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TDK. The electronic components company.

Performance Briefings 1Q of Fiscal Year March, 2013

TDK Corporation July 31, 2012

◆Consolidated 1Q Results of FY March, 2013

Takakazu Momozuka

Corporate Officer,

General Manager of Finance & Accounting Department

◆Recording Device Business

Shigenao Ishiguro

General Manager of Data Storage & Thin Film Technology Components BG

Consolidated 1Q Results of FY March, 2013

Takakazu Momozuka
Corporate Officer,
General Manager of Finance & Accounting Department

Consolidated 1Q results of FY March 2013



(Yen billions)		FY March 2012 1Q Results	FY March 2013 1Q Results	Change	
				Yen billions	%
Net Sales		206.2	208.7	2.5	1.2
Operating Income		6.0	9.2	3.2	53.8
Operating Income Margin		2.9%	4.4%	1.5pt	-
Income from Continuing Operations before Income Taxes		3.7	8.8	5.2	139.4
Net Income		2.4	4.5	2.0	84.5
Earning Per Share (JPY)		18.78	35.52	-	-
Ex-rate	US\$	Yen 81.74	Yen 80.27	Appreciation by 1.8%	
	EURO	Yen 117.62	Yen 103.18	Appreciation by 12.3%	
Ex-rate impact to Net sales & Operating Income		Net sales : Lowered about 5.2 billion Yen Operating income : Lowered about 0.8 billion Yen			

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

Features in 1Q results of FY March 2013

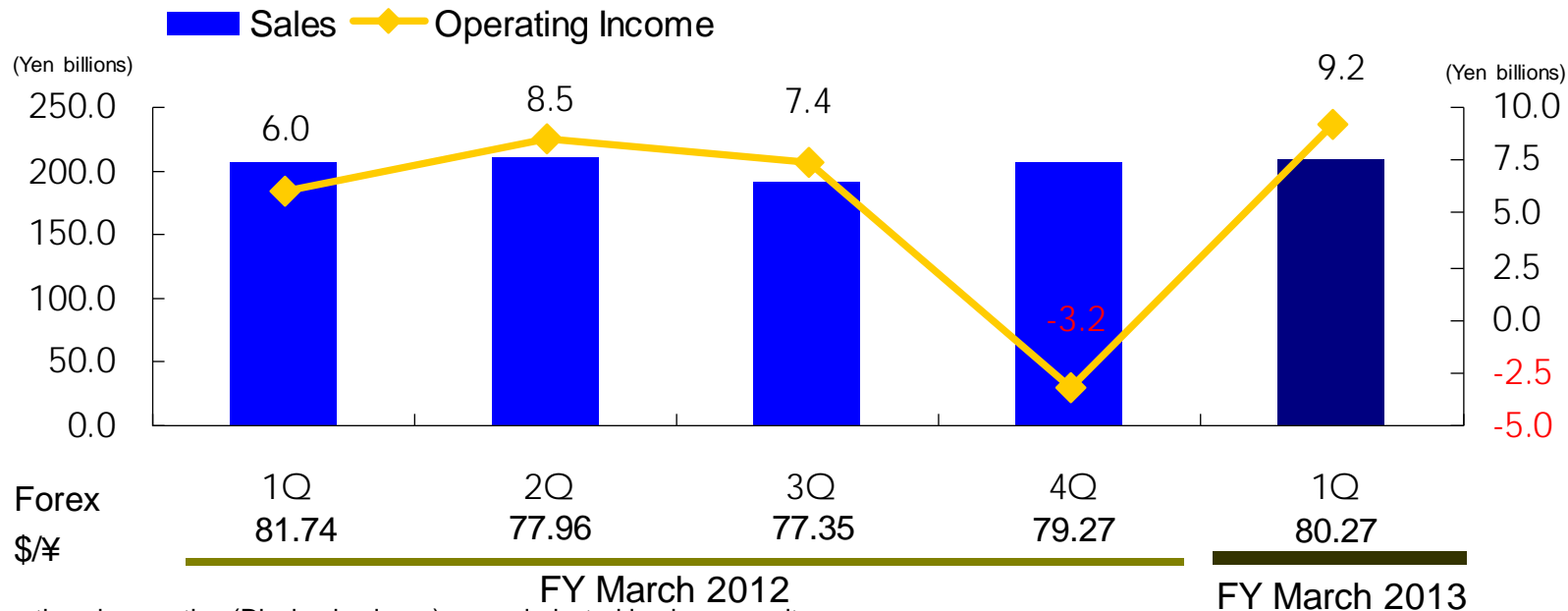


◆ Consolidated sales increased 1.2%, operating income increased 53.8%

- Market of consumer products and communication products was below our expectations
- Market of automobiles was steady as our expectations
- Increasing trend in profitability on quarterly basis

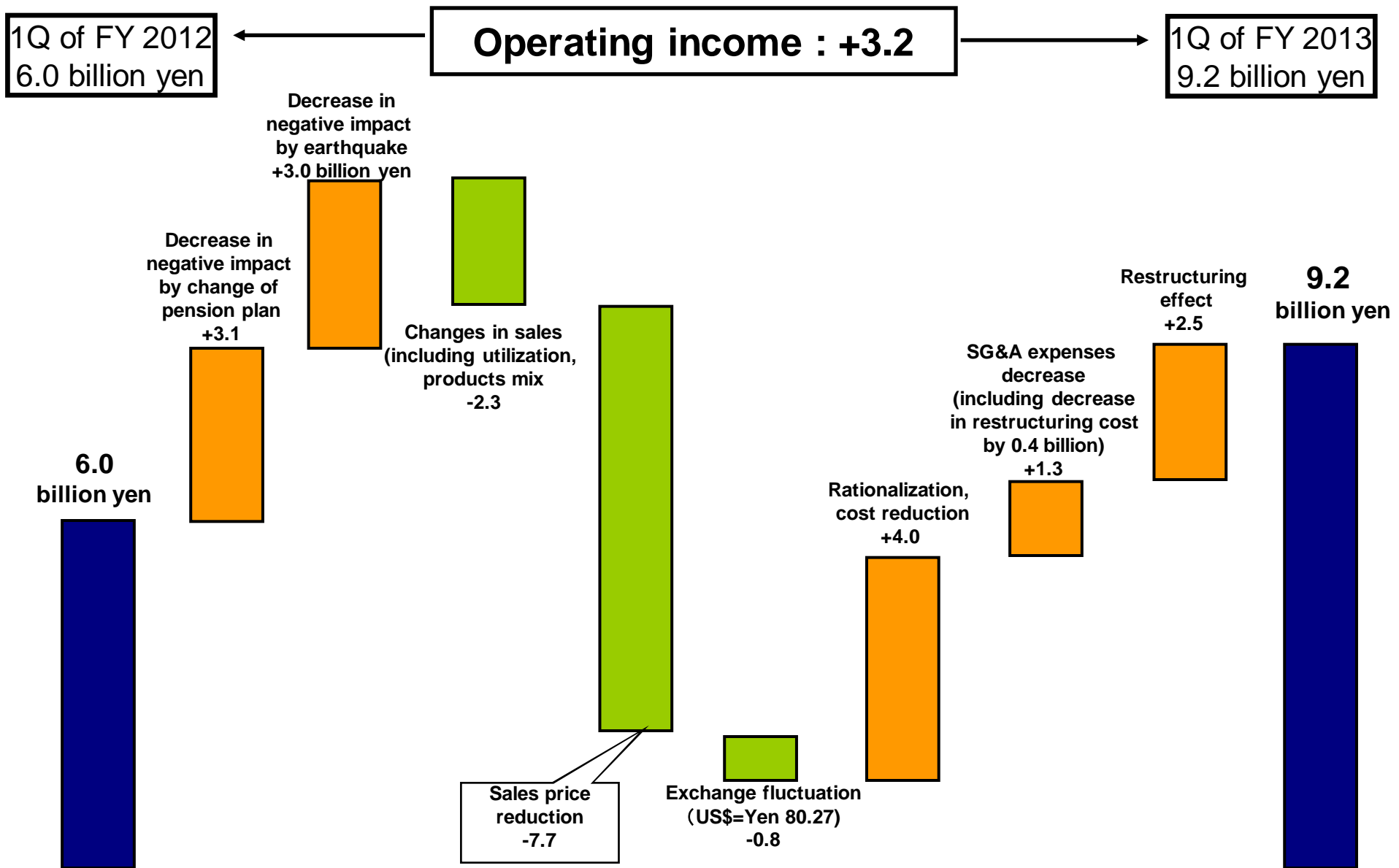
◆ Steady progress in restructuring for profitability improvement

● Quarterly sales and operating income results



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

Breakdown of Operating Income Changes



Segment Information (FY2012 1Q vs.FY2013 1Q, FY2012 4Q vs. FY2013 1Q)



JPY billion		1Q of FY 2012 Apr 1- Jun 30, 2011 (A)	4Q of FY 2012 Jan 1- Mar 31, 2012 (C)	1Q of FY 2013 Apr 1- Jun 30, 2012 (C)	YoY Change (C) - (A)		QoQ Change (C) - (B)	
					Yen billions	%	Yen billions	%
Net Sales	Capacitor	36.1	31.6	31.4	(4.7)	-12.9	(0.2)	-0.6
	Inductive Device	32.9	28.4	28.2	(4.7)	-14.2	(0.2)	-0.7
	Other Passive Comp	32.8	30.5	31.8	0.9	-2.8	1.3	4.3
	Passive Components	101.7	90.5	91.5	(10.2)	-10.1	1.0	1.1
	Recording Devices	55.2	58.2	59.9	4.7	8.5	1.7	2.9
	Other Magnetic Application Products	24.4	29.7	28.3	3.9	16.0	(1.4)	-4.7
	Magnetic Application Products	79.6	87.8	88.2	8.6	10.8	0.4	0.5
	Film Application Products	18.0	24.2	23.2	5.2	28.9	(1.0)	-4.1
	Other	6.9	4.6	5.8	(1.1)	-16.1	1.2	26.1
	Total	206.2	207.0	208.7	2.5	1.2	1.7	0.8
Operating Income	Passive Components	3.8	-13.2	-2.9	(6.6)	-	10.3	-
	Magnetic Application Products	8.6	14.0	14.6	6.0	69.9	0.6	4.3
	Film Application Products	1.2	-0.5	2.1	0.9	72.1	2.6	-
	Other	-0.4	-2.6	-0.4	0.0	-	2.2	-
	Sub total	13.2	-2.3	13.4	0.2	1.5	15.7	-
	Corporate and Eliminations	-7.2	-0.9	-4.2	3.0	-	(3.3)	-
	Total	6.0	-3.2	9.2	3.2	53.8	12.4	-
Operating Income margin		2.9%	-1.5%	4.4%	1.5pt	-	5.9pt	-

Ex-rate	US\$	Yen 81.74	Yen 79.27	Yen 80.27
	EURO	Yen 117.62	Yen 103.94	Yen 103.18

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

FY March 2013 Projections



<div>Term</div> <div>Item</div>	FY2013 (April 1, 2012 - March 31, 2013)	FY2013 (April 1, 2012 - March 31, 2013)	FY2012 (April 1, 2011 - March 31, 2012)	vs FY2012 Changes	
	Forecast in July'12	Forecast in April'12	Actual		
	(Yen millions)	(Yen millions)	(Yen millions)	(Yen millions)	%
Net Sales	900,000	900,000	814,497	85,503	10.5
Operating Income	57,000	57,000	18,687	38,313	205.0
Income before income taxes	53,000	53,000	12,245	40,755	332.8
Net income attributable to TDK	40,000	40,000	(2,454)	42,454	-
Capital expenditures	85,000	85,000	99,653	(14,653)	-14.7
Depreciation and amortization	82,000	82,000	79,918	2,082	2.6
Research and development	53,000	53,000	52,551	449	0.9

● No change in full year projections for FY March 2013 compared with that of April 27, 2012.

● Average yen exchange rates forecast from 2Q of FY March 2013 onward

US\$: ¥77 (same as previous assumption)

EURO: ¥95 (previous assumption : ¥103)

Recording Device Business

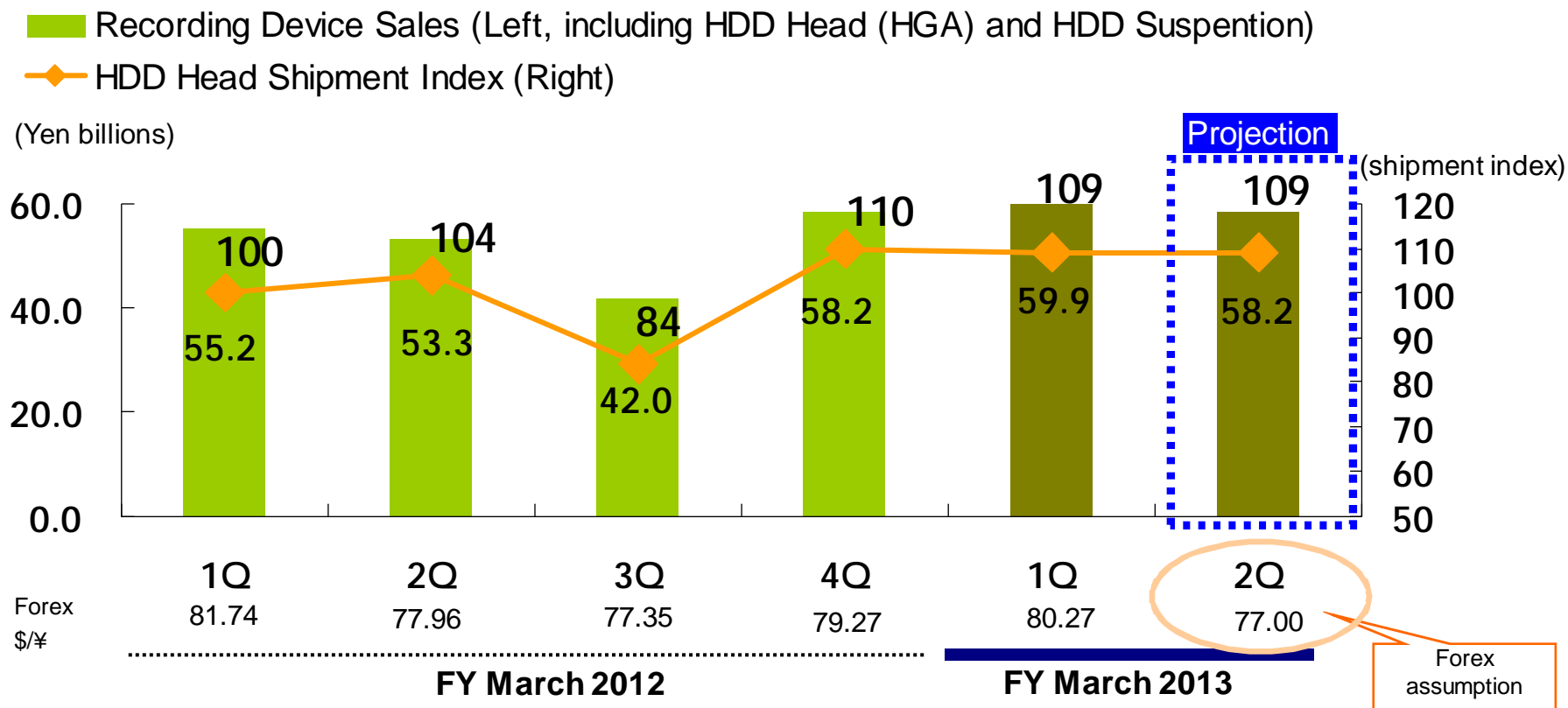
Shigenao Ishiguro
General Manager of Data Storage &
Thin Film Technology Components BG

●HDD market

FY March 2013 (TDK's forecast as of April-end) : About 700 million units

FY March 2013 (TDK's forecast as of July-end) : About 660 million units

●Shipment index



Supplementary Data

Quarterly sales and operating income by segment



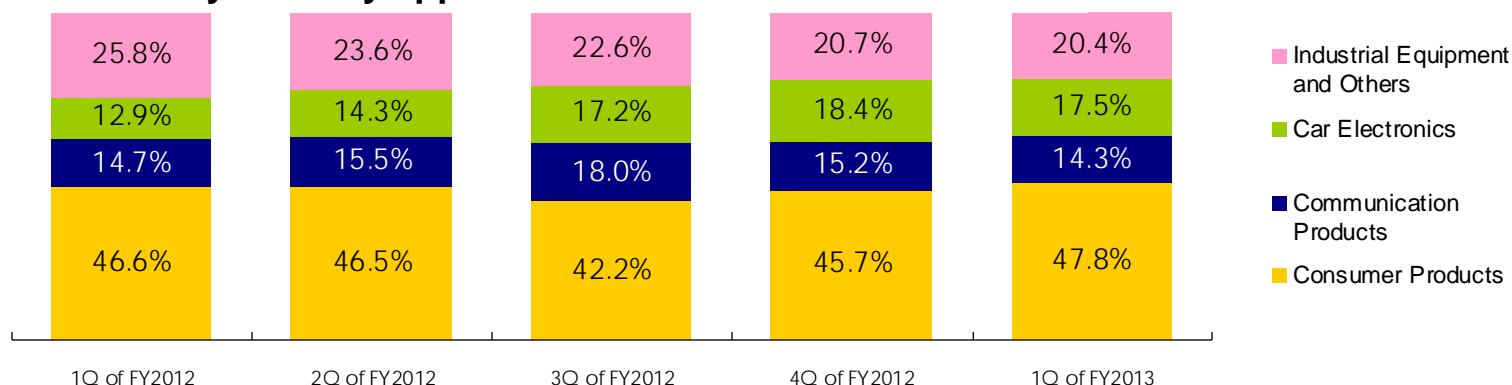
Yen billions		FY March 2012					FY March 2013				
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Net Sales	Capacitors	36.1	34.2	30.6	31.6	132.4	31.4				
	Inductive Devices	32.9	31.4	28.6	28.4	121.2	28.2				
	Other Passive Components	32.8	34.4	30.4	30.5	128.0	31.8				
	Passive Components	101.7	99.9	89.5	90.5	381.6	91.5				
	Recording Devices	55.2	53.3	42.0	58.2	208.7	59.9				
	Other Magnetic Application Products	24.4	27.7	26.0	29.7	107.7	28.3				
	Magnetic Application Products	79.6	81.0	68.0	87.8	316.4	88.2				
	Film Application Products	18.0	22.4	28.2	24.2	92.7	23.2				
	Other	6.7	6.6	5.7	4.6	23.8	5.8				
	Total	206.2	209.9	191.3	207.0	814.5	208.7				
Operating Income	Passive Components	3.8	1.3	1.5	-13.2	-6.6	-2.9				
	Magnetic Application Products	8.6	9.5	7.0	14.0	39.0	14.6				
	Film Application Products	1.2	2.6	2.9	-0.5	6.3	2.1				
	Other	-0.4	-1.2	-0.7	-2.6	-4.8	-0.4				
	Sub-total	13.2	12.2	10.7	-2.3	33.8	13.4				
	Corporate and Eliminations	-7.2	-3.7	-3.4	-0.9	-15.1	-4.2				
	Total	6.0	8.5	7.4	-3.2	18.7	9.2				
Ex-rate	¥/USD	81.74	77.96	77.35	79.27	79.07	80.27				
	¥/EURO	117.62	110.42	104.30	103.94	109.06	103.18				

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

Quarterly sales by applications (1Q of FY2012 –1Q FY2013)

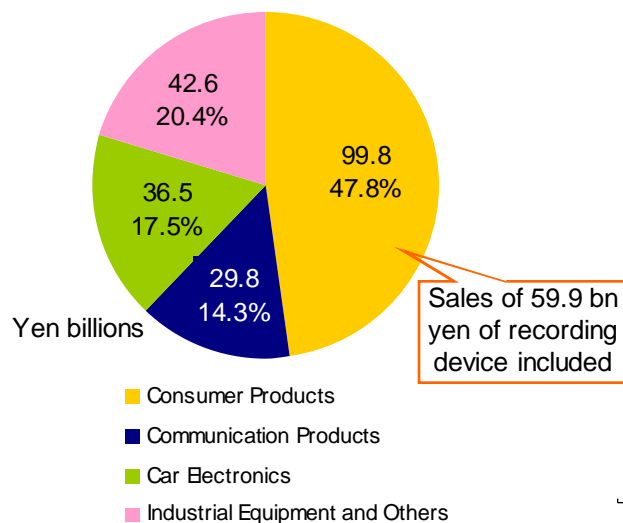


<Quarterly sales by applications>

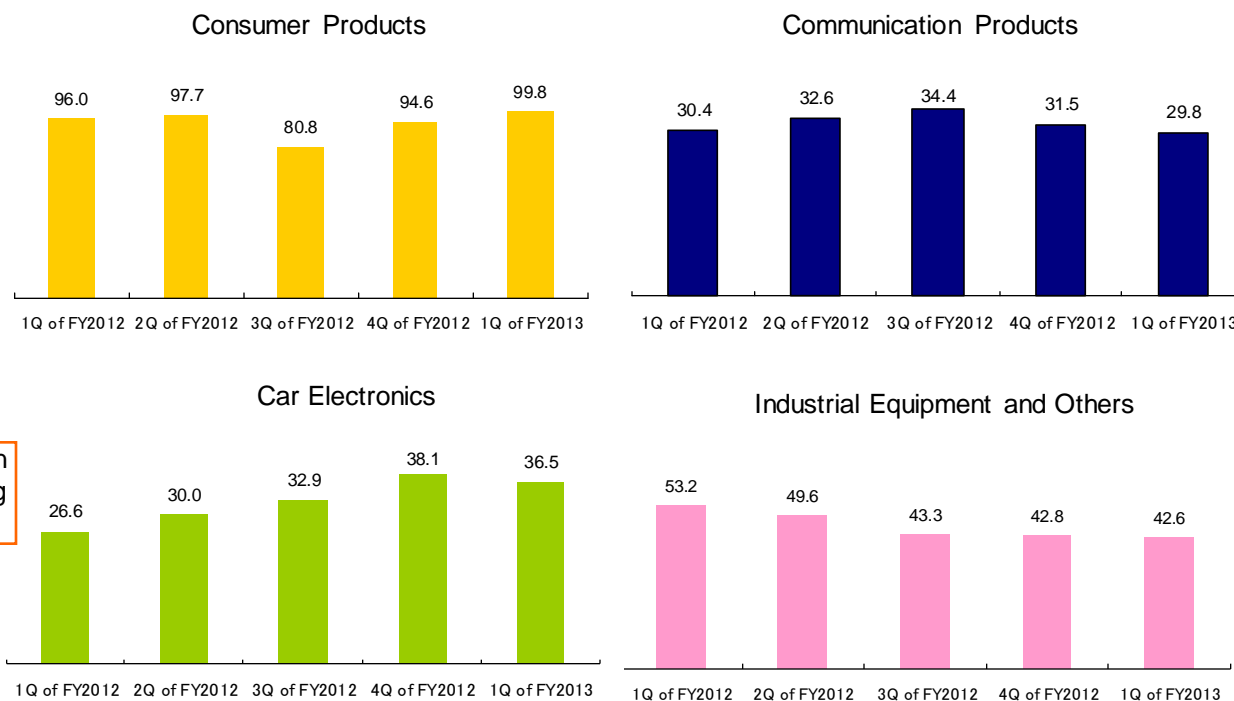


1Q of FY March 2013 breakdown by applications

Net sales 208.7 billion yen



<Quarterly sales by applications (JPY billion)>



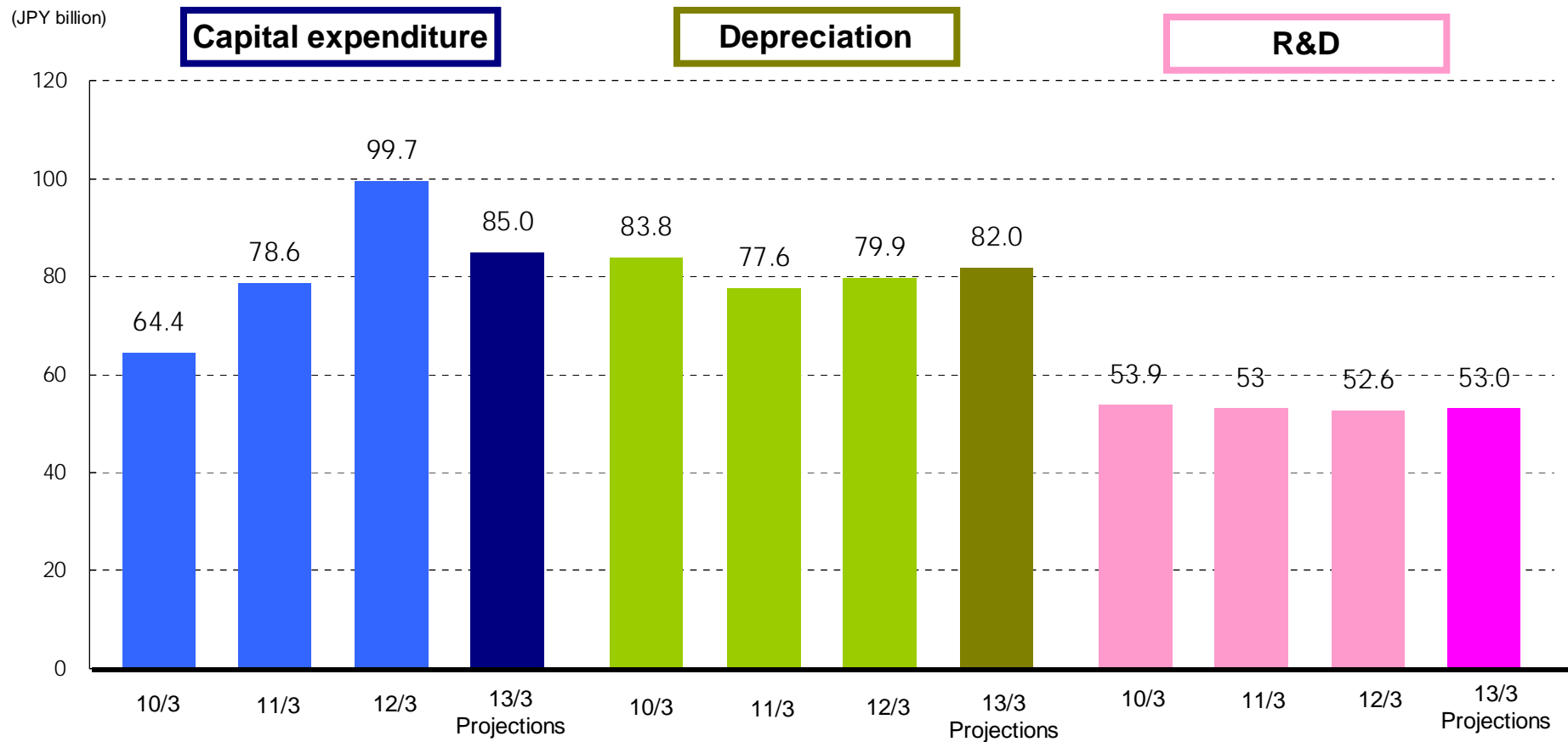
※Discontinued operation (Display business) were deducted in above results

Financial position

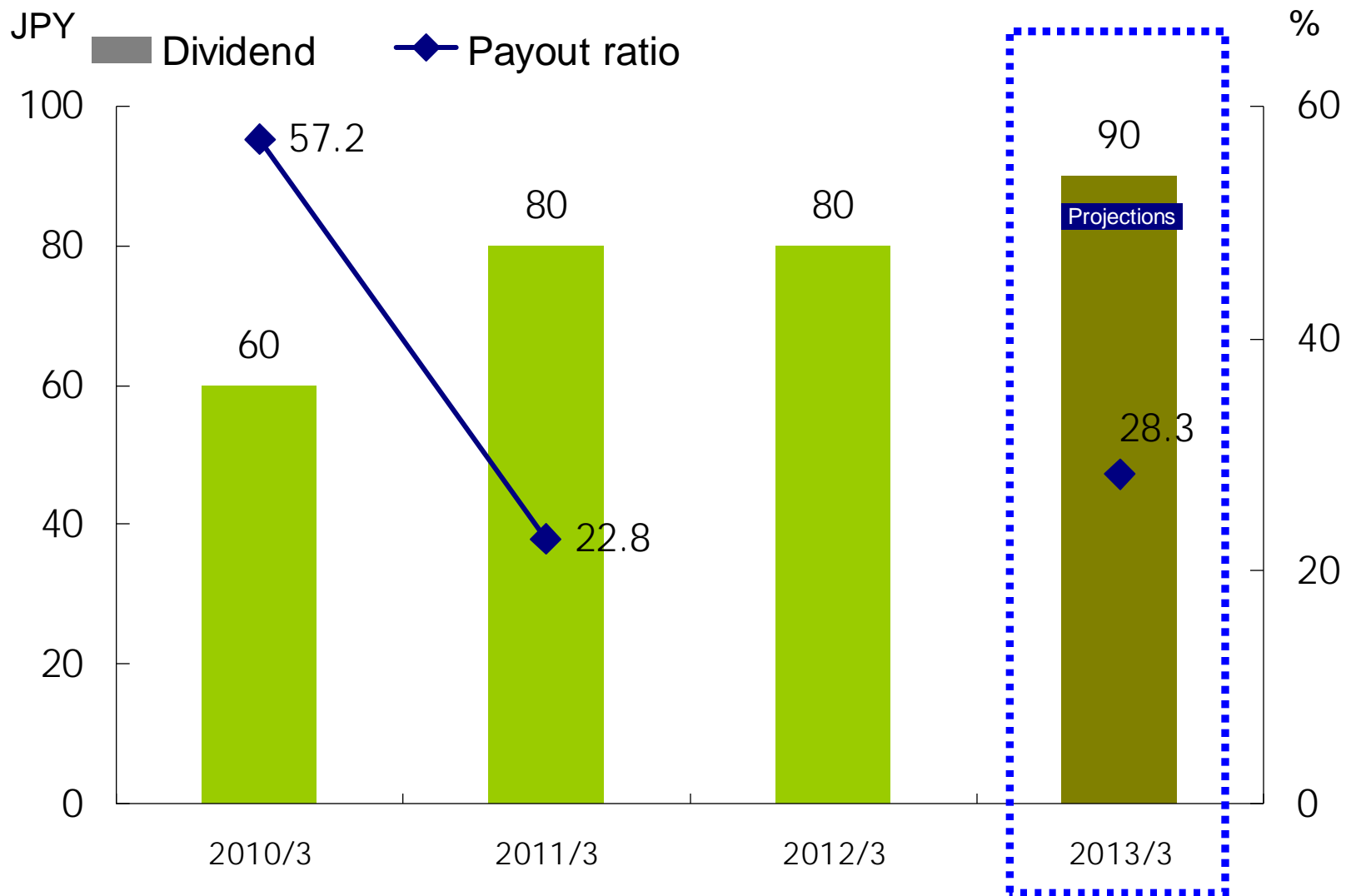


(JPY billion)	March End, 2012	June End, 2012	Change
Total Asset	1,072.8	1,046.5	-26.3
Total Liability	560.8	561.8	1.0
Interest-bearing Debt	272.8	280.7	7.9
Stockholders's Equity	498.2	470.7	-27.5
(comprehensive income)	-230.8	-257.8	-27.0
Stockholders's Equity ratio	46.4%	45.0%	-1.4pt

FY March2013 Projections –Capex, Depreciation, R&D-

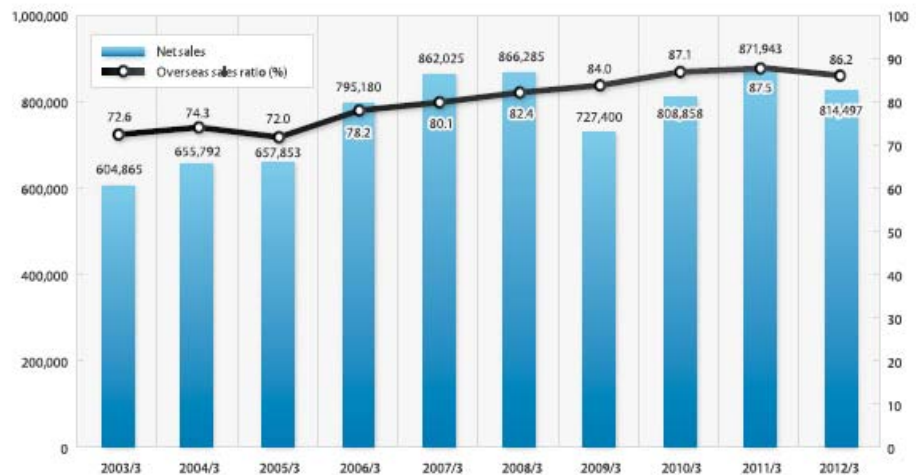


FY March 2013 projections - Dividend -



Net Sales & Overseas Sales Ratio

(Millions of yen)



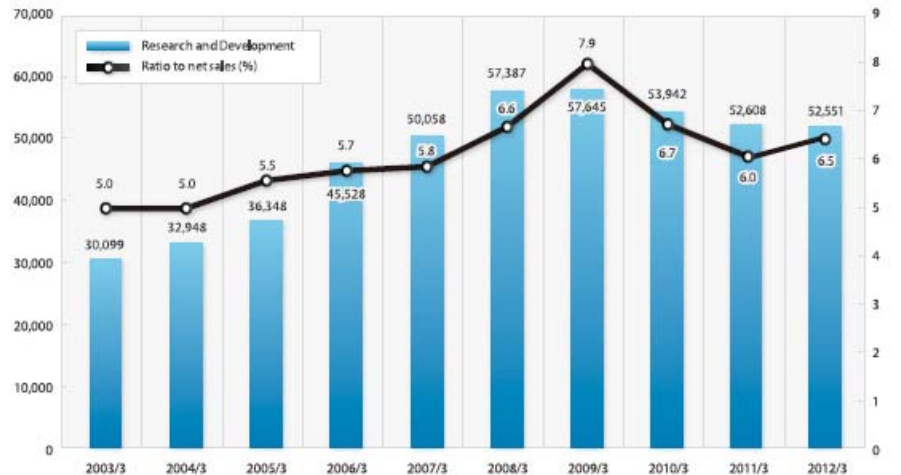
Operating Income, Net Income & Operating Income Ratio

(%) (Millions of yen)



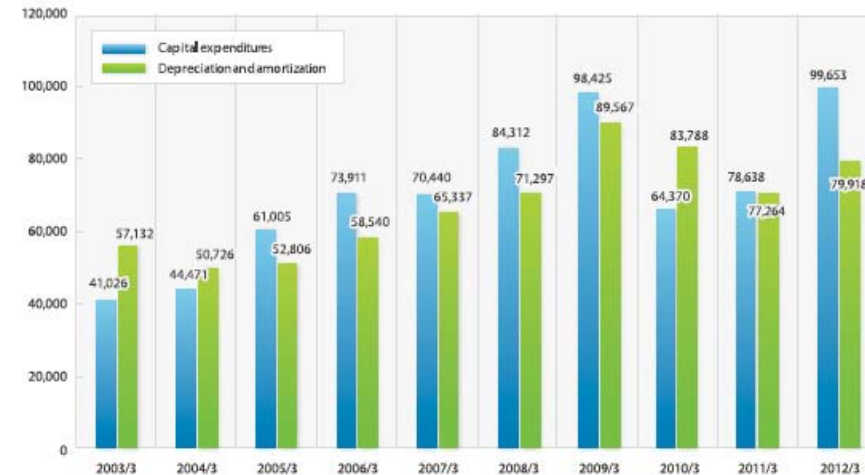
Research and Development & Ratio to Net Sales

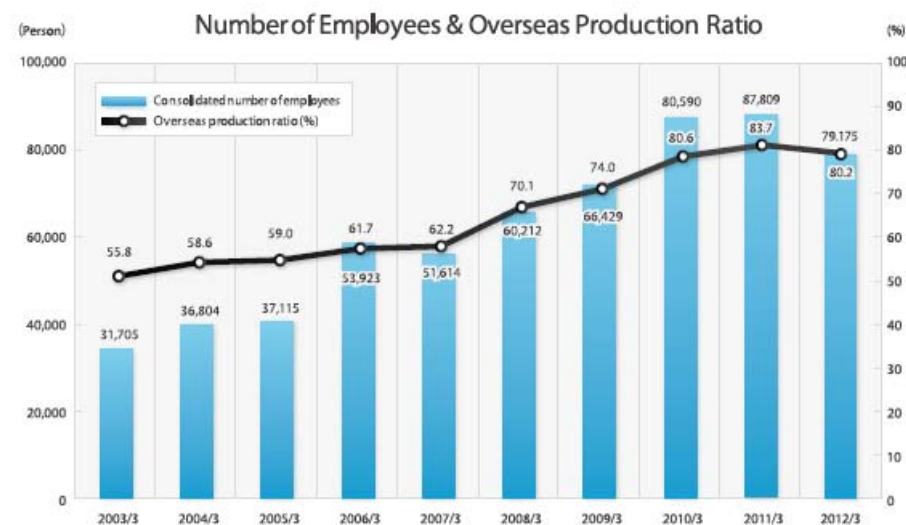
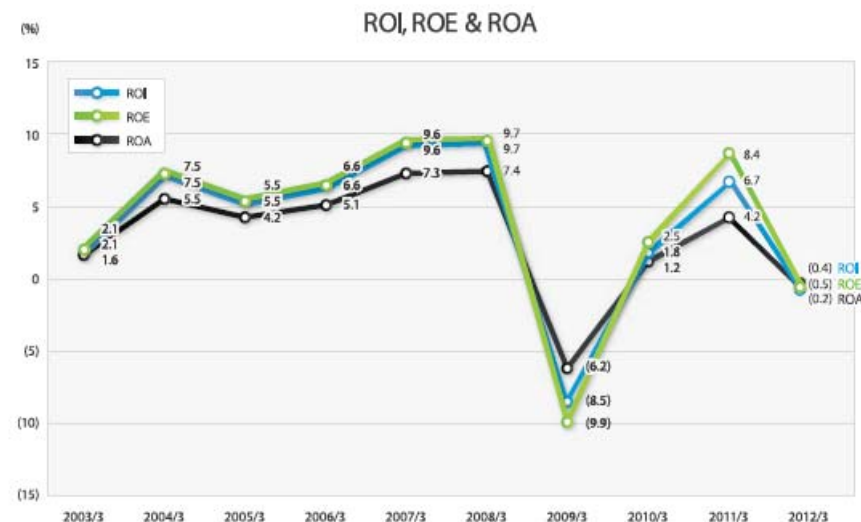
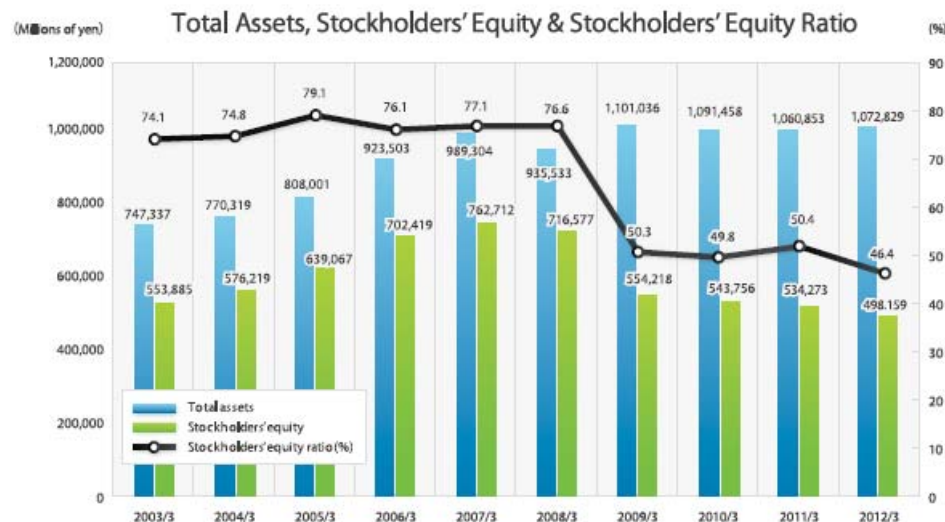
(Millions of yen)



Capital Expenditures & Depreciation and Amortization

(%) (Millions of yen)





Reference information regarding segment reclassification

Since FY March 2012 (=previous fiscal year), TDK has had three reporting segments— Passive Components, Magnetic Application Products and Film Application Products— as well as Other, which includes products not included in these three reporting segments.

Previous segment

Previous Classification	Constituent Main Business
Passive Components	Ceramic capacitors, Aluminum electrolytic capacitors, Film capacitors, Inductive devices (Coils/Ferrite cores/Transformers), High-frequency devices, Piezoelectric material products, Circuit protection components, Sensors
Magnetic Application Products	Recording devices, Power supplies, Magnets, Recording media
Other	Energy devices (rechargeable batteries) , Mechatronics (production equipments), other

Reporting segment

+

Other

Current segment

New Classification	Constituent Main Business
Passive Components*	Ceramic capacitors, Aluminum electrolytic capacitors, Film capacitors, Inductive devices (Coils/Ferrite cores/Transformers), High-frequency devices, Piezoelectric material products, Circuit protection components, Sensors
Magnetic Application Products	Recording devices, Power supplies, Magnets
Film Application Products	Energy devices (rechargeable batteries) , Applied films (former recording media)
Other	Mechatronics (production equipments), other

Reporting segment

+

Other

Recording media, which belonged to the Magnetic Application Products Segment, has been renamed applied films due to the termination of some products and acquisition of a battery separators business, which has resulted in the main products being functional film products. This is now shown as a new reporting segment Film Application Products effective from fiscal 2012, and also includes energy devices which have similar core technologies and markets. Energy devices previously belonged to Other.

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