

[Summary Information and Financial Statements]

1. Summary Information Regarding Consolidated Business Results

Consolidated results for the first nine months of fiscal 2009, the period from April 1 to December 31, 2008, were as follows:

The first three quarters of fiscal 2009 in the electronics market, which has a large bearing on the Company's consolidated performance, saw demand languish, particularly for high-performance electronic devices such as video-related equipment, PCs and mobile phones. In the third quarter in particular, which is normally a period of high demand, manufacturers of these electronic devices began cutting back production because of softer demand as the financial crisis jolted the real economy. As a result, demand for electronic components also dropped sharply. Moreover, a deteriorating supply-demand environment pushed down product prices further and the yen's rapid appreciation against the U.S. dollar also affected TDK's operating results.

Amid these conditions, TDK posted consolidated net sales of ¥588,316 million (U.S.\$6,465,011 thousand), down 10.6% from ¥658,430 million in the corresponding period of fiscal 2008. Operating income dropped 87.4% from ¥73,862 million to ¥9,272 million (U.S.\$101,890 thousand). TDK posted a loss before income taxes of ¥303 million (U.S.\$3,330 thousand), compared with income before income taxes of ¥77,002 million in the first nine months of fiscal 2008. TDK also recorded a net loss of ¥2,449 million (U.S.\$26,912 thousand), compared with net income of ¥56,339 million in the corresponding period of fiscal 2008. Basic net loss per common share was ¥18.99 (U.S.\$0.21), compared with basic net income per common share of ¥433.55 in the first nine months of fiscal 2008.

On October 17, 2008, TDK made EPCOS AG (Headquarters: Germany; President and CEO: Gerhard Pegam) and its subsidiaries (the EPCOS Group) consolidated subsidiaries. Accordingly, the EPCOS Group's results have been included in TDK's consolidated results for the nine months ended December 31, 2008.

Average nine-month exchange rates for the U.S. dollar and euro were ¥102.92 and ¥151.07, respectively, as the yen appreciated 12.3% versus the U.S. dollar and 7.2% against the euro, compared to the corresponding period of fiscal 2008. This lowered net sales by approximately ¥62.3 billion and operating income by approximately ¥19.8 billion.

(Sales by Sector)

TDK's net sales are made up of four product sectors: (1) electronic materials, (2) electronic devices, (3) recording devices, and (4) others. Net sales of the EPCOS Group, which was consolidated from the third quarter of fiscal 2009, are included in "others" because the EPCOS Group's product segmentation doesn't correspond to the segmentation used by TDK. Furthermore, recording media sales dropped sharply due to the August 2007 transfer of the TDK brand recording media sales business. Because recording media sales accounted for less than 10% of total net sales in the first nine months of fiscal 2009, these sales were included in the "others" sector. Sector sales were as follows.

(1) Electronic materials

This sector is broken down into two product categories: capacitors, and ferrite cores and magnets.

Sales in the electronic materials sector dropped 19.4% from ¥154,187 million to ¥124,210 million (U.S.\$1,364,945 thousand).

[Capacitors] Sales decreased year on year. This reflected lower sales of multilayer ceramic chip capacitors, the main product in the capacitors category, for use in key applications, namely PCs, AV and game equipment, mobile phones and car electronics. Flagging demand, falling prices and an appreciating yen against the U.S. dollar were the other main factors behind the decrease in overall sales.

[Ferrite cores and magnets] Sales of ferrite cores and magnets declined year on year, the result of lower sales for use in main applications in respect of both products.

(2) Electronic devices

This sector has three product categories: inductive devices, high-frequency components and other products.

Sales in the electronic devices sector declined 13.1% from ¥157,732 million to ¥137,127 million (U.S.\$1,506,890 thousand).

[Inductive devices] Sales of inductive devices decreased year on year, the result mainly of lower sales of coils for the auto market, EMC products for mobile phones, and transformers for power supplies.

[High-frequency components] Sales of high-frequency components decreased year on year, reflecting mainly falling sales for use in PCs.

[Other products] Sales of other products were down year on year, with higher sensor and actuator sales unable to offset lower sales due to the termination of some power supply products and falling sales to the semiconductor and other manufacturing facilities markets.

(3) Recording devices

This sector has two product categories: HDD heads and other.

Sector sales decreased 15.6% from ¥246,830 million to ¥208,420 million (U.S.\$2,290,330 thousand).

[HDD heads] Sales decreased year on year. HDD head demand declined from the beginning of the third quarter in tandem with softening demand for HDDs from the beginning of the third quarter. Falling prices and the yen's appreciation against the U.S. dollar also affected HDD head sales, although HDD head sales volume increased year on year for the nine-month period.

[Other] Category sales increased year on year, mainly because sales of an HDD suspension assembly business that became a subsidiary in November 2007 contributed to period results for the first time.

(4) Others

This sector includes all TDK products not included in the three sectors above. Sector sales increased 18.9% from ¥99,681 million to ¥118,559 million (U.S.\$1,302,846 thousand). This included net sales of the EPCOS Group of ¥35,878 million. The main products in the others sector, excluding products handled by the EPCOS Group, are recording media, anechoic chambers, mechatronics (production equipment) and energy devices (rechargeable batteries). While sales of energy devices rose, sales of recording media, anechoic chambers and mechatronics decreased.

(Overseas Sales)

Detailed sales by region can be found in the segment information on page 12.

[Japan] Overall sales declined, with sales declining in all product sectors except electronic materials.

[Americas] Overall sales declined, with sales declining in all product sectors except recording devices.

[Europe] Overall sales rose. Sales declined in all product sectors except others, where the inclusion of the EPCOS Group net sales lifted sales.

[Asia (excluding Japan) and other areas] Overall sales declined, with sales decreasing in all product sectors except others, where the inclusion of the EPCOS Group's net sales and higher sales of other products lifted sales.

As a result, overseas sales declined 8.7% from ¥543,314 million to ¥496,026 million (U.S.\$5,450,835 thousand). Overseas sales accounted for 84.3% of consolidated net sales, a 1.8 percentage point increase from 82.5% one year earlier.