

(4) Notes Concerning Going Concern Assumptions

Nothing to report.

(5) Segment Information

Since fiscal 2012, TDK has had three reporting segments—Passive Components, Magnetic Application Products and Film Application Products— as well as Other, which includes products not included in these three reporting segments.

Recording media, which previously belonged to the Magnetic Application Products Segment, has been renamed applied films due to the termination of some products and acquisition of a battery separators business, which resulted in the main products being functional films. This is now shown as the reporting segment Film Application Products, and includes energy devices which belonged to Other due to the similarity in core technologies and markets.

Figures related to the display business have been excluded as discontinued operations, in accordance with the provisions of ASC Subtopic 205-20, “Presentation of Financial Statements-Discontinued Operations,” issued by the U.S. Financial Accounting Standards Board (“FASB”).

In accordance with the above, figures for the first half of fiscal 2013 and the second quarter of fiscal 2013 have been restated based on the current segment classifications. For details, refer to page 18.

[1st half results]

Net sales by industry segment

		1H of FY2012 (April 1, 2011 - September 30, 2011)		1H of FY2013 (April 1, 2012 - September 30, 2012)			Change	
		(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Passive Components	External customers	201,601	48.5	182,096	43.8	2,334,564	(19,505)	-9.7
	Intersegment	1,519		1,507		19,321	(12)	-0.8
	Total	203,120		183,603		2,353,885	(19,517)	-9.6
Magnetic Application Products	External customers	160,585	38.6	171,612	41.3	2,200,154	11,027	6.9
	Intersegment	260		207		2,654	(53)	-20.4
	Total	160,845		171,819		2,202,808	10,974	6.8
Film Application Products	External customers	40,425	9.7	50,975	12.3	653,526	10,550	26.1
	Intersegment	2,148		1,502		19,256	(646)	-30.1
	Total	42,573		52,477		672,782	9,904	23.3
Other	External customers	13,499	3.2	10,963	2.6	140,551	(2,536)	-18.8
	Intersegment	12,129		9,233		118,372	(2,896)	-23.9
	Total	25,628		20,196		258,923	(5,432)	-21.2
Intersegment eliminations		(16,056)		(12,449)		(159,603)	3,607	
Consolidated total		416,110	100.0	415,646	100.0	5,328,795	(464)	-0.1

Segment profit (loss) by industry segment

	1H of FY2012 (April 1, 2011 - September 30, 2011)		1H of FY2013 (April 1, 2012 - September 30, 2012)			Change	
	(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Passive Components	5,041	2.5	(5,366)	-2.9	(68,795)	(10,407)	-
Magnetic Application Products	18,050	11.2	27,728	16.2	355,487	9,678	53.6
Film Application Products	3,848	9.5	7,150	14.0	91,667	3,302	85.8
Other	(1,624)	-12.0	(886)	-8.1	(11,359)	738	-
Sub total	25,315	6.1	28,626	6.9	367,000	3,311	13.1
Corporate and Eliminations	(10,852)		(8,249)		(105,756)	2,603	
Operating income	14,463	3.5	20,377	4.9	261,244	5,914	40.9

Notes:

1. U.S.\$1=Yen 78, for convenience only.
2. Figures related to discontinued operations are excluded for the first half of FY 2012.

[2nd quarter results]

Net sales by industry segment

		2Q of FY2012 (July 1, 2011 - September 30, 2011)		2Q of FY2013 (July 1, 2012 - September 30, 2012)			Change	
		(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Passive Components	External customers	99,891	47.6	90,616	43.8	1,161,744	(9,275)	-9.3
	Intersegment	693		769		9,858	76	11.0
	Total	100,584		91,385		1,171,602	(9,199)	-9.1
Magnetic Application Products	External customers	80,986	38.6	83,432	40.3	1,069,641	2,446	3.0
	Intersegment	178		46		590	(132)	-74.2
	Total	81,164		83,478		1,070,231	2,314	2.9
Film Application Products	External customers	22,401	10.7	27,743	13.4	355,679	5,342	23.8
	Intersegment	1,111		682		8,744	(429)	-38.6
	Total	23,512		28,425		364,423	4,913	20.9
Other	External customers	6,634	3.1	5,202	2.5	66,692	(1,432)	-21.6
	Intersegment	6,281		4,258		54,590	(2,023)	-32.2
	Total	12,915		9,460		121,282	(3,455)	-26.8
Intersegment eliminations		(8,263)		(5,755)		(73,782)	2,508	
Consolidated total		209,912	100.0	206,993	100.0	2,653,756	(2,919)	-1.4

Segment profit (loss) by industry segment

	2Q of FY2012 (July 1, 2011 - September 30, 2011)		2Q of FY2013 (July 1, 2012 - September 30, 2012)			Change	
	(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Passive Components	1,266	1.3	(2,499)	-2.8	(32,038)	(3,765)	-
Magnetic Application Products	9,474	11.7	13,158	15.8	168,692	3,684	38.9
Film Application Products	2,622	11.7	5,040	18.2	64,615	2,418	92.2
Other	(1,230)	-18.5	(459)	-8.8	(5,884)	771	-
Sub total	12,132	5.8	15,240	7.4	195,385	3,108	25.6
Corporate and Eliminations	(3,666)		(4,086)		(52,385)	(420)	
Operating income	8,466	4.0	11,154	5.4	143,000	2,688	31.8

Notes:

1. U.S.\$1=Yen 78, for convenience only.
2. Figures related to discontinued operations are excluded for the second quarter of FY 2012.