

**(2) Statements of income**

**[1st half results]**

Item	Term		1H of FY2010 (April 1, 2009 - Sep. 30, 2009)		1H of FY2011 (April 1,2010 - Sep. 30,2010)		Change	
	(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)	
Net sales	385,851	100.0	442,234	100.0	5,264,690	56,383	14.6	
Cost of sales	302,431	78.4	328,786	74.3	3,914,119	26,355	8.7	
Gross profit	83,420	21.6	113,448	25.7	1,350,571	30,028	36.0	
Selling, general and administrative expenses	75,841	19.6	76,260	17.3	907,857	419	0.6	
Restructuring cost	2,177	0.6	-	-	-	(2,177)	-	
Operating income	5,402	1.4	37,188	8.4	442,714	31,786	588.4	
Other income (deductions):								
Interest and dividend income	924		661		7,869	(263)		
Interest expense	(2,370)		(1,411)		(16,797)	959		
Foreign exchange gain (loss)	(1,748)		(2,108)		(25,095)	(360)		
Other-net	(1,255)		314		3,738	1,569		
Total other income (deductions)	(4,449)	-1.2	(2,544)	-0.6	(30,285)	1,905	-	
Income before income taxes	953	0.2	34,644	7.8	412,429	33,691	-	
Income taxes	374	0.0	8,520	1.9	101,429	8,146	-	
Net income	579	0.2	26,124	5.9	311,000	25,545	-	
Less:Net income (loss) attributable to noncontrolling interests	(561)	-0.1	8	0.0	95	569	-	
Net income attributable to TDK	1,140	0.3	26,116	5.9	310,905	24,976	-	

**[2nd quarter results]**

Item	Term		2Q of FY2010 (July 1, 2009 - Sept. 30, 2009)		2Q of FY2011 (July 1, 2010 - Sep. 30, 2010)		Change	
	(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)	
Net sales	204,305	100.0	220,309	100.0	2,622,726	16,004	7.8	
Cost of sales	156,011	76.4	163,996	74.4	1,952,333	7,985	5.1	
Gross profit	48,294	23.6	56,313	25.6	670,393	8,019	16.6	
Selling, general and administrative expenses	38,493	18.8	39,334	17.9	468,262	841	2.2	
Restructuring cost	754	0.4	-	-	-	(754)	-	
Operating income	9,047	4.4	16,979	7.7	202,131	7,932	87.7	
Other income (deductions):								
Interest and dividend income	480		306		3,643	(174)		
Interest expense	(1,349)		(759)		(9,036)	590		
Foreign exchange gain (loss)	(1,104)		(977)		(11,631)	127		
Other-net	(703)		277		3,298	980		
Total other income (deductions)	(2,676)	-1.3	(1,153)	-0.5	(13,726)	1,523	-	
Income before income taxes	6,371	3.1	15,826	7.2	188,405	9,455	148.4	
Income taxes	2,079	1.0	4,188	1.9	49,857	2,109	101.4	
Net income	4,292	2.1	11,638	5.3	138,548	7,346	171.2	
Less:Net income (loss) attributable to noncontrolling interests	(64)	-0.0	45	0.0	536	109	-	
Net income attributable to TDK	4,356	2.1	11,593	5.3	138,012	7,237	166.1	

**Note:**

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