

[Summary Information and Financial Statements]

1. Summary Information Regarding Financial Results for the Second Quarter of Fiscal 2012

(1) Summary Information Regarding Consolidated Business Results

Consolidated results for the first-half of fiscal 2012, the period from April 1 to September 30, 2011, are as follows.

Looking at the world economy in the first half of fiscal 2012, although emerging countries generally maintained robust growth rates, industrialized nations saw economic activity slow and the financial crisis in Europe deepen. Also, there is an increasing uncertainty surrounding the outlook for the world economy.

Looking at the electronics market, which has a large bearing on the consolidated performance of TDK, production levels differ by finished product. Production of mobile phones, especially smartphones, and tablet devices rose year on year on the back of expanding demand, while production of industrial equipment remained healthy. In addition, a gradual recovery was evident in the production of automobiles for the domestic automotive market. On the other hand, for flat-screen TVs, PCs, and hard disk drives (HDDs), production only hovered around the same level as the corresponding period of the previous fiscal year due to changes in demand.

Under these market conditions, TDK posted consolidated net sales of ¥417,157 million (U.S.\$5,417,623 thousand), a decrease of 5.7% from the ¥442,234 million reported in the first half of fiscal 2011. Operating income was ¥13,792 million (U.S.\$179,117 thousand), a 62.9% decrease from ¥37,188 million. Income before income taxes was ¥10,681 million (U.S.\$138,714 thousand), down 69.2% from ¥34,644 million. TDK recorded net income attributable to TDK of ¥6,719 million (U.S.\$87,260 thousand), a 74.3% decline from ¥26,116 million. Basic net income attributable to TDK per common share was ¥52.09 (U.S.\$0.68), compared with ¥202.46 in the first half of fiscal 2011.

In this quarter, the Organic Electroluminescent Display Business was classified as discontinued operations. However, because the business does not have a material impact on TDK's results of operations, it is not excluded from the results of continuing operations. The business does not belong to either of two segments, which are the Passive Components Segment and the Magnetic Application Products Segment.

Average first-half yen exchange rates for the U.S. dollar and the euro were ¥79.84 and

¥114.00, respectively, as the yen appreciated 10.2% against the U.S. dollar and depreciated 0.2% against the euro, compared with the first-half of fiscal 2011. This lowered net sales by approximately ¥33.2 billion and operating income by approximately ¥10.9 billion. The Great East Japan Earthquake, the subsequent aftershocks and blackouts resulted in a decline of approximately ¥5.7 billion in net sales and a ¥3.6 billion decline in operating income in the first-half of fiscal 2012. The first quarter also saw TDK incur a one-off charge of approximately ¥3.1 billion at the operating income level mainly associated with the change of the pension plan in TDK.

Sales by Sector

Term Product	1H of FY2011 (April 1, 2010 - September 30, 2010)		1H of FY2012 (April 1, 2011 - September 30, 2011)			Change	
	(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Capacitors	75,730	17.1	70,230	16.8	912,078	(5,500)	-7.3
Inductive devices	65,687	14.9	64,233	15.4	834,195	(1,454)	-2.2
Other Passive Components	72,033	16.3	67,138	16.1	871,922	(4,895)	-6.8
Passive Components	213,450	48.3	201,601	48.3	2,618,195	(11,849)	-5.6
Recording devices	137,000	31.0	108,540	26.0	1,409,610	(28,460)	-20.8
Other Magnetic Application Products	55,506	12.5	58,636	14.1	761,507	3,130	5.6
Magnetic Application Products	192,506	43.5	167,176	40.1	2,171,117	(25,330)	-13.2
Other	36,278	8.2	48,380	11.6	628,311	12,102	33.4
Consolidated total	442,234	100.0	417,157	100.0	5,417,623	(25,077)	-5.7
Overseas sales	387,152	87.5	365,196	87.5	4,742,805	(21,956)	-5.7

Notes:

1. U.S.\$1=Yen 77, for convenience only.
2. Certain products are reclassified from "Inductive devices" to "Other (*i.e.*, other than 2 reportable segments)" due to the reorganization in the first quarter of fiscal 2012. The prior year's sales are also reclassified to conform to the new segmentation.

(1) Passive Components Segment

This segment is made up of (1) capacitors, (2) inductive devices, and (3) other passive components. Sales in the passive components segment were ¥201,601 million (U.S.\$2,618,195 thousand), down 5.6% year on year from ¥213,450 million.

The capacitors business is made up of ceramic capacitors, aluminum electrolytic capacitors and film capacitors. Sales in the capacitors business were ¥70,230 million (U.S.\$912,078 thousand), down 7.3% year on year from ¥75,730 million. Sales of aluminum electrolytic capacitors and film capacitors, mainly for industrial equipment applications, increased, but sales of ceramic capacitors for home information appliance applications, in particular, decreased.

Sales of inductive devices decreased 2.2% year on year from ¥65,687 million to ¥64,233 million (U.S.\$834,195 thousand). Although TDK recorded higher sales for use in communications equipment, centered on smartphones, and automobiles, there was a decline in sales for use in home information appliances.

Other passive components include high-frequency components, piezoelectric material components, circuit protection devices, and sensors. Sales of other passive components decreased 6.8% year on year from ¥72,033 million to ¥67,138 million (U.S.\$871,922 thousand). Sales of high-frequency components, mainly to the communications equipment market, declined. Sales of piezoelectric material components, circuit protection devices, and sensors for use in the communications equipment market increased, although sales of

piezoelectric material components, circuit protection devices, and sensors for use in the home information appliance and the automotive markets declined.

(2) Magnetic Application Products Segment

This segment is made up of (1) recording devices; and (2) other magnetic application products. Segment sales decreased 13.2% year on year, from ¥192,506 million to ¥167,176 million (U.S.\$2,171,117 thousand).

The recording devices business is comprised mainly of HDD heads and HDD suspension assemblies. It recorded sales of ¥108,540 million (U.S.\$1,409,610 thousand), down 20.8% year on year from ¥137,000 million. This decrease reflects lower sales volumes of HDD heads, as well as price declines and the strong Japanese yen against the U.S. dollar.

Other magnetic application products include power supplies, magnets and recording media. Sales increased 5.6% year on year from ¥55,506 million to ¥58,636 million (U.S.\$761,507 thousand). Sales of power supplies to the automotive and industrial equipment markets increased. Sales of magnets to the home information appliances market also increased.

(3) Other

Other includes energy devices (rechargeable batteries), mechatronics (production equipment) and other businesses. Segment sales rose 33.4% year on year from ¥36,278 million to ¥48,380 million (U.S.\$628,311 thousand). Sales of energy devices to both the home information appliance and the communications equipment markets increased.

The classification of segments is as follows.

Classification	Constituent Main Business
Passive Components*	Ceramic capacitors, Aluminum electrolytic capacitors, Film capacitors, Inductive devices (Coils/Ferrite cores/Transformers), High-frequency devices, Piezoelectric material components, Circuit protection devices, Sensors
Magnetic Application Products	Recording devices, Power supplies, Magnets, Recording media
Other	Energy devices (rechargeable batteries), Mechatronics (production equipment), Other

[Sales by Region]

Overseas sales decreased 5.7% year on year from ¥387,152 million to ¥365,196 million (U.S.\$4,742,805 thousand). Overseas sales accounted for 87.5% of consolidated net sales, the same as that of the first-half of fiscal 2011. Detailed information on sales by region can be found in the consolidated supplementary information on page 17.

(2) Summary Information Regarding Consolidated Financial Position

(1) The following table summarizes TDK's consolidated balance sheet as of September 30, 2011.

Total assets	¥1,049,813 million	(1.0% decrease)
Total TDK stockholders' equity	¥499,197 million	(6.6% decrease)
Stockholders' equity ratio	47.6%	(2.8 point decrease)

As of September 30, 2011, total assets had decreased ¥11,040 million compared with March 31, 2011. Cash and cash equivalents increased ¥37,151 million and inventories increased ¥12,824 million, respectively. On the other hand, short-term investments decreased ¥47,542 million and other assets decreased ¥20,544 million, respectively.

Total liabilities increased ¥16,416 million from March 31, 2011. Short-term debt increased ¥30,774 million, however, retirement and severance benefits decreased ¥6,497 million and other noncurrent liabilities decreased ¥7,720 million, respectively.

TDK stockholders' equity, which is included in total equity, declined ¥35,076 million from March 31, 2011. Accumulated other comprehensive loss increased ¥40,233 million, mainly due to a deterioration in foreign currency translation adjustments because of the yen's appreciation.

(2) Cash Flows

(Yen millions)

	Fiscal 2011 2Q	Fiscal 2012 2Q	Change
Net cash provided by operating activities	50,766	24,120	(26,646)
Net cash used in investing activities	(30,813)	(5,648)	25,165
Net cash provided by (used in) financing activities	(10,279)	30,368	40,647
Effect of exchange rate changes on cash and cash equivalents	(12,207)	(11,689)	518
Net increase (decrease) in cash and cash equivalents	(2,533)	37,151	39,684
Cash and cash equivalents at beginning of period	132,984	129,091	(3,893)
Cash and cash equivalents at end of period	130,451	166,242	35,791

Operating activities provided net cash of ¥24,120 million (U.S. \$313,247 thousand), a year on year decrease of ¥26,646 million. TDK recorded net income of ¥7,245 million (U.S. \$94,091 thousand), a decrease of ¥18,879 million year on year. Depreciation and

amortization decreased ¥420 million to ¥37,344 million (U.S. \$484,987 thousand). In changes in assets and liabilities, a ¥5,427 million decrease in trade receivables contributed to an increase of operating cash flows. However, a ¥3,349 million increase in inventories and a ¥11,054 million increase in changes in other assets and liabilities, net reduced operating cash flows.

Investing activities used net cash of ¥5,648 million (U.S. \$73,351 thousand), a decrease of ¥25,165 million year on year. There was a ¥76,177 million decrease in payment for purchase of short-term investments, which outweighed a ¥27,844 million decrease in proceeds from sale and maturity of short-term investments and a ¥19,731 million increase in capital expenditures.

In the first six months of fiscal 2012, TDK provided net cash in financing activities, which used net cash in the first six months of fiscal 2011. The net change year on year was ¥40,647 million. In the first six months of fiscal 2011, ¥29,288 million and ¥3,873 million were used to repay long-term debt and pay dividends, respectively. On the other hand, there was a net increase in short-term debt of ¥18,222 million. TDK used net cash of ¥10,279 million in these and other financing activities. In the first six months of fiscal 2012, ¥7,489 million (U.S. \$97,260 thousand) and ¥5,158 million (U.S. \$66,987 thousand) were used to repay long-term debt and pay dividends, respectively. On the other hand, there were a net increase in short-term debt of ¥31,631 million (U.S. \$410,792 thousand) and proceeds from noncontrolling interest shareholders of ¥11,341 million (U.S. \$147,286 thousand). These and other financing activities provided net cash of ¥30,368 million (U.S. \$394,390 thousand).

(3) Summary Information Regarding Consolidated Projections

(Fiscal 2012 Consolidated Projections)

TDK's projections for consolidated operating results, capital expenditures, depreciation and amortization, and research and development expenses for fiscal 2012, the year ending March 31, 2012, are as follows.

Term Item	FY2012 (April 1, 2011 - March 31, 2012)	FY2012 (April 1, 2011 - March 31, 2012)	FY2011 (April 1, 2010 - March 31, 2011)	vs FY2011 Changes	
	Forecast in October'11	Forecast in June'11 and July'11	Actual		
	(Yen millions)	(Yen millions)	(Yen millions)	(Yen millions)	%
Net Sales	820,000	890,000	875,737	-55,737	-6.4
Operating Income	35,000	67,000	63,842	-28,842	-45.2
Income before income taxes	30,000	65,000	60,065	-30,065	-50.1
Net income attributable to TDK	20,000	50,000	45,264	-25,264	-55.8
Capital expenditures	80,000	85,000	78,638	1,362	1.7
Depreciation and amortization	80,000	85,000	77,594	2,406	3.1
Research and development	52,000	53,000	52,973	-973	-1.8

(Note)

The TDK Group (defined below) has revised forecasts issued in June 2011, after reviewing demand for electronic components based on information currently available related to the electronics market and main finished products and also reviewing impact on foreign exchange markets due to the rapidly appreciated yen and the negative impact caused by flooding in Thailand.

(Exchange Rate Forecast)

Average yen exchange rates against the U.S. dollar and the euro of ¥76 and ¥105 respectively will be assumed from the third 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 and/or its group companies ("TDK Group"). These forward-looking statements are based on the current forecasts, estimates, assumptions, plans, beliefs, and evaluations of TDK Group in light of information currently available to it, and contain known and unknown risks, uncertainties and other factors.

TDK Group therefore wishes to caution readers that, being subject to risks, uncertainties and other factors, TDK Group'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 Group 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 Group operates are highly susceptible to rapid changes. Risks, uncertainties and other factors that can have significant effects on TDK Group 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

Nothing to report

(2) Simplified Accounting Treatment and Special Accounting Treatment

Nothing to report

(3) Accounting Policy Changes, Accounting Estimate Changes and Restatements

Nothing to report

(4) Fundamental Policy for Distribution of Earnings, and Fiscal 2012 Dividends

TDK recognizes that achieving growth in corporate value over the long term ultimately translates into higher shareholder value. In line with this recognition, TDK's fundamental policy is to work to consistently increase dividends through growth in earnings per share. By actively investing for growth, mainly in the development of new products and technologies in key fields so as to respond precisely to rapid technological advances in the electronics industry, TDK is aiming to increase long-term corporate value. Accordingly, TDK actively reinvests its profits in business activities and sets dividends taking comprehensively into consideration the 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 fiscal 2012 are as follows. TDK has revised the year-end dividend forecast to 40 yen from 50 yen, based on the revision of the consolidated projections for the Fiscal Year March 2012 as well as on the fundamental policy for distribution of earnings.

	FY2012	FY2011 Actual
Interim dividend	40.00	40.00
Year-end dividend	(Forecast) 40.00	40.00
Annual dividend	(Forecast) 80.00	80.00

(Yen)