Consolidated Full Year Results of FY March, 2012
Consolidated Full Year Projections of FY March, 2013

Takehiro Kamigama

President and CEO

Consolidated Full Year Results of FY March, 2012

(JPY billion)	FY March 2011 Full Year Results	FY March 2012 Full Year Results	Change	
			JPY billion	%
Net Sales	871.9	**814.5**	(57.4)	-6.6
Operating Income	64.3	**18.7**	(45.6)	-70.9
Operating Income Margin	7.4%	**2.3%**	-5.1pt	-
Net income from continuing operations before income taxes	60.6	**12.2**	(48.4)	-79.8
Net Income	45.3	**-2.5**	(47.7)	-
Earning Per Share (JPY)	350.90	**-19.06**		-

Ex-rate	US$	Yen 85.73	**Yen 79.07**	Appreciation by 7.8%
	EURO	Yen 113.12	**Yen 109.06**	Appreication by 3.6%

※Discontinued operation (Display business) were deducted in above results

※Please see Page 27 for the details of temporary factors that affected consolidated full year results of FY March 2013

Features in full year results of FY March 2013

◆Consolidated sales decreased 6.6%, operating income decreased by 70.9%

- Slowdown in electronics market due to the Great East Japan Earthquake and flooding in Thailand
- JPY appreciation continued (over 80 yen / US$)
- Sales of IT home electronics area such as flat-screen TVs were weak mainly
- Production adjustment of certain major customer

◆Implemented restructuring measures for profitability improvement

- Reorganization of sites, optimization of workforces and implementation for measures focusing on unprofitable business and products
- To post restructuring cost of 18.0 billion yen totally in FY March 2012 through FY March 2013
- Projected improvement will be 33.4 billion yen totally in FY March 2012 through FY March 2013

◆TDK plans to pay a year-end dividend of 40 yen per common share

- Combined with the interim dividend of 40 yen, the planned full year dividend will be 80 yen

※Please see Page 27 for the details of temporary factors that affected consolidated full year results of FY March 2012

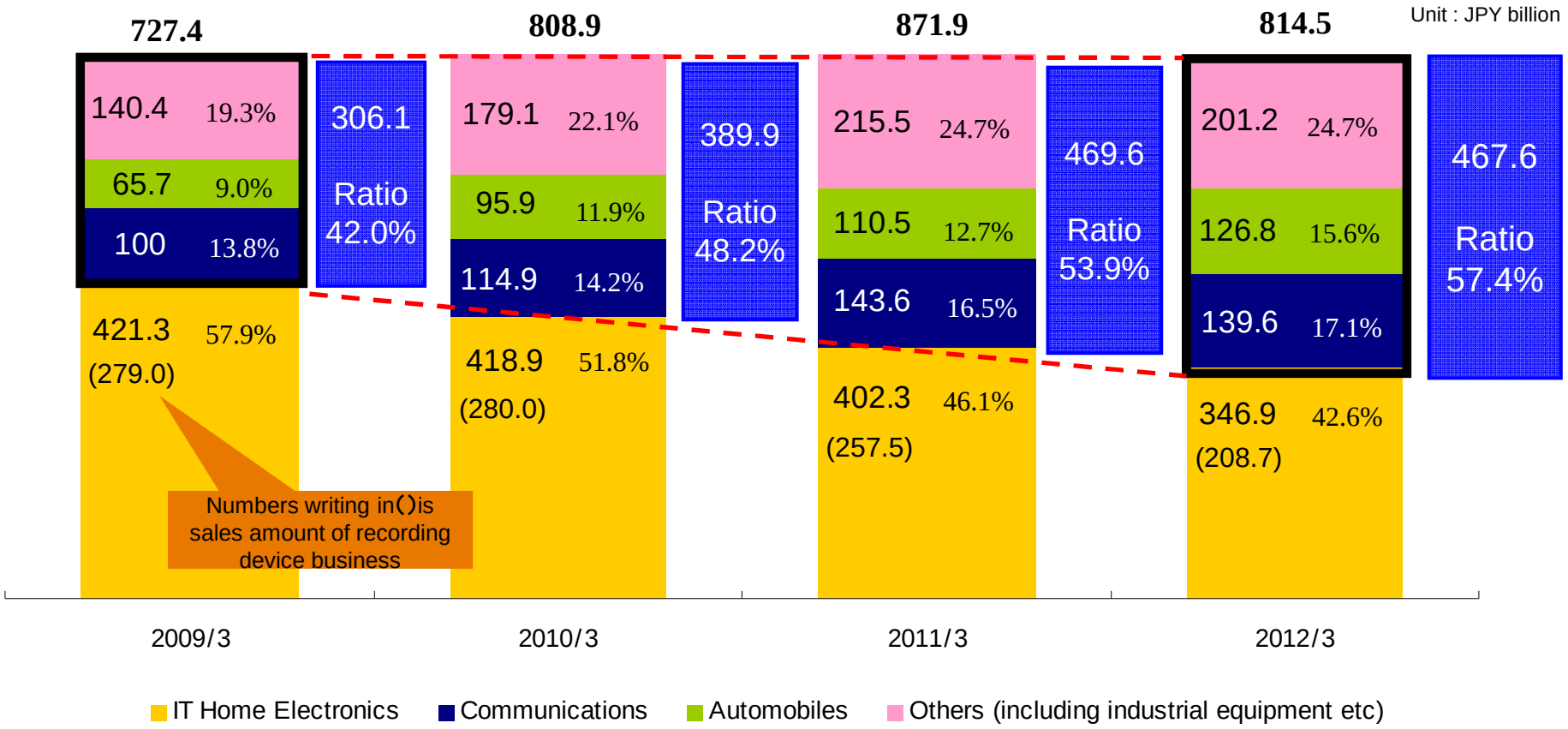
※Please see Page 21 about detail for restructuring costs and the projected effect

Features in full year results –sales transition by applications-

Sales exposure of communications, automobiles and other (industrial equipment etc) increased to 57.4%

Sales ratio of automobiles rose to 15.6% with steady sales increase

Sales ratio of IT home electronics decreased to 42.6% due to weak sales of passive components business for flat-screen TV and due to sales decrease in recording device business affected by flooding in Thailand



※Consolidation of EPCOS from the second half of 2009/3
※Discontinued operation (Display business) are included in 2009/3 and 2010/3. ※Discontinued operation (Display business) were deducted in 2011/3 and 2012/3.

Full year projections and dividend projections of FY March 2013

(JPY billion)		FY March 2012 Full Year Results	FY March 2013 Full Year Projections	Change JPY billion	Change %
Net Sales		814.5	**900.0**	85.5	10.5
Operating Income		18.7	**57.0**	38.3	204.8
Operating Income Margin		2.3%	**6.3%**	4pt	-
Net income from continuing operations before income taxes		12.2	**53.0**	40.8	334.4
Net Income		-2.5	**40.0**	42.5	-
Earning Per Share (JPY)		-19.06	**317.75**	-	-
Devidneds (JPY)		1st half :40 (results) 2nd half :40 (projections) Annual: 80 (projections)	1st half :40 (projections) 2nd half :50 (projections) Annual: 90 (projections)	–	–
Ex-rate	US$	Yen 79.07	**Yen 77.00**	-	
	EURO	Yen 109.06	**Yen 103.00**	-	

※Discontinued operation (Display business) were deducted in above results and projections

Business development from this fiscal year onward

◆ Establish solid earning base by implementation of restructuring measures)

- ●Reorganization of sites and optimization of workforce
- ●Cost reduction
- ●Implement measures focusing on unprofitable business and products

◆ Sustainable growth with growth business strategy

- ●Aggressively accelerate business development for most focused market
  - □Next generation information and communications market
  - □Energy-related market

Growth strategy for focus areas -

Market	Requirement for Hardware	Requirement for Components
Next-generation and communications market  	Wireless Multi-band Multi-function Small & Light Low power Larger data	Smaller, lower profile Multi function Higher function Efficient energy Quick response high frequency module Higher data density
Energy-related market  	Efficient power Low power Low fuel Dispersed power Independent on fossil fuel (HEV/EV/FCEV)	Large capacity battery Efficient power supply Higher magnetic force Higher capacitance Less rare-earth or rare earth free

What TDK should do

Offer smaller, higher performing Components to realize miniaturization and multi-function

Offer thin-film products utilizing magnetic technology and HDD head production process

Offer module solution by utilizing packaging technology such as LTCC, SESUB etc

Offer HDD head with high recording density corresponding to increasing digital data

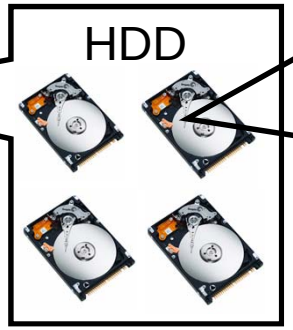
Offer power electronics devices for generating, saving and Managing electricity

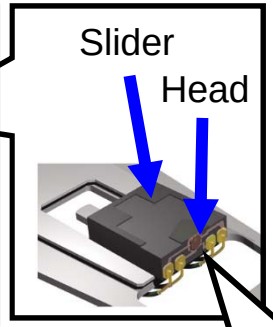
Growth strategy -Next generation information and communications market -

●Human-originated digital data volumes continue to grow
●Cloud computing is accelerating both the concentration of digital data (data center expansion) and explosion of digital data (cloud-computing terminal diffusion such as smartphones, tablet PCs, etc.)

Data center

HDD will continue to be main storage solution in data centers





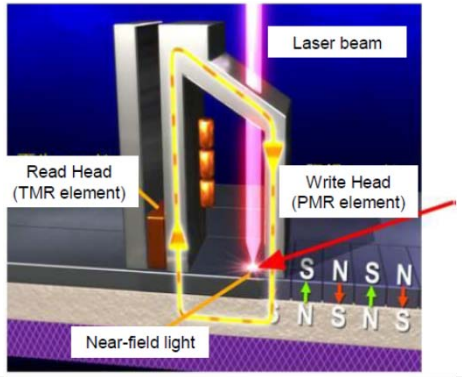
Larger recording capacity of HDD and higher recording density will be essential factors for data centers to store big data and to reduce energy consumption at data centers

●Accelerate of development of HDD head suitable for data center
●To pursue high recording density of HDD head continuously

Next-generation HDD head : Thermal Assist Head

Recording density to be increased by 100% compared with the most cutting edge head

1TB～/Platter (2.5 inch)



Smart phone

●Strengthen development of distinctive products

- Expand lineup of thin-film products
- Semiconductor Embedded in SUBstrate (SESUB), etc.

●Aggressive approach & strong support to market-leading customers

Growth strategy -Energy related market -

The equipping of automobiles with electrical devices continues to gather pace against a backdrop of stricter fuel consumption and safety regulations around the world and soaring fuel prices. This leads to electrification of automobile and also this is promoting the development of hybrid electric vehicles (HEVs), plug-in hybrid electric vehicles (PHEV) and electric vehicles (EVs)

Present

Electrification of gasoline-powered vehicles

Lower fuel consumption,･Safety･Multimedia

Moving away from fossil fuels

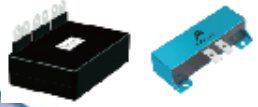
HEV/EV/PHEV/FCEV

Future

Power inductor for ECU

Ceramic Capacitor for ECU

Film Capacitors for DC-LINK circuit



Common mode filters for CAN-BUS & Flex ray

Battery Charger

Ferrite magnets for power steering, oil pump, wiper, power window etc

Current sensor

Rare earth magnets for driving motor

Temperature sensor

Transponder coils for tire pressure monitoring

DC-DC converter

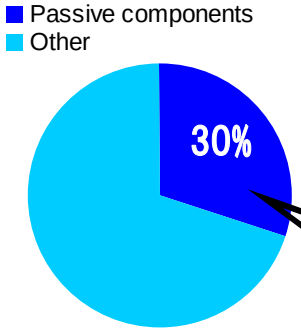
The first year of a new era for magnets

Strengthen measures to create magnets that use less or no rare earth

Growth strategy -Energy related market -

Due to the shift to renewable energy and adoption of smart grids, demands for power electronics devices are expected to expand steadily over the medium and long terms.

Steady business expansion with wide range of products and good customer base



Passive components composed of about 30% of power conditioner indispensable for renewable energy system

(IHS/iSupply research Dec'11)

Synergy

battery

Bidirectional DC-DC convertor

Neodymium magnet for motor for wind power

The best lineup in the passive components industry

Aluminum capacitor

Transformer
Inductor

Ferrite core for noise removal

Film capacitor

EMC filter

Current sensor

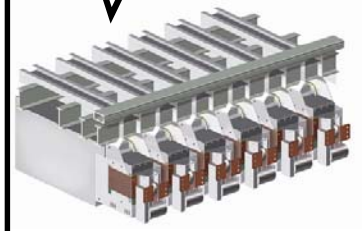
Middle pressure Ceramic capacitor

Reactor

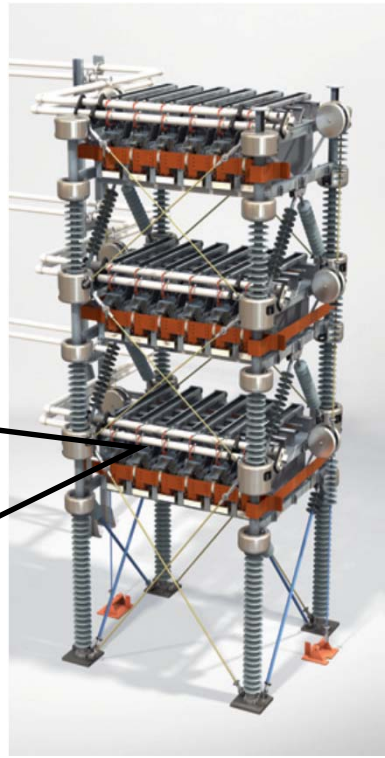
Varistor/Arrester

Film capacitor for High-voltage DC power transmission

example）
Cap:6500μF
Vdc:2800



Inverter module



HVDC (High Voltage Direct Current transmission)

The use of alternating-current transmission results in low power loss during transmission, and the impact of frequency fluctuation is minimal. At present, more intercontinental long-distance transmission lines and facilities are under construction in Europe. Construction is expected to increase in other parts of the world such as China going forward.

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