

Corporate

Announcement of Posting of Extraordinary Income (Gain on Extinguishment of Tie-In Shares) as a Result of Absorption-Type Merger with Consolidated Subsidiary

August 19, 2020

TDK Corporation (President and CEO: Shigenao Ishiguro, hereinafter “the Company”) announces that in connection with the “Announcement of Absorption-Type Merger (Simplified Merger) of Consolidated Subsidiary” as of March 25, 2020, the Company merged with TDK-EPC Corporation (hereinafter “TDK-EPC”), a wholly-owned subsidiary of the Company, as of July 1, 2020. As a result of the absorption-type merger with the consolidated subsidiary, the Company is scheduled to post a gain on extinguishment of tie-in shares as extraordinary income in its non-consolidated financial statements for the fiscal year ending March 31, 2021. Details are as follows.

1. Details of extraordinary income

As of the effective date of the merger (July 1, 2020), the Company is scheduled to post the difference between the net assets received from the dissolved company (TDK-EPC) and the book value of its shares (tie-in shares) held by the Company, which is approximately 144.7billion yen, as extraordinary income in the form of a gain on extinguishment of tie-in shares in the Company’s non-consolidated financial statements for the fiscal year ending March 31, 2021.

2. Impact on the consolidated results

As the income in question will be eliminated in the consolidation, there will be no impact on the Company’s consolidated financial results for the year ending March 31, 2021.

About TDK Corporation

TDK Corporation is a world leader in electronic solutions for the smart society based in Tokyo, Japan. Built on a foundation of material sciences mastery, TDK welcomes societal transformation by resolutely remaining at the forefront of technological evolution and deliberately “Attracting Tomorrow.” It was established in 1935 to commercialize ferrite, a key material in electronic and magnetic products. TDK’s comprehensive, innovation-driven portfolio features passive components such as ceramic, aluminum electrolytic and film capacitors, as well as magnetics, high-frequency, and piezo and protection devices. The product spectrum also includes sensors and sensor systems such as temperature and pressure, magnetic, and MEMS sensors. In addition, TDK provides power supplies and energy devices, magnetic heads and more. These products are marketed under the product brands TDK, EPCOS, InvenSense, Micronas, Tronics and TDK-Lambda. TDK focuses on demanding markets in automotive, industrial and consumer electronics, and information and communication technology. The company has a network of design and manufacturing locations and sales offices in

Asia, Europe, and in North and South America. In fiscal 2020, TDK posted total sales of USD 12.5 billion and employed about 107,000 people worldwide.

Contacts for media

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