



Press Information

Corporate

Announcement on transfer of the new development business for automotive power supply to Astemo, Ltd. through company split (simplified absorptiontype split)

September 25, 2025

TDK Corporation (TSE:6762, hereinafter "the company") announces that today its Board of Directors resolved at a meeting of the Board of Directors on September 25, 2025, to enter into a definitive agreement on the transfer of new development business for automotive power supply (hereinafter "the business") to Astemo, Ltd. (hereinafter "Astemo") through a company split (simplified absorption-type split). Based on this definitive agreement, both companies plan to execute an absorption-type split agreement in the near future. Since this absorption-type company split is a company split, as the decrease in the company's total assets is expected to be less than 10% of the net assets as of the end of the immediately preceding fiscal year, and the decrease in the company's net sales is expected to be less than 3% of the net sales for the immediately preceding fiscal year, some of the matters and content have been partially omitted.

I. Purpose of absorption-type split

TDK, guided by its corporate motto "Contribute to culture and industry through creativity" and its corporate principles "Vision, Courage, Trust," has formulated a Long-term Vision called "TDK Transformation," which represents our envisioned future the company aims to achieve in ten years. Based on this Long-term Vision, the company has launched a three-year Medium-Term Plan starting from the fiscal year ending March 2025, formulated based on back casting from Long-term Vision. This Medium-term Plan focuses on three key areas: strengthen management focusing on cash flows, enhance business portfolio management, and evolve the Ferrite Tree.

Our automotive power supply business is engaged in developing, designing, manufacturing, and sales of DC-DC converters and On-Board Chargers, which are mainly used in hybrid cars and electric vehicles (xEVs). From a business portfolio management perspective, the company has thoroughly examined the sustainable growth of this business within our company. As a result, the company has decided to transfer this business to Astemo, a company dedicated to advancing energy management technologies for xEVs. This business is crucial for realizing advanced energy management technologies for xEVs. The company believes Astemo will be the best owner and leverage its potential.

With respect to our automotive power supply business, the company intends to discontinue accepting new projects and withdraw from this segment to enhance business portfolio management. Nevertheless, it will continue to manufacture and supply products for existing customer orders.



II. Summary of absorption-type split

1. Schedule of absorption-type split

Date of resolution of the Board of Directors	September 25, 2025
Date of final contract	September 25, 2025
Date of contract of absorption-type split	February 12, 2026 (planned)
Effective date of absorption-type split	April 1, 2026 (planned)

^{*}This absorption-type split is a simplified absorption-type split pursuant to Article 784, Paragraph 2 of the Companies Act and will therefore be carried out without requiring a resolution of the shareholders' meeting.

2. Method of absorption-type split

This is an absorption-type split in which the company is the absorbed company and Astemo is the successor company.

3. Details of the allocation in absorption-type split

The Company expects to receive 4,300 million yen as consideration for the rights and obligations to be assumed by Astemo in connection with this absorption-type split.

4. Handling of stock acquisition rights and bonds with stock acquisition rights in connection with this absorption-type split

There will be no change in the treatment of the stock acquisition rights issued by the company as a result of this absorption-type split. Furthermore, the company has not issued any bonds with stock acquisition rights.

5. Increase or decrease in capital stock as a result of this absorption-type split There will be no change in the company's capital stock as a result of this absorption-type split.

6. Rights and obligations assumed by the successor company

Pursuant to the provisions of this absorption-type split agreement, the company shall transfer to Astemo the employment status under labor contracts and the rights and obligations incidental thereto pertaining to employees engaged in the business, the defined benefit corporate pension and retirement benefit obligations, the fixed assets constituting movable property exclusively used for the business, and the rights and obligations concerning intellectual property rights and other related matters.

7. Prospects for performance of obligations

The company has determined that there is no issue with the likelihood of fulfillment regarding the obligations borne by the company and Astemo even after the effective date of this absorption-type split.

III. Calculation approach for the allocation details related to absorption-type split

The calculation of the monetary consideration to be received by the company in this absorption-type split was determined through consultation with Astemo, based on an assessment of the business value considering the past and future performance trends of the business and its future growth potential.

IV. Overview of the companies involved in absorption-type split

1. Absorbed company (as of March 31, 2025; consolidated)

(1)	Name	TDK Corporation	
(2)	Location	2-5-1 Nihonbashi, Chuo-ku, Tokyo	
(3)	Doprocontativo	Representative Director President & CEO	
	Representative	Noboru Saito	
(4)	Business	Development, manufacturing and sales of electronic components, sensor	
	Dusilless	application products, magnetic application products and other	

(5)	Capital	¥32,641 million	
(6)	Date of	December 7, 1935	
	establishment		
(7)	Number of shares	1,943,859,885 shares	
	issued		
(8)	Accounting period	March 31	
(9)	Equity ratio (as of	The Master Trust Bank of Japan, Ltd.(Trust account) 26.89%	
	March 31, 2025)	Custody Bank of Japan, Ltd.(Trust account) 12.67%	
(10)	Financial condition a	on and operating results for the most recent fiscal year	
	(Fiscal year ended M	ded March 2025)< consolidated >	
	Total equity	¥1,800,070 million	
	attributable to		
	owners of parent		
	Total assets	¥3,541,415 million	
	Equity attributable	¥948.59	
	to owners of		
	parent per share		
	Net sales	¥2,204,806 million	
Operating profit		¥224,192 million	
	Net profit	¥167,161 million	
	attributable to		
	owners of parent		
	Basic earnings per	¥88.10	
	share		

2. Successor company (as of March 31, 2025; non-consolidated)

(1)	Name	Astemo, Ltd.		
(2)	Location	2-2-1 Otemachi, Chiyoda-ku, Tokyo		
(3)	Representative	Representative Director, President & CEO Kohei Takeuchi		
(4)	Business	Development, manufacture, sales and services of automotive components, transportation related components, industrial machines and systems, etc		
(5)	Capital	¥129,126 million		
(6)	Date of establishment	January 1, 2021		
(7)	Number of shares issued	1,022,364 shares		
(8)	Accounting period	March 31		
(9)	Equity ratio (as of March 31, 2025)	Hitachi, Ltd. 40.0% Honda Motor Co., Ltd. 40.0%		
		JIC Capital, Ltd. 20.0%		

(10)	Financial condition and operating results for the most recent fiscal year		
	(Fiscal year ended March 2025)< non-consolidated >		
	Total net assets ¥448,145 million		
	Total assets ¥1,267,035 million		
	Net sales ¥831,382 million		
	Ordinary profit ¥53,434 million		
	Net profit	¥43,071 million	

V. Overview of the business division to be split

1. Overview of the division to be split

New development business for automotive power supply

- 2. Operating results of the division to be split (results for the fiscal year ended March 2025) The business is a development project, which does not generate sales etc.
- 3. Items and amounts of assets and liabilities to be divided

The assets, liabilities, and contractual rights pertaining to the business that are specified in the absorption-type split agreement shall be transferred. Note that the specific amounts for the assets and liabilities to be transferred are omitted at this time, as their calculation is currently difficult.

VI. Situation after the corporate split

There will be no changes to the name, location, title and name of the representative, business, capital, or accounting period of the company and Astemo as a result of this absorption-type split.

VII. Projection

In connection with this absorption-type split, the company plans to record a gain on sale of this business of 4,300 million yen in the consolidated financial results for the fiscal year ending March 2027. Regarding the earnings forecast, the company is currently conducting a detailed review. The company will promptly notify if timely disclosure becomes necessary.

Contacts for media

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