



August 1, 2025

TDK Corporation

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

(Millions of yen, %)

<div> <div>Term</div> <div>Account</div> </div>	Q1 of FY March 2025 (April 1, 2024 - June 30, 2024)		Q1 of FY March 2026 (April 1, 2025 - June 30, 2025)		Change	
	Amount	% to net sales	Amount	% to net sales	Amount	%
Net sales	518,809	100.0	535,753	100.0	16,944	3.3
Operating profit	57,872	11.2	56,419	10.5	(1,453)	(2.5)
Profit before tax	69,563	13.4	57,630	10.8	(11,933)	(17.2)
Net profit attributable to owners of parent	59,627	11.5	41,462	7.7	(18,165)	(30.5)
Earnings per share:						
- Basic	31.43yen		21.85yen			
- Diluted	31.39yen		21.82yen			
Purchase of tangible and intangible assets	42,816	-	60,506	-	17,690	41.3
Depreciation and amortization	47,239	9.1	48,011	9.0	772	1.6
Research and development expenses	60,969	11.8	64,689	12.1	3,720	6.1
Number of employees	105,225	-	108,895	-		

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.

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.

August 1, 2025

Consolidated Financial Results for the First Quarter 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>
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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 First Quarter of FY March 2026 (from April 1, 2025 to June 30, 2025)

(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, 2025	535,753	3.3	56,419	(2.5)	57,630	(17.2)	42,383	(29.9)
June 30, 2024	518,809	3.1	57,872	120.0	69,563	231.1	60,460	296.3

	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, 2025	41,462	(30.5)	8,097	(95.5)	21.85	21.82
June 30, 2024	59,627	304.9	179,541	64.2	31.43	31.39

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	%
June 30, 2025	3,616,106	1,789,140	1,777,035	49.1
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	-				
March 2026 (Forecast)		15.00	-	15.00	30.00

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

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

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 prior to the stock split, is 150 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	2,120,000	(3.8)	180,000	(19.7)	193,000	(18.8)	135,000	(19.2)
	~ 2,200,000	~ (0.2)	~ 225,000	~ 0.4	~ 238,000	~ 0.1	~ 170,000	~ 1.7

	Basic earnings per share
	Millions of yen
FY March 2026	71.14
	~ 89.58

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

*** 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 June 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 June 30, 2025	46,160,600 shares
As of March 31, 2025	46,225,100 shares

(iii) Average number of shares outstanding during the period

Q1 of FY March 2026	1,897,689,345 shares
Q1 of FY March 2025	1,897,104,740 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 fiscal year ended March 31, 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, August 1, 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, August 1, 2025.

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1. Summary Information Regarding Business Results

(1) Summary Information Regarding Consolidated Business Results for the First Quarter of FY March 2026

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

In the first three months of the FY March 2026, the global economy remained significantly unstable due to intensifying trade friction, growing uncertainty regarding tariff policies, and rising geopolitical risks in the Middle East. Exchange rates showed a significant appreciation of the yen against both 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, particularly smartphones, remained strong on a year-on-year basis. The demand for nearline hard disk drives (HDDs) for data centers also remained robust. On the other hand, in the industrial equipment market, overall capital investment demand remained sluggish. 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 quarter, the Sensor Application Products and Energy Application Products segments experienced an increase in sales year on year, mainly driven by a recovery in demand for components in the ICT market and the industrial equipment market. However, the Passive Components segment experienced a decline in sales due to a slowdown in sales of the products for the automotive market. As a result, consolidated net sales for the first three months came to 535,735 million yen, up 3.3% year on year.

In terms of profits, due to the appreciation of the yen and a decrease in shipments of automotive market products, operating profit decreased by 2.5% to 56,419 million yen compared to the same quarter last year; profit before tax decreased by 17.2% to 57,630 million; and net profit attributable to owners of parent was 41,462 million yen, a decrease of 30.5% year on year.

TDK Corporation (6762) FY March 2026 First Quarter Financial Results (IFRS)

Item	Q1 of FY March 2025 (April 1, 2024 – June 30,2024)		Q1 of FY March 2026 (April 1, 2025 – June 30,2025)		Change	
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	Change(%)
Net Sales	518,809	100.0	535,753	100.0	16,944	3.3
Operating profit	57,872	11.2	56,419	10.5	(1,453)	(2.5)
Profit before tax	69,563	13.4	57,630	10.8	(11,933)	(17.2)
Net profit attributable to owners of parent	59,627	11.5	41,462	7.7	(18,165)	(30.5)
Earnings per share:						
- Basic	31.43yen		21.85yen			
- Diluted	31.39yen		21.82yen			

Average yen exchange rates for the U.S. dollar and the euro during the first quarter of FY March 2026 were ¥144.59 and ¥163.78, respectively, as the yen appreciated 7.2% against the U.S. dollar and 2.4% against the euro. As a result of these factors and fluctuations in foreign exchange rates, net sales decreased by approximately ¥37.6 billion and operating profit decreased by approximately ¥7.1 billion.

Sales by Product

Item	Q1 of FY March 2025 (April 1, 2024 – June 30,2024)		Q1 of FY March 2026 (April 1, 2025 – June 30,2025)		Change	
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	Change(%)
Capacitors	61,492	11.9	59,785	11.1	(1,707)	(2.8)
Inductive Devices	50,810	9.8	49,094	9.2	(1,716)	(3.4)
Other Passive Components	30,749	5.9	29,261	5.5	(1,488)	(4.8)
Passive Components	143,051	27.6	138,140	25.8	(4,911)	(3.4)
Sensor Application Products	44,080	8.5	46,415	8.6	2,335	5.3
Magnetic Application Products	55,013	10.6	54,554	10.2	(459)	(0.8)
Energy Application Products	262,920	50.7	285,519	53.3	22,599	8.6
Other	13,745	2.6	11,125	2.1	(2,620)	(19.1)
Total	518,809	100.0	535,753	100.0	16,944	3.3
Overseas Sales	476,758	91.9	493,518	92.1	16,760	3.5

1) Passive Components Segment

This segment is made up of Capacitors, Inductive Devices, and Other Passive Components. Sales in the Passive Components segment were ¥138,140 million, down 3.4% year on year from ¥143,051 million.

Capacitors is made up of Ceramic Capacitors, Aluminum Electrolytic Capacitors, and Film Capacitors. Sales in the Capacitors were ¥59,785 million, down 2.8% year on year from ¥61,492 million. Sales decreased mainly to the automotive market.

Sales of Inductive Devices decreased by 3.4% year on year from ¥50,810 million to ¥49,094 million. Sales decreased mainly to the industrial equipment market.

Other Passive Components include High-Frequency Devices, Piezoelectric Material Products, and Circuit Protection Components. Sales of Other Passive Components decreased by 4.8% year on year from ¥30,749 million to ¥29,261 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 5.3% from ¥44,080 million to ¥46,415 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 decreased 0.8% year on year, from ¥55,013 million to ¥54,554 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 8.6% from ¥262,920 million to ¥285,519 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 19.1% from ¥13,745 million to ¥11,125 million. Sales of Mechatronics decreased to the industrial equipment market. Sales of Camera Module Micro Actuators for smartphones decreased to the ICT market.

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

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

[Sales by Region]

Overseas sales increased by 3.5% year on year from ¥476,758 million to ¥493,518 million. Overseas sales accounted for 92.1% of consolidated net sales, a 0.2 percentage point increase from 91.9% in the first quarter of FY March 2025. Detailed information on sales by region can be found in the consolidated supplementary information on page 21.

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

1) The following table summarizes TDK's consolidated balance sheet as of June 30, 2025.

Total assets	¥3,616,106 million	(2.1% increase)
Total equity attributable to owners of parent	¥1,777,035 million	(1.3% decrease)
Ratio of equity attributable to owners of parent	49.1%	(1.7 point decrease)

As of June 30, 2025, total assets increased by ¥74,691 million from March 31, 2025. Cash and cash equivalent increased by ¥13,097 million. Other current assets and inventories increased by ¥25,621 million and ¥25,319 million respectively.

Total liabilities increased by ¥96,805 million from March 31, 2025. Bonds and borrowings (non-current), trade payables and other financial liabilities(current) increased by ¥50,057 million, ¥28,692 million and ¥16,501 million respectively.

Total equity attributable to owners of parent, which is included in total equity, decreased by ¥23,035 million from March 31, 2025. While retained earnings increased by ¥11,477 million, other components of equity decreased by ¥ 34,626 million, mainly from exchange differences on translation of foreign operations.

2) Cash Flows

(Millions of yen)

	FY March 2025 Q1	FY March 2026 Q1	Change
Cash flows from operating activities	72,623	59,043	(13,580)
Cash flows from investing activities	(55,762)	(62,912)	(7,150)
Cash flows from financing activities	(22,354)	31,236	53,590
Effect of exchange rate changes on cash and cash equivalents	38,119	(14,270)	(52,389)
Net decrease in cash and cash equivalents	32,626	13,097	(19,529)
Cash and cash equivalents at beginning of period	649,998	697,307	47,309
Cash and cash equivalents at end of period	682,624	710,404	27,780

Operating activities provided net cash of ¥59,043 million, a decrease of ¥13,580 million year on year. It mainly came from a decrease in net profit for the period.

Investing activities used net cash of ¥62,912 million, an increase of ¥7,150 million year on year. It mainly came from an increase in purchase of tangible and intangible assets.

Financing activities provided net cash of ¥31,236 million, changed by ¥53,590 million year on year. It mainly came from a decrease of repayment of long-term borrowings.

(3) Summary Information Regarding Consolidated Projections

(FY March 2026 Consolidated Projections)

Regarding the consolidated performance projections for FY March 2026, the impact of tariff measures by the United States remains uncertain, and at this time, we have not modified the range of the performance projections for both sales and profits. The projections for the purchase of tangible and intangible assets, depreciation and amortization, and research and development expenses remain the same as those announced on April 28, 2025, and are as follows.

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

(Exchange Rate Forecast)

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

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 keeps initial dividend forecast unchanged. TDK split one share of its common stock into five shares with the effective date of October 1, 2024.

(Yen)

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

3. Condensed Quarterly Consolidated Financial Statements and Primary Notes

(1) Condensed quarterly consolidated statements of financial position

	March 31, 2025		June 30, 2025		Change
	Amount (Millions of yen)	%	Amount (Millions of yen)	%	Amount (Millions of yen)
Assets					
Current assets					
Cash and cash equivalents	697,307		710,404		13,097
Trade receivables	583,133		588,549		5,416
Other financial assets	77,304		67,358		(9,946)
Inventories	410,038		435,357		25,319
Income taxes receivables	5,852		5,280		(572)
Other current assets	63,224		88,845		25,621
Total current assets	1,836,858	51.9	1,895,793	52.4	58,935
Non-current assets					
Investments accounted for using the equity method	42,186		41,032		(1,154)
Other financial assets	183,840		179,932		(3,908)
Property, plant and equipment	1,030,122		1,050,872		20,750
Right-of-use assets	73,230		70,937		(2,293)
Goodwill	164,868		173,533		8,665
Intangible assets	49,159		47,230		(1,929)
Long-term advances to suppliers	93,850		89,228		(4,622)
Deferred tax assets	54,651		55,948		1,297
Other non-current assets	12,651		11,601		(1,050)
Total non-current assets	1,704,557	48.1	1,720,313	47.6	15,756
Total assets	3,541,415	100.0	3,616,106	100.0	74,691

TDK Corporation (6762) FY March 2026 First Quarter Financial Results (IFRS)

	March 31, 2025		June 30, 2025		Change
	Amount (Millions of yen)	%	Amount (Millions of yen)	%	Amount (Millions of yen)
Liabilities					
Current liabilities					
Bonds and borrowings	187,145		201,277		14,132
Lease liabilities	12,654		12,057		(597)
Trade payables	392,502		421,194		28,692
Other financial liabilities	114,502		131,003		16,501
Income taxes payables	41,093		45,360		4,267
Provisions	12,329		11,957		(372)
Other current liabilities	338,235		327,942		(10,293)
Total current liabilities	1,098,460	31.0	1,150,790	31.8	52,330
Non-current liabilities					
Bonds and borrowings	346,001		396,058		50,057
Lease liabilities	62,600		60,429		(2,171)
Other financial liabilities	4,719		3,690		(1,029)
Retirement benefit liabilities	95,368		98,347		2,979
Provisions	13,124		12,680		(444)
Deferred tax liabilities	94,678		89,400		(5,278)
Other non-current liabilities	15,211		15,572		361
Total non-current liabilities	631,701	17.9	676,176	18.7	44,475
Total liabilities	1,730,161	48.9	1,826,966	50.5	96,805
Equity					
Equity attributable to owners of parent					
Share capital	32,641		32,641		-
Capital surplus	264		356		92
Retained earnings	1,273,453		1,284,930		11,477
Other components of equity	509,555		474,929		(34,626)
Treasury shares	(15,843)		(15,821)		22
Total equity attributable to owners of parent	1,800,070	50.8	1,777,035	49.1	(23,035)
Non-controlling interests	11,184	0.3	12,105	0.4	921
Total equity	1,811,254	51.1	1,789,140	49.5	(22,114)
Total liabilities and equity	3,541,415	100.0	3,616,106	100.0	74,691

(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, 2024		Three months ended June 30, 2025		Change	
	Amount (Millions of yen)	% to net sales	Amount (Millions of yen)	% to net sales	Amount (Millions of yen)	%
Net sales	518,809	100.0	535,753	100.0	16,944	3.3
Cost of sales	(351,524)		(366,099)		(14,575)	
Gross profit	167,285	32.2	169,654	31.7	2,369	1.4
Selling, general and administrative expenses	(117,044)		(121,020)		(3,976)	
Other operating income	7,663		7,799		136	
Other operating expenses	(32)		(14)		18	
Operating profit	57,872	11.2	56,419	10.5	(1,453)	(2.5)
Finance income	15,483		7,666		(7,817)	
Finance costs	(3,541)		(6,015)		(2,474)	
Share of profit (loss) of investments accounted for using the equity method	(251)		(440)		(189)	
Profit before tax	69,563	13.4	57,630	10.8	(11,933)	(17.2)
Income tax expense	(9,103)		(15,247)		(6,144)	
Net profit for the period	60,460	11.7	42,383	7.9	(18,077)	(29.9)
Net profit attributable to:						
Owners of parent	59,627	11.5	41,462	7.7	(18,165)	(30.5)
Non-controlling interests	833	0.2	921	0.2	88	10.6
Net profit for the period	60,460	11.7	42,383	7.9	(18,077)	(29.9)

Condensed quarterly consolidated statements of comprehensive income

	Three months ended June 30, 2024	Three months ended June 30, 2025	Change
	Amount (Millions of yen)	Amount (Millions of yen)	Amount (Millions of yen)
Net profit for the period	60,460	42,383	(18,077)
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	5,179	(1,827)	(7,006)
Share of other comprehensive income of investments accounted for using the equity method	183	(110)	(293)
Total	5,362	(1,937)	(7,299)
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations	112,423	(31,777)	(144,200)
Share of other comprehensive income of investments accounted for using the equity method	1,296	(572)	(1,868)
Total	113,719	(32,349)	(146,068)
Total other comprehensive income, net of tax	119,081	(34,286)	(153,367)
Comprehensive income for the period	179,541	8,097	(171,444)
Comprehensive income attributable to:			
Owners of parent	178,737	7,213	(171,524)
Non-controlling interests	804	884	80
Comprehensive income for the period	179,541	8,097	(171,444)

(3) Condensed quarterly consolidated statements of changes in equity

Three months ended June 30, 2024	Equity attributable to owners of parent						Non- controlling interests	Total equity
	Share capital	Capital surplus	Retained earnings	Other components of equity	Treasury shares	Total		
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
Balance as of April 1, 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	-	-	59,627	-	-	59,627	833	60,460
Other comprehensive income, net of tax	-	-	-	119,110	-	119,110	(29)	119,081
Total comprehensive income for the period	-	-	59,627	119,110	-	178,737	804	179,541
Transactions with owners								
Dividends paid	-	-	(22,005)	-	-	(22,005)	(90)	(22,095)
Purchase of treasury shares	-	-	-	-	(0)	(0)	-	(0)
Share-based payment transactions	-	59	-	-	-	59	41	100
Exercise of share options	-	(68)	-	-	68	0	-	0
Total transactions with owners	-	(9)	(22,005)	-	68	(21,946)	(49)	(21,995)
Transfer from other components of equity to retained earnings	-	-	84	(84)	-	-	-	-
Balance as of June 30, 2024	32,641	25	1,176,438	671,024	(16,005)	1,864,123	8,364	1,872,487

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

(4) Condensed quarterly consolidated statements of cash flows

	Three months ended June 30, 2024	Three months ended June 30, 2025
	Amount (Millions of yen)	Amount (Millions of yen)
Cash flows from operating activities		
Net profit for the period	60,460	42,383
Depreciation and amortization	47,239	48,011
Impairment losses (reversal of impairment losses)	(20)	428
Finance income	(15,483)	(7,666)
Finance costs	3,541	6,015
Share of profit (loss) of investments accounted for using the equity method	251	440
Income tax expense	9,103	15,247
Changes in assets and liabilities:		
Decrease (increase) in trade receivables	(3,728)	(16,737)
Decrease (increase) in inventories	(7,014)	(27,862)
Decrease (increase) in long-term advances to suppliers	3,352	2,746
Decrease (increase) in other current assets	(19,872)	(24,420)
Increase (decrease) in trade payables	8,680	38,973
Increase (decrease) in other current liabilities	(6,146)	(3,987)
Increase (decrease) in retirement benefit liabilities	(924)	(17)
Decrease (increase) in other financial assets	(5,233)	(2,848)
Increase (decrease) in other financial liabilities	(418)	3,911
Other	8,344	(5,212)
Subtotal	82,132	69,405
Interest and dividends received	5,460	4,484
Interest paid	(1,949)	(1,711)
Income taxes paid	(13,020)	(13,135)
Cash flows from operating activities	72,623	59,043

TDK Corporation (6762) FY March 2026 First Quarter Financial Results (IFRS)

	Three months ended June 30, 2024	Three months ended June 30, 2025
	Amount (Millions of yen)	Amount (Millions of yen)
Cash flows from investing activities		
Purchase of tangible and intangible assets	(42,816)	(60,506)
Proceeds from sale of tangible and intangible assets	7,502	3,046
Proceeds from withdrawal of time deposits	11,720	34,673
Payments into time deposits	(29,458)	(27,223)
Proceeds from sale and redemption of securities	3	2,220
Payment for purchase of securities	(2,676)	(3,504)
Acquisition of businesses	-	(1,343)
Acquisition of subsidiaries, net of cash acquired	-	(10,241)
Other	(37)	(34)
Cash flows from investing activities	(55,762)	(62,912)
Cash flows from financing activities		
Proceeds from long-term borrowings	108	585
Repayment of long-term borrowings	(58,897)	(69)
Net increase (decrease) in short-term borrowings	61,802	(15,659)
Proceeds from bonds	-	50,000
Net increase (decrease) in commercial papers	-	29,951
Repayment of lease liabilities	(3,507)	(3,149)
Dividends paid	(21,771)	(30,210)
Other	(89)	(213)
Cash flows from financing activities	(22,354)	31,236
Effect of exchange rate changes on cash and cash equivalents	38,119	(14,270)
Net increase in cash and cash equivalents	32,626	13,097
Cash and cash equivalents at beginning of period	649,998	697,307
Cash and cash equivalents at end of period	682,624	710,404

(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, 2025.

The income tax expense for the three months ended June 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 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, 2024 and 2025 are as follows:

Net sales

(Millions of yen, %)

		Three months ended June 30, 2024		Three months ended June 30, 2025		Change	
		Amount	%	Amount	%	Amount	%
Passive Components	External customers	143,051	27.6	138,140	25.8	(4,911)	(3.4)
	Intersegment	971		1,190		219	22.6
	Total	144,022		139,330		(4,692)	(3.3)
Sensor Application Products	External customers	44,080	8.5	46,415	8.6	2,335	5.3
	Intersegment	109		0		(109)	(100.0)
	Total	44,189		46,415		2,226	5.0
Magnetic Application Products	External customers	55,013	10.6	54,554	10.2	(459)	(0.8)
	Intersegment	16		21		5	31.3
	Total	55,029		54,575		(454)	(0.8)
Energy Application Products	External customers	262,920	50.7	285,519	53.3	22,599	8.6
	Intersegment	1		0		(1)	(100.0)
	Total	262,921		285,519		22,598	8.6
Other	External customers	13,745	2.6	11,125	2.1	(2,620)	(19.1)
	Intersegment	1,492		1,114		(378)	(25.3)
	Total	15,237		12,239		(2,998)	(19.7)
Intersegment elimination		(2,589)		(2,325)		264	
Total		518,809	100.0	535,753	100.0	16,944	3.3

Segment profit (loss)

(Millions of yen, %)

		Three months ended June 30, 2024		Three months ended June 30, 2025		Change	
		Amount	% to net sales	Amount	% to net sales	Amount	%
Passive Components		13,910	9.7	6,387	4.6	(7,523)	(54.1)
Sensor Application Products		(663)	(1.5)	2,690	5.8	3,353	-
Magnetic Application Products		758	1.4	6,291	11.5	5,533	729.9
Energy Application Products		55,332	21.0	55,370	19.4	38	0.1
Other		(121)	(0.9)	(2,476)	(22.3)	(2,355)	-
Subtotal		69,216	13.3	68,262	12.7	(954)	(1.4)
Adjustment		(11,344)		(11,843)		(499)	
Operating profit		57,872	11.2	56,419	10.5	(1,453)	(2.5)

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, 2024 and 2025 are as follows:

Net sales

		(Millions of yen)
	Three months ended June 30, 2024	Three months ended June 30, 2025
Japan	42,051	42,235
Americas	35,794	33,960
Europe	46,358	42,370
China	270,594	281,604
Asia and others	124,012	135,584
Total	518,809	535,753

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	Q1 of FY March 2025 June 30, 2024		Q1 of FY March 2026 June 30, 2025		FY March 2025 March 31, 2025	
	US\$=¥	EURO=¥	US\$=¥	EURO=¥	US\$=¥	EURO=¥
The end of the period	161.07	172.33	144.81	169.66	149.52	162.08

2) Quarterly sales by product

(Millions of yen, %)

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)	
	Amount	%
Capacitors	59,785	11.1
Inductive Devices	49,094	9.2
Other Passive Components	29,261	5.5
Passive Components	138,140	25.8
Sensor Application Products	46,415	8.6
Magnetic Application Products	54,554	10.2
Energy Application Products	285,519	53.3
Other	11,125	2.1
Total	535,753	100.0