

(9) Fair Value of Securities

(Yen millions)	Cost	Gross Unrealized Holding Gains	Gross Unrealized Holding Losses	Fair Value
As of March 31, 2013				
Marketable securities (Debt securities):				
Government bonds	899	1	-	900
Investments (Debt securities):				
Commercial papers	57	40	-	97
Public-utility bonds	2	-	-	2
Investments (Equity securities):				
Manufacturing companies	10,205	2,738	957	11,986
Other	1,163	183	-	1,346
Investments (Mutual funds)	961	64	-	1,025
Total	13,287	3,026	957	15,356
As of March 31, 2014				
Investments (Debt securities):				
Government bonds	1,302	-	0	1,302
Commercial papers	64	61	-	125
Public-utility bonds	3	-	-	3
Investments (Equity securities):				
Manufacturing companies	8,391	7,728	12	16,107
Other	1,166	348	-	1,514
Investments (Mutual funds)	1,155	129	-	1,284
Total	12,081	8,266	12	20,335

(U.S.\$ thousands)	Cost	Gross Unrealized Holding Gains	Gross Unrealized Holding Losses	Fair Value
As of March 31, 2014				
Investments (Debt securities):				
Government bonds	12,641	-	0	12,641
Commercial papers	621	593	-	1,214
Public-utility bonds	29	-	-	29
Investments (Equity securities):				
Manufacturing companies	81,466	75,029	117	156,378
Other	11,320	3,379	-	14,699
Investments (Mutual funds)	11,214	1,252	-	12,466
Total	117,291	80,253	117	197,427

Note:

U.S.\$1=Yen 103, for convenience only.

(10) Fair Value of Derivatives

(Yen millions)	Contract Amount	Carrying Amount	Estimated Fair Value
As of March 31, 2013			
Forward foreign exchange contracts	60,877	(577)	(577)
Currency swaps	32,130	904	904
As of March 31, 2014			
Forward foreign exchange contracts	94,707	295	295
Currency swaps	34,022	161	161
Commodity forward transactions	1,297	46	46

(U.S.\$ thousands)	Contract Amount	Carrying Amount	Estimated Fair Value
As of March 31, 2014			
Forward foreign exchange contracts	919,485	2,864	2,864
Currency swaps	330,311	1,563	1,563
Commodity forward transactions	12,592	447	447

Note:

U.S.\$1=Yen 103, for convenience only.

(11) Net Income per Share

Item	Term	FY2013 (April 1, 2012 - March 31, 2013)		FY2014 (April 1, 2013 - March 31, 2014)	
		Basic	Diluted	Basic	Diluted
		(Yen millions)		(Yen millions)	
Income from continuing operations attributable to TDK		1,822	1,302	18,940	17,896
Loss from discontinued operations attributable to TDK		(627)	(627)	(2,652)	(2,652)
Net income attributable to TDK		1,195	675	16,288	15,244
		Number of shares (Thousands)		Number of shares (Thousands)	
Weighted average common shares outstanding		125,852	125,852	125,808	125,808
Incremental shares arising from the exercise of stock options		-	178	-	207
Weighted average common shares outstanding - Total		125,852	126,030	125,808	126,015
		(Yen)		(Yen)	
Per common share :					
Income from continuing operations attributable to TDK		14.48	10.33	150.55	142.01
Loss from discontinued operations attributable to TDK		(4.98)	(4.98)	(21.08)	(21.08)
Net income attributable to TDK		9.50	5.36	129.47	120.97

Item	Term	FY2014 (April 1, 2013 - March 31, 2014)	
		Basic	Diluted
		(U.S.\$ thousands)	
Income from continuing operations attributable to TDK		183,884	173,748
Loss from discontinued operations attributable to TDK		(25,748)	(25,748)
Net income attributable to TDK		158,136	148,000
		Number of shares (Thousands)	
Weighted average common shares outstanding		125,808	125,808
Incremental shares arising from the exercise of stock options		-	207
Weighted average common shares outstanding - Total		125,808	126,015
		(U.S.\$)	
Per common share :			
Income from continuing operations attributable to TDK		1.46	1.38
Loss from discontinued operations attributable to TDK		(0.20)	(0.20)
Net income attributable to TDK		1.26	1.17

Notes:

1. U.S.\$1=Yen 103, for convenience only.
2. The dilution of income from continuing operations attributable to TDK and net income attributable to TDK were caused by presuming the exercise of stock options issued by a subsidiary of TDK Corporation.
3. Per common share data are calculated separately for income from continuing operations attributable to TDK, loss from discontinued operations attributable to TDK and net income attributable to TDK. Consequently diluted net income attributable to TDK per share for FY2013 and FY2014 were not equal to the sum of diluted income from continuing operations attributable to TDK per share and loss from discontinued operations attributable to TDK per share.

(12) Significant Subsequent Events

Nothing to report.