



TDK Corporation
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Contact;

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Consolidated results (U.S. GAAP) for the 2nd quarter of FY March 2013

Summary (April 1, 2012 - September 30, 2012)

Term Item	1H of FY2012 (April 1, 2011 - Sep 30, 2011)		1H of FY2013 (April 1, 2012 - September 30, 2012)			Change	
	(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Net sales	416,110	100.0	415,646	100.0	5,328,795	(464)	-0.1
Operating income	14,463	3.5	20,377	4.9	261,244	5,914	40.9
Income from continuing operations before income taxes	11,393	2.7	18,305	4.4	234,679	6,912	60.7
Net income attributable to TDK	6,719	1.6	9,725	2.3	124,679	3,006	44.7
Per common share :							
Net income attributable to TDK / Basic	Yen 52.09		Yen 77.25		U.S.\$ 0.99		
Net income attributable to TDK / Diluted	Yen 52.03		Yen 75.00		U.S.\$ 0.96		
Capital expenditures	53,548	-	43,982	-	563,872	(9,566)	-17.9
Depreciation and amortization	37,214	8.9	36,226	8.7	464,436	(988)	-2.7
Research and development	26,268	6.3	25,864	6.2	331,590	(404)	-1.5
Result of financial income (loss)	(705)	-	0	-	0	705	-
Ratio of overseas production	81.6%	-	81.0%	-	-		
Number of employees	88,449	-	81,341	-	-		

**2nd quarter consolidated results
(July 1, 2012 - September 30, 2012)**

Term Item	2Q of FY2012 (July 1, 2011 - Sep 30, 2011)		2Q of FY2013 (July 1, 2012 - September 30, 2012)			Change	
	(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Net sales	209,912	100.0	206,993	100.0	2,653,756	(2,919)	-1.4
Operating income	8,466	4.0	11,154	5.4	143,000	2,688	31.8
Income from continuing operations before income taxes	7,698	3.7	9,460	4.6	121,282	1,762	22.9
Net income attributable to TDK	4,296	2.0	5,254	2.5	67,359	958	22.3
Per common share :							
Net income attributable to TDK / Basic	Yen 33.30		Yen 41.74		U.S.\$ 0.54		
Net income attributable to TDK / Diluted	Yen 33.26		Yen 40.28		U.S.\$ 0.52		
Capital expenditures	26,762	-	20,050	-	257,051	(6,712)	-25.1
Depreciation and amortization	18,608	8.9	18,339	8.9	235,115	(269)	-1.4
Research and development	12,784	6.1	12,878	6.2	165,103	94	0.7
Result of financial income (loss)	(298)	-	8	-	103	306	-
Ratio of overseas production	80.7%	-	82.5%	-	-		

Notes:

1. U.S.\$1=Yen 78, for convenience only.
2. The figures related to display business, which became discontinued operations in the year ended March 31, 2012, are restated.

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[Summary Information and Financial Statements]

1. Summary Information Regarding Financial Results for the Second Quarter of Fiscal 2013

(1) Summary Information Regarding Consolidated Business Results

Consolidated results for the first half of fiscal 2013, the period from April 1 to September 30, 2012, are as follows.

Looking at the world economy in the first half of fiscal 2013, industrialized countries continued to see a slowdown in economic activity associated with credit concerns triggered by sovereign debt problems in Europe, although there were some signs of economic recovery, such as ongoing solid auto sales and housing starts in the U.S. In emerging countries such as China and India, while economic growth continued to be maintained, the growth rate dropped visibly on account of lower exports to Europe, cooling corporate investment, and other factors. The aforementioned trends have led to growing uncertainty about the outlook for the world economy. In addition to this slowdown in economic activity, new concerns arose about the impact on the Japanese economy of large-scale anti-Japan riots and calls to boycott Japanese products in China.

Under these global economic circumstances, the electronics market, which has a large bearing on the consolidated performance of TDK, saw production levels differ by finished product. Production of mobile phones, especially smartphones, and tablet devices rose year on year, thereby continuing the robust trend this fiscal year. This reflected the launch of new terminal by major manufacturer to capitalize on the expanding demand for these products. Likewise, production in the automobile market as a whole also maintained strong momentum, increasing year on year, centered on hybrid vehicles and electric vehicles. On the other hand, production of flat-screen TVs and PCs, as well as hard disk drives (HDDs) dipped below the corresponding period of the previous fiscal year due to changes in demand.

Under these market conditions, TDK posted consolidated net sales of ¥415,646 million (U.S.\$5,328,795 thousand), a decrease of 0.1% from the ¥416,110 million reported in the first half of fiscal 2012. Operating income was ¥20,377 million (U.S.\$261,244 thousand), a 40.9% increase from ¥14,463 million. Income from continuing operations before income taxes was ¥18,305 million (U.S.\$234,679 thousand), up 60.7% from ¥11,393 million. TDK recorded net income attributable to TDK of ¥9,725 million (U.S.\$124,679 thousand), a 44.7% increase from ¥6,719 million. Basic net income attributable to TDK per common share was ¥77.25 (U.S.\$0.99), compared with ¥52.09 in the first half of fiscal 2012.

Average first-half yen exchange rates for the U.S. dollar and euro were ¥79.46 and ¥100.72, respectively, as the yen appreciated 0.5% versus the U.S. dollar and appreciated 11.6% against the euro, compared with the first half of fiscal 2012. This lowered net sales by approximately ¥6.2 billion and operating income by approximately ¥0.9 billion. TDK subsidiaries were directly affected by damage due to the widespread flooding in Thailand that occurred in 2011. However, in the first half of fiscal 2013, TDK booked an insurance payout of approximately ¥5.4 billion as operating income.

Sales by Sector

Term Product	1H of FY2012 (April 1, 2011 - September 30, 2011)		1H of FY2013 (April 1, 2012 - September 30, 2012)			Change	
	(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Capacitors	70,230	16.9	60,680	14.6	777,949	(9,550)	-13.6
Inductive devices	64,233	15.5	57,835	13.9	741,474	(6,398)	-10.0
Other Passive Components	67,138	16.1	63,581	15.3	815,141	(3,557)	-5.3
Passive Components	201,601	48.5	182,096	43.8	2,334,564	(19,505)	-9.7
Recording devices	108,540	26.1	115,724	27.8	1,483,641	7,184	6.6
Other Magnetic Application Products	52,045	12.5	55,888	13.5	716,513	3,843	7.4
Magnetic Application Products	160,585	38.6	171,612	41.3	2,200,154	11,027	6.9
Film Application Products	40,425	9.7	50,975	12.3	653,526	10,550	26.1
Other	13,499	3.2	10,963	2.6	140,551	(2,536)	-18.8
Consolidated total	416,110	100.0	415,646	100.0	5,328,795	(464)	-0.1
Overseas sales	364,506	87.6	358,053	86.1	4,590,423	(6,453)	-1.8

Notes:

1. U.S.\$1=Yen 78, for convenience only.
2. Net sales related to display business, which is discontinued operations, are excluded. And net sales for the first half of FY 2012 are restated based on the currently effective reportable segment.

(1) 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 ¥182,096 million (U.S.\$2,334,564 thousand), down 9.7% year on year from ¥201,601 million.

The capacitors business is made up of ceramic capacitors, aluminum electrolytic capacitors, and film capacitors. Sales in the capacitors business were ¥60,680 million (U.S.\$777,949 thousand), down 13.6% year on year from ¥70,230 million. Sales of ceramic capacitors increased to the automotive market. However, sales of aluminum electrolytic capacitors and film capacitors were lower for industrial equipment.

Sales of inductive devices decreased 10.0% year on year from ¥64,233 million to ¥57,835 million (U.S.\$741,474 thousand). Although TDK recorded higher sales for use in automobiles, there was a decline in sales for use in home information appliances and industrial equipment.

Other passive components include high-frequency components, piezoelectric materials and

products, circuit protection components and sensors. Sales of other passive components decreased 5.3% year on year from ¥67,138 million to ¥63,581 million (U.S.\$815,141 thousand). Sales of high-frequency components decreased mainly to the communications equipment market. Sales of piezoelectric material components, circuit protection devices and sensors, while increasing to the communications equipment and home information appliance markets, declined to the industrial equipment market.

(2) Magnetic Application Products Segment

This segment is made up of (1) recording devices, and (2) other magnetic application products. Segment sales increased 6.9% year on year, from ¥160,585 million to ¥171,612 million (U.S.\$2,200,154 thousand).

The recording devices business is comprised mainly of HDD heads and HDD suspension assemblies. It recorded sales of ¥115,724 million (U.S.\$1,483,641 thousand), up 6.6% year on year from ¥108,540 million. The overall increase of HDD head sales reflected higher sales volume.

Other magnetic application products include power supplies and magnets. Sales increased 7.4% year on year from ¥52,045 million to ¥55,888 million (U.S.\$716,513 thousand). Sales of power supplies decreased to the industrial equipment market, but increased to the automotive market. Magnet sales grew sharply to the automotive market.

(3) Film Application Products Segment

This segment includes energy devices (rechargeable batteries), among other products. Segment sales increased 26.1% year on year from ¥40,425 million to ¥50,975 million (U.S.\$653,526 thousand). Sales of energy devices to both the communications equipment market, particularly for smartphone applications, and the home information appliance market increased markedly. Sales of applied films decreased to the home information appliance market.

(4) Other

Other includes mechatronics (production equipment) and other businesses. Segment sales declined 18.8% year on year from ¥13,499 million to ¥10,963 million (U.S.\$140,551 thousand).

The main businesses making up the three reporting segments and Other, which includes products not included in these reporting segments, are as follows:

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
Other	Mechatronics (production equipments), other

[Sales by Region]

Overseas sales decreased 1.8% year on year from ¥364,506 million to ¥358,053 million (U.S.\$4,590,423 thousand). Overseas sales accounted for 86.1% of consolidated net sales, a 1.5 percentage point decrease from 87.6% in the first half of fiscal 2012. Detailed information on sales by region can be found in the consolidated supplementary information on page 17.

(2) Summary Information Regarding Consolidated Financial Position

(1) The following table summarizes TDK's consolidated balance sheet as of September 30, 2012.

Total assets	¥1,048,083 million	(2.3% decrease)
Total TDK stockholders' equity	¥469,649 million	(5.7% decrease)
Stockholders' equity ratio	44.8%	(1.6 point decrease)

As of September 30, 2012, total assets had decreased ¥24,746 million compared with March 31, 2012. This decrease mainly reflected a ¥7,095 million decrease in terms of net liquidity (cash and cash equivalents, short-term investments and marketable securities), a ¥8,556 million decrease in other current assets and a ¥3,978 million decrease in investments in securities.

Total liabilities increased ¥2,618 million from March 31, 2012. Debt increased ¥11,241 million, mainly due to the proceeds from long-term debt. On the other hand, other current liabilities decreased ¥3,879 million and retirement and severance benefits decreased ¥4,112 million, respectively.

TDK stockholders' equity, which is included in total equity, declined ¥28,510 million from March 31, 2012. Accumulated other comprehensive loss increased ¥33,414 million, mainly due to a deterioration in foreign currency translation adjustments because of the yen's appreciation.

(2) Cash Flows

(Yen millions)

	FY 2012 2Q	FY 2013 2Q	Change
Net cash provided by operating activities	24,120	43,670	19,550
Net cash used in investing activities	(5,648)	(50,359)	(44,711)
Net cash provided by financing activities	30,368	6,761	(23,607)
Effect of exchange rate changes on cash and cash equivalents	(11,689)	(9,211)	2,478
Net increase (decrease) in cash and cash equivalents	37,151	(9,139)	(46,290)
Cash and cash equivalents at beginning of period	129,091	167,015	37,924
Cash and cash equivalents at end of period	166,242	157,876	(8,366)

Operating activities provided net cash of ¥43,670 million (U.S. \$559,872 thousand), a year on year increase of ¥19,550 million. TDK recorded a net income of ¥11,512 million (U.S. \$147,590 thousand), an increase of ¥4,267 million year on year. Depreciation and amortization decreased ¥1,118 million to ¥36,226 million (U.S. \$464,436 thousand). In changes in assets and liabilities, a ¥14,744 million decrease in inventories and a ¥9,157 million decrease in other assets and liabilities, net contributed to the increase of operating cash flows. However, a ¥8,363 million decrease in trade payable reduced operating cash flows.

Investing activities used net cash of ¥50,359 million (U.S. \$645,628 thousand), an increase of ¥44,711 million year on year. There was a ¥9,566 million decrease in capital expenditures. On the other hand, there was a ¥48,139 million decrease in proceeds from sale and maturity of short-term investments.

Financing activities provided net cash of ¥6,761 million (U.S. \$86,679 thousand), a ¥23,607 million decrease from the previous fiscal year. There were a net increase in cash payments for debt of ¥12,338 million, with increase in repayments of debt, outweighing proceed from new debt and a decrease in proceeds from noncontrolling interest shareholders of ¥11,341 million.

(3) Summary Information Regarding Consolidated Projections

(Fiscal 2013 Consolidated Projections)

TDK's projections for consolidated operating results, capital expenditures, depreciation and amortization, and research and development expenses for fiscal 2013, the year ending March 31, 2013, are as follows.

Term Item	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 October'12	Forecast in April'12 and July'12	Actual		
	(Yen millions)	(Yen millions)	(Yen millions)	(Yen millions)	%
Net Sales	850,000	900,000	814,497	35,503	4.4
Operating Income	41,000	57,000	18,687	22,313	119.4
Income before income taxes	37,000	53,000	12,245	24,755	202.2
Net income attributable to TDK	20,000	40,000	(2,454)	22,454	-
Capital expenditures	80,000	85,000	99,653	(19,653)	-19.7
Depreciation and amortization	78,000	82,000	79,918	(1,918)	-2.4
Research and development	51,000	53,000	52,551	(1,551)	-3.0

(Notes)

Management has judged that compared with TDK's projections as of April 27, 2012, there should be 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)

Average yen exchange rates against the U.S. dollar and the euro of ¥77 and ¥100 respectively will be 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 ("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 positions could be materially different from any future results, performance, achievements or financial positions 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) Accounting Policy Changes, Accounting Estimate Changes and Restatements

Nothing to report

(4) Fundamental Policy for Distribution of Earnings, and Fiscal 2013 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 2013 are as follows. TDK has revised the year-end dividend forecast to 40 yen from 50 yen, based on the revision of the consolidated projections for the Fiscal 2013 as well as on the fundamental policy for distribution of earnings.

(Yen)

	FY2013	FY2012 Actual
Interim dividend	(Results) 40.00	40.00
Year-end dividend	(Forecast) 40.00	40.00
Annual dividend	(Forecast) 80.00	80.00

3. Consolidated Financial Statements

(1) Balance Sheets

ASSETS									
Term Item	As of March 31, 2012		As of September 30, 2012			Change from March 31, 2012	As of June 30, 2012		Change from June 30, 2012
	(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	(Yen millions)	%	(Yen millions)
Current assets	545,821	50.9	529,958	50.6	6,794,334	(15,863)	536,431	51.3	(6,473)
Cash and cash equivalents	167,015		157,876		2,024,051	(9,139)	165,731		(7,855)
Short-term investments	6,368		9,239		118,449	2,871	5,103		4,136
Marketable securities	827		-		-	(827)	-		-
Net trade receivables	177,861		176,192		2,258,872	(1,669)	173,986		2,206
Inventories	137,231		138,688		1,778,051	1,457	140,216		(1,528)
Other current assets	56,519		47,963		614,911	(8,556)	51,395		(3,432)
Noncurrent assets	527,008	49.1	518,125	49.4	6,642,628	(8,883)	510,097	48.7	8,028
Investments in securities	35,451		31,473		403,500	(3,978)	33,164		(1,691)
Net property, plant and equipment	332,325		329,628		4,226,000	(2,697)	324,555		5,073
Other assets	159,232		157,024		2,013,128	(2,208)	152,378		4,646
TOTAL	1,072,829	100.0	1,048,083	100.0	13,436,962	(24,746)	1,046,528	100.0	1,555

LIABILITIES AND EQUITY									
Term Item	As of March 31, 2012		As of September 30, 2012			Change from March 31, 2012	As of June 30, 2012		Change from June 30, 2012
	(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	(Yen millions)	%	(Yen millions)
Current liabilities	325,903	30.4	320,803	30.6	4,112,859	(5,100)	333,937	31.9	(13,134)
Short-term debt	131,168		134,865		1,729,039	3,697	141,985		(7,120)
Current installments of long-term debt	11,729		7,257		93,038	(4,472)	11,348		(4,091)
Trade payables	87,666		84,562		1,084,128	(3,104)	90,099		(5,537)
Accrued expenses	73,271		75,929		973,449	2,658	66,013		9,916
Other current liabilities	22,069		18,190		233,205	(3,879)	24,492		(6,302)
Noncurrent liabilities	234,880	21.9	242,598	23.2	3,110,231	7,718	227,864	21.8	14,734
Long-term debt, excluding current installments	129,943		141,959		1,819,987	12,016	127,375		14,584
Retirement and severance benefits	88,254		84,142		1,078,744	(4,112)	84,725		(583)
Other noncurrent liabilities	16,683		16,497		211,500	(186)	15,764		733
Total liabilities	560,783	52.3	563,401	53.8	7,223,090	2,618	561,801	53.7	1,600
Common stock	32,641		32,641		418,474	-	32,641		-
Additional paid-in capital	63,927		64,137		822,269	210	63,980		157
Legal reserve	23,803		24,271		311,167	468	23,981		290
Retained earnings	627,861		632,084		8,103,641	4,223	627,119		4,965
Accumulated other comprehensive income (loss)	(230,849)		(264,263)		(3,387,987)	(33,414)	(257,799)		(6,464)
Treasury stock	(19,224)		(19,221)		(246,423)	3	(19,226)		5
Total TDK stockholders' equity	498,159	46.4	469,649	44.8	6,021,141	(28,510)	470,696	45.0	(1,047)
Noncontrolling interests	13,887	1.3	15,033	1.4	192,731	1,146	14,031	1.3	1,002
Total equity	512,046	47.7	484,682	46.2	6,213,872	(27,364)	484,727	46.3	(45)
TOTAL	1,072,829	100.0	1,048,083	100.0	13,436,962	(24,746)	1,046,528	100.0	1,555

Note:

U.S.\$1=Yen 78, for convenience only.

(2)Statements of Income and Statements of Comprehensive Income**[1st half results]****Statements of Income**

Term Item	1H of FY2012 (April 1, 2011 - September 30, 2011)		1H of FY2013 (April 1, 2012 - September 30, 2012)			Change	
	(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Net sales	416,110	100.0	415,646	100.0	5,328,795	(464)	-0.1
Cost of sales	318,999	76.7	323,643	77.9	4,149,269	4,644	1.5
Gross profit	97,111	23.3	92,003	22.1	1,179,526	(5,108)	-5.3
Selling, general and administrative expenses	82,648	19.8	71,626	17.2	918,282	(11,022)	-13.3
Operating income	14,463	3.5	20,377	4.9	261,244	5,914	40.9
Other income (deductions):							
Interest and dividend income	827		1,459		18,705	632	
Interest expense	(1,532)		(1,459)		(18,705)	73	
Foreign exchange gain (loss)	(743)		(275)		(3,526)	468	
Other-net	(1,622)		(1,797)		(23,039)	(175)	
Total other income (deductions)	(3,070)	-0.8	(2,072)	-0.5	(26,565)	998	-
Income from continuing operations before income taxes	11,393	2.7	18,305	4.4	234,679	6,912	60.7
Income taxes	3,803	0.9	6,793	1.6	87,089	2,990	78.6
Income from continuing operations	7,590	1.8	11,512	2.8	147,590	3,922	51.7
Loss from discontinued operations	(345)	-0.1	-	-	-	345	-
Net income	7,245	1.7	11,512	2.8	147,590	4,267	58.9
Less: Net income attributable to noncontrolling interests	526	0.1	1,787	0.5	22,911	1,261	239.7
Net income attributable to TDK	6,719	1.6	9,725	2.3	124,679	3,006	44.7

Notes:

1. U.S.\$1=Yen 78, for convenience only.
2. The figures related to display business, which became discontinued operations in the year ended March 31, 2012, are restated.

Statements of Comprehensive Income

Term Item	1H of FY2012 (April 1, 2011 - September 30, 2011)		1H of FY2013 (April 1, 2012 - September 30, 2012)		Change
	(Yen millions)		(Yen millions)	(U.S.\$ thousands)	(Yen millions)
Net income	7,245		11,512	147,590	4,267
Other comprehensive income (loss), net of taxes:					
Foreign currencies translation adjustments	(40,910)		(33,010)	(423,205)	7,900
Pension liability adjustments	3,437		928	11,897	(2,509)
Net unrealized gains (losses) on securities	(3,772)		(1,931)	(24,756)	1,841
Total other comprehensive income (loss)	(41,245)		(34,013)	(436,064)	7,232
Comprehensive income (loss)	(34,000)		(22,501)	(288,474)	11,499
Comprehensive income attributable to noncontrolling interests	455		1,188	15,231	733
Comprehensive income (loss) attributable to TDK	(34,455)		(23,689)	(303,705)	10,766

Note:

1. U.S.\$1=Yen 78, for convenience only.

[2nd quarter results]

Statements of Income

Term Item	2Q of FY2012 (July 1, 2011 - September 30, 2011)		2Q of FY2013 (July1, 2012 - September 30, 2012)			Change	
	(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Net sales	209,912	100.0	206,993	100.0	2,653,756	(2,919)	-1.4
Cost of sales	162,234	77.3	161,272	77.9	2,067,589	(962)	-0.6
Gross profit	47,678	22.7	45,721	22.1	586,167	(1,957)	-4.1
Selling, general and administrative expenses	39,212	18.7	34,567	16.7	443,167	(4,645)	-11.8
Operating income	8,466	4.0	11,154	5.4	143,000	2,688	31.8
Other income (deductions):							
Interest and dividend income	469		750		9,616	281	
Interest expense	(767)		(742)		(9,513)	25	
Foreign exchange gain (loss)	(142)		(437)		(5,603)	(295)	
Other-net	(328)		(1,265)		(16,218)	(937)	
Total other income (deductions)	(768)	-0.3	(1,694)	-0.8	(21,718)	(926)	-
Income from continuing operations before income taxes	7,698	3.7	9,460	4.6	121,282	1,762	22.9
Income taxes	2,892	1.4	3,030	1.5	38,846	138	4.8
Income from continuing operations	4,806	2.3	6,430	3.1	82,436	1,624	33.8
Income from discontinued operations	23	0.0	-	-	-	(23)	-
Net income	4,829	2.3	6,430	3.1	82,436	1,601	33.2
Less: Net income attributable to noncontrolling interests	533	0.3	1,176	0.6	15,077	643	120.6
Net income attributable to TDK	4,296	2.0	5,254	2.5	67,359	958	22.3

Notes:

1. U.S.\$1=Yen 78, for convenience only.
2. The figures related to display business, which became discontinued operations in the year ended March 31, 2012, are restated.

Statements of Comprehensive Income

Term Item	2Q of FY2012 (July 1, 2011 - September 30, 2011)	2Q of FY2013 (July1, 2012 - September 30, 2012)		Change
	(Yen millions)	(Yen millions)	(U.S.\$ thousands)	(Yen millions)
Net income	4,829	6,430	82,436	1,601
Other comprehensive income (loss), net of taxes:				
Foreign currencies translation adjustments	(34,004)	(6,566)	(84,179)	27,438
Pension liability adjustments	343	568	7,282	225
Net unrealized gains (losses) on securities	(2,857)	(642)	(8,231)	2,215
Total other comprehensive income (loss)	(36,518)	(6,640)	(85,128)	29,878
Comprehensive income (loss)	(31,689)	(210)	(2,692)	31,479
Comprehensive income attributable to noncontrolling interests	484	1,000	12,821	516
Comprehensive income (loss) attributable to TDK	(32,173)	(1,210)	(15,513)	30,963

Note:

U.S.\$1=Yen 78, for convenience only.

(3) Statements of Cash Flows

Term Item	1H of FY2012 (April 1, 2011 - September 30, 2011)	1H of FY2013 (April 1, 2012 - September 30, 2012)	
	(Yen millions)	(Yen millions)	(U.S.\$ thousands)
Cash flows from operating activities:			
Net income	7,245	11,512	147,590
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	37,344	36,226	464,436
Changes in assets and liabilities:			
Decrease (increase) in trade receivables	(10,249)	(8,368)	(107,282)
Decrease (increase) in inventories	(21,759)	(7,015)	(89,936)
Increase (decrease) in trade payables	12,573	4,210	53,974
Increase (decrease) in accrued expenses	2,231	5,448	69,846
Decrease (increase) in other assets and liabilities, net	(5,556)	3,601	46,167
Other-net	2,291	(1,944)	(24,923)
Net cash provided by operating activities	24,120	43,670	559,872
Cash flows from investing activities:			
Capital expenditures	(53,548)	(43,982)	(563,872)
Proceeds from sale and maturity of short-term investments	51,896	3,757	48,167
Payment for purchase of short-term investments	(5,993)	(6,876)	(88,154)
Proceeds from sale and maturity of securities	4,172	827	10,603
Payment for purchase of securities	(3,456)	(266)	(3,410)
Proceeds from sales of tangible and intangible assets	2,549	3,594	46,077
Other-net	(1,268)	(7,413)	(95,039)
Net cash used in investing activities	(5,648)	(50,359)	(645,628)
Cash flows from financing activities:			
Proceeds from long-term debt	127	39,886	511,359
Repayment of long-term debt	(7,489)	(33,657)	(431,500)
Increase (decrease) in short-term debt, net	31,631	5,702	73,102
Dividends paid	(5,158)	(5,037)	(64,577)
Proceed from noncontrolling interest shareholders	11,341	-	-
Other-net	(84)	(133)	(1,705)
Net cash provided by financing activities	30,368	6,761	86,679
Effect of exchange rate changes on cash and cash equivalents	(11,689)	(9,211)	(118,090)
Net increase (decrease) in cash and cash equivalents	37,151	(9,139)	(117,167)
Cash and cash equivalents at beginning of period	129,091	167,015	2,141,218
Cash and cash equivalents at end of period	166,242	157,876	2,024,051

Notes:

1. U.S.\$1=Yen 78, for convenience only.
2. The cash flows attributable to the discontinued operations are not presented separately from the cash flows attributable to the continuing operations in the statements of cash flows.

(4) Notes Concerning Going Concern Assumptions

Nothing to report.

(5) Segment Information

Since fiscal 2012, 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.

Recording media, which previously 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 resulted in the main products being functional films. This is now shown as the reporting segment Film Application Products, and includes energy devices which belonged to Other due to the similarity in core technologies and markets.

Figures related to the display business have been excluded as discontinued operations, in accordance with the provisions of ASC Subtopic 205-20, “Presentation of Financial Statements-Discontinued Operations,” issued by the U.S. Financial Accounting Standards Board (“FASB”).

In accordance with the above, figures for the first half of fiscal 2013 and the second quarter of fiscal 2013 have been restated based on the current segment classifications. For details, refer to page 18.

[1st half results]

Net sales by industry segment

		1H of FY2012 (April 1, 2011 - September 30, 2011)		1H of FY2013 (April 1, 2012 - September 30, 2012)			Change	
		(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Passive Components	External customers	201,601	48.5	182,096	43.8	2,334,564	(19,505)	-9.7
	Intersegment	1,519		1,507		19,321	(12)	-0.8
	Total	203,120		183,603		2,353,885	(19,517)	-9.6
Magnetic Application Products	External customers	160,585	38.6	171,612	41.3	2,200,154	11,027	6.9
	Intersegment	260		207		2,654	(53)	-20.4
	Total	160,845		171,819		2,202,808	10,974	6.8
Film Application Products	External customers	40,425	9.7	50,975	12.3	653,526	10,550	26.1
	Intersegment	2,148		1,502		19,256	(646)	-30.1
	Total	42,573		52,477		672,782	9,904	23.3
Other	External customers	13,499	3.2	10,963	2.6	140,551	(2,536)	-18.8
	Intersegment	12,129		9,233		118,372	(2,896)	-23.9
	Total	25,628		20,196		258,923	(5,432)	-21.2
Intersegment eliminations		(16,056)		(12,449)		(159,603)	3,607	
Consolidated total		416,110	100.0	415,646	100.0	5,328,795	(464)	-0.1

Segment profit (loss) by industry segment

	1H of FY2012 (April 1, 2011 - September 30, 2011)		1H of FY2013 (April 1, 2012 - September 30, 2012)			Change	
	(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Passive Components	5,041	2.5	(5,366)	-2.9	(68,795)	(10,407)	-
Magnetic Application Products	18,050	11.2	27,728	16.2	355,487	9,678	53.6
Film Application Products	3,848	9.5	7,150	14.0	91,667	3,302	85.8
Other	(1,624)	-12.0	(886)	-8.1	(11,359)	738	-
Sub total	25,315	6.1	28,626	6.9	367,000	3,311	13.1
Corporate and Eliminations	(10,852)		(8,249)		(105,756)	2,603	
Operating income	14,463	3.5	20,377	4.9	261,244	5,914	40.9

Notes:

1. U.S.\$1=Yen 78, for convenience only.
2. Figures related to discontinued operations are excluded for the first half of FY 2012.

[2nd quarter results]

Net sales by industry segment

		2Q of FY2012 (July 1, 2011 - September 30, 2011)		2Q of FY2013 (July 1, 2012 - September 30, 2012)			Change	
		(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Passive Components	External customers	99,891	47.6	90,616	43.8	1,161,744	(9,275)	-9.3
	Intersegment	693		769		9,858	76	11.0
	Total	100,584		91,385		1,171,602	(9,199)	-9.1
Magnetic Application Products	External customers	80,986	38.6	83,432	40.3	1,069,641	2,446	3.0
	Intersegment	178		46		590	(132)	-74.2
	Total	81,164		83,478		1,070,231	2,314	2.9
Film Application Products	External customers	22,401	10.7	27,743	13.4	355,679	5,342	23.8
	Intersegment	1,111		682		8,744	(429)	-38.6
	Total	23,512		28,425		364,423	4,913	20.9
Other	External customers	6,634	3.1	5,202	2.5	66,692	(1,432)	-21.6
	Intersegment	6,281		4,258		54,590	(2,023)	-32.2
	Total	12,915		9,460		121,282	(3,455)	-26.8
Intersegment eliminations		(8,263)		(5,755)		(73,782)	2,508	
Consolidated total		209,912	100.0	206,993	100.0	2,653,756	(2,919)	-1.4

Segment profit (loss) by industry segment

		2Q of FY2012 (July 1, 2011 - September 30, 2011)		2Q of FY2013 (July 1, 2012 - September 30, 2012)			Change	
		(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Passive Components		1,266	1.3	(2,499)	-2.8	(32,038)	(3,765)	-
Magnetic Application Products		9,474	11.7	13,158	15.8	168,692	3,684	38.9
Film Application Products		2,622	11.7	5,040	18.2	64,615	2,418	92.2
Other		(1,230)	-18.5	(459)	-8.8	(5,884)	771	-
Sub total		12,132	5.8	15,240	7.4	195,385	3,108	25.6
Corporate and Eliminations		(3,666)		(4,086)		(52,385)	(420)	
Operating income		8,466	4.0	11,154	5.4	143,000	2,688	31.8

Notes:

1. U.S.\$1=Yen 78, for convenience only.
2. Figures related to discontinued operations are excluded for the second quarter of FY 2012.

(6) Notes Concerning Significant Changes in Stockholders' Equity

Nothing to report.

(7) Consolidated Supplementary Information

1. Exchange rates used for conversion

Term Item	As of September 30, 2011		As of September 30, 2012		As of March 31, 2012	
	US\$=Yen	Euro=Yen	US\$=Yen	Euro=Yen	US\$=Yen	Euro=Yen
The end of the period	76.65	104.11	77.60	100.24	82.19	109.80

2. Sales by region

【1st half results】

Term Region	1H of FY2012 (April 1, 2011 - September 30, 2011)		1H of FY2013 (April 1, 2012 - September 30, 2012)			Change	
	(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Americas	42,726	10.3	44,312	10.6	568,103	1,586	3.7
Europe	66,965	16.1	54,466	13.1	698,282	(12,499)	-18.7
Asia and others	254,815	61.2	259,275	62.4	3,324,038	4,460	1.8
Overseas sales total	364,506	87.6	358,053	86.1	4,590,423	(6,453)	-1.8
Japan	51,604	12.4	57,593	13.9	738,372	5,989	11.6
Net sales	416,110	100.0	415,646	100.0	5,328,795	(464)	-0.1

【2nd quarter results】

Term Region	2Q of FY2012 (July 1, 2011 - September 30, 2011)		2Q of FY2013 (July 1, 2012 - September 30, 2012)			Change	
	(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Americas	21,321	10.2	21,425	10.4	274,680	104	0.5
Europe	32,116	15.3	26,693	12.9	342,218	(5,423)	-16.9
Asia and others	129,334	61.6	130,854	63.2	1,677,615	1,520	1.2
Overseas sales total	182,771	87.1	178,972	86.5	2,294,513	(3,799)	-2.1
Japan	27,141	12.9	28,021	13.5	359,243	880	3.2
Net sales	209,912	100.0	206,993	100.0	2,653,756	(2,919)	-1.4

Notes:

1. Overseas sales are based on the location of the customers.
2. U.S.\$1=Yen 78, for convenience only.
3. Net sales related to display business, which is discontinued operations, are excluded.

3. Company group

As of September 30, 2012, TDK had 119 consolidated subsidiaries (12 in Japan and 107 overseas). TDK also had 9 affiliates (5 in Japan and 4 overseas), the financial statements for which are accounted for by the equity method.

4. Overview of net sales by product

Term Product	1Q of FY2012 (April 1, 2011 - June 30, 2011)		2Q of FY2012 (July 1, 2011 - September 30, 2011)		3Q of FY2012 (October 1, 2011 - December 31, 2011)		4Q of FY2012 (January 1, 2012 - March 31, 2012)	
	(Yen millions)	%	(Yen millions)	%	(Yen millions)	%	(Yen millions)	%
Capacitors	36,080	17.5	34,150	16.3	30,553	16.0	31,581	15.3
Inductive devices	32,879	15.9	31,354	14.9	28,582	14.9	28,386	13.7
Other	32,751	15.9	34,387	16.4	30,353	15.9	30,520	14.7
Passive Components	101,710	49.3	99,891	47.6	89,488	46.8	90,487	43.7
Recording devices	55,235	26.8	53,305	25.4	42,024	22.0	58,164	28.1
Other	24,364	11.8	27,681	13.2	25,978	13.5	29,651	14.3
Magnetic Application Products	79,599	38.6	80,986	38.6	68,002	35.5	87,815	42.4
Film Application Products	18,024	8.8	22,401	10.7	28,150	14.7	24,152	11.7
Other	6,865	3.3	6,634	3.1	5,702	3.0	4,591	2.2
Consolidated total	206,198	100.0	209,912	100.0	191,342	100.0	207,045	100.0

Term Product	1Q of FY2013 (April 1, 2012 - June 30, 2012)		2Q of FY2013 (July 1, 2012 - September 30, 2012)		
	(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)
Capacitors	31,434	15.1	29,246	14.1	374,949
Inductive devices	28,206	13.5	29,629	14.3	379,859
Other	31,840	15.2	31,741	15.4	406,936
Passive Components	91,480	43.8	90,616	43.8	1,161,744
Recording devices	59,926	28.7	55,798	27.0	715,359
Other	28,254	13.6	27,634	13.3	354,282
Magnetic Application Products	88,180	42.3	83,432	40.3	1,069,641
Film Application Products	23,232	11.1	27,743	13.4	355,679
Other	5,761	2.8	5,202	2.5	66,692
Consolidated total	208,653	100.0	206,993	100.0	2,653,756

Notes: 1. U.S.\$1=Yen 78, for convenience only.

2. Net sales related to display business, which is discontinued operations, are excluded. And net sales for FY 2012 are restated based on the currently effective reportable segment.

Current 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
Other	Mechatronics (production equipments), other

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