

## 5. (4) Notes Concerning Going Concern Assumption

Nothing to report.

## 5. (5) Segment Information

In the past, TDK prepared segment information in accordance with Japan's regulations for consolidated financial statements in conformity with applicable exemption provisions in the U.S. Due to a revision to the exemption provisions by the U.S. Securities and Exchange Commission in September 2008, with the objective of strengthening reporting by foreign issuers, TDK has disclosed segment information in accordance with Accounting Standards Codification ("ASC") 280, "Segment Reporting," issued by the U.S. Financial Accounting Standards Board ("FASB"), generally accepted accounting principles in the U.S.

TDK classifies its businesses into two segments: 1) Passive Components, 2)Magnetic Application Products, and Other. For details, please see the consolidated supplementary information on page 15.

### Net sales by industry segment

		1Q of FY2010 (April 1, 2009 - June 30, 2009)		1Q of FY2011 (April 1, 2010 - June 30, 2010)			Change	
		(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Passive Components	External customers	80,223	44.2	105,081	47.3	1,194,102	24,858	31.0
	Intersegment	19		546		6,205	527	-
	Total	80,242		105,627		1,200,307	25,385	31.6
Magnetic Application Products	External customers	86,930	47.9	100,262	45.2	1,139,341	13,332	15.3
	Intersegment	908		1,490		16,932	582	64.1
	Total	87,838		101,752		1,156,273	13,914	15.8
Other	External customers	14,393	7.9	16,582	7.5	188,432	2,189	15.2
	Intersegment	1,876		2,817		32,011	941	50.2
	Total	16,269		19,399		220,443	3,130	19.2
Intersegment eliminations		(2,803)		(4,853)		(55,148)	(2,050)	
Consolidated total		181,546	100.0	221,925	100.0	2,521,875	40,379	22.2

### Segment profit (loss) by industry segment

		1Q of FY2010 (April 1, 2009 - June 30, 2009)		1Q of FY2011 (April 1, 2010 - June 30, 2010)			Change	
		(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Passive Components		(9,151)	-11.4	6,183	5.9	70,262	15,334	-
Magnetic Application Products		5,898	6.8	16,077	16.0	182,693	10,179	172.6
Other		805	5.6	1,051	6.3	11,943	246	30.6
Sub total		(2,448)	-1.3	23,311	10.5	264,898	25,759	-
Corporate and Eliminations		(1,197)		(3,102)		(35,250)	(1,905)	
Operating income (loss)		(3,645)	-2.0	20,209	9.1	229,648	23,854	-

**Note:**

U.S.\$1=Yen 88, for convenience only.