

[Summary Information and Financial Statements]

1. Summary Information Regarding Financial Results for the 2nd Quarter of Fiscal 2011

(1) Summary Information Regarding Consolidated Business Results

Consolidated results for the first half of fiscal 2011, the six-month period from April 1 through September 30, 2010, were as follows:

The world economy in the first half of fiscal 2011 saw a certain degree of recovery, after coming through the simultaneous global economic recession that began in the fall of 2008. However, there is widening uncertainty about the world economic recovery. Weakness in employment and consumption has grown more pronounced in the U.S., and economic momentum has started to slow in some quarters in China and other developing nations, which have driven the world economic recovery.

Looking at the electronics market, which has a large bearing on the consolidated performance of TDK, the degree of recovery differs by finished product. On one hand, steady growth was evident in production of many finished products in the communications equipment field, centered on smartphones, as well as in the automobile and industrial equipment fields. On the other hand, although production was higher than the corresponding period of fiscal 2010 of flat-screen TVs, notebook PCs, HDDs and certain other products, manufacturers adjusted production from the first quarter through the second quarter of fiscal 2011 in response to changing demand.

Under these market conditions, TDK posted consolidated net sales of ¥442,234 million (U.S.\$5,264,690 thousand), an increase of 14.6% from ¥385,851 million in the first half of fiscal 2010. Operating income was ¥37,188 million (U.S.\$442,714 thousand), an 588.4% increase from the operating income of ¥5,402 million reported in the first half of fiscal 2010. Income before income taxes was ¥34,644 million (U.S.\$412,429 thousand), increase from ¥953 million reported in the corresponding period of the previous fiscal year. TDK recorded net income attributable to TDK of ¥26,116 million (U.S.\$310,905 thousand), an increase from ¥1,140 million reported in the corresponding period of the previous fiscal year. Basic net income attributable to TDK per common share was ¥202.46 (U.S.\$2.41), compared with ¥8.84 in the first six months of the previous fiscal year.

Average first-half yen exchange rates for the U.S. dollar and euro were ¥88.89 and ¥113.80, respectively, as the yen appreciated 7.0% versus the U.S. dollar and 14.6% against the euro, compared with the first half of the previous fiscal year. This lowered net sales by approximately ¥28.2 billion and operating income by approximately ¥8.4 billion.

Sales by Sector

Term Product	1H of FY2010 (April 1, 2009 - September 30, 2009)		1H of FY2011 (April 1, 2010 - September 30, 2010)			Change	
	(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Capacitors	62,392	16.2	75,730	17.1	901,547	13,338	21.4
Inductive devices	53,675	13.9	66,799	15.1	795,226	13,124	24.5
Other passive components	57,910	15.0	72,033	16.3	857,536	14,123	24.4
Passive Components	173,977	45.1	214,562	48.5	2,554,309	40,585	23.3
Recording devices	133,893	34.7	137,000	31.0	1,630,952	3,107	2.3
Other magnetic application products	49,289	12.8	55,506	12.5	660,786	6,217	12.6
Magnetic Application Products	183,182	47.5	192,506	43.5	2,291,738	9,324	5.1
Other	28,692	7.4	35,166	8.0	418,643	6,474	22.6
Consolidated total	385,851	100.0	442,234	100.0	5,264,690	56,383	14.6
Overseas sales	337,042	87.4	387,152	87.5	4,608,952	50,110	14.9

Note:

U.S.\$1=Yen 84, for convenience only.

TDK changed sector classifications effective from April 1, 2010. Please see segment information on page 13, 14 and 17 for more details.

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 ¥214,562 million (U.S.\$2,554,309 thousand), up 23.3% year on year from ¥173,977 million.

The capacitors business is made up of ceramic capacitors, aluminum electrolytic capacitors, and film capacitors. Sales in the capacitors business were ¥75,730 million (U.S.\$901,547 thousand), up 21.4% year on year from ¥62,392 million. The increased sales reflected higher sales of ceramic capacitors for communication equipment such as mobile phones, as well as in the automobile market. Higher sales of aluminum electrolytic capacitors and film capacitors for industrial equipment applications also contributed to the overall increase in capacitor business sales.

Sales of inductive devices increased 24.5% year on year from ¥53,675 million to ¥66,799 million (U.S.\$795,226 thousand). This rise was attributable to higher sales for use in home information appliances, communications equipment centered on smart phones, automobiles, and industrial equipment.

Other passive components include high-frequency components, piezoelectric materials and products, circuit protection components and sensors. Sales of high-frequency components rose year on year, the result mainly of increased sales to the communications equipment market. Sales of piezoelectric materials and products, circuit protection components and sensors increased year on year, mainly on account of higher sales to the communications equipment and industrial equipment markets.

Magnetic Application Products Segment

This segment is made up of (1) recording devices, and (2) other magnetic application products. Segment sales increased 5.1% year on year from ¥183,182 million to ¥192,506 million (U.S.\$2,291,738 thousand).

The recording devices business comprises mainly HDD heads and HDD suspension assemblies. It recorded sales of ¥137,000 million (U.S.\$1,630,952 thousand), up 2.3% year on year from ¥133,893 million. This increase mainly reflected a larger sales volume of HDD heads in line with higher year-on-year HDD production, despite production adjustments prompted by changing demand.

Other magnetic application products include power supplies, magnets, and recording media. Sales in the power supplies business rose year on year, mainly due to higher sales for industrial equipment applications. Sales of magnets rose year on year, the result primarily of higher sales to the automobile market. Recording media sales declined year on year.

Other

The Other includes energy devices (rechargeable batteries), mechatronics (production equipment), and other businesses. Segment sales increased 22.6% year on year from ¥28,692 million to ¥35,166 million (U.S.\$418,643 thousand).

Sales by Region

Overseas sales increased 14.9% year on year from ¥337,042 million to ¥387,152 million (U.S.\$4,608,952 thousand). Overseas sales accounted for 87.5% of consolidated net sales, a 0.1 percentage point increase from 87.4% one year earlier. Detailed information on sales by region can be found in the consolidated supplementary information on page 15 and 16.

(2) Summary Information Regarding Consolidated Financial Position

1) The following table summarizes TDK's consolidated balance sheet as of September 30, 2010.

Total assets	1,060,519 million	(2.8% decrease)
Total TDK stockholders' equity	516,643 million	(5.0% decrease)
Stockholders' equity ratio	48.7%	(1.1 point decrease)

As of September 30, 2010, total assets had decreased ¥30,939 million compared to March 31, 2010. In terms of liquidity, cash and cash equivalents decreased ¥2,533 million, short-term investments decreased ¥3,418 million, and marketable securities decreased ¥5,443 million. In addition, net property, plant and equipment decreased ¥9,483 million and other assets decreased ¥13,701 million.

Total liabilities decreased ¥3,692 million from March 31, 2010. Accrued expenses increased ¥3,469 million, while debt decreased ¥8,605 million, mainly due to the repayment of long-term debt.

TDK stockholders' equity, which is included in total equity, declined ¥27,113 million from March 31, 2010. Retained earnings increased ¥21,921 million due to higher earnings. However, accumulated other comprehensive loss increased ¥49,374 million, mainly due to a deterioration in foreign currency translation adjustments because of the yen's rapid appreciation.

2) Cash Flows

(Yen millions)

	Fiscal 2010 2Q	Fiscal 2011 2Q	Change
Net cash provided by operating activities	43,905	50,766	6,861
Net cash used in investing activities	(53,907)	(30,813)	23,094
Net cash used in financing activities	(10,855)	(10,279)	576
Effect of exchange rate changes on cash and cash equivalents	(9,184)	(12,207)	(3,023)
Net increase (decrease) in cash and cash equivalents	(30,041)	(2,533)	27,508
Cash and cash equivalents at beginning of period	165,705	132,984	(32,721)
Cash and cash equivalents at end of period	135,664	130,451	(5,213)

Operating activities provided net cash of ¥50,766 million (U.S.\$604,357 thousand), a year-on-year increase of ¥6,861 million. TDK recorded net income of ¥26,124 million (U.S.\$311,000 thousand), an increase of ¥25,545 million year on year. Depreciation and amortization decreased ¥3,364 million to ¥37,764 million (U.S.\$449,571 thousand). In changes in assets and liabilities, a ¥27,661 million decrease in trade receivables contributed to operating cash flows. However, inventories increased ¥26,327 million and trade payables decreased ¥16,534 million.

Investing activities used net cash of ¥30,813 million (U.S.\$366,821 thousand), a decrease of ¥23,094 million year on year. There was a ¥31,933 million increase in cash from proceeds from sale and maturity of short-term investments, which outweighed a ¥12,861 million increase in payment for purchase of short-term investments.

Financing activities used net cash of ¥10,279 million (U.S.\$122,369 thousand), a decrease of ¥576 million year on year. There was a net increase in cash payments for debt of ¥4,313 million, with the repayment of long-term debt and refinancing with short-term debt outweighing proceeds from new long-term debt. Furthermore, there was a year-on-year decrease in dividends paid of ¥3,866 million.

3) Summary Information Regarding Consolidated Projections

(Fiscal 2011 Consolidated Projections)

TDK's projections for consolidated operating results, capital expenditures, depreciation and amortization, and research and development expenses for fiscal 2011, the year ending March 31, 2011, are as follows.

Term Item	FY2011 (April 1, 2010 - March 31, 2011)	FY2011 (April 1, 2010 - March 31, 2011)	FY2010 (April 1, 2009 - March 31, 2010)	vs FY2010 Changes	
	Forecast in October '10	Forecast in April '10&July '10	Actual	(Yen millions)	%
	(Yen millions)	(Yen millions)	(Yen millions)		
Net Sales	880,000	880,000	808,858	71,142	8.8
Operating Income	62,000	62,000	25,774	36,226	140.6
Income before income taxes	60,000	60,000	21,907	38,093	173.9
Net income attributable to TDK	45,000	45,000	13,520	31,480	232.8
Capital expenditures	75,000	75,000	64,370	10,630	16.5
Depreciation and amortization	82,000	82,000	83,788	(1,788)	-2.1
Research and development	53,000	53,000	53,942	(942)	-1.7

(Notes)

Management has judged that compared with TDK's projections as of July 29, 2010, there should be no major change in demand for electronic components used in major finished products based on information regarding trends in the electronics market and major finished products etc , which is currently available to TDK Group (as defined below).

(Exchange Rate Forecast)

An average Yen exchange rates for U.S. dollar and euro of ¥80 and ¥115 respectively are 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 or its group companies (collectively "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 position could be materially different from any future results, performance, achievements or financial position 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) Changes in Accounting Principles, Procedures and Presentation Methods

Nothing to report

(4) Fundamental Policy for Distribution of Earnings, and Fiscal 2011 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 2011 are as follows.

(Yen)	FY2011	FY2010 Actual
Interim dividend	40.00	30.00
Year-end dividend	(Forecast)40.00	30.00
Annual dividend	(Forecast)80.00	60.00