



ENTER THE WORLD OF NANO AND MICROSYSTEMS

ANNUAL RESULTS AS OF MARCH 31, 2019

Grenoble, France and Dallas TX, USA – June 20, 2019 - Tronics, a TDK Group Company that manufactures custom MEMS products and standard inertial sensors for industrial applications, has announced its results for the fiscal year 2019 (from April 1, 2018 to March 31, 2019).

Tronics' Management Board met on June 18, 2019, and approved the accounts of its fiscal year ending on March 31, 2019, which were presented to the Supervisory Board on the same day.

The annual financial report will be made publicly available and submitted to the French Market Authorities during the month of July, 2019. This report will be uploaded on the company's investors website, in the "Financial Documents" section: www.tronicsgroup-bourse.com.

CONSOLIDATED ANNUAL RESULTS

in €k (IFRS) - audited	Fiscal year 2019	Fiscal year 2018 pro forma	March 2018 published
	From April 1, 2018 to March 31, 2019 12 months	From April 1, 2017 to March 31, 2018 12 months	From January 1, 2017 to March 31, 2018 15 months
Revenue	6,581	5,366	6,819
Current operating income	(9,413)	(9,110)	(10,956)
Operating income	(9,413)	(9,110)	(10,956)
Group share of net income	(10,187)	(9,124)	(10,910)

Consolidated revenue for fiscal year 2019

Consolidated revenue for the fiscal year 2019, ending on March 31, 2019, totaled €6.6M, an increase of 23% compared to the same period of the previous fiscal year (from April 1, 2017 to March 31, 2018). This growth resulted mainly from the +42% rise revenue from manufacturing activities and a slight increase of 5% in revenue from engineering activities. As a reminder, the previous fiscal year was marked by the transfer of the Dallas activities to a new production unit, which weighed on Group's revenue.

Revenue from manufacturing activities in the period under review were €3.7M (versus €2.6M in the same period of the previous fiscal year), and were sustained by the growth of revenue related to custom MEMS products for optical and industrial applications, and by the continuous demand for high-performance MEMS inertial sensors. Engineering activities generated €2.9M (versus €2.8M for the same period of the previous fiscal year).

Over the 2019 fiscal year, operating costs increased +€0.8M compared to the previous fiscal year, mainly due to the start of the new US production site in Dallas, Texas, which is now fully operational.

In parallel, Tronics maintained a high investment level for R&D programs in Crolles, France, totaling €1.5M over the fiscal year, aimed at preparing the launch of new standard and custom MEMS products.

The current operating income of the fiscal year as of March 31, 2019, therefore came to minus €9.4M (there were no non-current elements in the period under review), and the Group share of the consolidated net income was minus €10.2M.





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BALANCE-SHEET STRUCTURE

As of March 31, 2019, the equity of Tronics stood at minus €10.0M, including the losses generated by the Group at both production sites during the fiscal year.

The gross debt of Tronics (mainly due to the loans contracted with its parent company in order to finance the investments for the US site) reached €24.8M. Cash amounts to €1.5M (versus €2.5M as of March 31, 2018), mainly reflecting the investments made for the internal financing of the Group and the deployment of the new site in Dallas.

As a subsidiary of TDK Electronics AG, Tronics has financed its cash needs internally within the TDK Group.

PERSPECTIVES

For the current fiscal year, Tronics is aiming to continue its momentum in growth initiated in Crolles. To do so, the Group will rely on several engineering projects currently being finalized, which will enable the company to launch the production of innovative MEMS products for inertial, life science and industrial applications with high added value.

Furthermore, now that the MEMS production site in Dallas is fully operational, the Group expects a gradual recovery of the BioMEMS foundry activity of its US subsidiary.

As a subsidiary of the TDK Group, Tronics aims to capitalize on the distribution agreements previously signed in order to grow its worldwide customer base for its high-performance MEMS inertial sensors, while relying on the technology and sales synergies within the Group to develop its activities in the MEMS field.

About Tronics Microsystems

Tronics Microsystems is a division of TDK's Temperature & Pressure Sensors Business Group that manufactures custom MEMS products and standard inertial sensors for industrial applications. Addressing high-growth markets relying on increasing miniaturization of electronic devices, the company provides custom and standard products especially to the industrial, aeronautics, security, and medical markets. Founded in 1997, Tronics is located in Crolles, near Grenoble (France) and in Dallas, Texas (United States), and has around 100 employees, most of them engineers and scientists. Following a tender offer ending January 2017, TDK Electronics AG now holds 74 percent of Tronics' shares.

* ISIN code : FR0004175099 ALTRO

About TDK Corporation

TDK Corporation is a leading electronics company based in Tokyo, Japan. It was established in 1935 to commercialize ferrite, a key material in electronic and magnetic products. TDK's comprehensive 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 the areas of information and communication technology and automotive, industrial and consumer electronics. The company has a network of design and manufacturing locations and sales offices in Asia, Europe, and in North and South America. In fiscal 2019, TDK posted total sales of USD 12.5 billion and employed about 105,000 people worldwide.



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