



First Half Performance Briefing

Fiscal Year March 2026

TDK Corporation
October 31, 2025

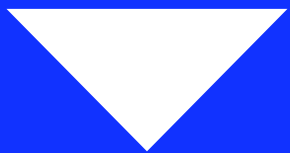


Agenda

**1. H1, FY March 2026
Results Highlights**

**2. FY March 2026
Projections**

Appendix



1. H1, FY March 2026 Results Highlights

Tetsuji Yamanishi,
Senior Executive Vice President & CFO

H1, FY March 2026 key points

- ▶ Net sales increased year on year due to robust demand in the ICT and the HDD markets, resulting in a significant year-on-year rise in operating profit.
- ▶ Net sales and operating profit reached new record highs for the first half of the fiscal year.

Net sales

¥1,183.4 bn

[YoY **+8.6%**]

Operating profit

¥147.6 bn

[YoY **+10.7%**]

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

H1, FY March 2026 results

- ▶ Net sales and operating profit increased year on year.
- ▶ TDK set record highs in net sales and all profit items.

	FY3/25	FY3/26	Change	
(¥bn)	H1	H1	¥bn	%
Net sales	1,089.5	1,183.4	+93.9	+8.6%
Operating profit	133.3	147.6	+14.3	+10.7%
Operating profit margin	12.2%	12.5%	+0.3pts	-
Profit before tax	137.3	147.5	+10.2	+7.4%
Net profit attributable to owners of parent	105.7	111.4	+5.7	+5.4%
Earnings per share (¥)*	55.72	58.70	-	-
USD/JPY	152.76	146.08	4.4% JPY appreciation	
EUR/JPY	166.03	168.07	1.2% JPY depreciation	

*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.

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

Net sales	Decreased by approx. ¥41.7 bn
OP	Decreased by approx. ¥9.2 bn

Forex sensitivity (impact by one JPY change)

USD

Net Sales	¥11.0 bn
OP	¥2.0 bn

EUR

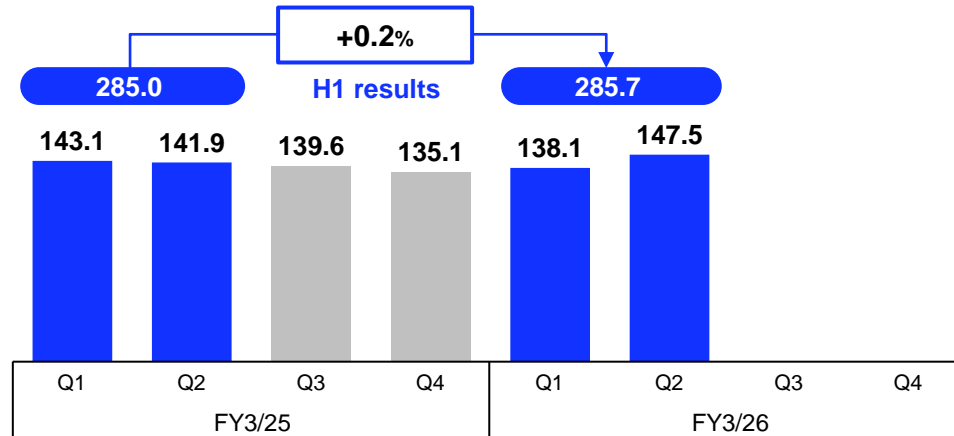
Net Sales	¥2.0 bn
OP	¥0.3 bn

Passive Components segment

- ▶ Profit decreased due to a decline in sales to the automotive market while an increase in sales to the industrial equipment market.

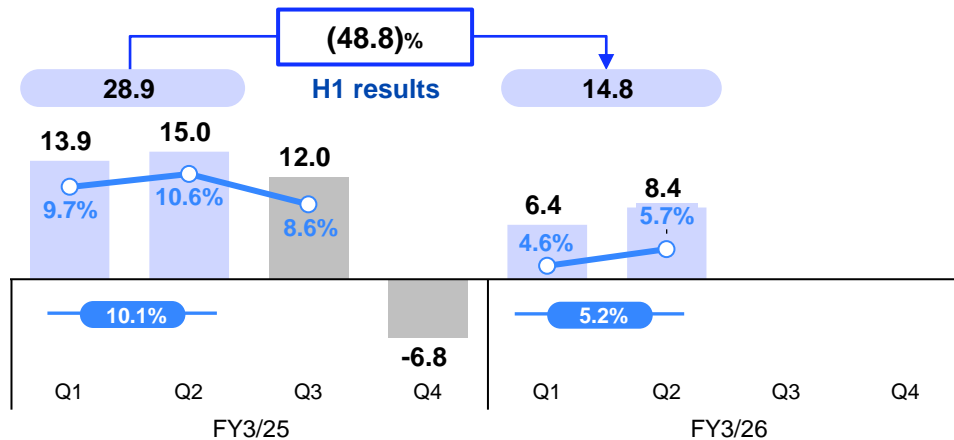
Net sales

(¥bn)



Operating profit, OP margin

(¥bn)



Ceramic capacitors

- Sales and profit decreased year on year.
- Sales increased to the industrial equipment market while decreased to the automotive and the ICT markets.

Aluminum electrolytic capacitors and film capacitors

- Sales increased while profit decreased year on year.
- Sales increased to the industrial equipment market while decreased to the automotive market. Restructuring costs were recorded.

Inductive devices

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

High-frequency components

- Sales and profit decreased year on year.
- Sales decreased to the ICT and the industrial equipment markets.

Piezoelectric material products and circuit protection components

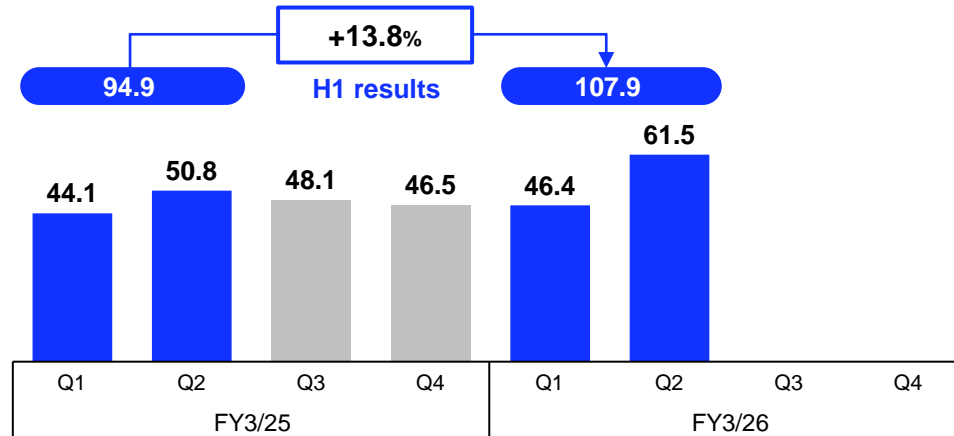
- Sales increased while profit decreased year on year.
- Sales increased to the industrial equipment market while decreased the automotive market.

Sensor Application Products segment

- ▶ Profit increased considerably due to increase in sales to the ICT and the industrial equipment markets.

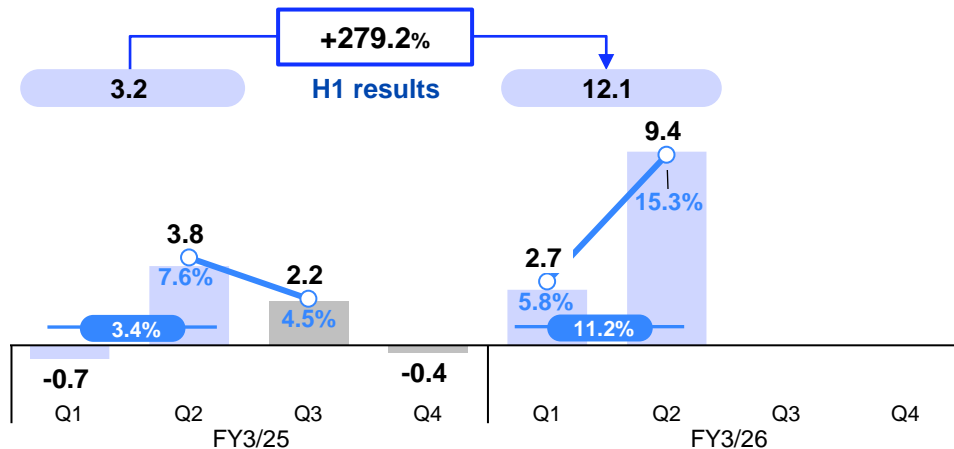
Net sales

(¥bn)



Operating profit, OP margin

(¥bn)



Temperature and pressure sensors

- Sales remained flat while profit decreased year on year.
- Sales decreased to the home appliances market.

Magnetic sensors

- Sales increased while profit remained flat year on year.
- Sales increased to the ICT market.

MEMS sensors

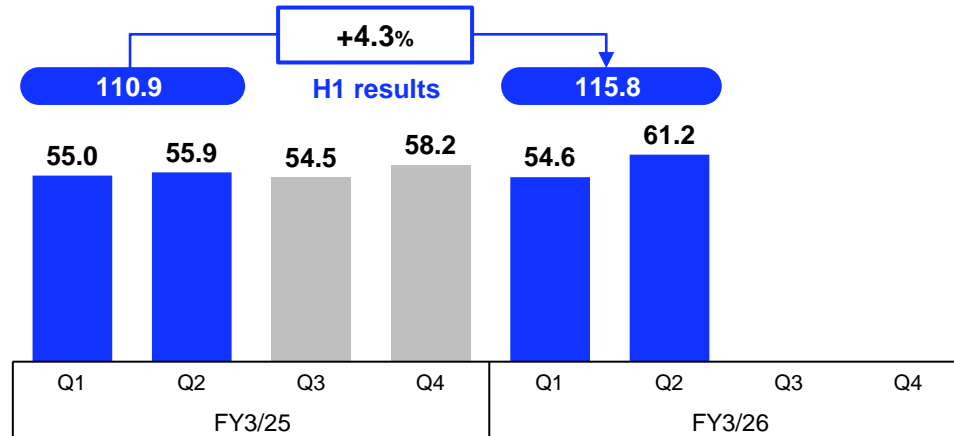
- Sales increased year on year, returning to profitability.
- Sales of microphones to the ICT market increased.
- Sales of motion sensors to the industrial equipment market increased.

Magnetic Application Products segment

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

Net sales

(¥bn)



HDD heads
and HDD
suspension
assemblies

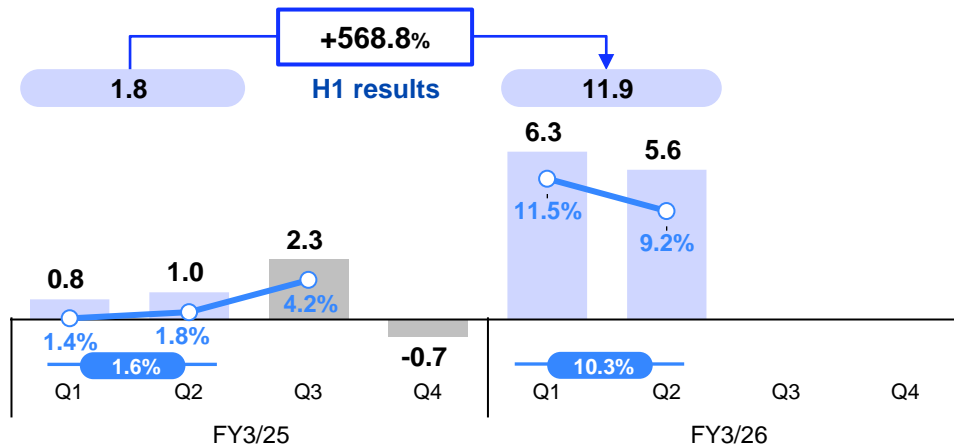
- Sales increased and profit rose significantly year on year.

Magnets

- Sales decreased year on year while profitability improved.

Operating profit, OP margin

(¥bn)

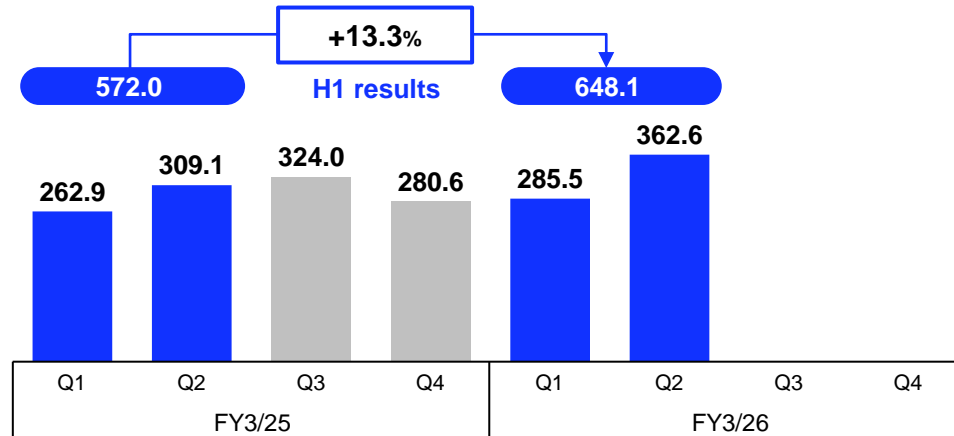


Energy Application Products segment

- ▶ 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)

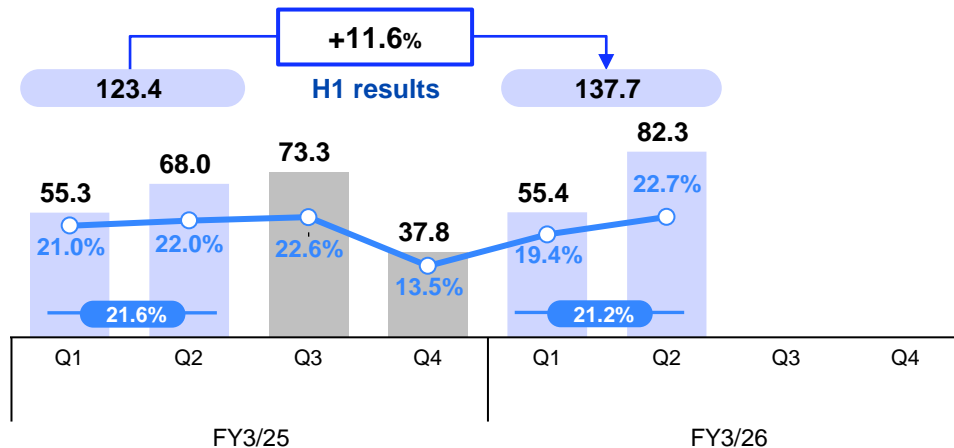
- Sales and profit increased year on year.
- Sales of small capacity batteries increased considerably due to an increase in the sales volume and the effect of new model sales.
- Sales of small and medium capacity batteries increased to the industrial equipment market.

Power supplies

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

Operating profit, OP margin

(¥bn)



Q2, FY March 2026 results

- ▶ Net sales and operating profit increased year on year.
- ▶ TDK set record highs in net sales and all profit items on quarter basis.

	FY3/25	FY3/26	Change	
(¥bn)	Q2	Q2	¥bn	%
Net sales	570.7	647.6	+76.9	+13.5%
Operating profit	75.4	91.2	+15.8	+20.9%
Operating profit margin	13.2%	14.1%	+0.9pt	-
Profit before tax	67.7	89.8	+22.1	+32.6%
Net profit attributable to owners of parent	46.1	69.9	+23.9	+51.8%
Earnings per share (¥)*	24.29	36.86	-	-
USD/JPY	149.74	147.54	1.5% JPY appreciation	
EUR/JPY	164.30	174.31	4.9% JPY depreciation	

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

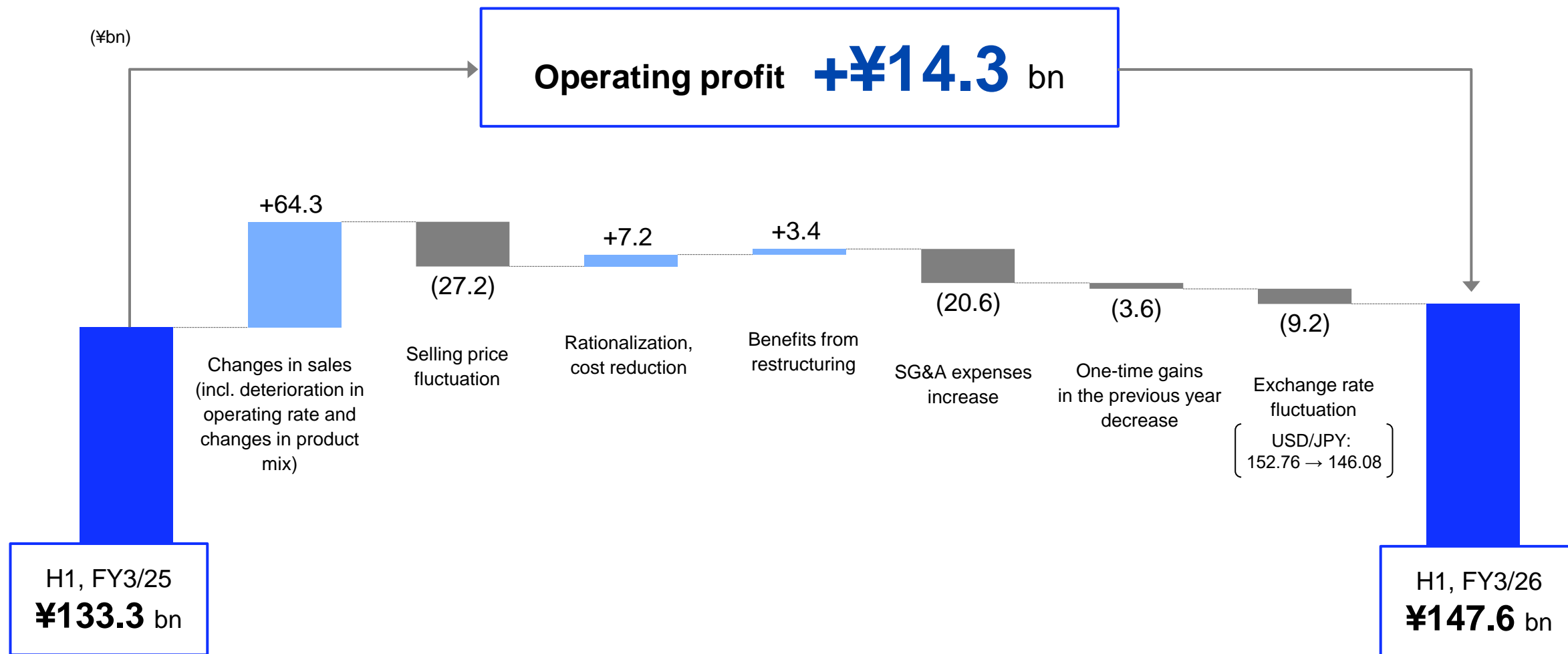
Net sales	Decreased by approx. ¥4.1 bn
OP	Decreased by approx. ¥2.1 bn

*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.

Quarterly results by segment

		FY3/25	FY3/26	FY3/26	YoY [C] – [A]		QoQ [C] – [B]	
		(¥bn)			¥bn	%	¥bn	%
Net Sales	Capacitors	58.0	59.8	62.1	+4.0	+7.0%	+2.3	+3.8%
	Inductive Devices	52.7	49.1	55.0	+2.3	+4.4%	+5.9	+12.1%
	Other Passive Components	31.2	29.3	30.4	(0.8)	(2.5)%	+1.2	+4.0%
	Passive Components	141.9	138.1	147.5	+5.6	+3.9%	+9.4	+6.8%
	Sensor Application Products	50.8	46.4	61.5	+10.7	+21.1%	+15.1	+32.5%
	Magnetic Application Products	55.9	54.6	61.2	+5.3	+9.4%	+6.6	+12.2%
	Energy Application Products	309.1	285.5	362.6	+53.6	+17.3%	+77.1	+27.0%
	Other	13.0	11.1	14.8	+1.8	+13.6%	+3.7	+32.8%
	Total	570.7	535.8	647.6	+76.9	+13.5%	+111.9	+20.9%
Operating Profit	Passive Components	15.0	6.4	8.4	(6.6)	(43.9)%	+2.0	+31.6%
	Sensor Application Products	3.8	2.7	9.4	+5.5	+144.0%	+6.7	+249.1%
	Magnetic Application Products	1.0	6.3	5.6	+4.6	+449.3%	(0.7)	(10.8)%
	Energy Application Products	68.0	55.4	82.3	+14.3	+21.0%	+26.9	+48.6%
	Other	(1.2)	(2.5)	(1.5)	(0.3)	-	+1.0	-
	Subtotal	86.7	68.3	104.2	+17.5	+20.2%	+35.9	+52.7%
	Adjustment	(11.3)	(11.8)	(13.0)	(1.7)	-	(1.2)	-
	Total	75.4	56.4	91.2	+15.8	+20.9%	+34.8	+61.7%
Operating profit margin		13.2%	10.5%	14.1%	+0.9pts	-	+3.6pts	-
USD/JPY		149.74	144.59	147.54				
EUR/JPY		164.30	163.78	172.31				

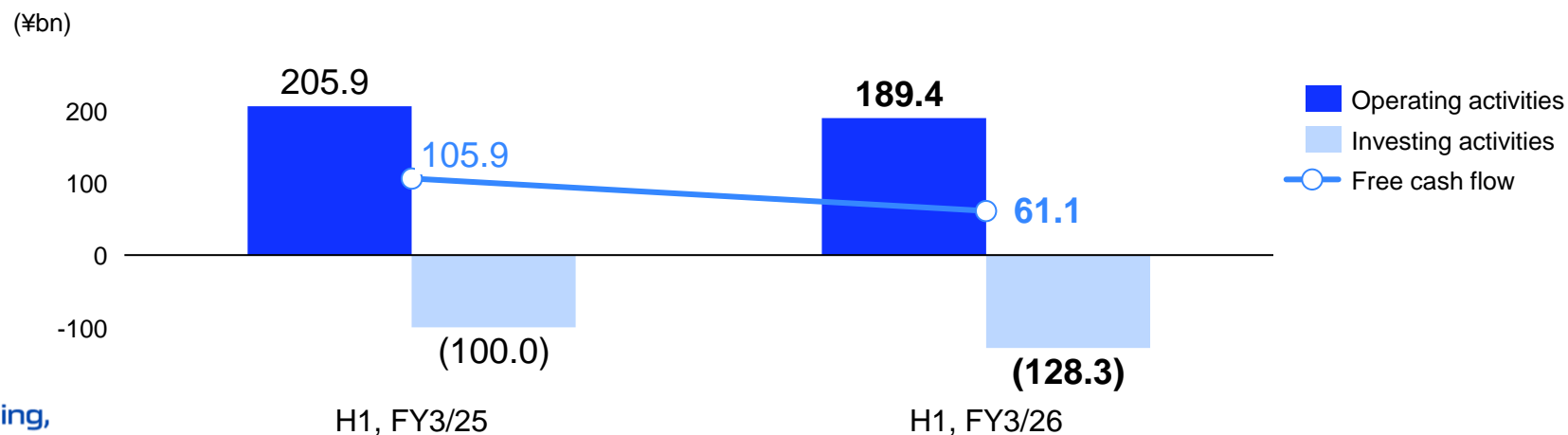
Analysis of change in operating profit – H1

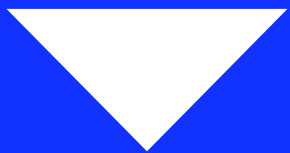


Cash flows – H1

	FY3/25	FY3/26	Change
(¥bn)	H1	H1	
Cash flows from operating activities	205.9	189.4	(16.5)
Cash flows from investing activities	(100.0)	(128.3)	(28.3)
Free cash flow	105.9	61.1	(44.8)
Cash flows from financing activities	(32.8)	28.2	+61.0
Effects of exchange rate changes on cash and cash equivalents	(26.4)	8.4	+34.8
Cash and cash equivalents	696.7	795.0	+98.3

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





2. FY March 2026 Projections

Noboru Saito,
President & CEO

Assumptions for performance forecast – key market predictions

- ▶ While the forecast for nearline HDDs and automobile production volume has been revised upward, smartphone production volume is expected to remain flat with a downward revision of the forecast.

(Production volume: Unit mn)	FY3/25 Actual [A]	FY3/26 Forecast			
		As of April 2025		As of October 2025	
		Volume [B]	YoY [A]vs[B]	Volume [C]	YoY [A]vs[C]
Automobile*	89.8	90.8	1%	91.6	+2%
xEV	25.0	31.7	+27%	31.3	+25%
HEV	7.2	8.4	+17%	8.3	+15%
PHEV	6.9	8.2	+19%	8.2	+19%
BEV	11.1	15.0	+35%	14.7	+32%
Smartphone	1,191	1,200	+1%	1,191	±0%
5G Smartphone	746	783	+5%	800	+7%
HDD	123	124	+1%	123	±0%
Nearline	61	62	+2%	67	+10%
Notebook PC	185	187	+1%	190	+3%
Tablet	144	137	-5%	144	±0%

*:The number of Automobile includes commercial vehicles.

Projections by segment for Q3 of FY March 2026

	Q2 of FY3/26 Actual	Q3 of FY3/26 projection (QoQ)		Factor
		Assumed exchange rates: H2 basis	Assumed exchange rates: Q2 basis	
Passive Components	147.5	(4) ~ (1)%	(3) ~ ±0%	• Sales of ceramic capacitors to the automotive market are expected to increase while some products to the industrial equipment market are expected to decrease.
Sensor Application Products	61.5	(14) ~ (11)%	(13) ~ (10)%	• Sales of magnetic sensors to the ICT market are expected to decrease.
Magnetic Application Products	61.2	+8 ~ +11%	+9 ~ +12%	• Sales of HDD suspension assemblies are expected to increase.
Energy Application Products	362.6	(8) ~ (5)%	(6) ~ (3)%	• Sales of small capacity batteries to the ICT market are expected to decrease.
Other	14.8	-	-	
Total	647.6	(6) ~ (3)%	(5) ~ (2)%	
USD/JPY	147.54	145.00	147.00	
EUR/JPY	172.31	168.00	172.00	

FY March 2026 projections

- FY March 2026 projection and dividend projection have been revised upward reflecting brisk results in the ICT market.

	FY3/25 Actual	FY3/26 projections		Change	
		As of April 2025	As of October 2025	¥bn	%
(¥bn)					
Net sales	2,204.8	2,200.0	2,370.0	+165.2	+7.5%
Operating profit	224.2	225.0	245.0	+20.8	+9.3%
Operating profit margin	10.2%	10.2%	10.3%	+0.1pts	-
Profit before tax	237.8	238.0	250.0	+12.2	+5.1%
Net profit attributable to owners of parent	167.2	170.0	180.0	+12.8	+7.7%
ROIC	6.7%	7.1%	7.2%	+0.5pts	-
Free cash flow	201.0	70.0	80.0	(121.0)	(60.2)%
Earnings per share (¥)	88.10	89.58	94.84	-	-
Annual dividends (¥)	30.00	30.00	32.00	-	-
USD/JPY	152.66	140.00	146.00	-	-
EUR/JPY	163.86	155.00	168.00	-	-

November 28th, 2025 **FRI**

At **3:30PM - 5:00PM** (JST)

- ▶ Hybrid (on-site and online)
- ▶ Archived recording available later

TDK INVESTOR DAY

Medium-term Plan Update

1. Medium-term Plan Update Briefing

- ▶ The path toward achieving the Long-term Vision
- ▶ Progress of the Medium-term Plan (environmental changes and countermeasures)
- ▶ Progress of business portfolio management



Tetsuji Yamanishi
CFO



Shigeki Sato
CEO of ECBC



Takao Tsutsui
CEO of SSBC



Taro Ikushima
Head of Strategy HQ



Albert Ong
CEO of MHBC



Fumio Sashida
CEO of ESBC

2. Dialogue with Outside Directors



Kozue Nakayama
Outside Director



Mutsuo Iwai
Outside Director



Shoei Yamana
Outside Director



Toru Katsumoto
Outside Director



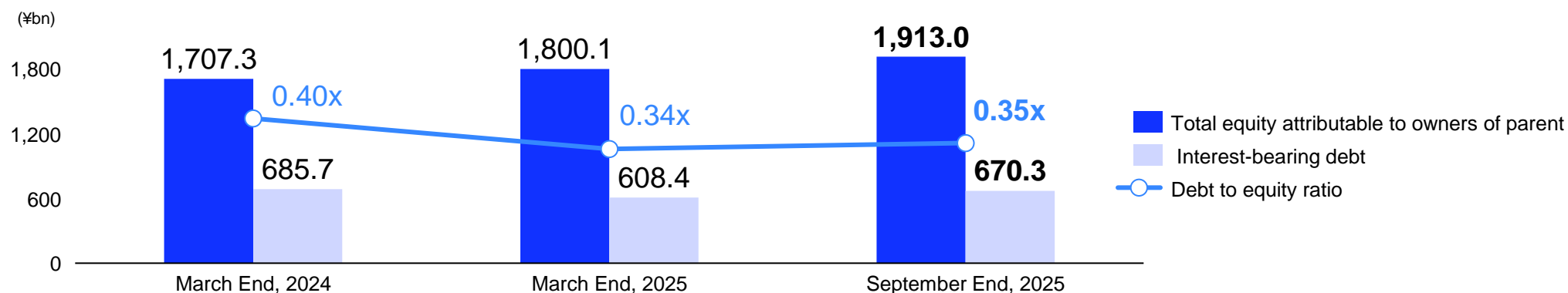
Appendix

Quarterly sales and operating profit by segment (FY3/25 – FY3/26)

		(¥bn)	FY3/25					FY3/26				
			Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Net Sales	Capacitors		61.5	58.0	57.5	57.2	234.3	59.8	62.1			
	Inductive Devices		50.8	52.7	51.8	49.0	204.3	49.1	55.0			
	Other Passive Components		30.7	31.2	30.3	28.9	121.1	29.3	30.4			
	Passive Components		143.1	141.9	139.6	135.1	559.6	138.1	147.5			
	Sensor Application Products		44.1	50.8	48.1	46.5	189.5	46.4	61.5			
	Magnetic Application Products		55.0	55.9	54.5	58.2	223.6	54.6	61.2			
	Energy Application Products		262.9	309.1	324.0	280.6	1176.5	285.5	362.6			
	Other		13.7	13.0	14.9	13.9	55.6	11.1	14.8			
	Total		518.8	570.7	581.0	534.3	2,204.8	535.8	647.6			
Operating profit	Passive Components		13.9	15.0	12.0	(6.8)	34.1	6.4	8.4			
	Sensor Application Products		(0.7)	3.8	2.2	(0.4)	5.0	2.7	9.4			
	Magnetic Application Products		0.8	1.0	2.3	(0.7)	3.4	6.3	5.6			
	Energy Application Products		55.3	68.0	73.3	37.8	234.4	55.4	82.3			
	Other		(0.1)	(1.2)	(0.9)	(2.3)	(4.4)	(2.5)	(1.5)			
	Subtotal		69.2	86.7	88.9	27.6	272.4	68.3	104.2			
	Adjustment		(11.3)	(11.3)	(13.1)	(12.5)	(48.3)	(11.8)	(13.0)			
	Total		57.9	75.4	75.8	15.1	224.2	56.4	91.2			
Operating profit margin			11.2%	13.2%	13.0%	2.8%	10.2%	10.5%	14.1%			
USD/JPY			155.82	149.74	152.29	152.82	152.66	144.59	147.54			
EUR/JPY			167.79	164.30	162.64	160.69	163.86	163.78	172.31			

Financial position

(¥bn)	March end, 2024	March end, 2025	September end, 2025	Change from March end, 2025
Total assets	3,415.3	3,541.4	3,957.4	+416.0
Total liabilities	1,700.4	1,730.2	2,030.3	+300.1
Total equity attributable to owners of parent	1,707.3	1,800.1	1,913.0	+113.0
Ratio of equity attributable to owners of parent	50.0%	50.8%	48.3%	(2.5)pts
Cash and cash equivalents, short-term investments, and marketable securities	666.1	753.8	854.2	+100.4
Interest-bearing debt ^{*1}	685.7	608.4	670.3	+61.9
Net cash (Net debt) ^{*2}	(19.6)	145.4	183.9	+38.5
Debt to equity ratio (times) ^{*3}	0.40	0.34	0.35	+0.01



*1: Borrowings plus bonds plus lease liabilities.

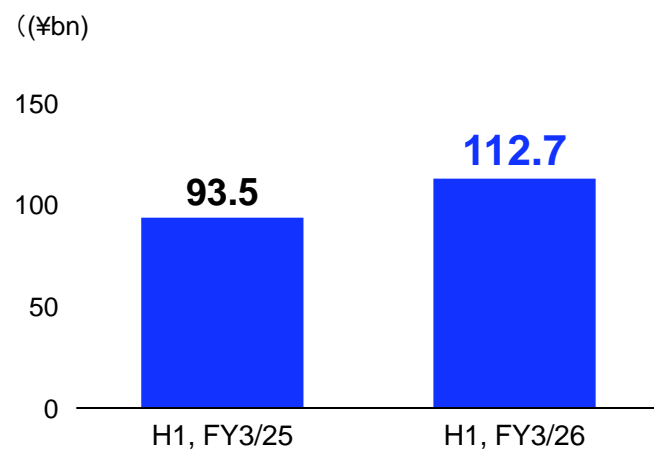
*2: Cash and cash equivalents plus short-term investments plus marketable securities minus interest-bearing debt.

*3: Interest-bearing debt divided by total equity attributable to owners of parent.

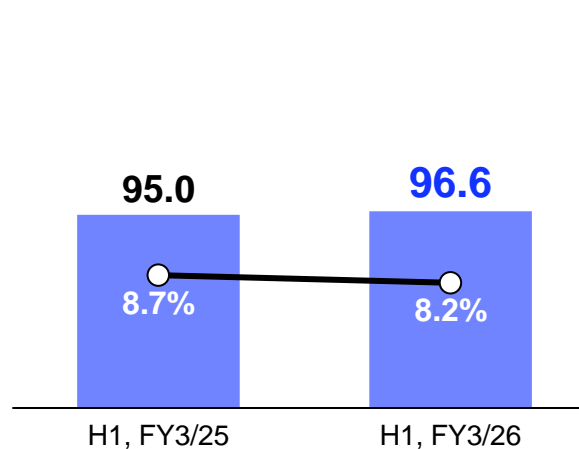
CAPEX, Depreciation, and R&D expenses – H1

	FY3/25	FY3/26	Change
(¥bn)	H1	H1	
CAPEX	93.5	112.7	+19.3
Depreciation	95.0	96.6	+1.6
% to net sales	8.7%	8.2%	(0.5)pts
R&D expenses	123.2	133.8	+10.6
% to net sales	11.3%	11.3%	0pts

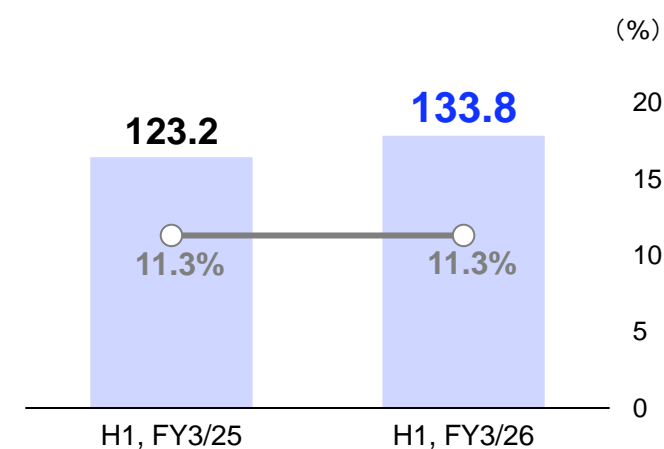
CAPEX



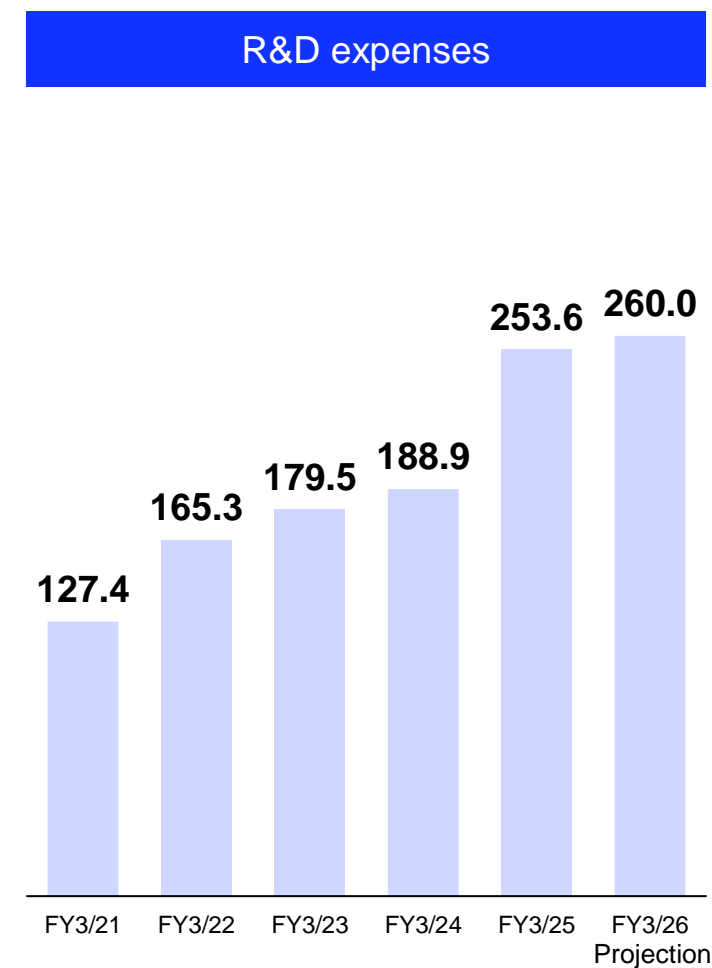
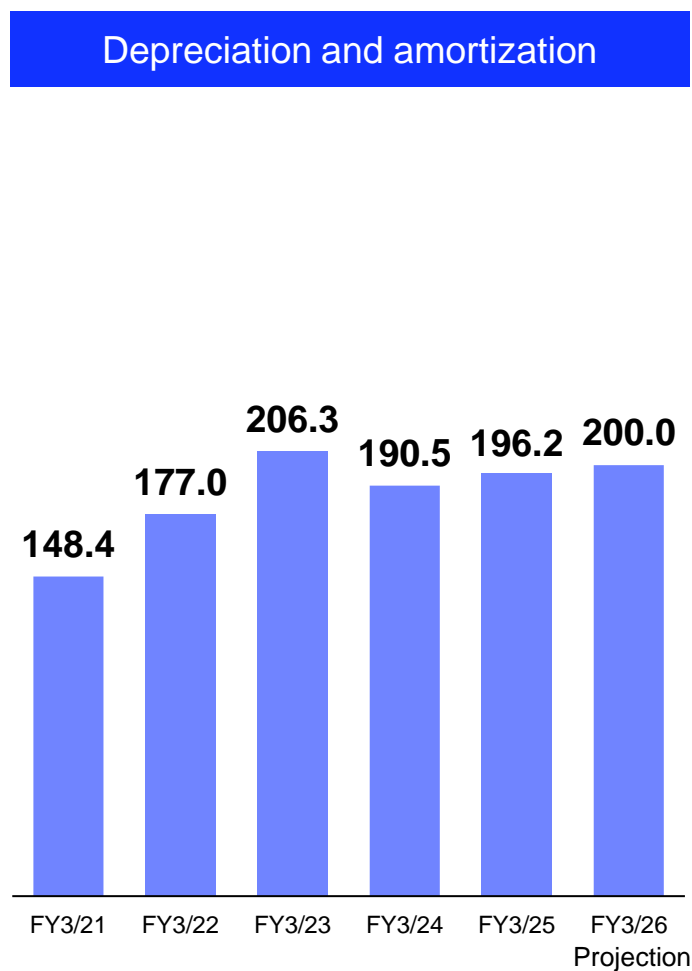
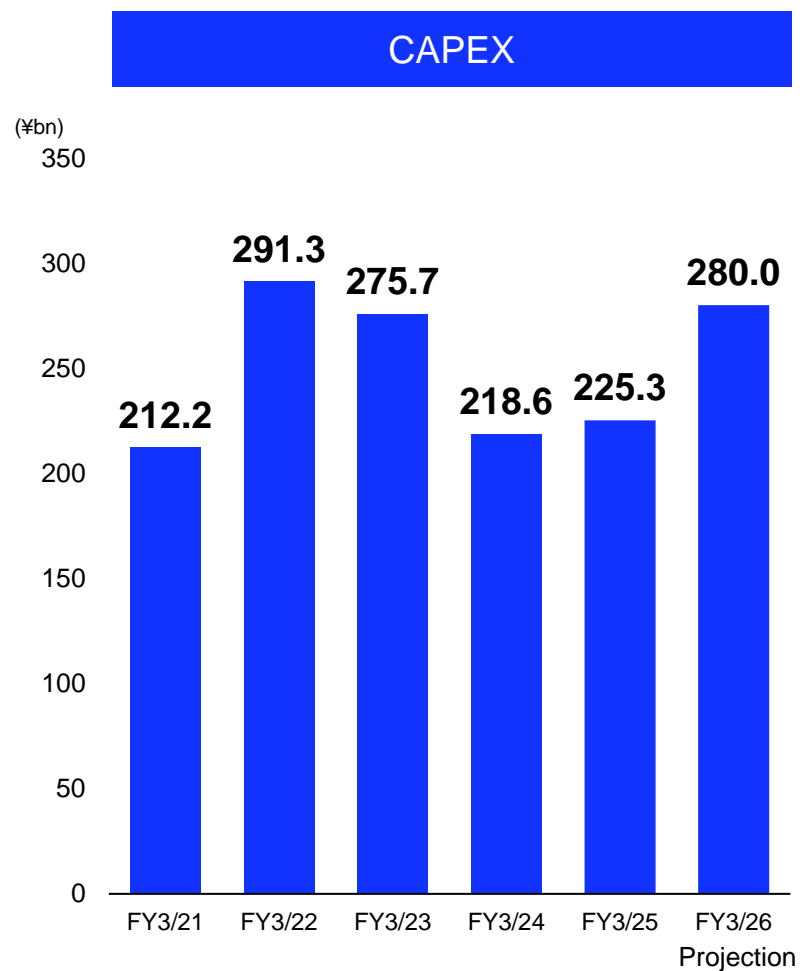
Depreciation, % to net sales



R&D expenses, % to net sales



CAPEX, Depreciation, and R&D expenses – Projections



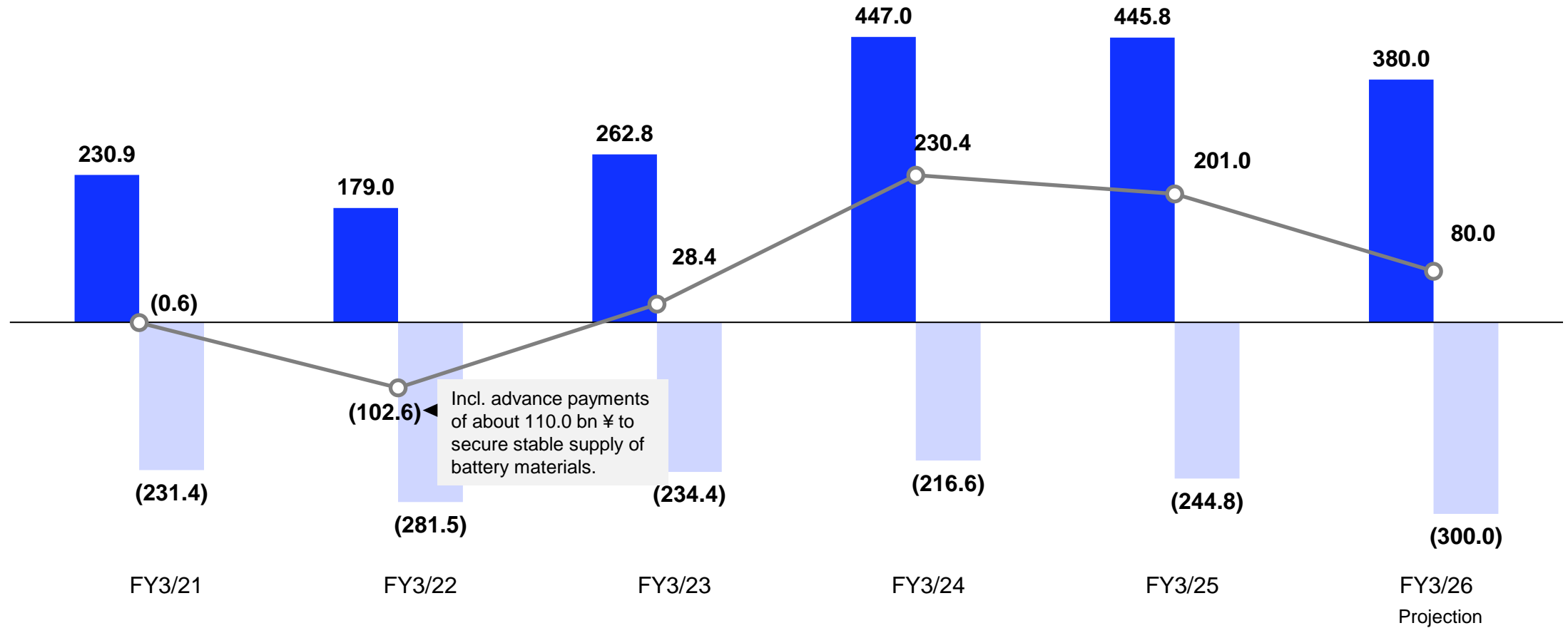
Cash flows

(¥bn)

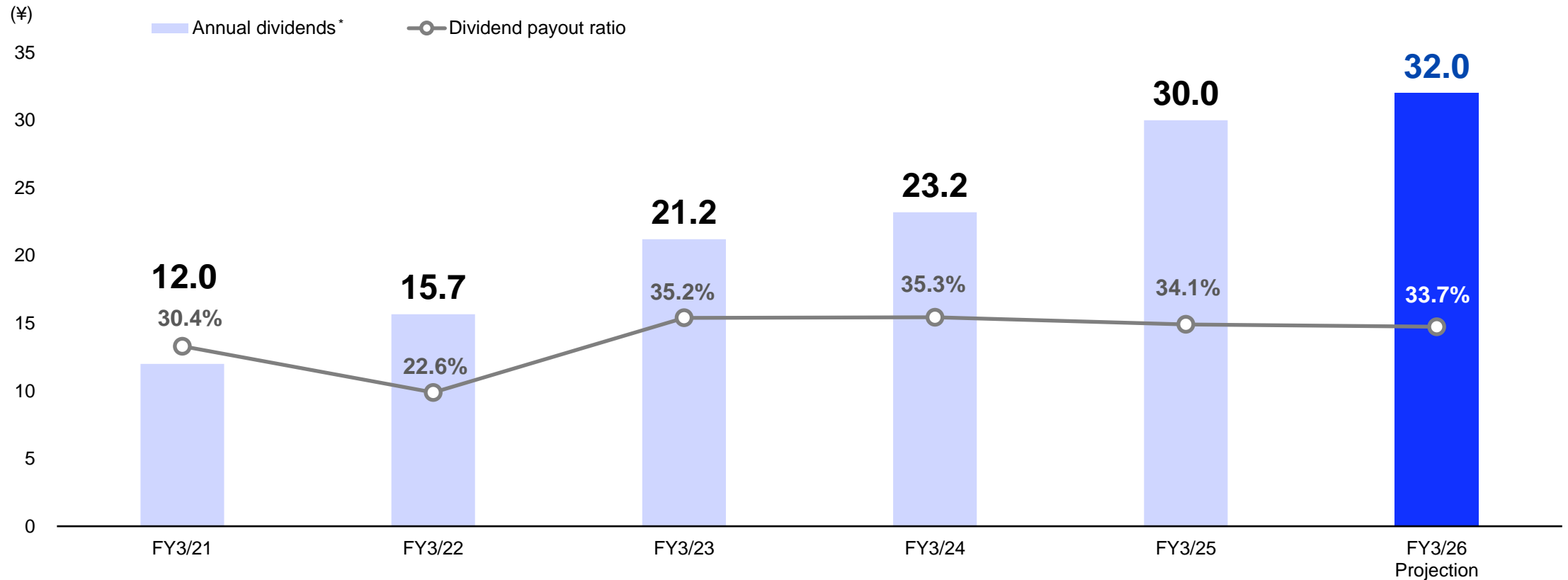
Operating activities

Investment activities

Free cash flow



Shareholder returns

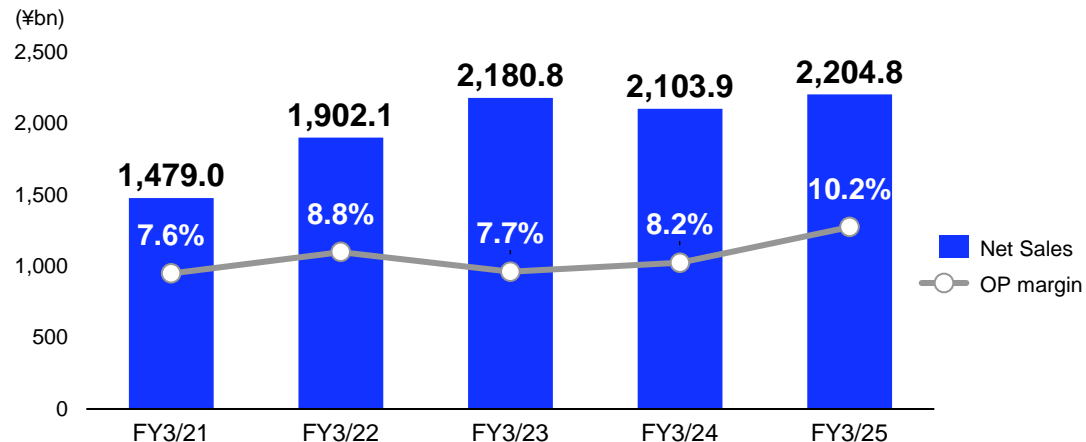


*. Figures have been converted to align with the post-share split standard of a 1 for 5 share split, effective from October 1, 2024.

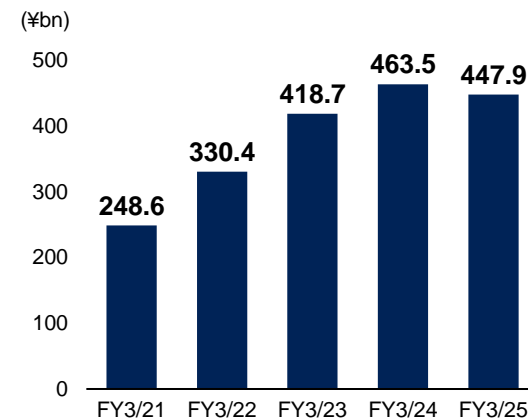
Annual sales by market (FY3/21 – FY3/25)

All

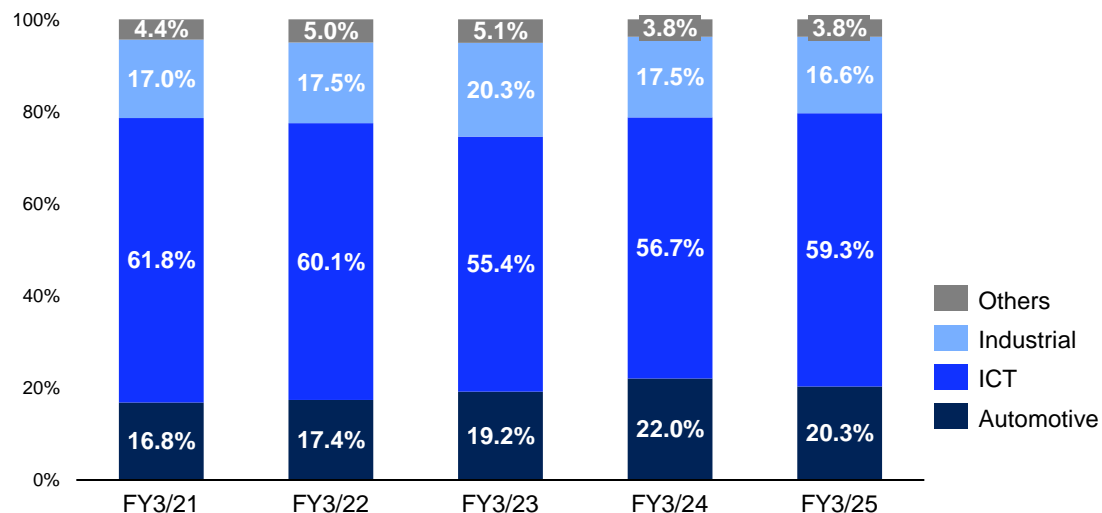
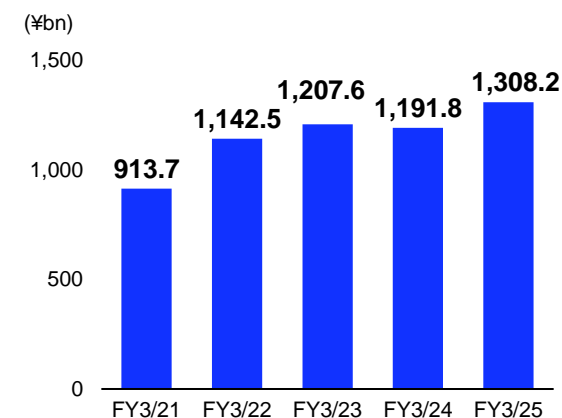
Net sales, OP margin



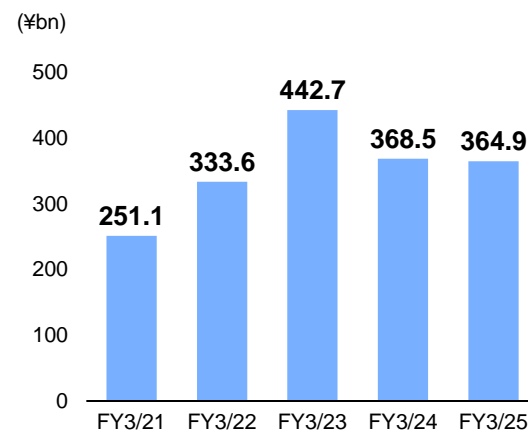
Automotive



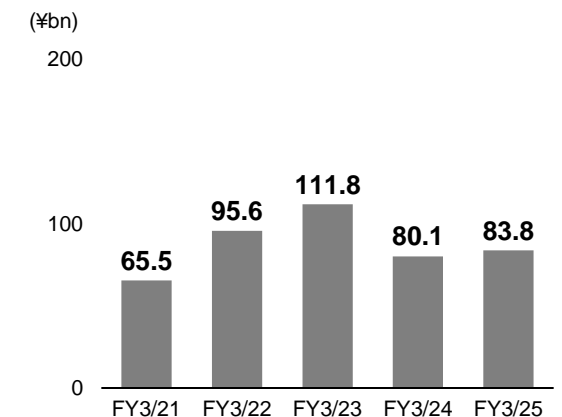
ICT



Industrial equipment



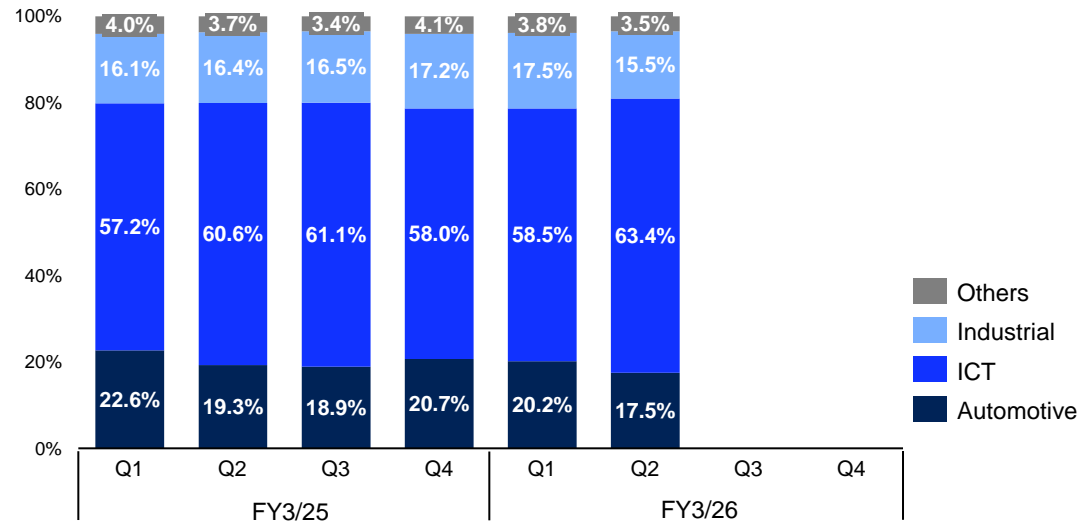
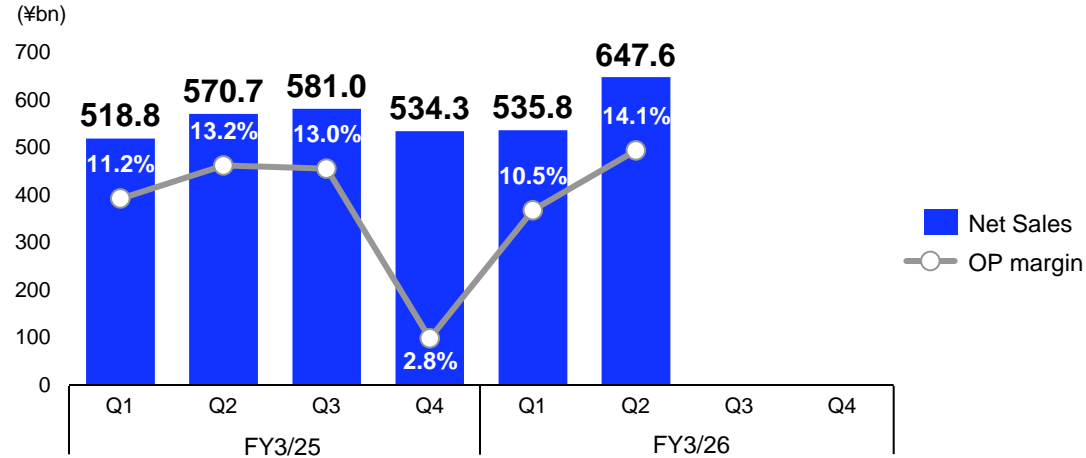
Others



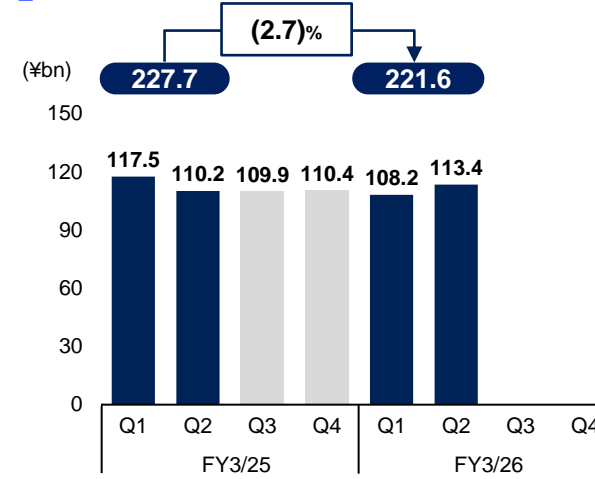
Quarterly sales by market (FY3/25 – FY3/26)

All

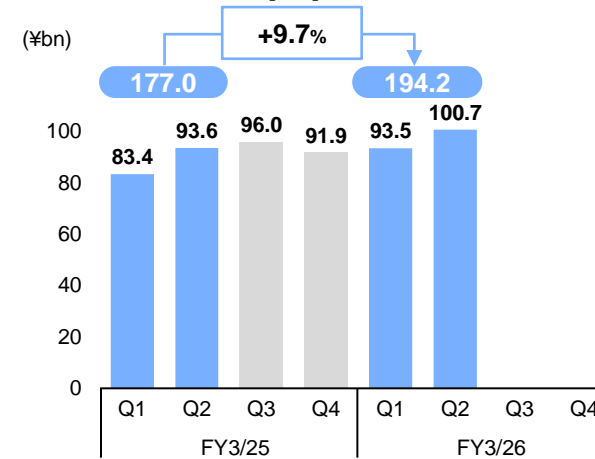
Net sales, OP margin



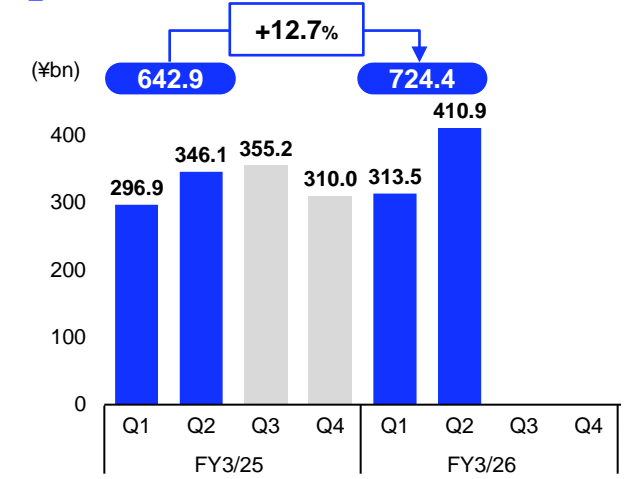
Automotive



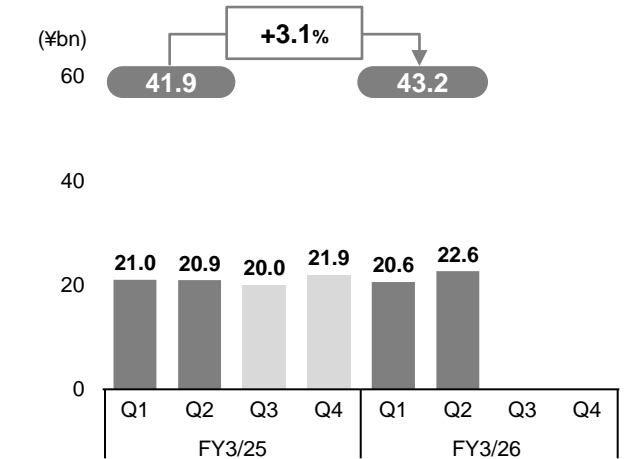
Industrial equipment



ICT



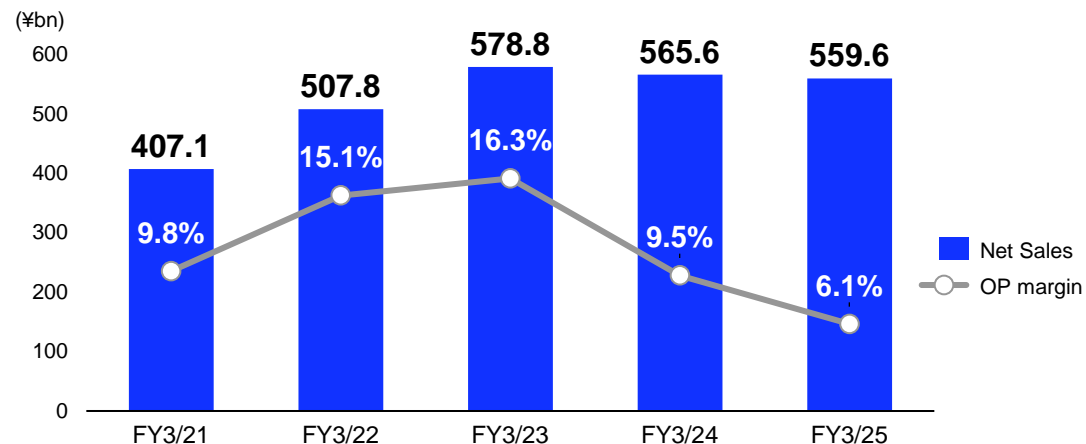
Others



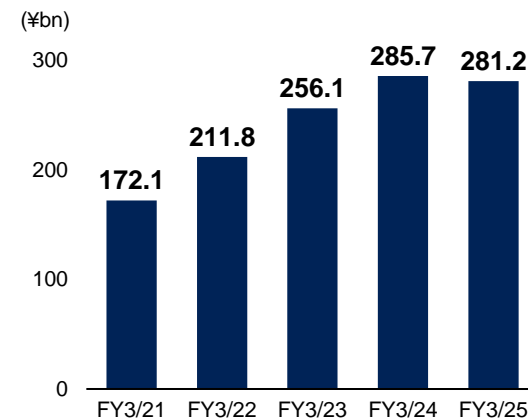
Annual sales by market (FY3/21 – FY3/25)

Passive Components

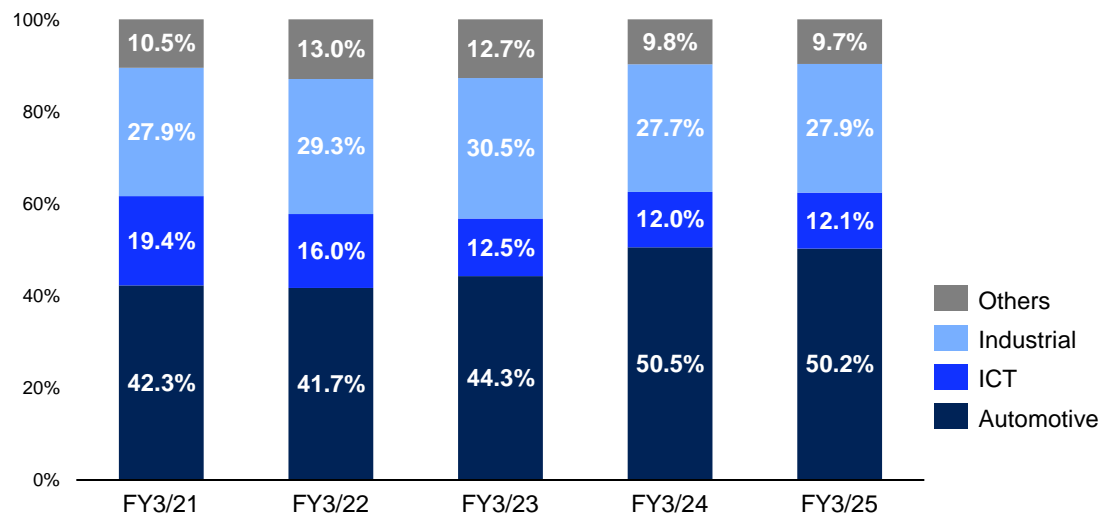
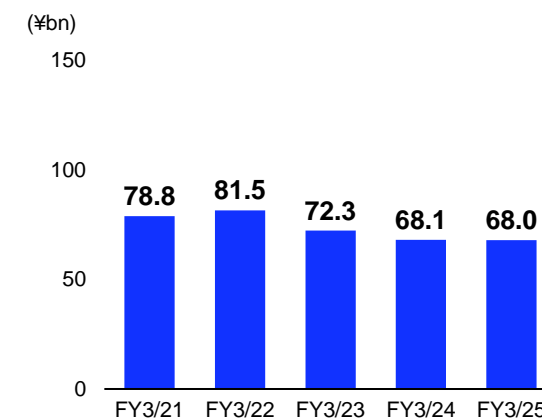
Net sales, OP margin



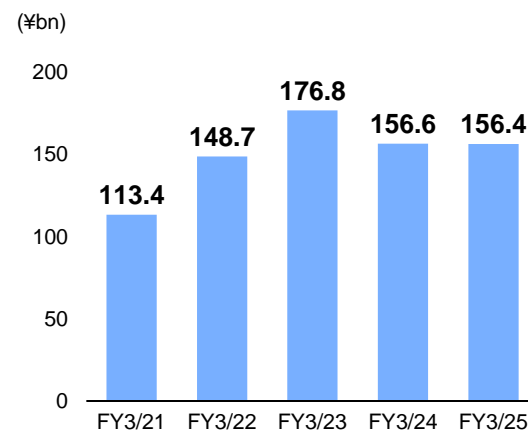
Automotive



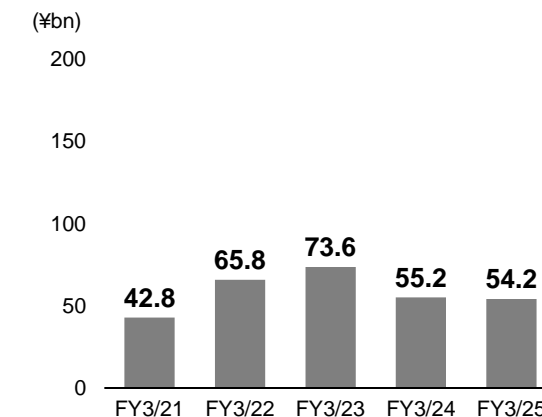
ICT



Industrial equipment



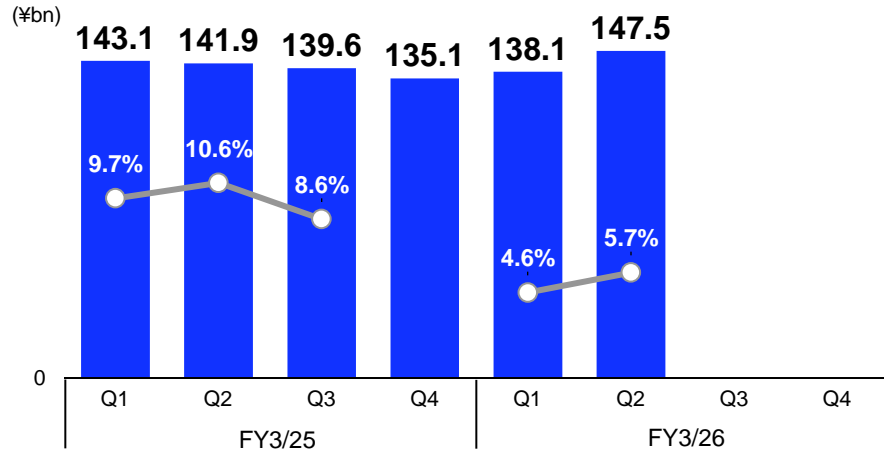
Others



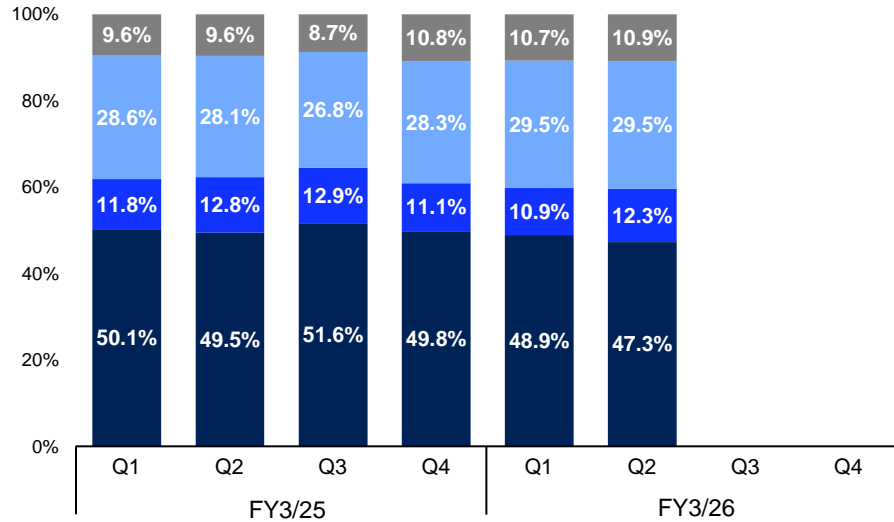
Quarterly sales by market (FY3/25 – FY3/26)

Passive Components

Net sales, OP margin

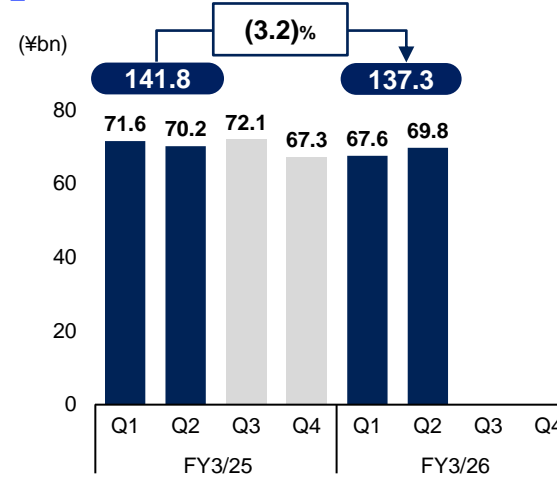


■ Net Sales
○ OP margin

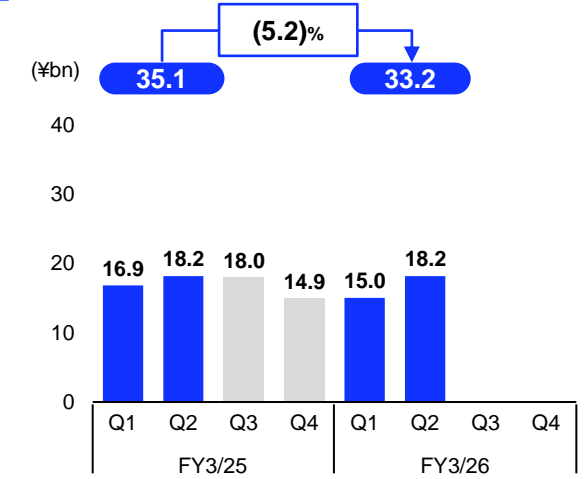


■ Others
■ Industrial
■ ICT
■ Automotive

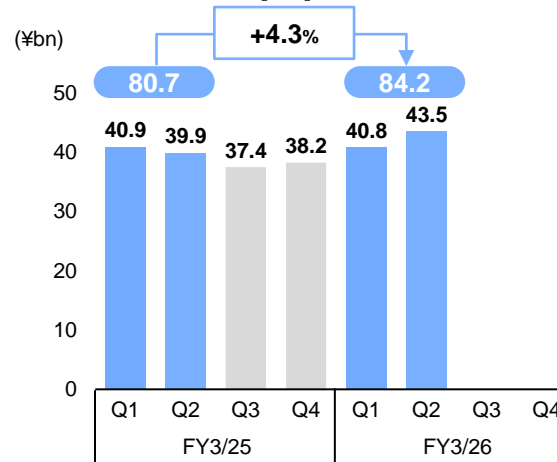
Automotive



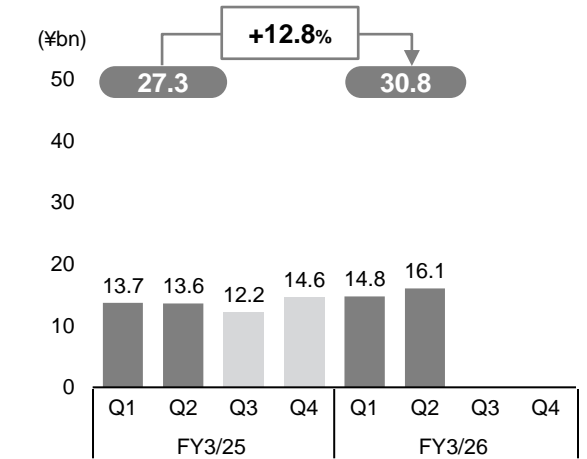
ICT



Industrial equipment



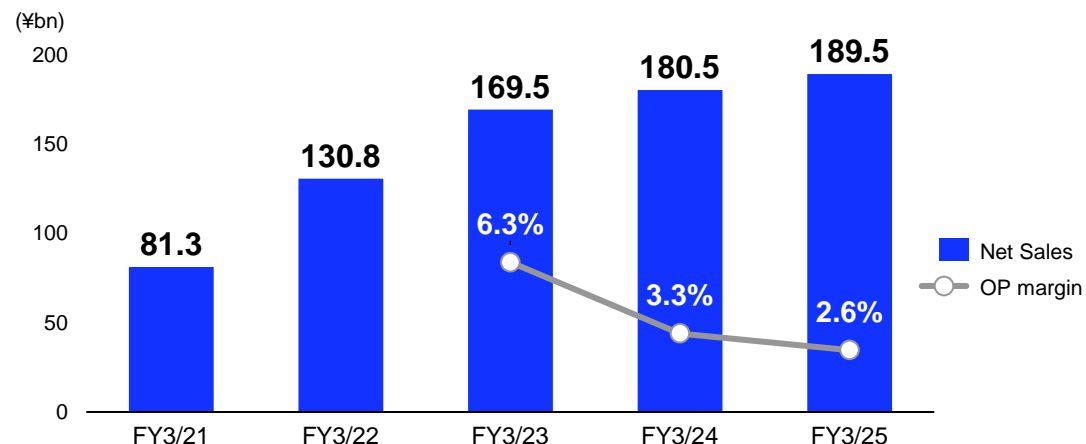
Others



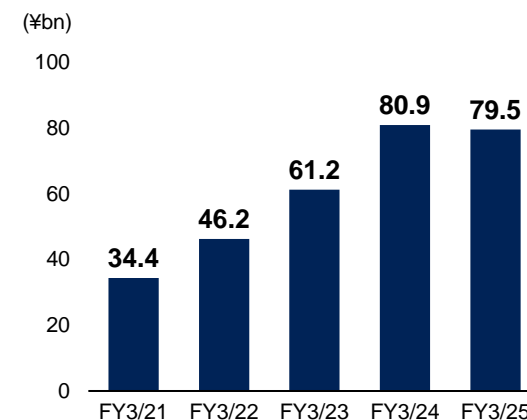
Annual sales by market (FY3/21 – FY3/25)

Sensor Application Products

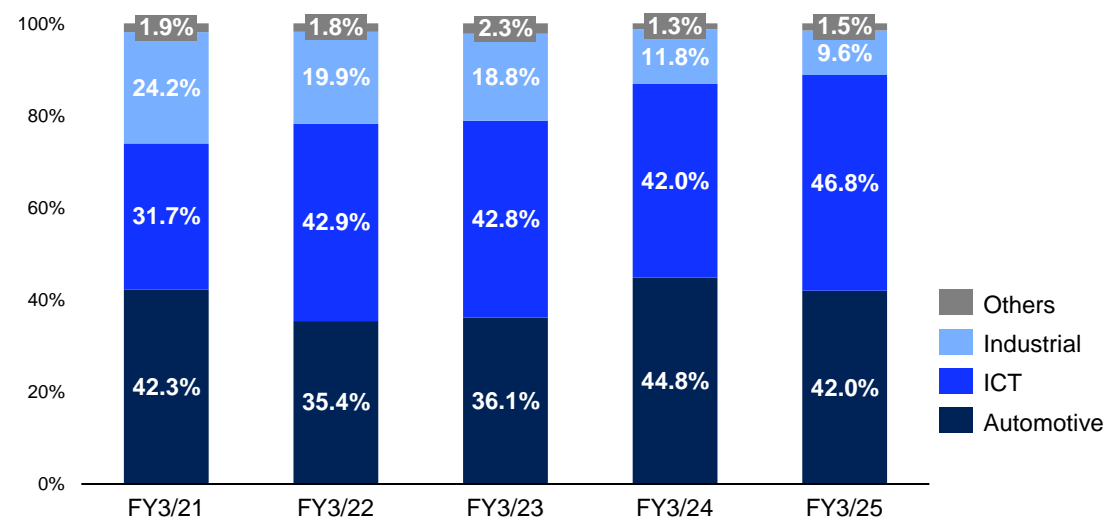
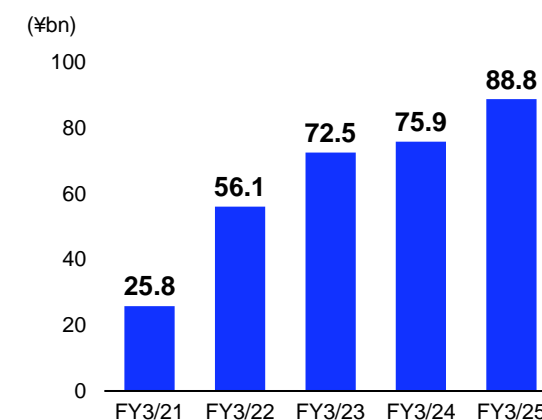
Net sales, OP margin



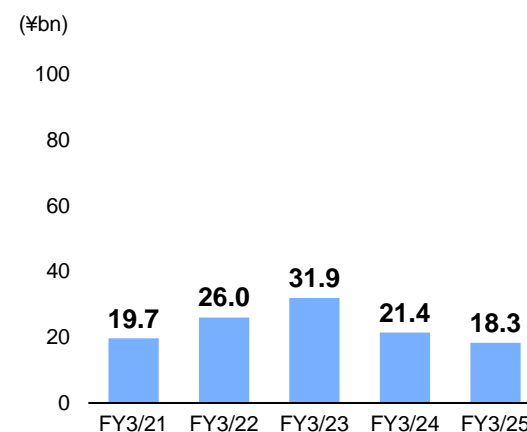
Automotive



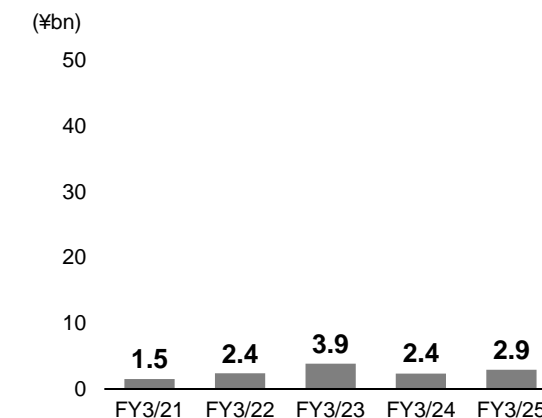
ICT



Industrial equipment



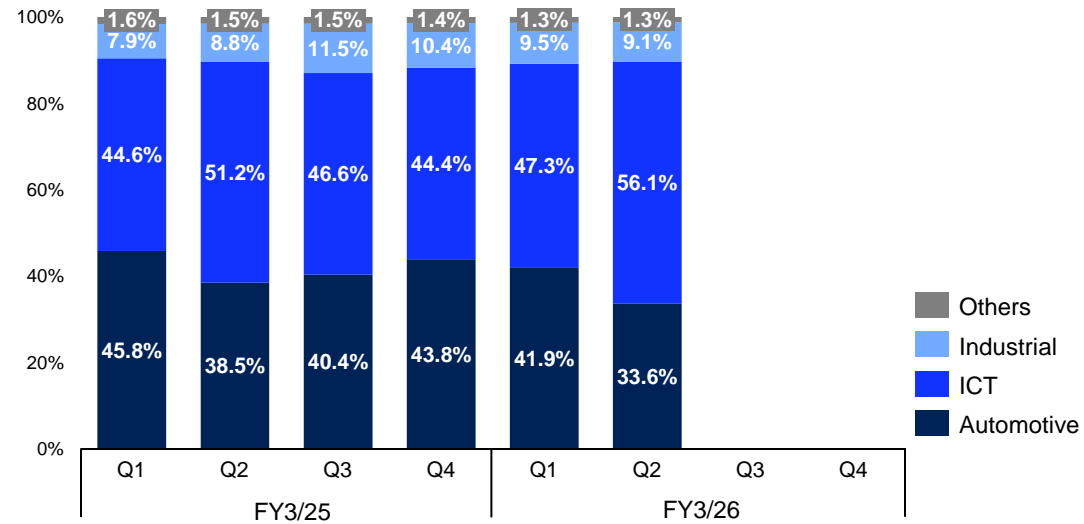
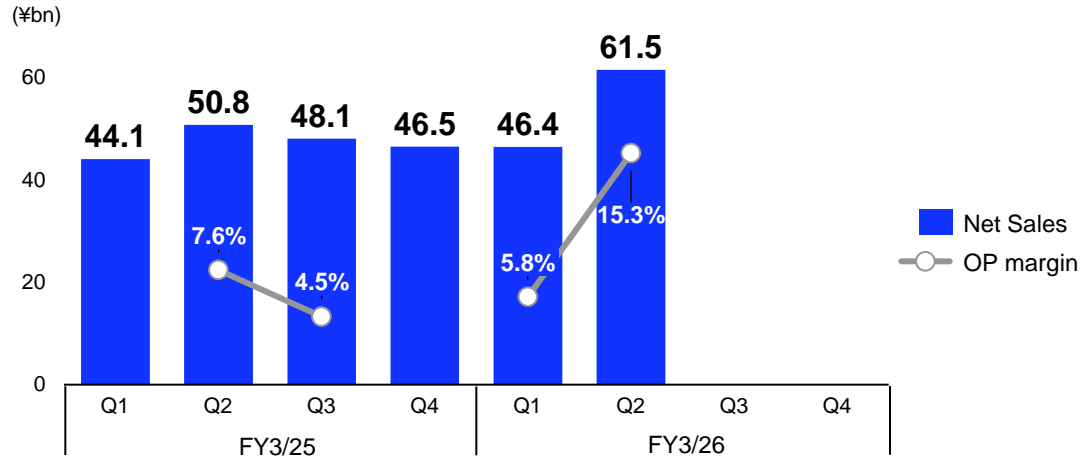
Others



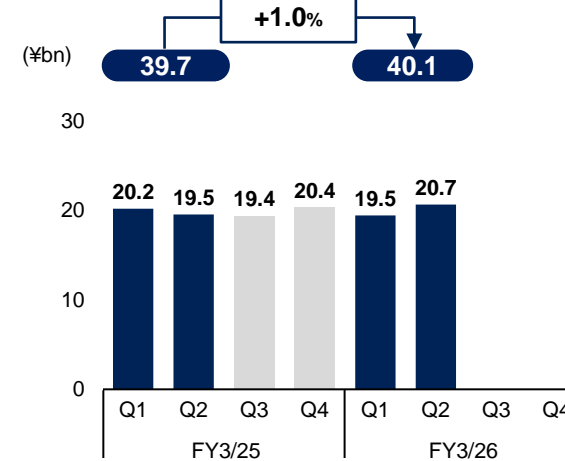
Quarterly sales by market (FY3/25 – FY3/26)

Sensor Application Products

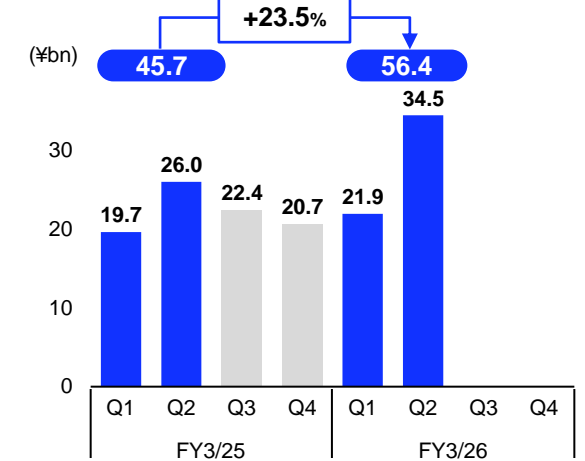
Net sales, OP margin



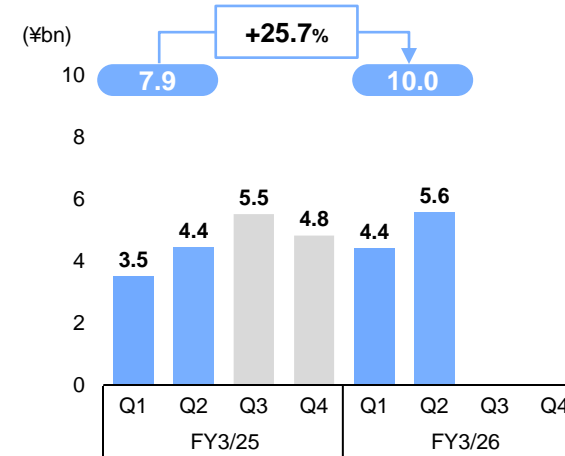
Automotive



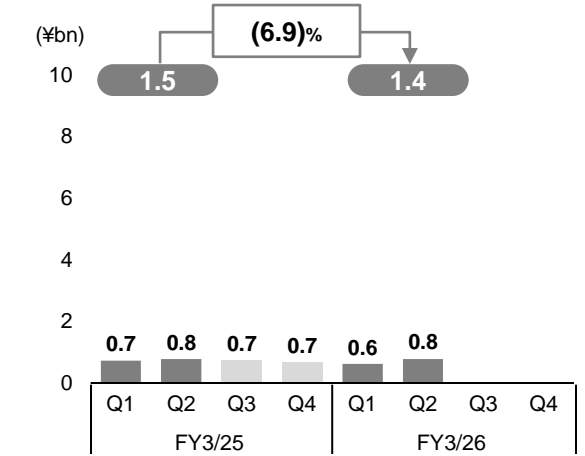
ICT



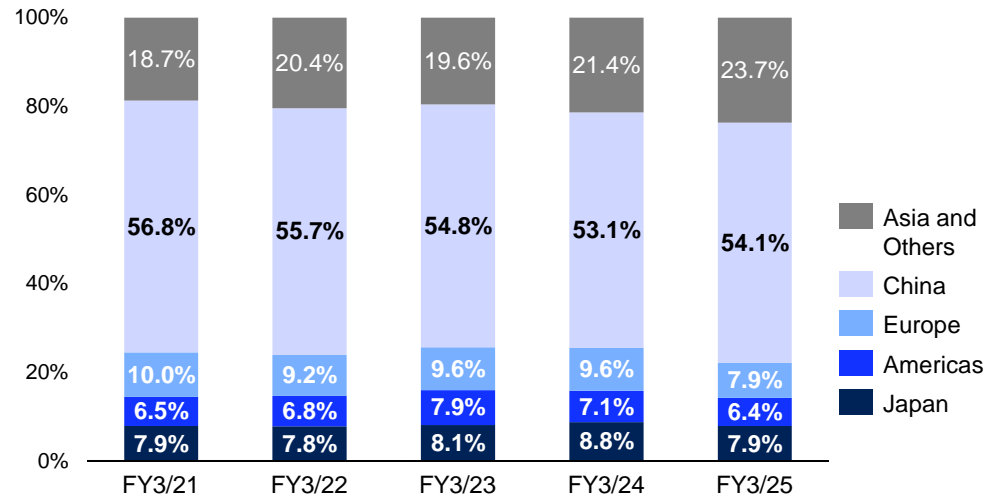
Industrial equipment



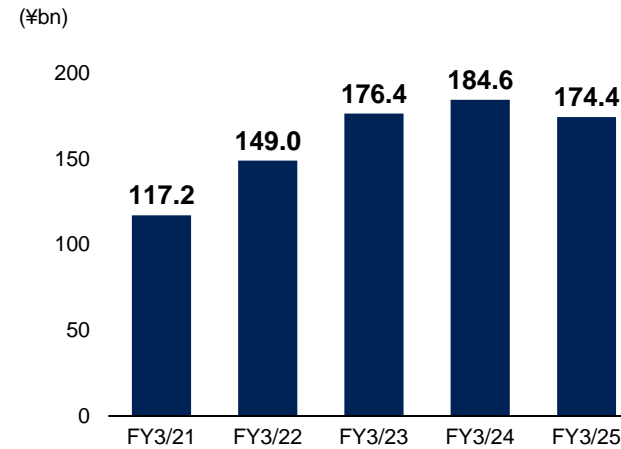
Others



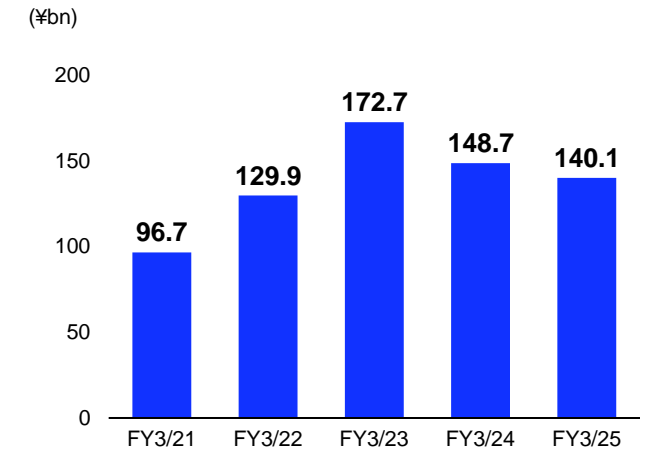
Annual sales by region (FY3/21 – FY3/25)



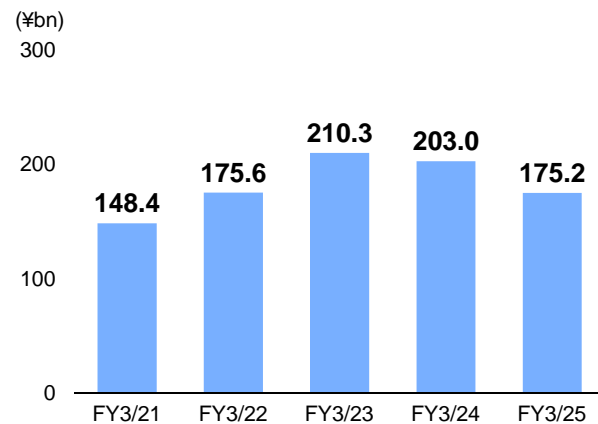
Japan



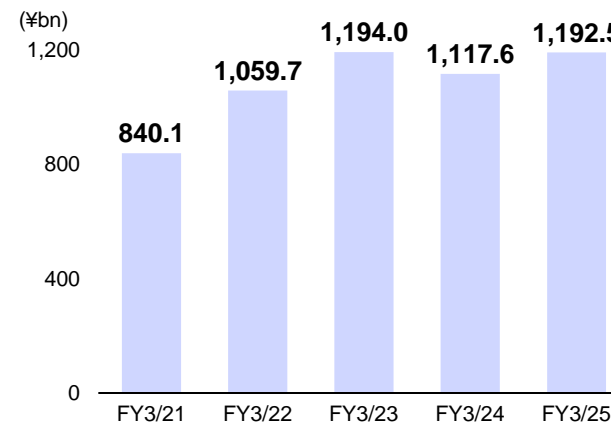
Americas



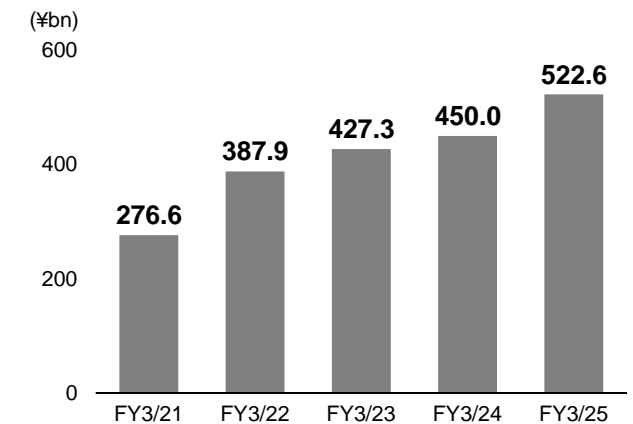
Europe



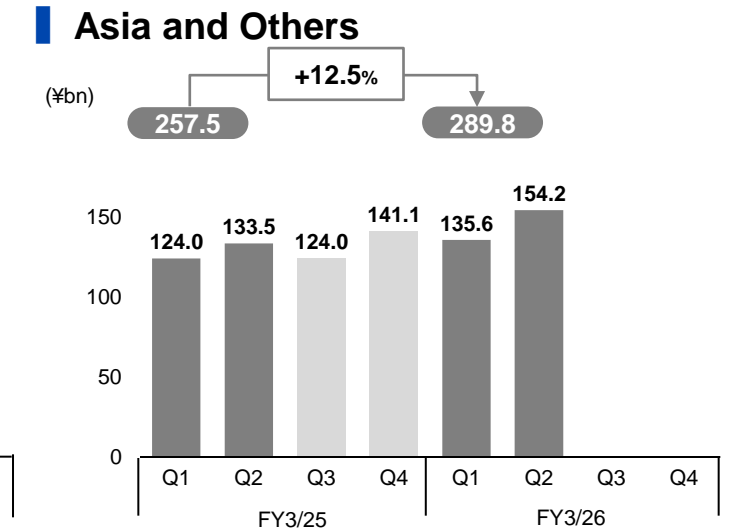
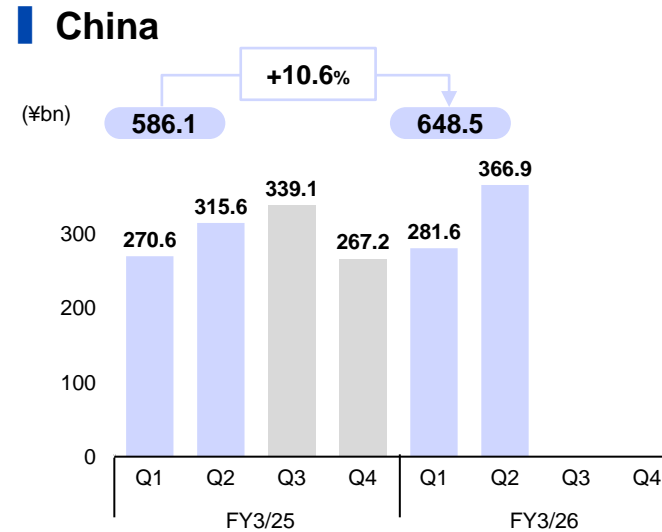
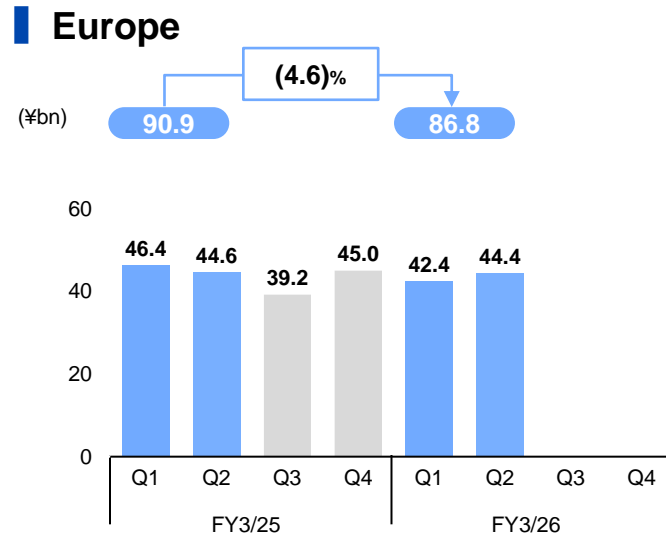
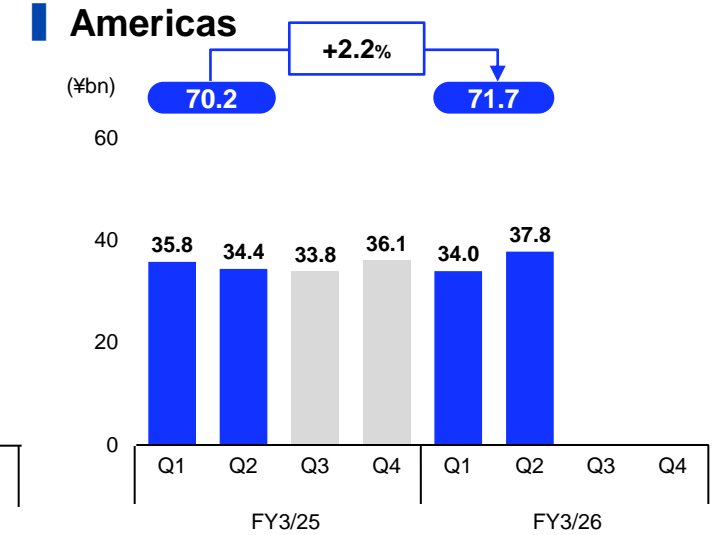
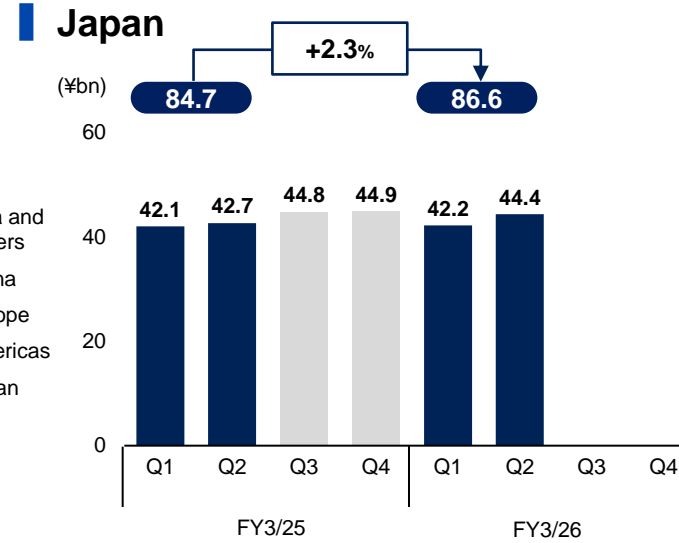
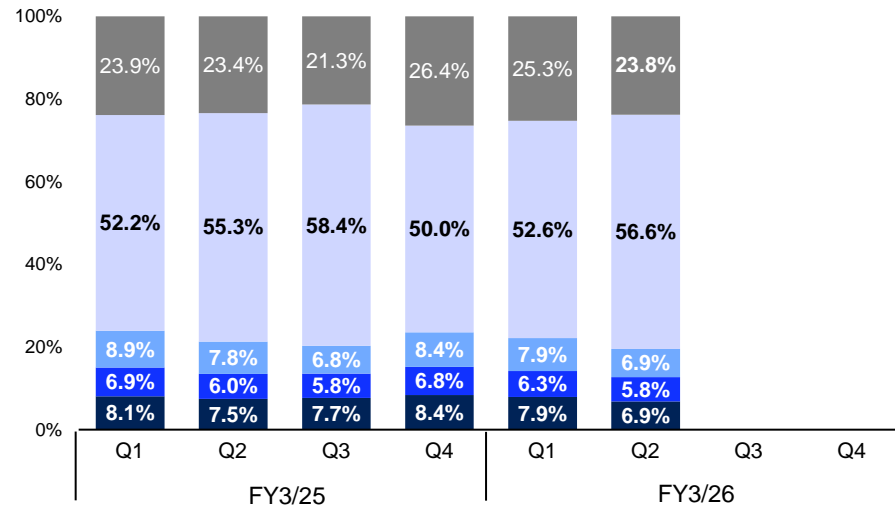
China



Asia and Others

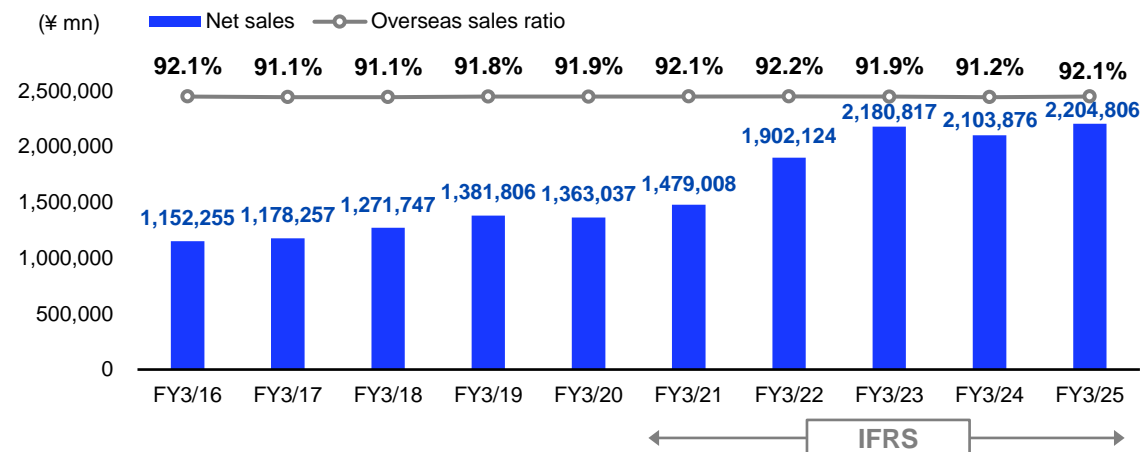


Quarterly sales by region (FY3/25 – FY3/26)

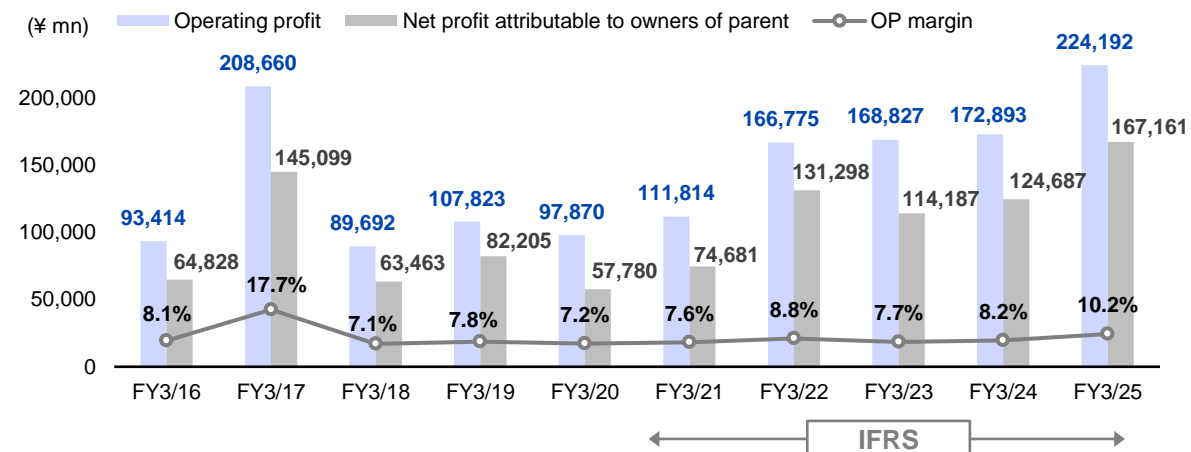


Financial information: 10-year historical trend

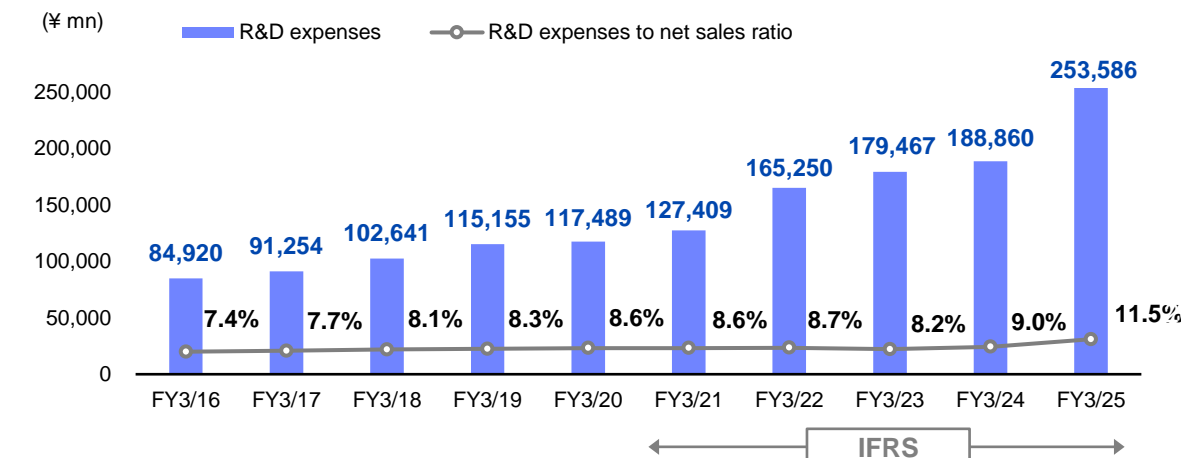
Net sales, Overseas sales ratio



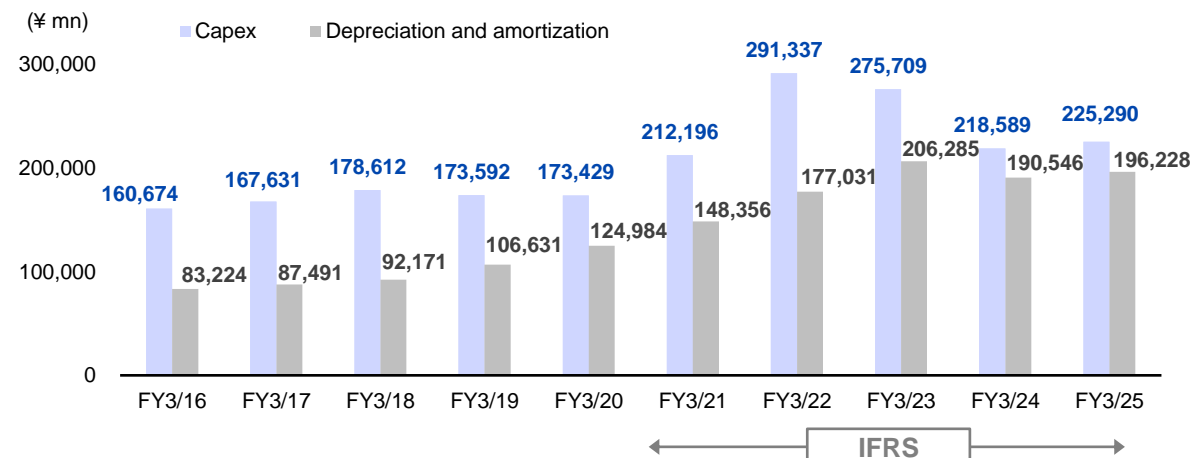
Operating profit, Net profit attributable to owners of parent, OP margin



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

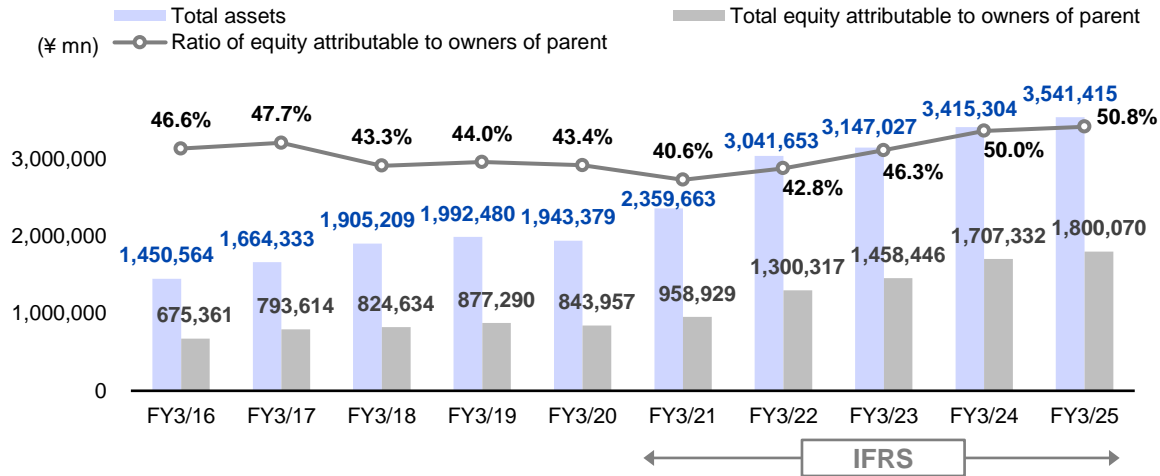


Capex, Depreciation and amortization

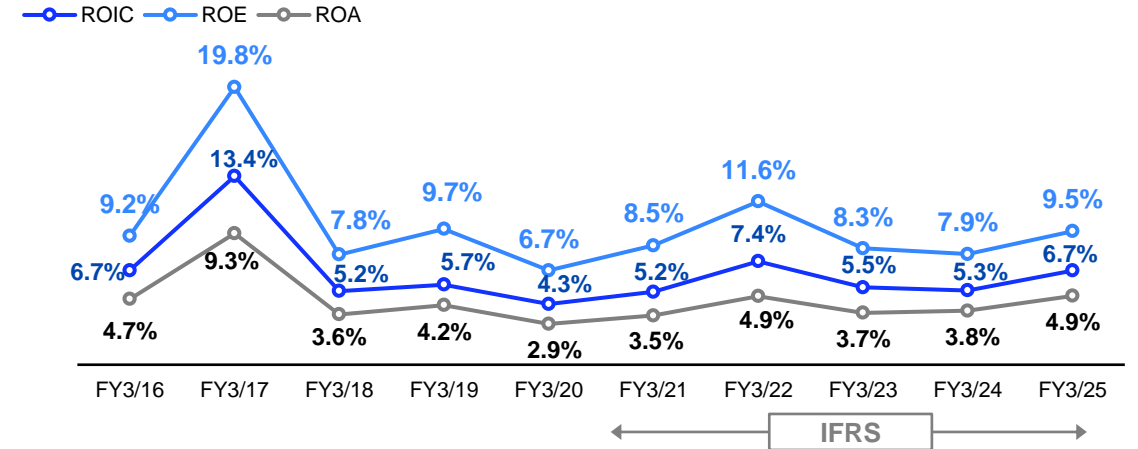


Financial information: 10-year historical trend

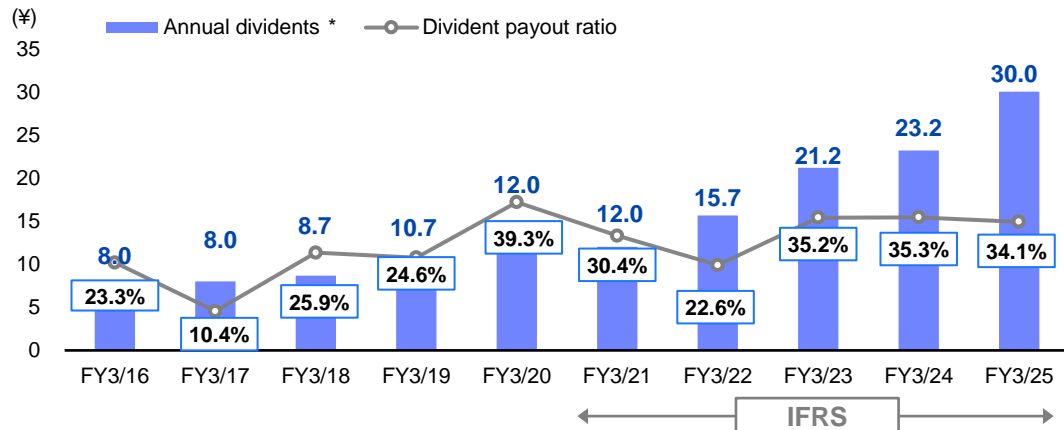
Total assets, Total equity attributable to owners of parent, Ratio of equity attributable to owners of parent



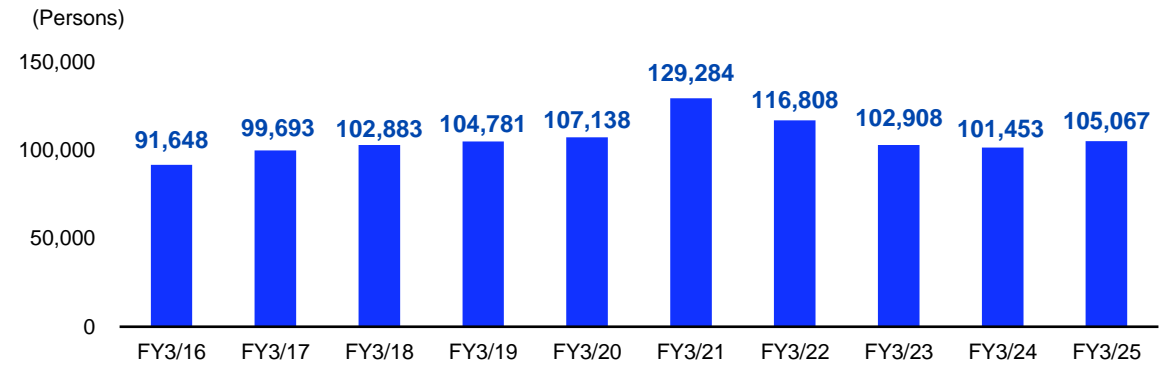
ROIC, ROE, ROA



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**

**2024 CONSTITUENT MSCI JAPAN
ESG SELECT LEADERS INDEX ※2**

**2024 CONSTITUENT MSCI NIHONKABU
ESG SELECT LEADERS INDEX ※2**



**Morningstar Japan
ex-REIT Gender
Diversity Tilt Index**

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Evaluation by external organizations



**Extel Japan Executive
Team Survey
Most Honored Company
(2025)**



**WICI Japan Integrated
Report Award
Gold Award (2024)**



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



**Clarivate Top 100
Global Innovators
(the tenth time)**



**S&P Global Sustainability
Yearbook Member
(2020-2024)**



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



**CDP Supplier Engagement
Rating:
Supplier Engagement Leader
(2020-2023)**



**Ecovadis Sustainability
Rating
Gold (2024)**



**Health & Productivity
Management Organization
Recognition Program
(2023、2024)**



**work with Pride
Gold (2024)**



**ESG Finance Awards Japan
Environmentally Sustainable
Company
(2024)**



**ESG Finance Awards Japan
Environmentally Disclosing
Progress Company
(2024)**

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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.

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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