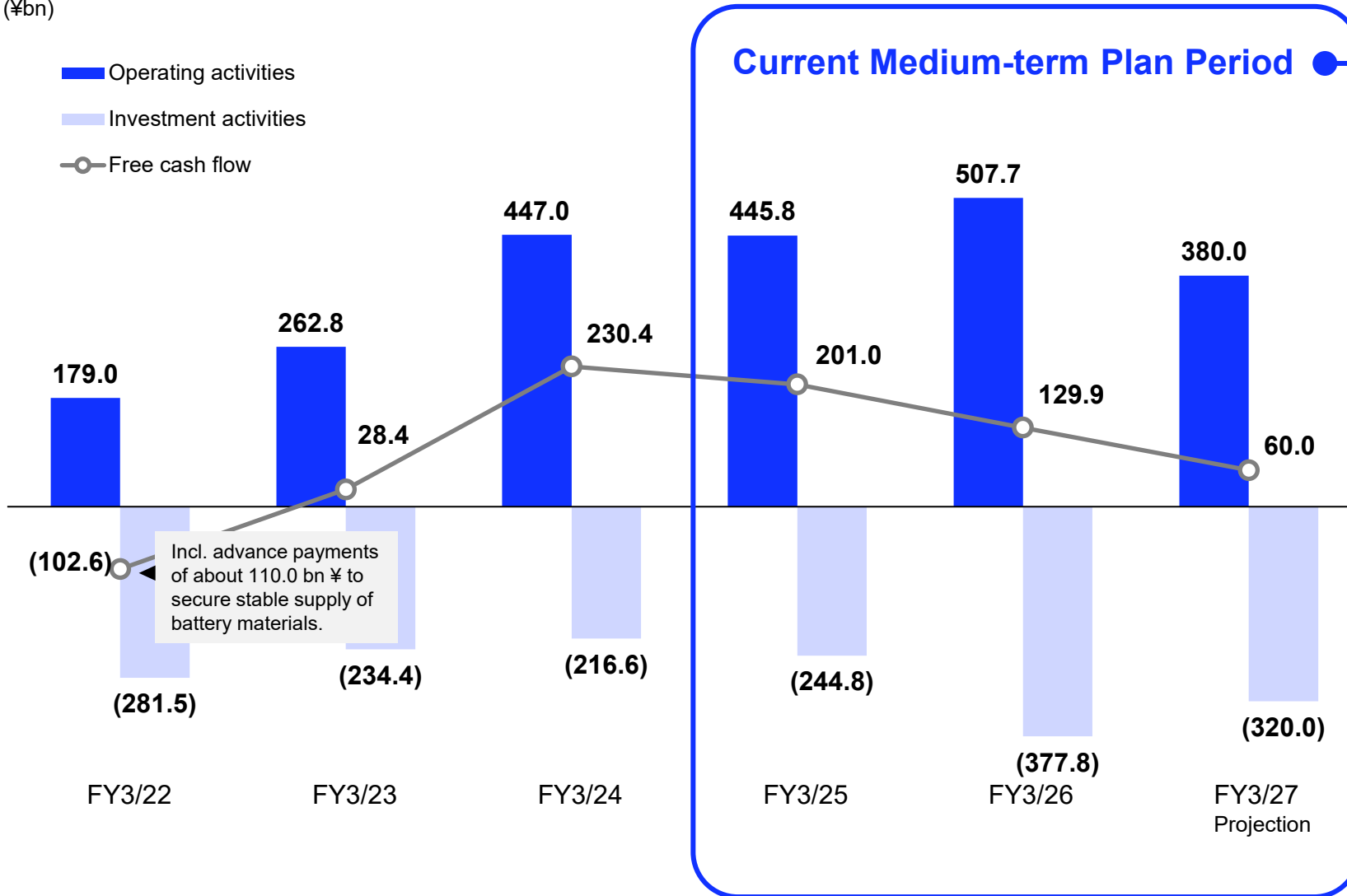
CAPEX, Depreciation, and R&D expenses – Projections



Cash flows

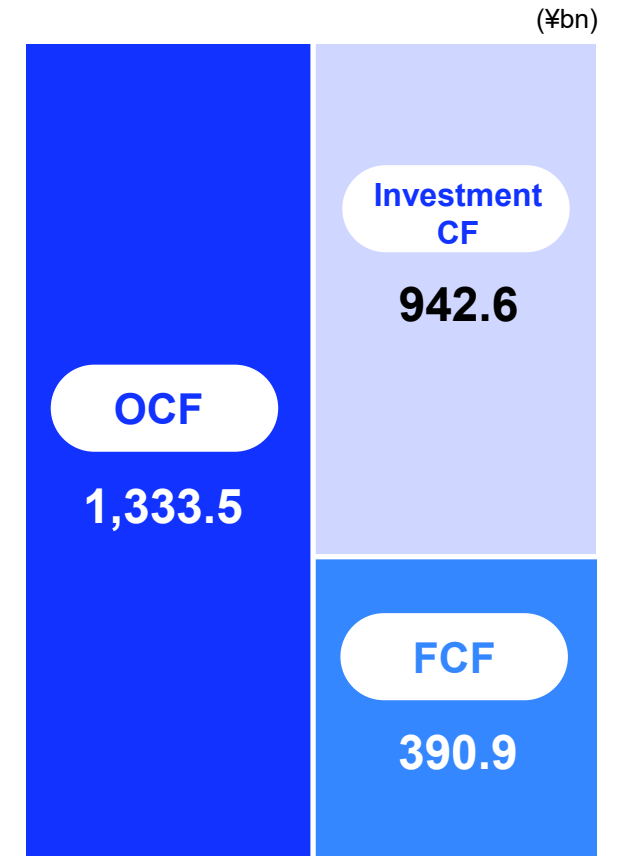
(¥bn)

- Operating activities
- Investment activities
- Free cash flow



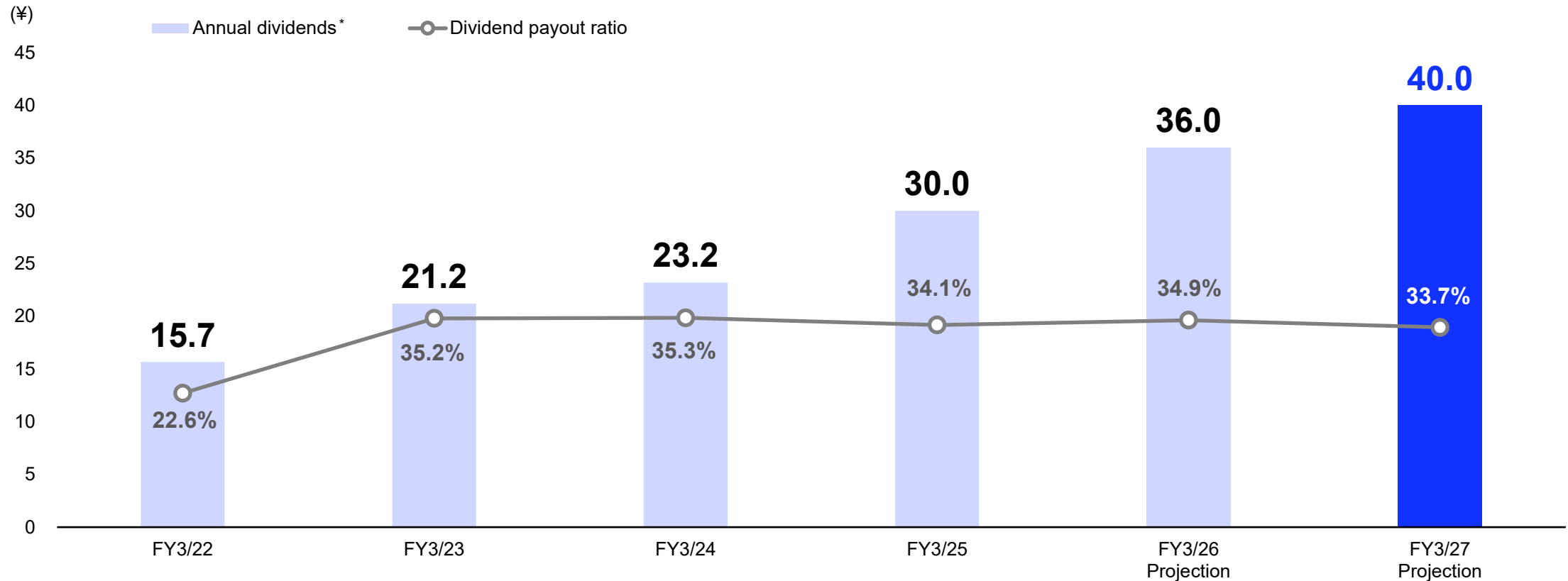
Current Medium-term Plan Period

3-Year Cumulative Projection (FY3/25 – FY3/27)

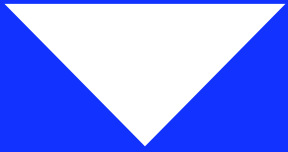


Shareholder returns

- ▶ Dividends for FY March 2026 are expected to increase by an upward revision from initial plans.
- ▶ For FY March 2027, dividends of ¥40 per share are projected.



*. Figures have been converted to align with the post-share split standard of a 1 for 5 share split, effective from October 1, 2024.



Strategy by Segment

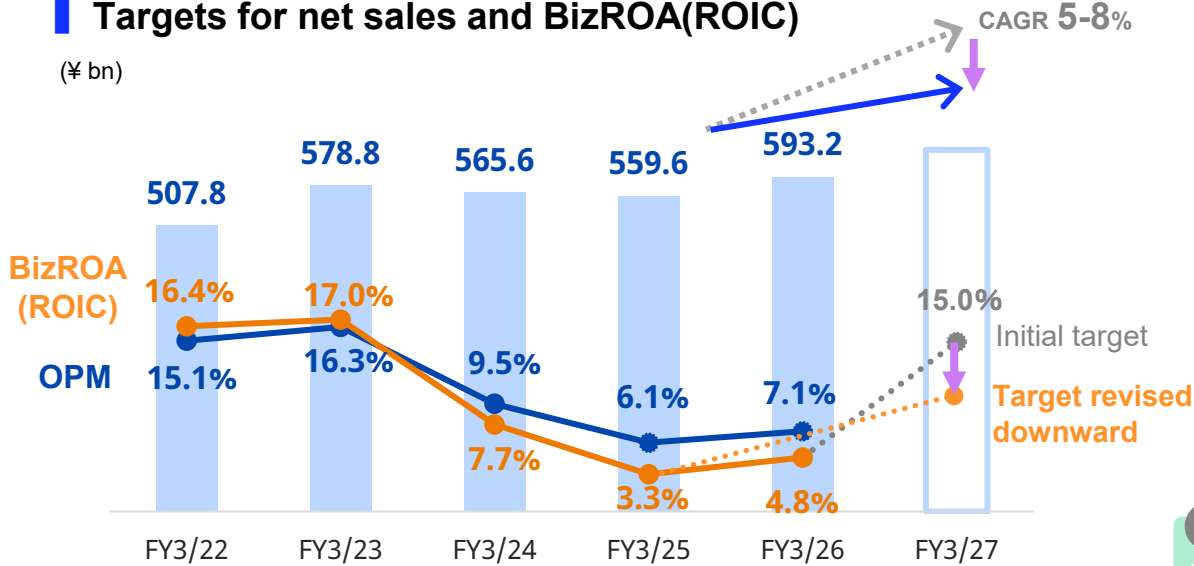
TDK's Current Businesses (FY March 2026)

	Passive Components	Sensor Application Products	Magnetic Application Products	Energy Application Products																																																																																																																
Net sales OP margin BizROA (ROIC) trends and targets	<p>Legend: Net sales(¥ 0.1billion), OP Margin(%), Biz ROA(ROIC)(%)</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Net sales (¥ 0.1billion)</th> <th>OP Margin (%)</th> <th>Biz ROA (ROIC) (%)</th> </tr> </thead> <tbody> <tr> <td>2022/3</td> <td>5,078</td> <td>16.4</td> <td>15.1</td> </tr> <tr> <td>2023/3</td> <td>5,788</td> <td>17.0</td> <td>16.3</td> </tr> <tr> <td>2024/3</td> <td>5,656</td> <td>9.5</td> <td>7.7</td> </tr> <tr> <td>2025/3</td> <td>5,596</td> <td>6.1</td> <td>3.3</td> </tr> <tr> <td>2026/3</td> <td>5,932</td> <td>7.1</td> <td>4.8</td> </tr> <tr> <td>2027/3</td> <td>-</td> <td>-</td> <td>-</td> </tr> </tbody> </table>	Year	Net sales (¥ 0.1billion)	OP Margin (%)	Biz ROA (ROIC) (%)	2022/3	5,078	16.4	15.1	2023/3	5,788	17.0	16.3	2024/3	5,656	9.5	7.7	2025/3	5,596	6.1	3.3	2026/3	5,932	7.1	4.8	2027/3	-	-	-	<p>Legend: Net sales(¥ 0.1billion), OP Margin(%), Biz ROA(ROIC)(%)</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Net sales (¥ 0.1billion)</th> <th>OP Margin (%)</th> <th>Biz ROA (ROIC) (%)</th> </tr> </thead> <tbody> <tr> <td>2022/3</td> <td>1,308</td> <td>-0.2</td> <td>-1.2</td> </tr> <tr> <td>2023/3</td> <td>1,695</td> <td>6.3</td> <td>3.5</td> </tr> <tr> <td>2024/3</td> <td>1,805</td> <td>3.3</td> <td>1.2</td> </tr> <tr> <td>2025/3</td> <td>1,895</td> <td>2.6</td> <td>0.2</td> </tr> <tr> <td>2026/3</td> <td>2,246</td> <td>9.2</td> <td>4.7</td> </tr> <tr> <td>2027/3</td> <td>-</td> <td>-</td> <td>-</td> </tr> </tbody> </table>	Year	Net sales (¥ 0.1billion)	OP Margin (%)	Biz ROA (ROIC) (%)	2022/3	1,308	-0.2	-1.2	2023/3	1,695	6.3	3.5	2024/3	1,805	3.3	1.2	2025/3	1,895	2.6	0.2	2026/3	2,246	9.2	4.7	2027/3	-	-	-	<p>Legend: Net sales(¥ 0.1billion), OP Margin(%), Biz ROA(ROIC)(%)</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Net sales (¥ 0.1billion)</th> <th>OP Margin (%)</th> <th>Biz ROA (ROIC) (%)</th> </tr> </thead> <tbody> <tr> <td>2022/3</td> <td>2,484</td> <td>3.3</td> <td>1.8</td> </tr> <tr> <td>2023/3</td> <td>2,006</td> <td>-22.0</td> <td>-28.1</td> </tr> <tr> <td>2024/3</td> <td>1,842</td> <td>-12.2</td> <td>-19.3</td> </tr> <tr> <td>2025/3</td> <td>2,236</td> <td>1.5</td> <td>1.0</td> </tr> <tr> <td>2026/3</td> <td>2,629</td> <td>10.3</td> <td>8.4</td> </tr> <tr> <td>2027/3</td> <td>-</td> <td>-</td> <td>-</td> </tr> </tbody> </table>	Year	Net sales (¥ 0.1billion)	OP Margin (%)	Biz ROA (ROIC) (%)	2022/3	2,484	3.3	1.8	2023/3	2,006	-22.0	-28.1	2024/3	1,842	-12.2	-19.3	2025/3	2,236	1.5	1.0	2026/3	2,629	10.3	8.4	2027/3	-	-	-	<p>Legend: Net sales(¥ 0.1billion), OP Margin(%), Biz ROA(ROIC)(%)</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Net sales (¥ 0.1billion)</th> <th>OP Margin (%)</th> <th>Biz ROA (ROIC) (%)</th> </tr> </thead> <tbody> <tr> <td>2022/3</td> <td>9,653</td> <td>15.1</td> <td>12.8</td> </tr> <tr> <td>2023/3</td> <td>11,734</td> <td>15.6</td> <td>12.6</td> </tr> <tr> <td>2024/3</td> <td>11,217</td> <td>21.5</td> <td>17.4</td> </tr> <tr> <td>2025/3</td> <td>11,765</td> <td>27.3</td> <td>19.9</td> </tr> <tr> <td>2026/3</td> <td>13,703</td> <td>25.7</td> <td>18.0</td> </tr> <tr> <td>2027/3</td> <td>-</td> <td>-</td> <td>-</td> </tr> </tbody> </table>	Year	Net sales (¥ 0.1billion)	OP Margin (%)	Biz ROA (ROIC) (%)	2022/3	9,653	15.1	12.8	2023/3	11,734	15.6	12.6	2024/3	11,217	21.5	17.4	2025/3	11,765	27.3	19.9	2026/3	13,703	25.7	18.0	2027/3	-	-	-
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Products	<p>Capacitors Multilayer ceramic chip capacitors, Aluminum electrolytic capacitors, Film capacitors, etc.</p> <p>Inductive devices Inductive devices, SMD power supply inductors, Signal EMC filters, Transformers, Ferrite cores, etc.</p> <p>Other passive components High-frequency components (high-frequency filters, etc.), Piezoelectric material products and circuit protection components (varistors, arresters, etc.)</p>	<p>Sensors Temperature sensors, pressure sensors, Magnetic sensors (Hall sensors and TMR sensors) MEMS sensors (MEMS motion sensors and MEMS microphones)</p>	<p>HDD-related devices HDD heads, HDD suspension applications, etc</p> <p>Magnets Ferrite magnets for small motors, Neodymium magnets for xEV drive motors, Neodymium magnets for industrial equipment motors, etc</p>	<p>Energy devices Small capacity batteries (for smartphones, tablet devices, notebook computers, wearable devices, game consoles, etc.), Medium capacity batteries (for residential energy storage systems, commercial energy storage systems, electric motorcycles, drones, power tools, etc.)</p> <p>Power supplies Programmable power supplies (DC, AC), Switching power supplies (AC-DC, DC-DC), bidirectional DC-DC converters, Automotive DC-DC converters, etc</p>																																																																																																																

Passive Components

Targets for net sales and BizROA(ROIC)

(¥ bn)



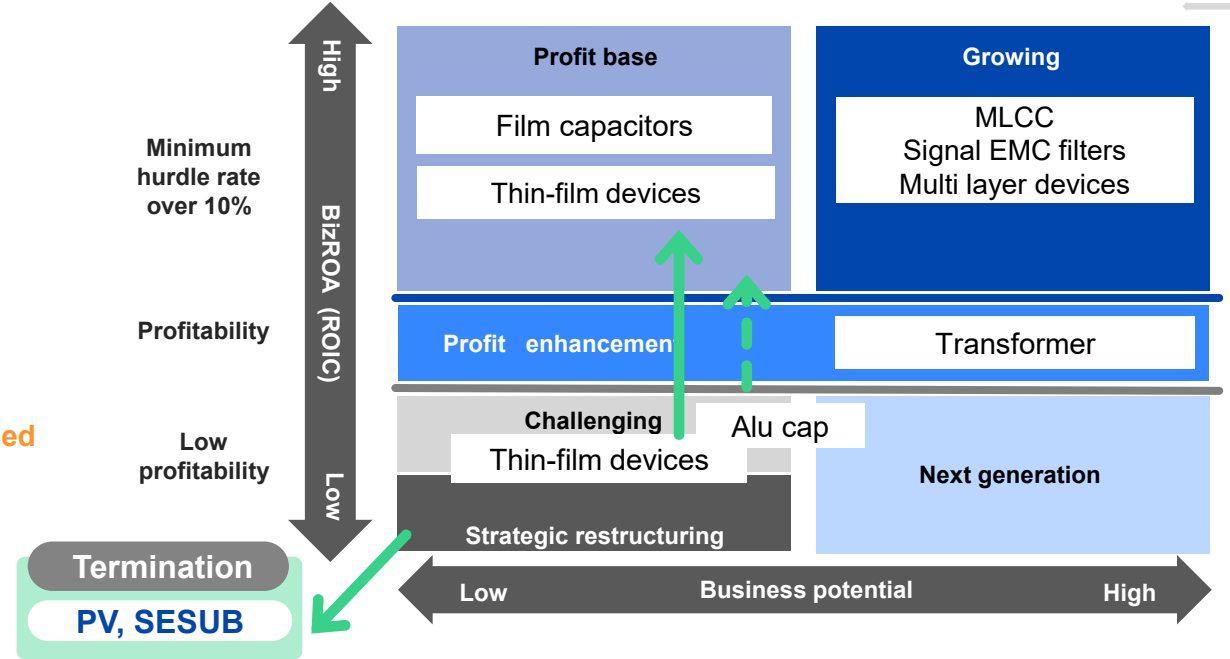
Reasons for lowering of mid- to long-term ROIC targets

- Sluggish demand in the BEV and industrial equipment markets

Strategy progress

- Expansion of low power consumption components for AI servers
- Secure supply capacity for high-value-added products
- Increase in supply capacity for aluminum electrolytic capacitors
- Strategic actions in materials development (MLCC, etc.)
- Strengthen competitiveness in high-reliability products for automotive powertrain
- Review product portfolio and accelerate DX

Business portfolio map



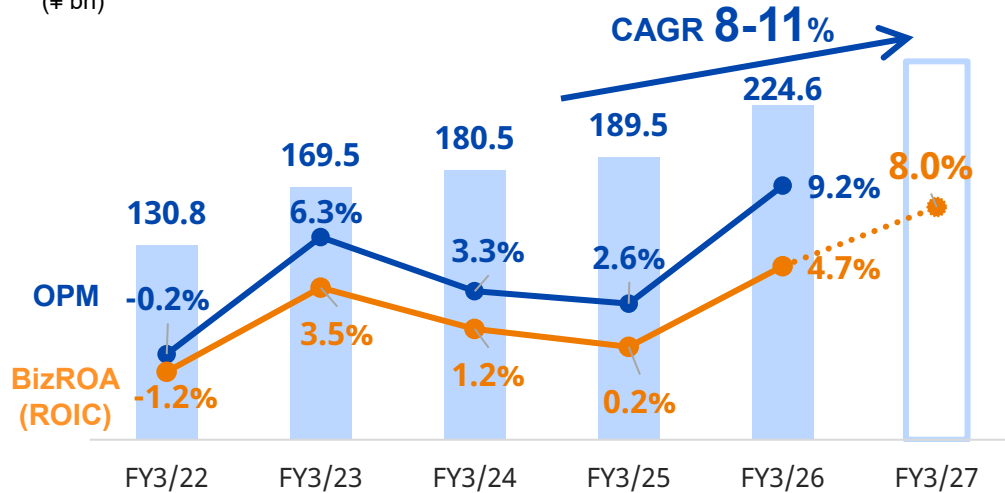
Potential for mid- to long-term growth

- Expansion in high-growth markets, including AI ecosystem
- Market entry with new products in photoelectronic conversion and robotics
- Collaboration with TDK Ventures portfolio companies to apply cutting-edge technologies
- Improve profitability through portfolio review

Sensor Application Product

Targets for net sales and BizROA(ROIC)

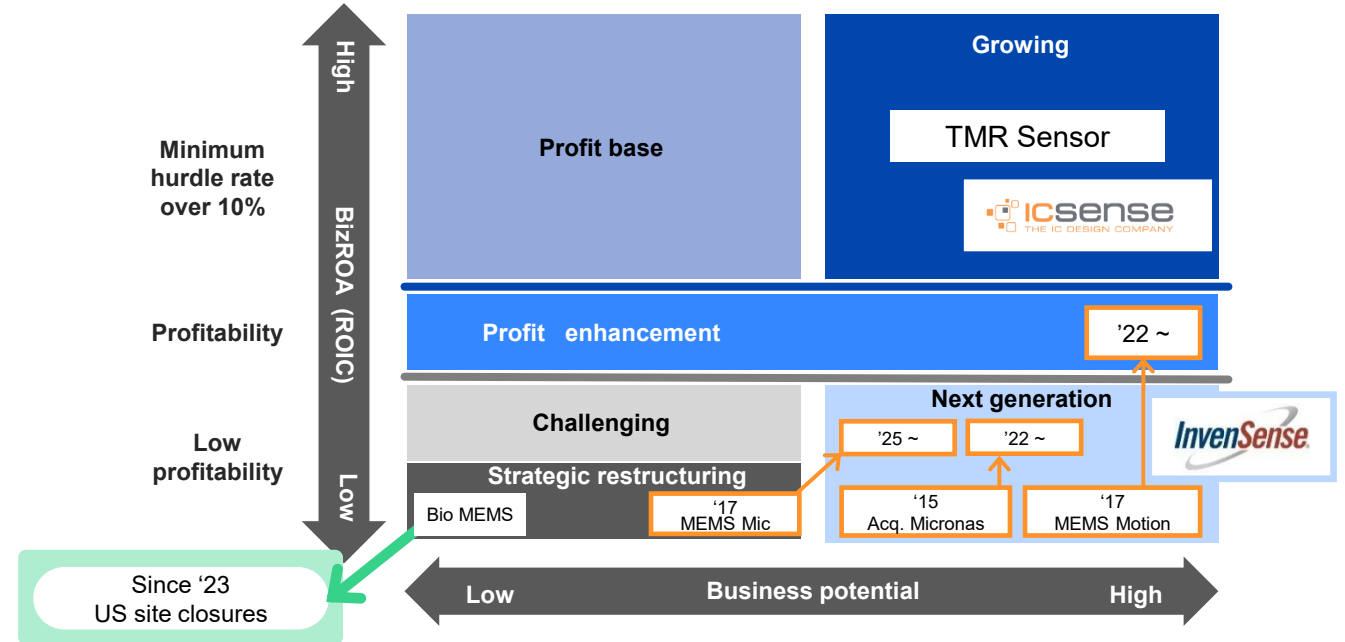
(¥ bn)



Strategy progress

- Transformation for a market-driven operation model
- Grow new products through market-in and concept-out approaches
- Secure production capacity and expand sales of TMR sensors
- Launch new products for MEMS microphones
- Improve profitability of the MEMS sensor business
- Strengthen partnerships with tech leaders

Business portfolio map



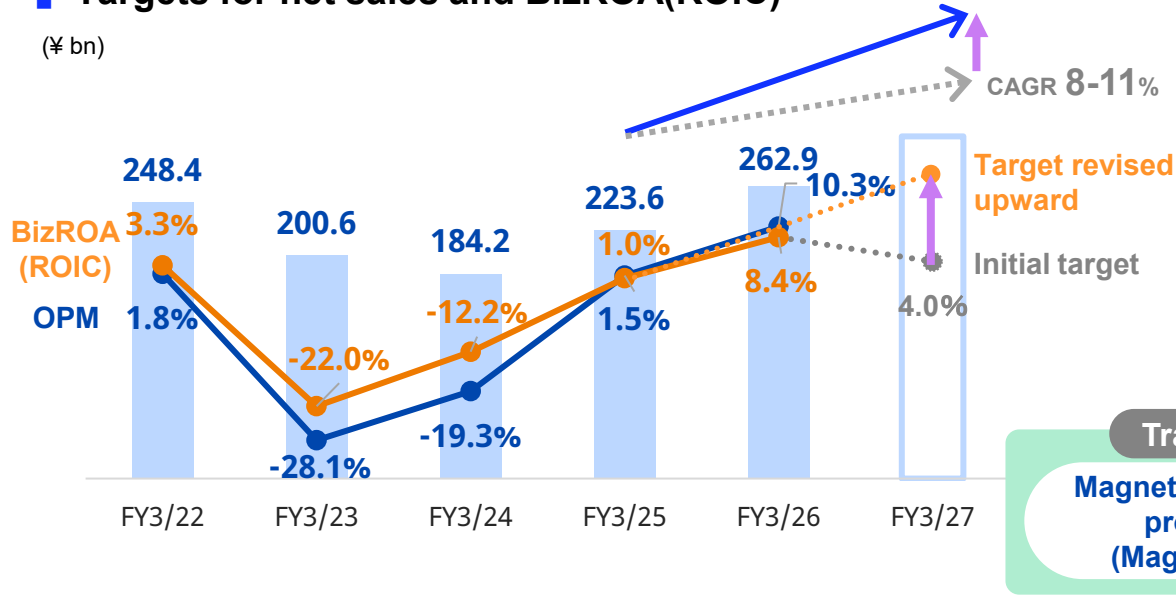
Potential for mid- to long-term growth

- Expand applications for TMR sensors
- Develop products integrating MEMS and magnetic sensors
- Deploy sensors in cutting-edge devices such as smart glasses
- Grow TDK sensors in xEV and AI ecosystem markets
- Strengthen collaboration with TDK Ventures to expand partnerships with game changers

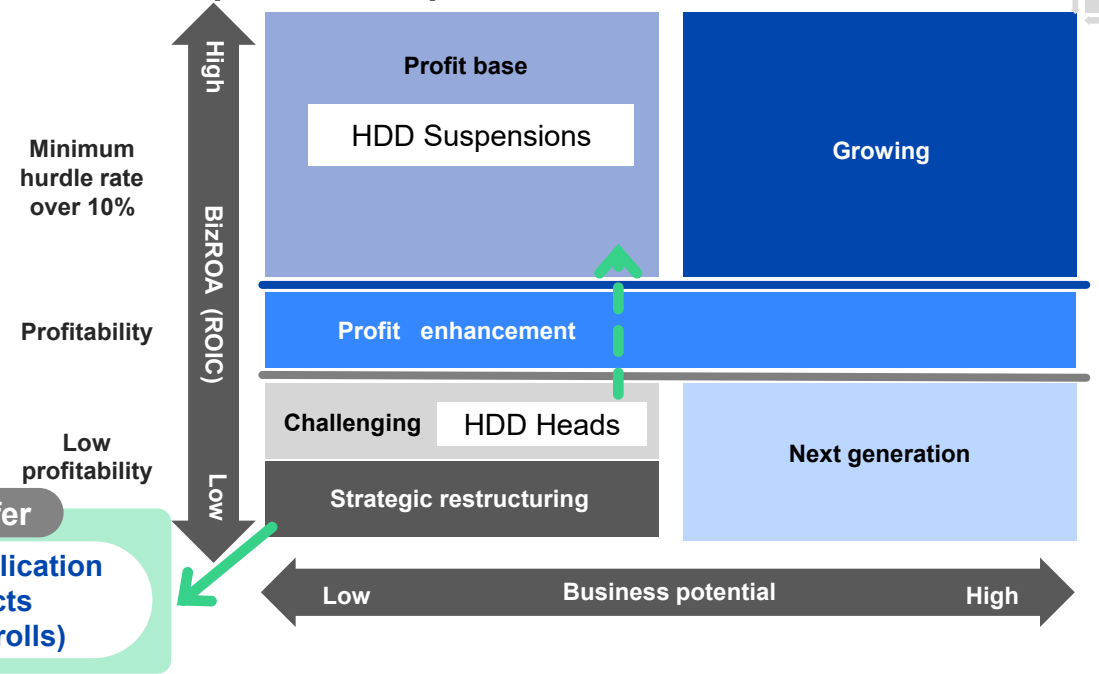
Magnetic Application Products

Targets for net sales and BizROA(ROIC)

(¥ bn)



Business portfolio map



Strategy progress

- Improve profitability through optimization of manufacturing sites
- Increase market share for Tri-SA suspensions
- Transition HDD suspensions to a high-profit business
- Secure position as an independent head maker
- Expand high-value products such as MAMR*1
- Strengthen business portfolio management in the magnet business

Potential for mid- to long-term growth

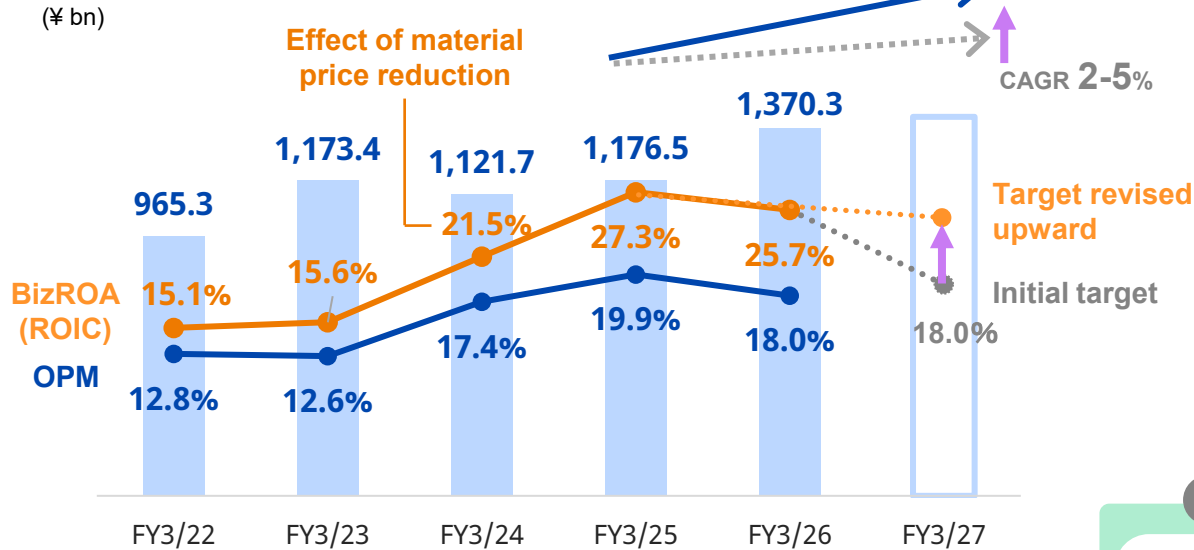
- Expand the customer base for existing products and next-generation technologies
- Optimize investment decisions driven by continued growth in large-capacity storage demand
- Accelerate HAMR*2 development and market launch

*1: Microwave-Assisted Magnetic Recording

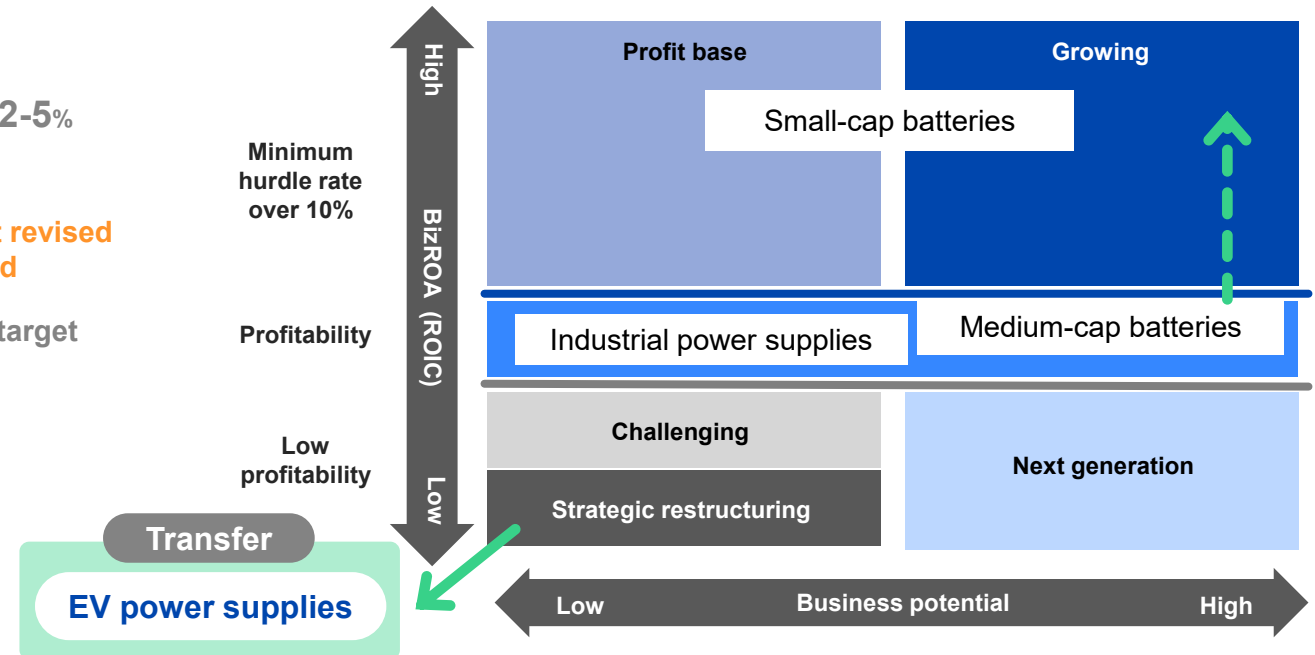
*2: Heat-Assisted Magnetic Recording

Energy Application Products

Targets for net sales and BizROA(ROIC)



Business portfolio map

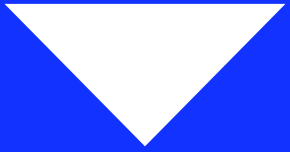


Strategy progress

- Timely market launch of innovative new products
- Sustain profitability through high-value products and production efficiency improvements
- Expand applications for wearable devices
- Establish India manufacturing sites
- Stabilize profits in the medium capacity battery business and expand the product line-up

Potential for mid- to long-term growth

- Sustain and expand competitive advantage through continuous cutting-edge technology R&D
- Respond to demand for high-performance batteries driven by AI device market expansion
- Increase the product line-up of high-output power cells
- Expand the medium capacity battery business for data centers
- Expand the industrial power supplies business for data center infrastructure

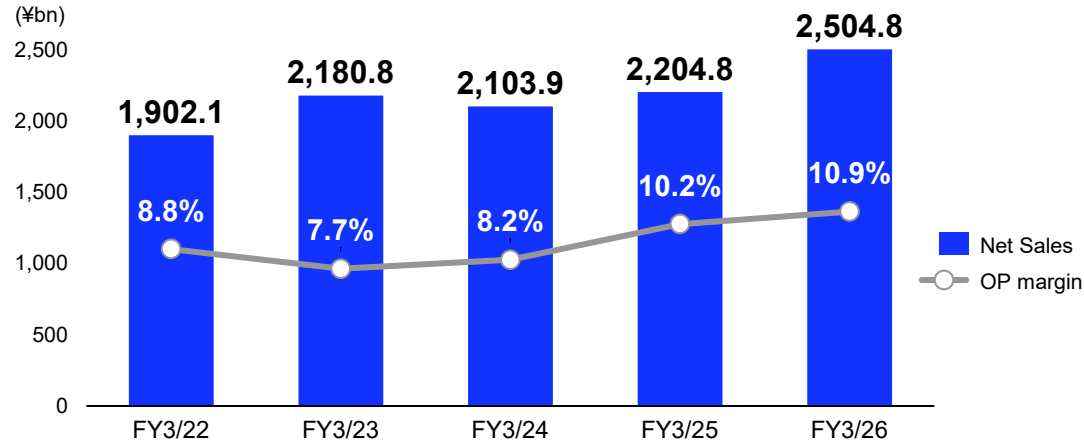


Appendix

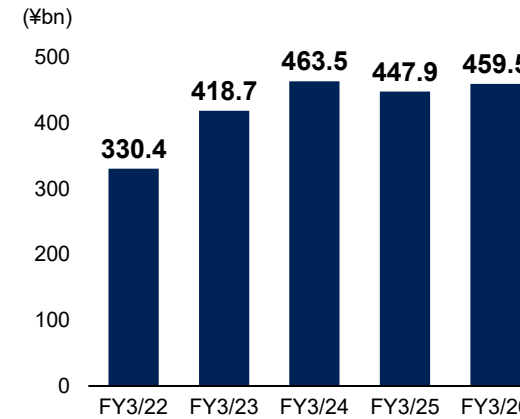
Annual sales by market (FY3/22 – FY3/26)

All

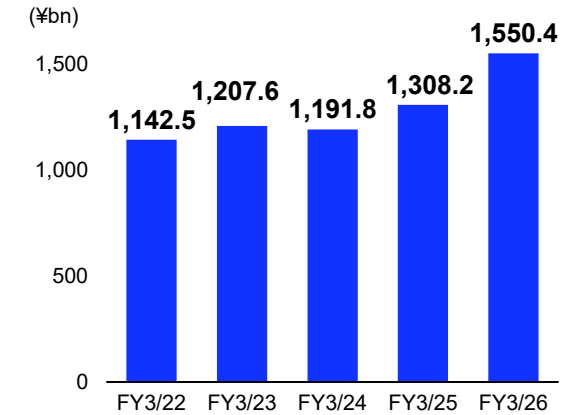
Net sales, OP margin



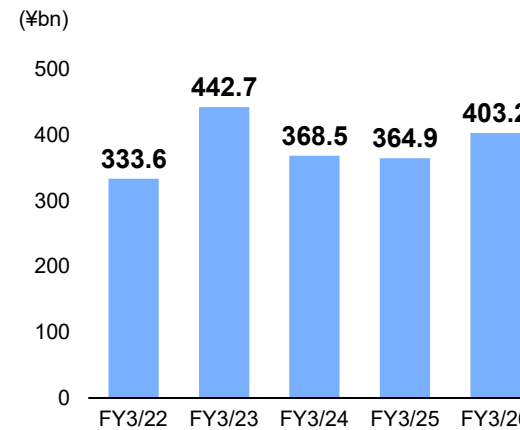
Automotive



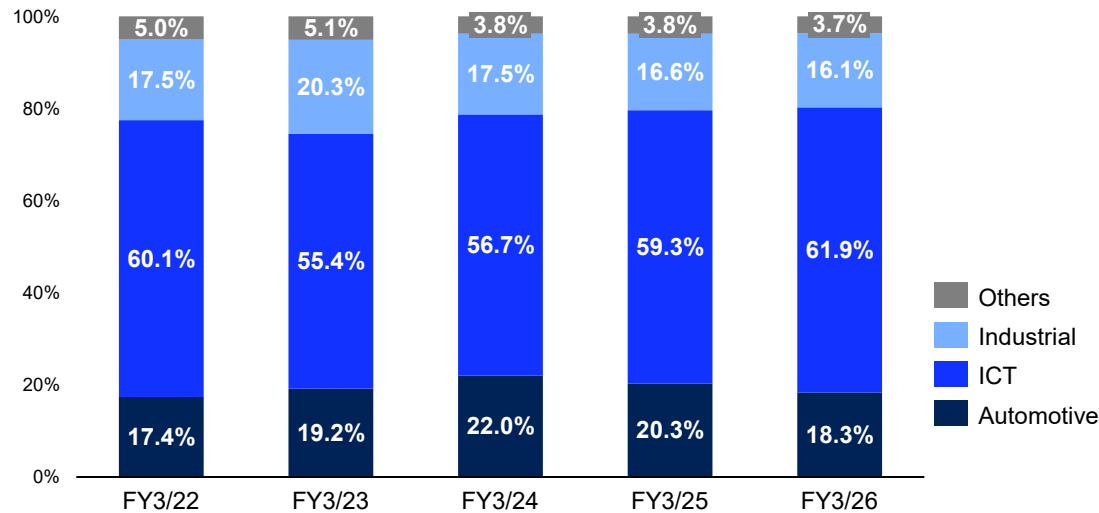
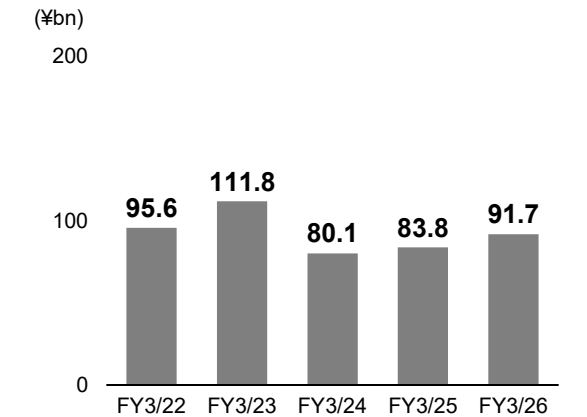
ICT



Industrial equipment



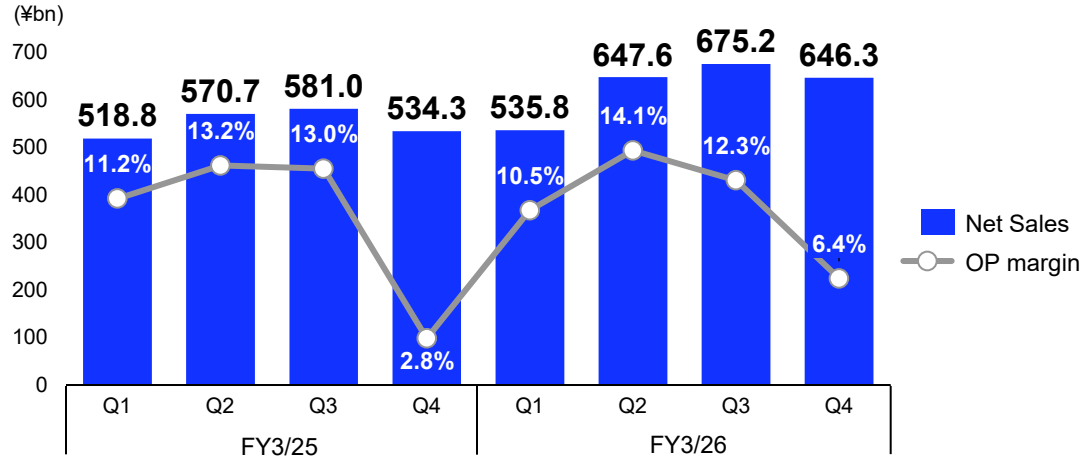
Others



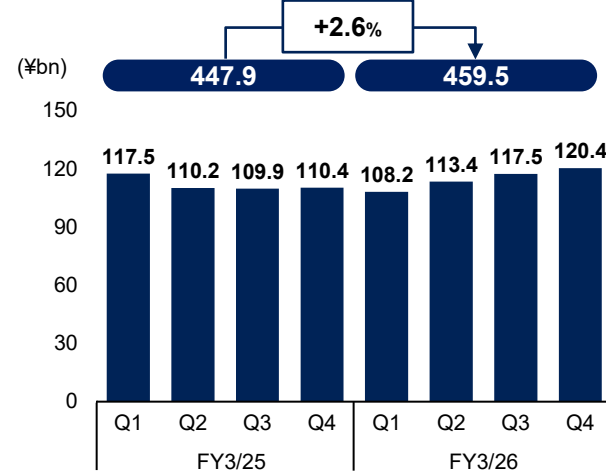
Quarterly sales by market (FY3/25 – FY3/26)

All

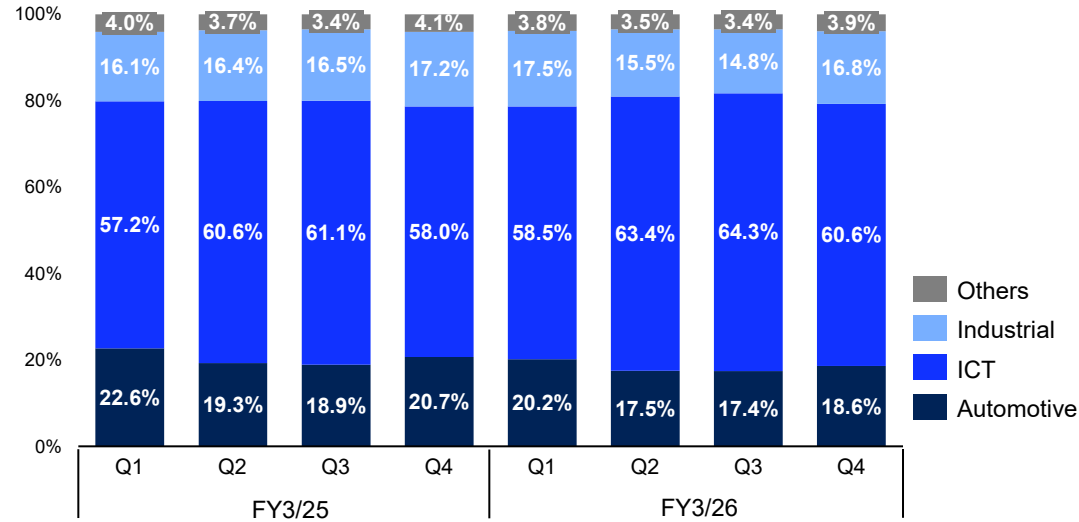
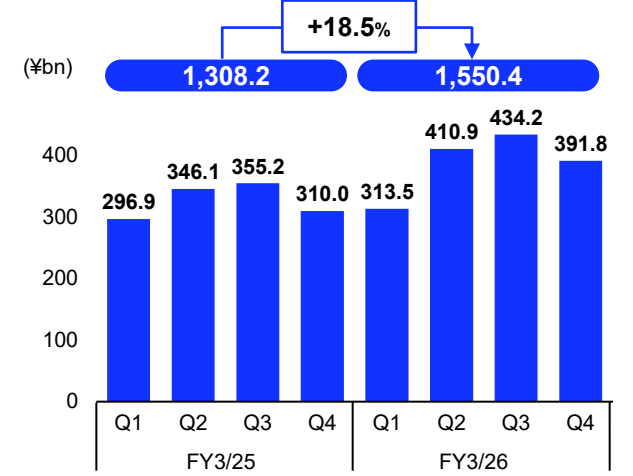
Net sales, OP margin



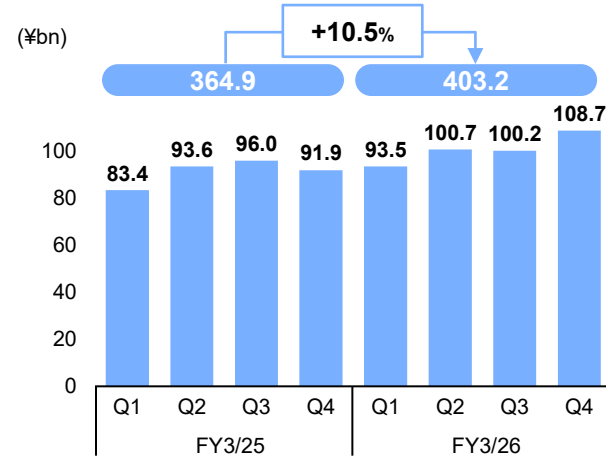
Automotive



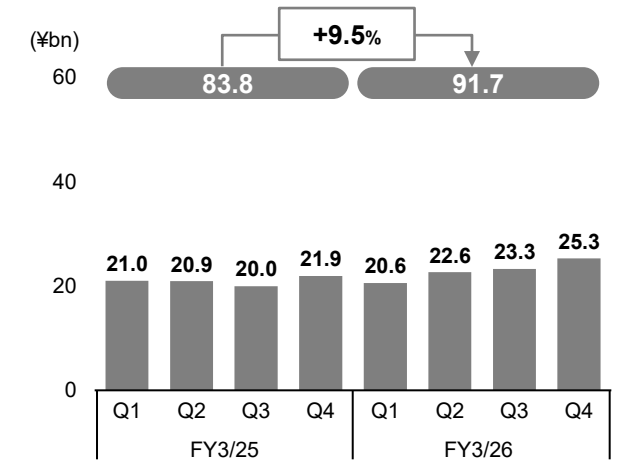
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Industrial equipment



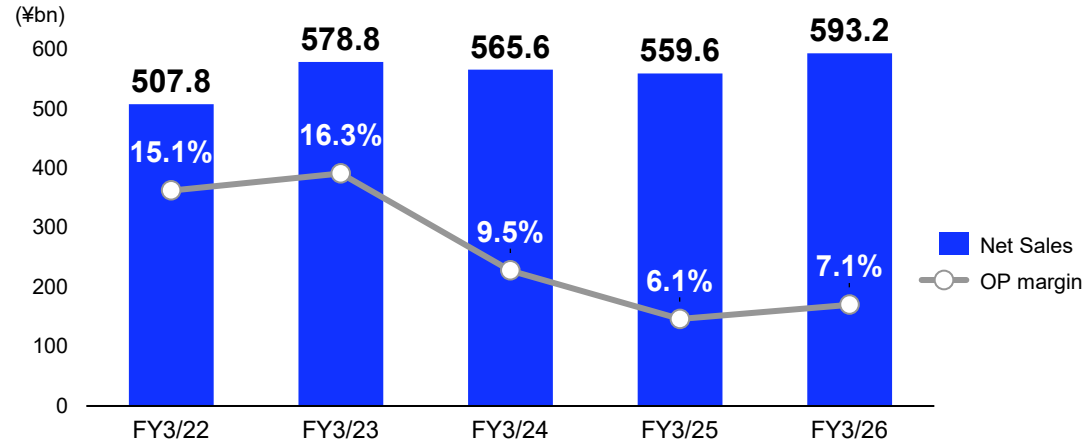
Others



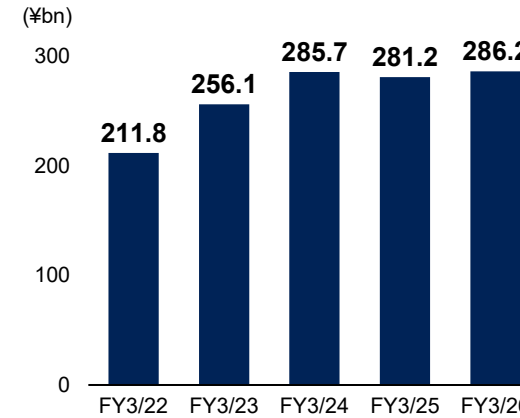
Annual sales by market (FY3/22 – FY3/26)

Passive Components

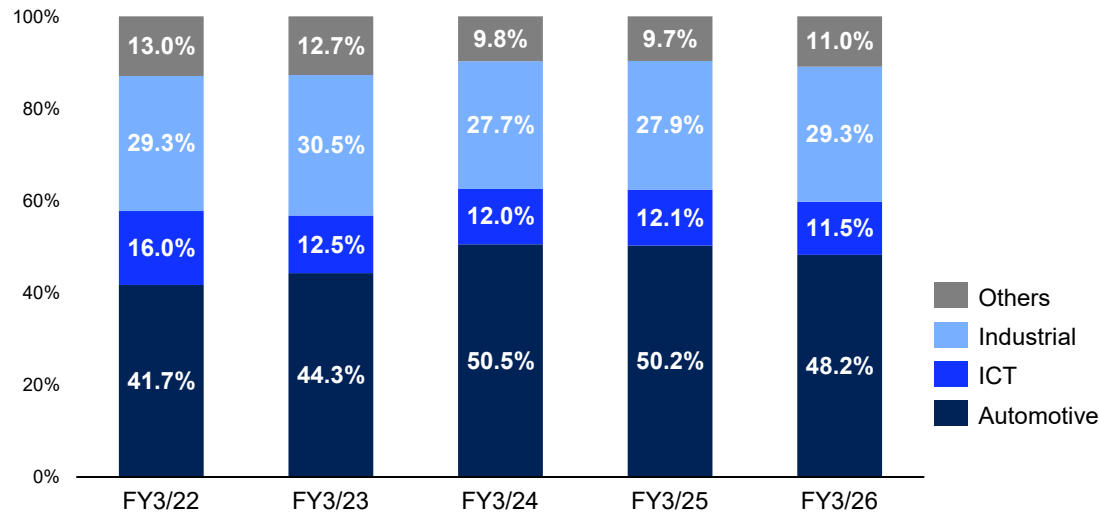
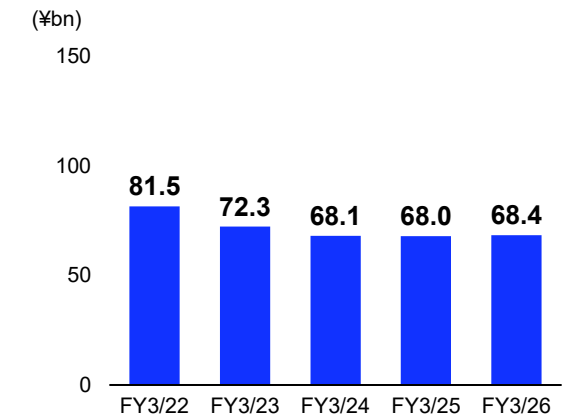
Net sales, OP margin



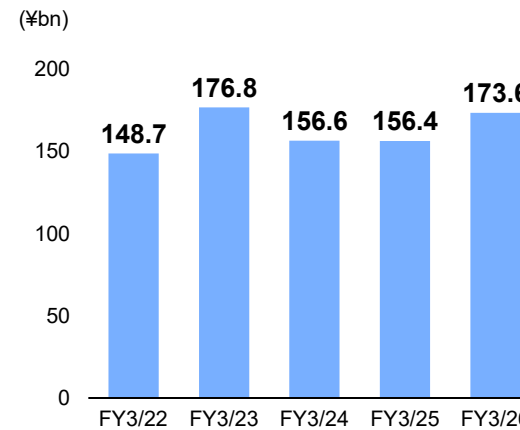
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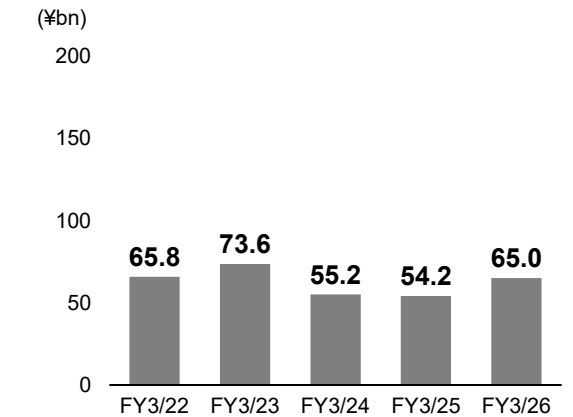
ICT



Industrial equipment



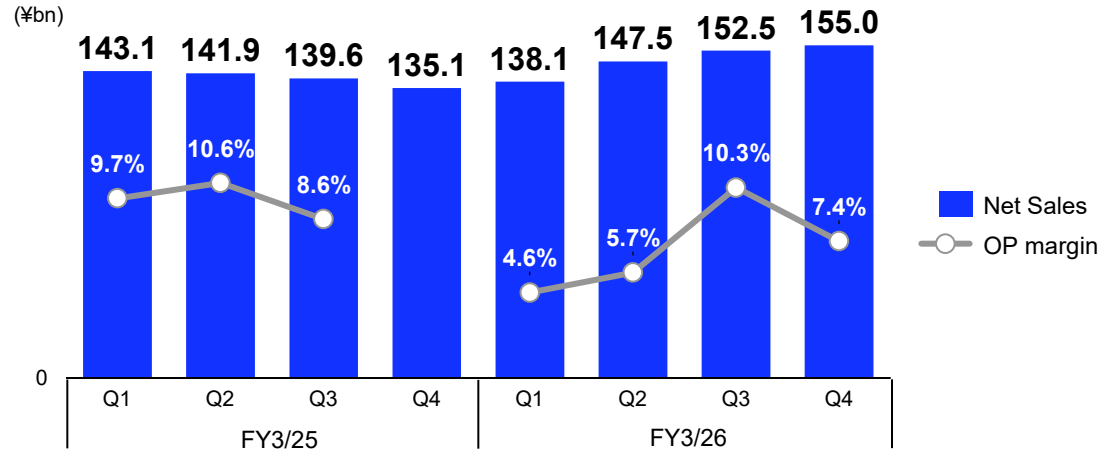
Others



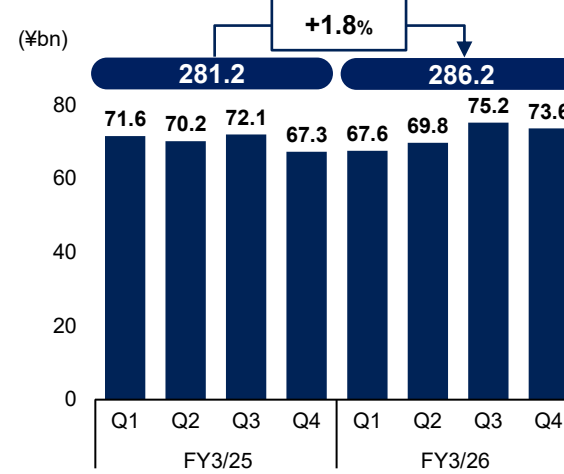
Quarterly sales by market (FY3/25 – FY3/26)

Passive Components

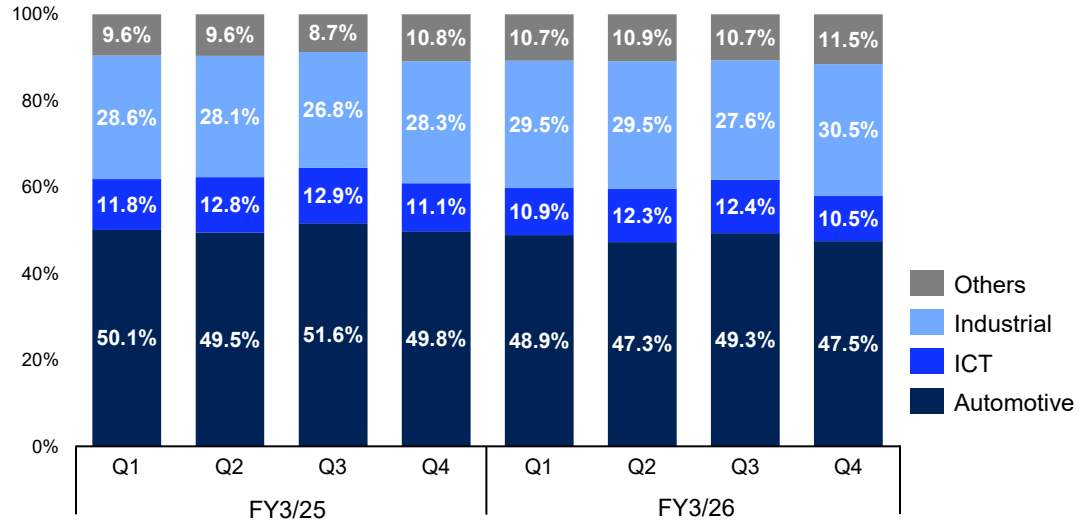
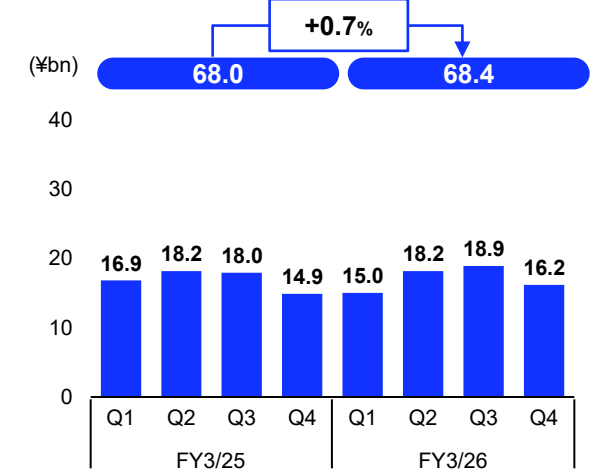
Net sales, OP margin



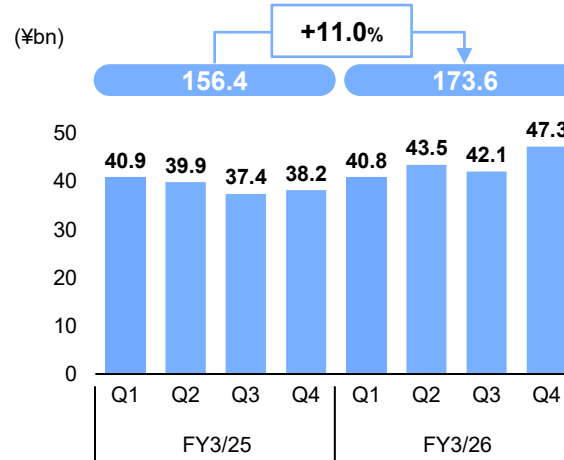
Automotive



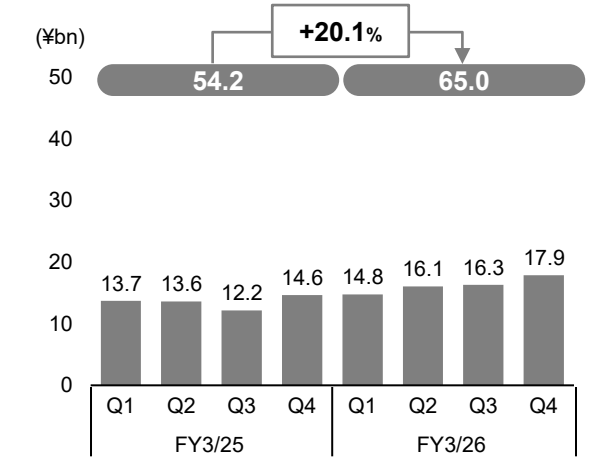
ICT



Industrial equipment



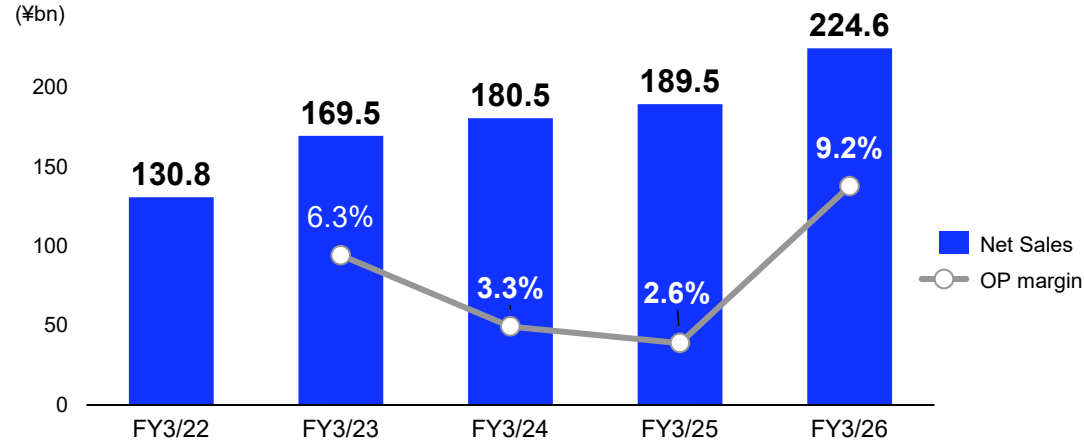
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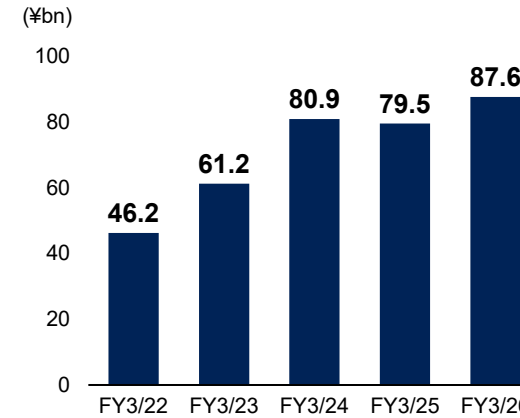
Annual sales by market (FY3/22 – FY3/26)

Sensor Application Products

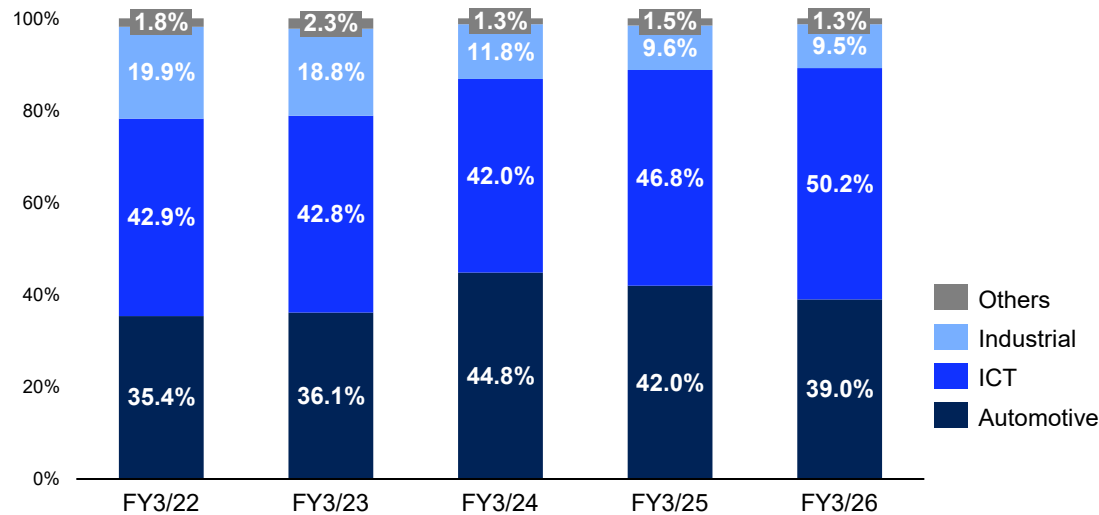
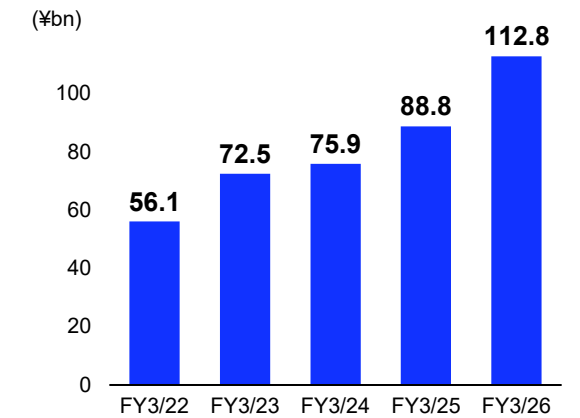
Net sales, OP margin



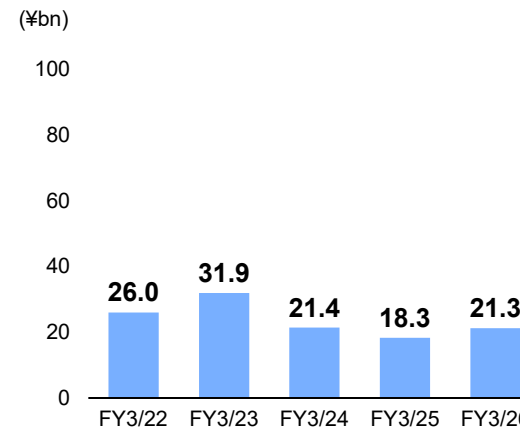
Automotive



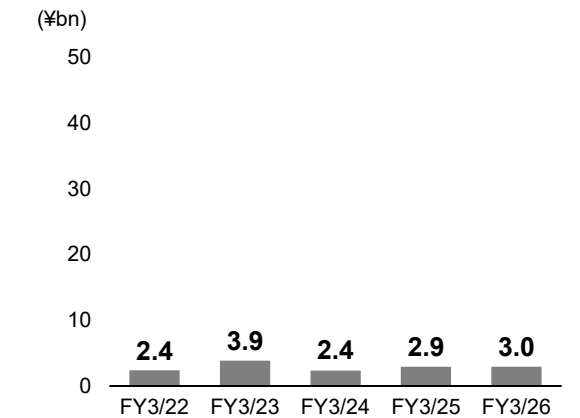
ICT



Industrial equipment



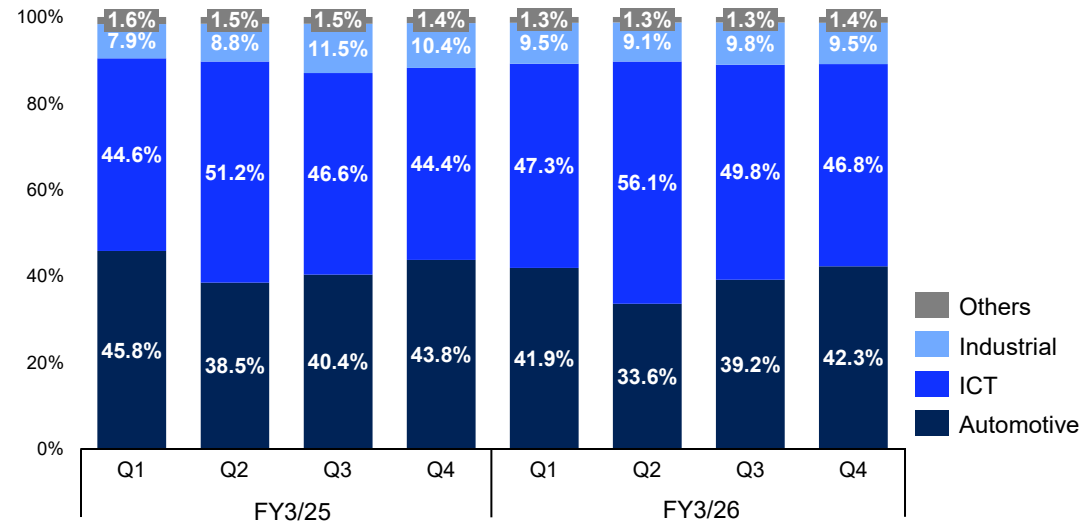
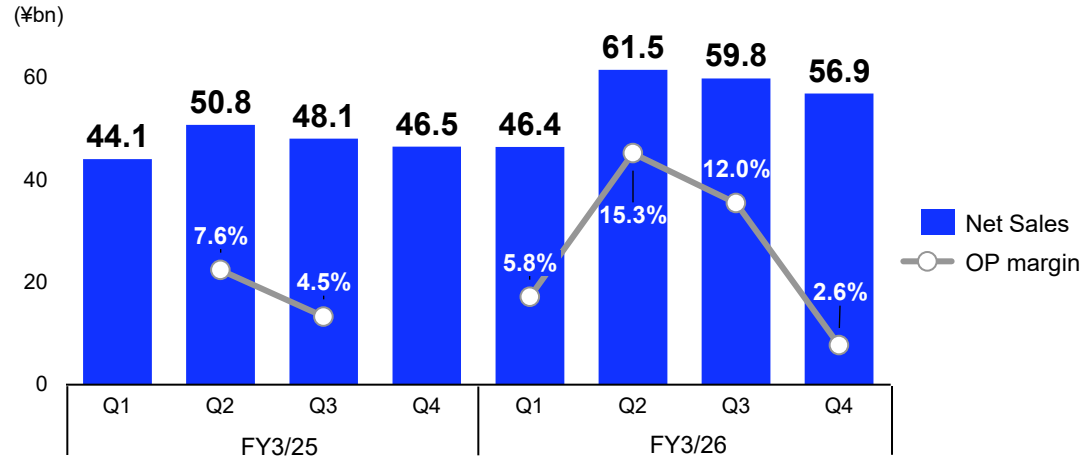
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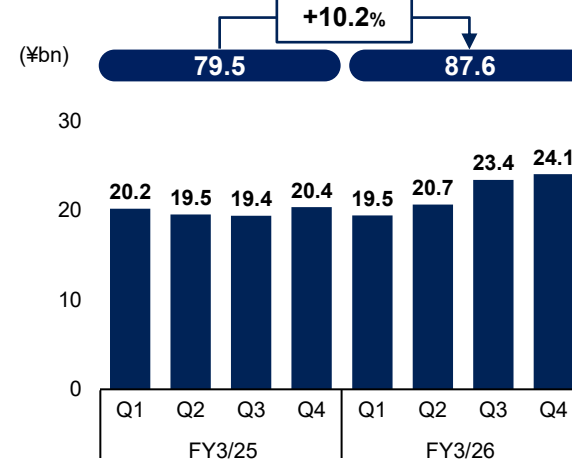
Quarterly sales by market (FY3/25 – FY3/26)

Sensor Application Products

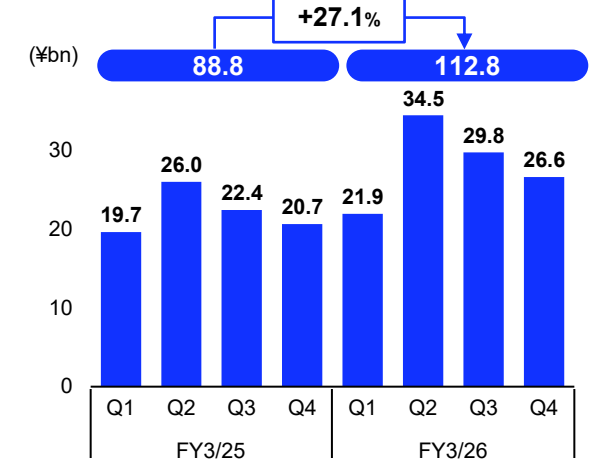
Net sales, OP margin



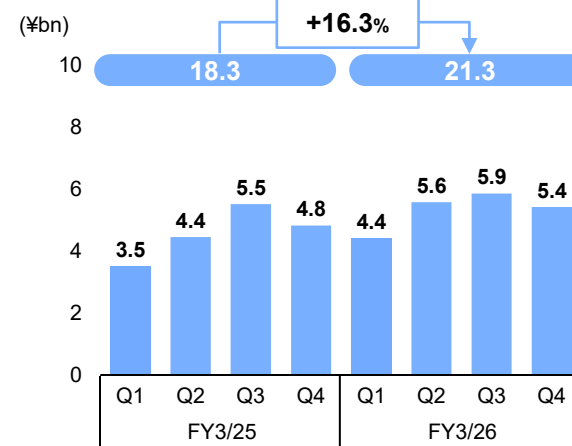
Automotive



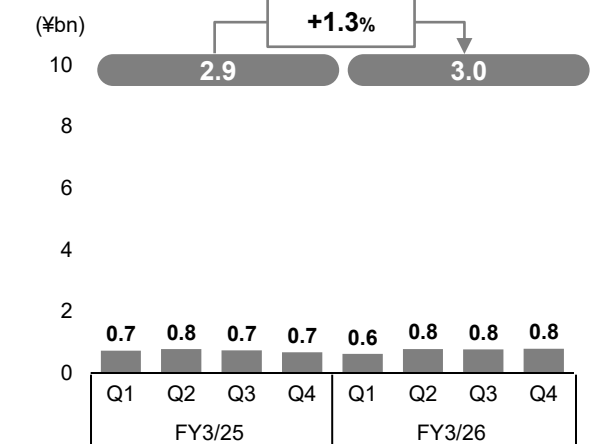
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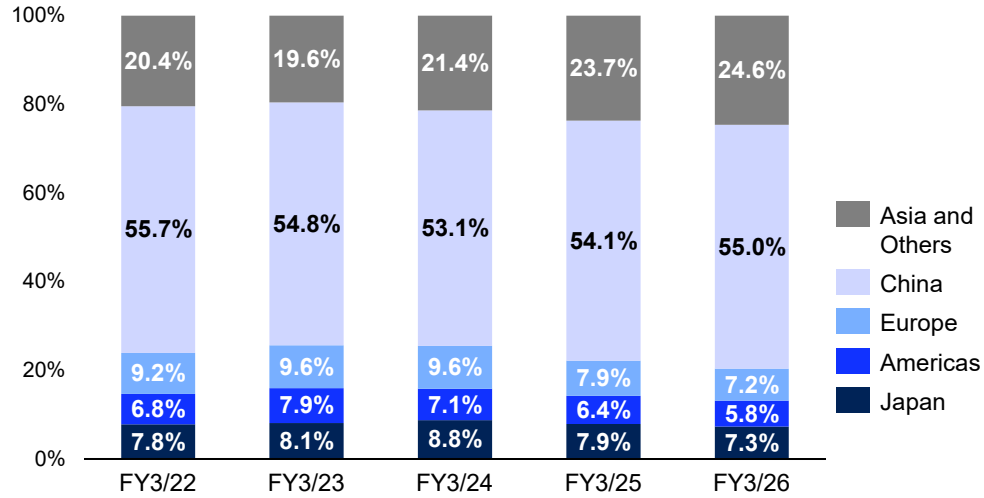
Industrial equipment



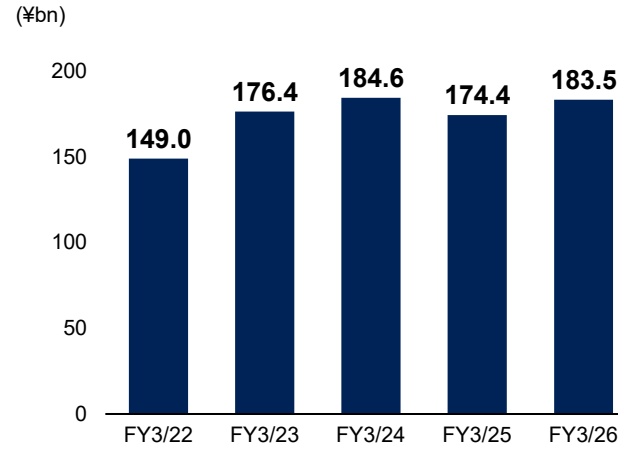
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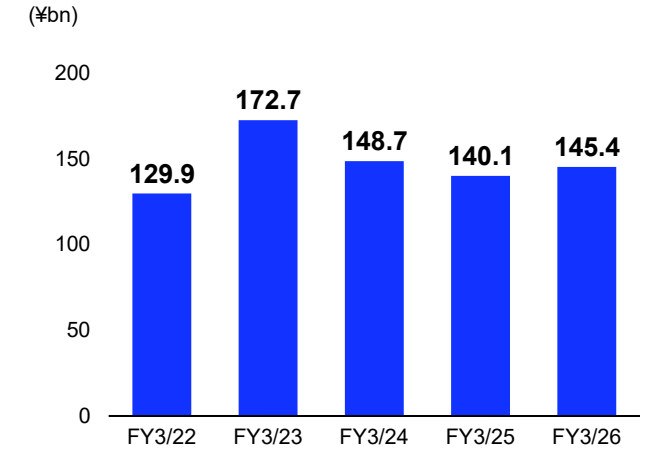
Annual sales by region (FY3/22 – FY3/26)



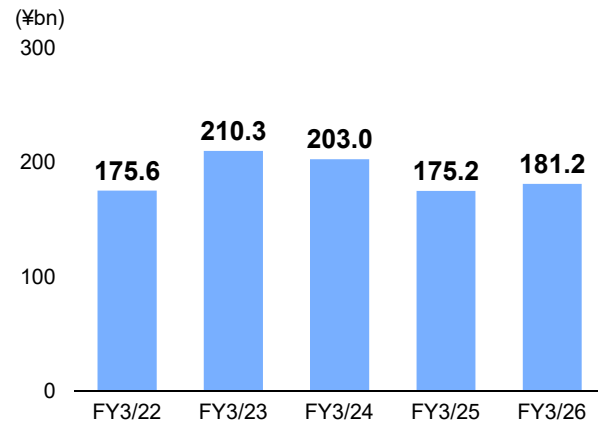
Japan



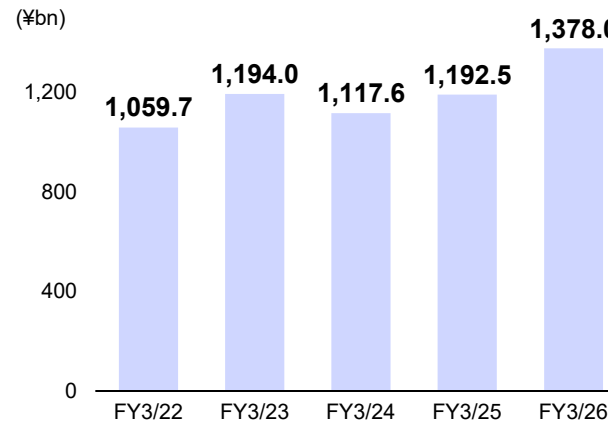
Americas



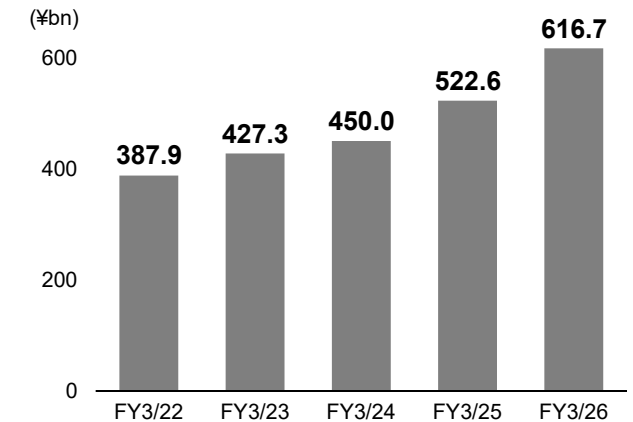
Europe



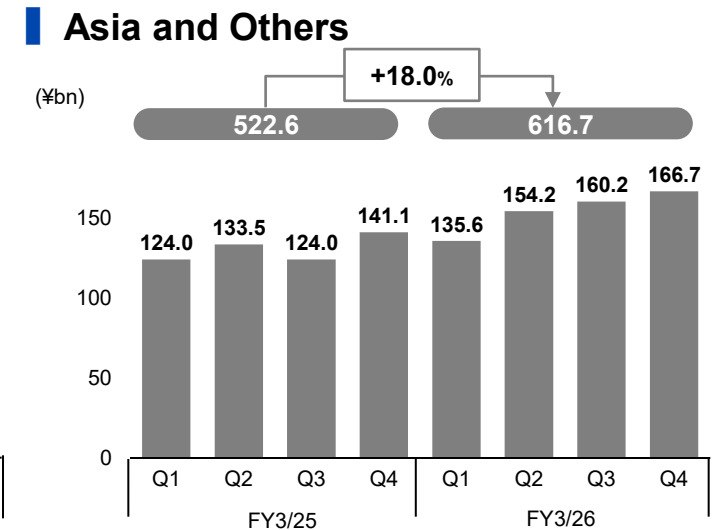
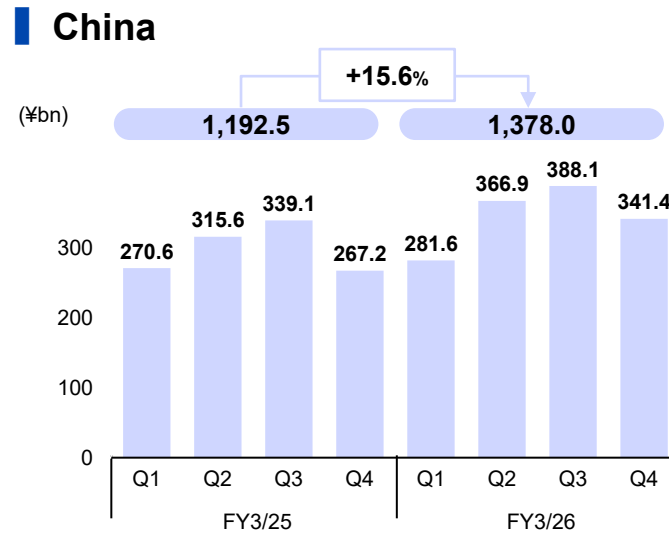
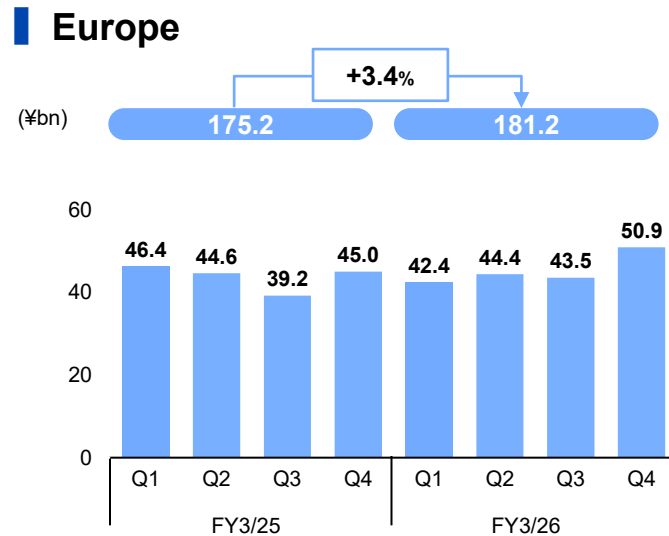
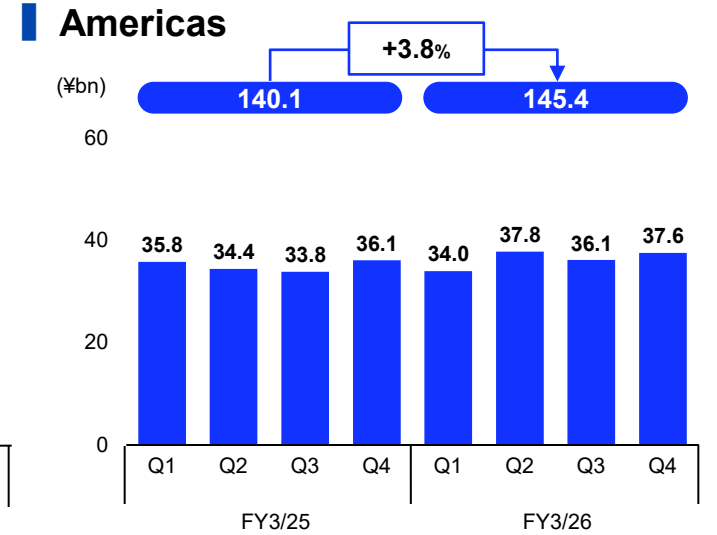
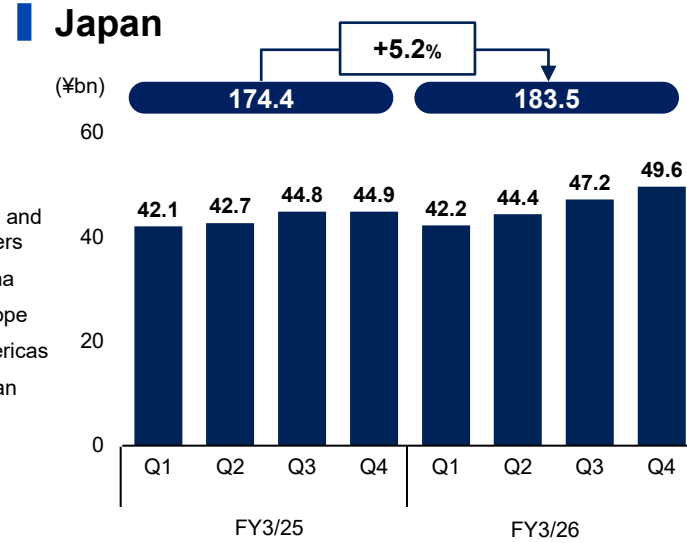
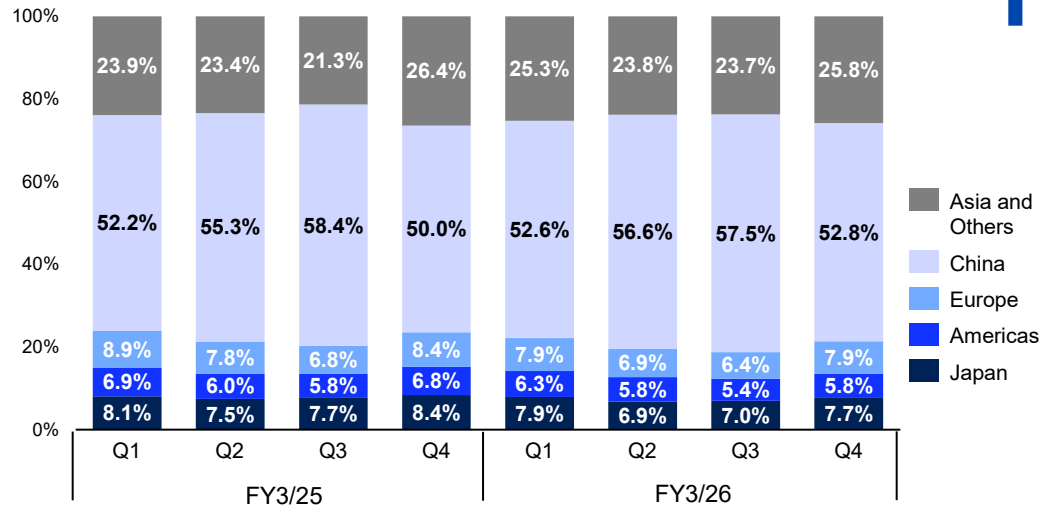
China



Asia and Others

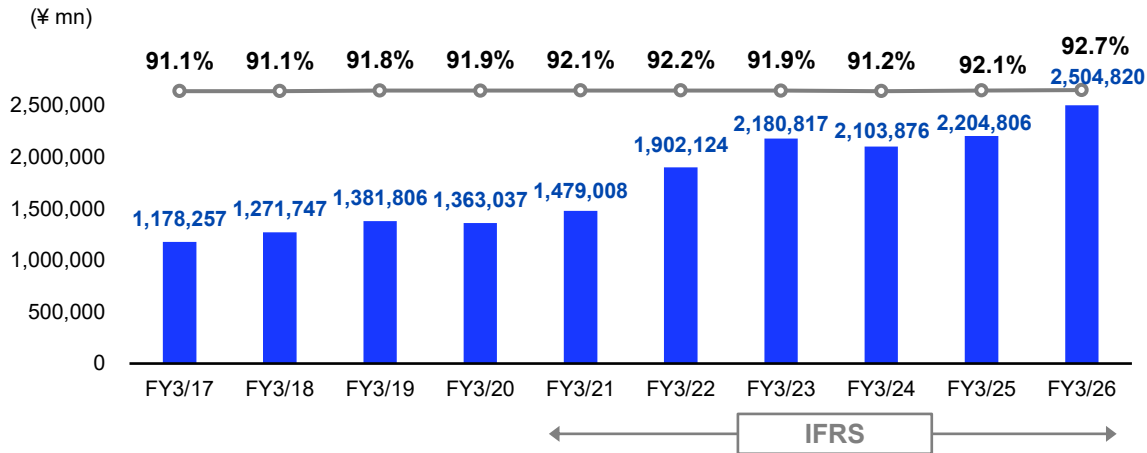


Quarterly sales by region (FY3/25 – FY3/26)

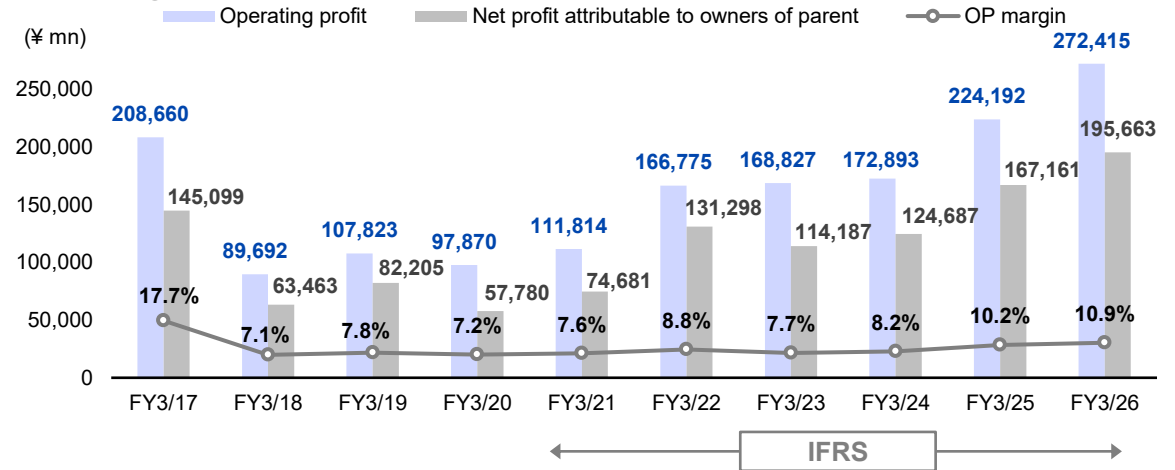


Financial information: 10-year historical trend

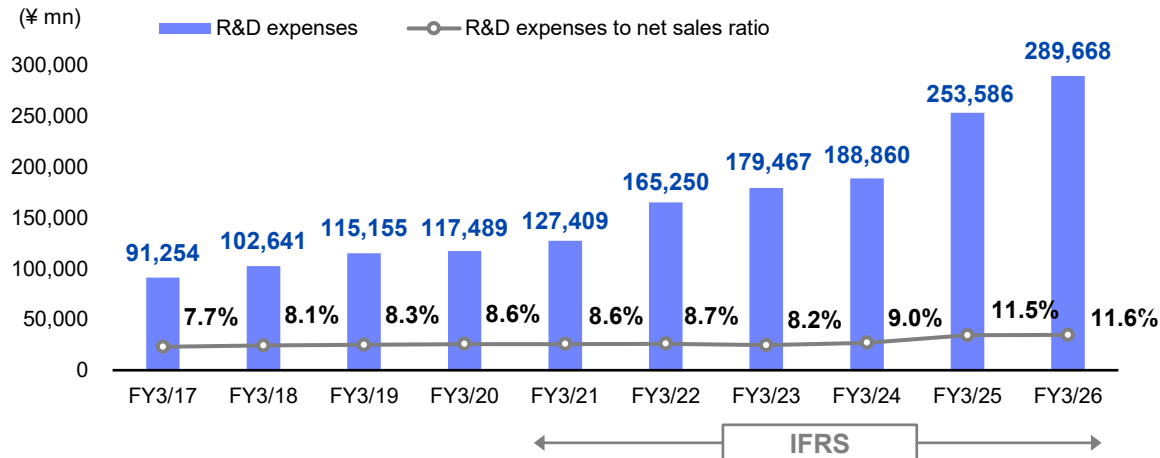
Net sales, Overseas sales ratio



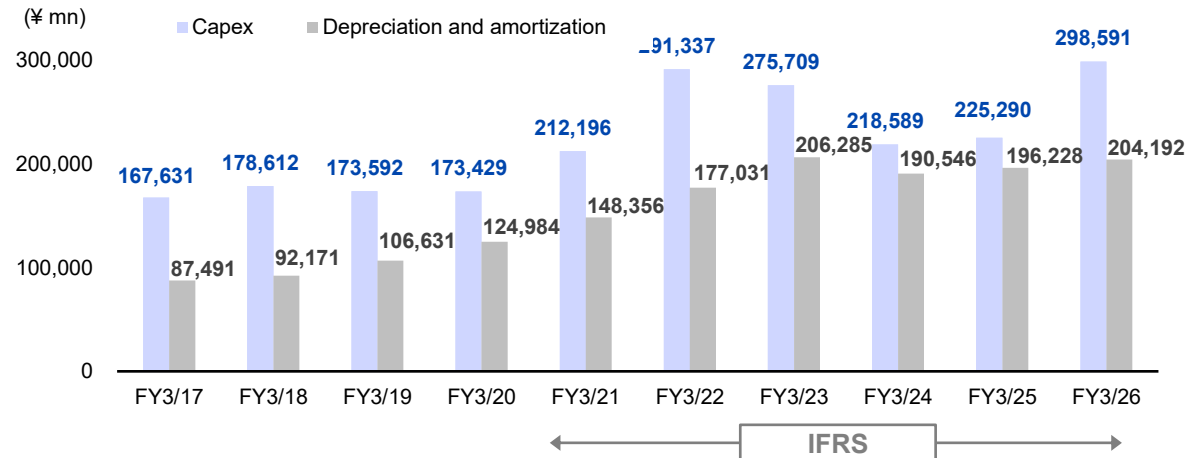
Operating profit, Net profit attributable to owners of parent, OP margin



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

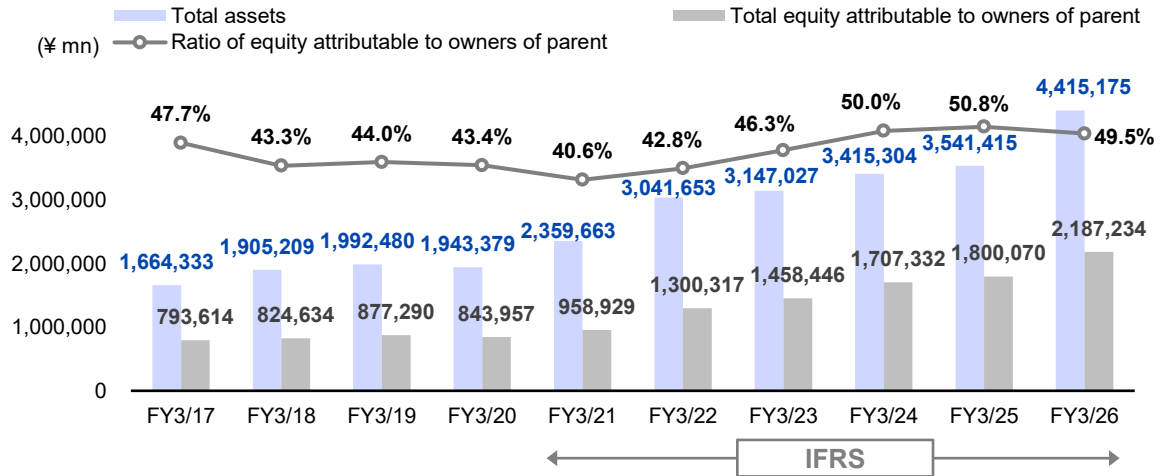


Capex, Depreciation and amortization

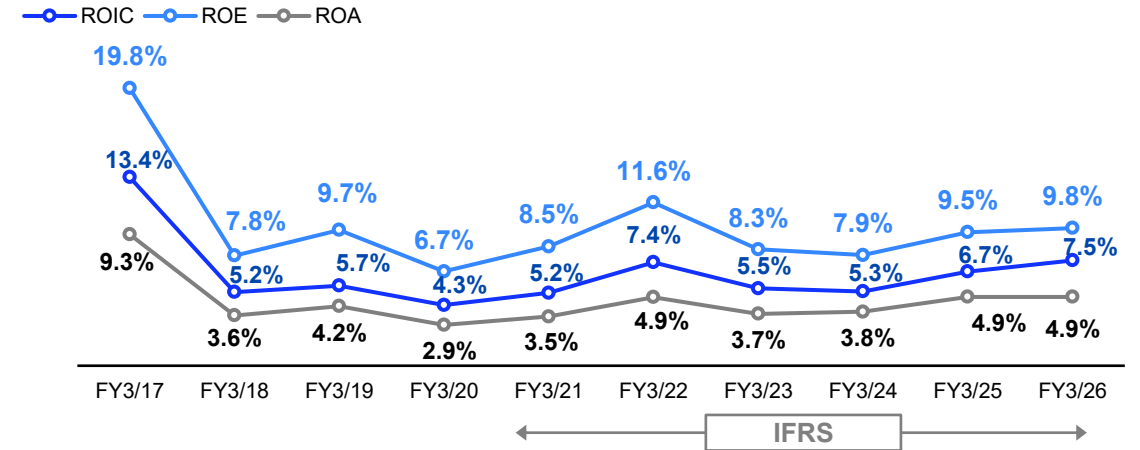


Financial information: 10-year historical trend

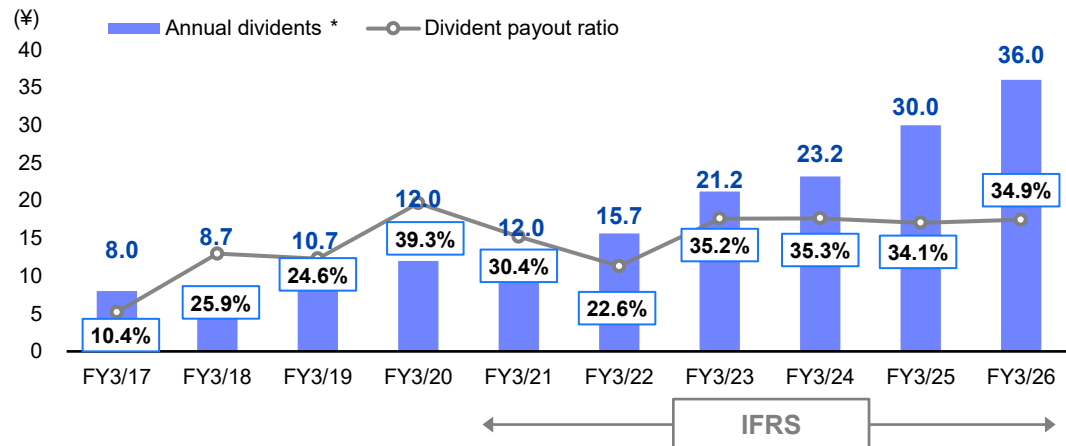
Total assets, Total equity attributable to owners of parent, Ratio of equity attributable to owners of parent



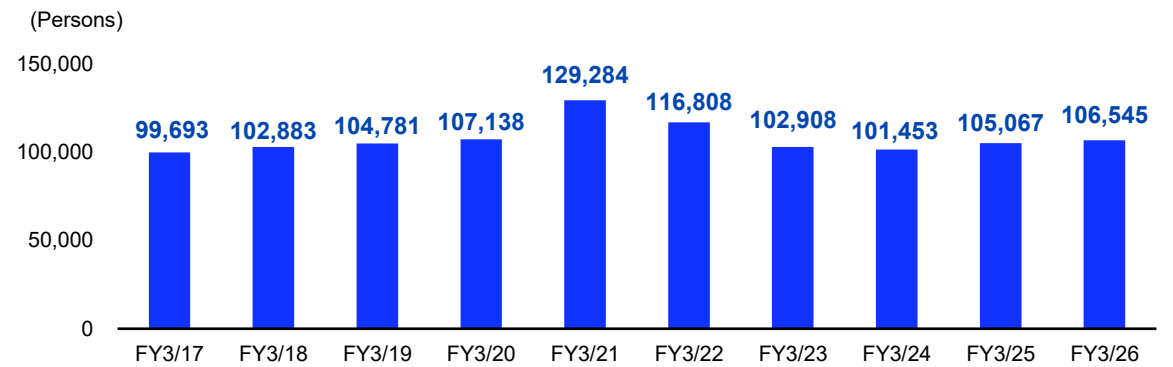
ROIC, ROE, ROA



Annual dividends, Dividend payout ratio



Number of employees



Status of inclusion in Indices / Evaluation by external organizations

Indices



JPX Prime 150 Index



FTSE4Good Index Series



FTSE Blossom Japan

FTSE Blossom Japan Index



FTSE Blossom Japan Sector Relative Index

FTSE Blossom Japan Sector Relative Index



MSCI ESG Leaders Indexes ※1

2025 CONSTITUENT MSCI NIHONKABU ESG SELECT LEADERS INDEX ※2



Morningstar Japan ex-REIT Gender Diversity Tilt Index



S&P/JPX Carbon Efficient Index

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Evaluation by external organizations



Best IR Award (2025)



Extel Japan Executive Team Survey Most Honored Company (2025)



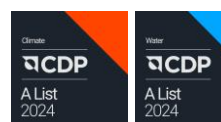
WICI Japan Integrated Report Award Gold Award (2024, 2025)



NIKKEI Integrated Report Award Award for Excellence (2022-2024)



S&P Global Sustainability Yearbook Member (2020-2025)



CDP Climate Change A (2024)
CDP Water Security A (2020-2024)



CDP Supplier Engagement Rating: Supplier Engagement Leader (2020-2024)



Ecovadis Sustainability Rating PLATINUM (2025)



SX Brand 2025

SX Brand (2025)



Health & Productivity Management Organization Recognition Program (2023-2025)



work with Pride Gold (2024)



Clarivate Top 100 Global Innovators (the eleventh time)

Cautionary statements with respect to forward-looking statements

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

The electronics markets in which the TDK Group operates are highly susceptible to rapid changes, risks, uncertainties, and other factors that can have significant effects on the TDK Group including, but not limited to, shifts in technology, fluctuations in demand, prices, interest and foreign exchange rates, and changes in economic environments, conditions of competition, laws and regulations. Also, since the purpose of these materials is only to give readers a general outline of business performance, many numerical values are shown in units of a billion ¥. Because original values, which are managed in units of a million ¥, are rounded off, the totals, differences, etc. shown in these materials may appear inaccurate. If detailed figures are necessary, please refer to our financial statements and supplementary materials.



Text data including Q&A of performance briefing will be uploaded on following site.
https://www.tdk.com/en/ir/ir_events/conference/2026/2q_1.html