

8) Segment Information

The following industry and geographic segment information are required by the Japanese Financial Instruments Exchange Law.

1. Industry segment information

Term Product	The 3rd quarter of FY2007 (Oct. 1, 2006 - Dec. 31, 2006)		The 3rd quarter of FY2008 (October 1, 2007 - December 31, 2007)			Change	
	(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Electronic materials and components							
Net sales	194,541	100.0	217,766	100.0	1,910,228	23,225	11.9
External sales	194,541		217,766		1,910,228	23,225	11.9
Intersegment	-		-		-	-	-
Operating expenses	171,533	88.2	190,833	87.6	1,673,973	19,300	11.3
Operating income	23,008	11.8	26,933	12.4	236,255	3,925	17.1
Recording media							
Net sales	28,712	100.0	7,576	100.0	66,456	(21,136)	-73.6
External sales	28,712		7,576		66,456	(21,136)	-73.6
Intersegment	-		-		-	-	-
Operating expenses	28,579	99.5	7,792	102.9	68,351	(20,787)	-72.7
Operating income (loss)	133	0.5	(216)	-2.9	(1,895)	(349)	-
TOTAL							
Net sales	223,253	100.0	225,342	100.0	1,976,684	2,089	0.9
External sales	223,253		225,342		1,976,684	2,089	0.9
Intersegment	-		-		-	-	-
Operating expenses	200,112	89.6	198,625	88.1	1,742,324	(1,487)	-0.7
Operating income	23,141	10.4	26,717	11.9	234,360	3,576	15.5

9-month-period results

Term Product	The 9-month-period of FY2007 (April 1, 2006 - Dec. 31, 2006)		The 9-month-period of FY2008 (April 1, 2007 - December 31, 2007)			Change		FY2007 (April 1, 2006 - March 31, 2007)	
	(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)	(Yen millions)	%
Electronic materials and components									
Net sales	571,248	100.0	616,187	100.0	5,405,149	44,939	7.9	758,821	100.0
External sales	571,248		616,187		5,405,149	44,939	7.9	758,821	
Intersegment	-		-		-	-	-	-	
Operating expenses	507,673	88.9	553,214	89.8	4,852,755	45,541	9.0	677,046	89.2
Operating income	63,575	11.1	62,973	10.2	552,394	(602)	-0.9	81,775	10.8
Recording media									
Net sales	76,843	100.0	42,243	100.0	370,553	(34,600)	-45.0	103,204	100.0
External sales	76,843		42,243		370,553	(34,600)	-45.0	103,204	
Intersegment	-		-		-	-	-	-	
Operating expenses	79,013	102.8	31,354	74.2	275,035	(47,659)	-60.3	105,389	102.1
Operating income (loss)	(2,170)	-2.8	10,889	25.8	95,518	13,059	-	(2,185)	-2.1
TOTAL									
Net sales	648,091	100.0	658,430	100.0	5,775,702	10,339	1.6	862,025	100.0
External sales	648,091		658,430		5,775,702	10,339	1.6	862,025	
Intersegment	-		-		-	-	-	-	
Operating expenses	586,686	90.5	584,568	88.8	5,127,790	(2,118)	-0.4	782,435	90.8
Operating income	61,405	9.5	73,862	11.2	647,912	12,457	20.3	79,590	9.2

Notes:

1. U.S.\$1=Yen 114, for convenience only.
2. Electronic materials and components products:
Multilayer ceramic chip capacitors, Rare-earth magnets, Inductors, Switching power supplies, HDD heads, Organic EL displays
Recording media products:
Audio tapes, Video tapes, CD-Rs, MDs, DVDs, Tape-based data storage media for computers

2. Geographic segment information

Term		The 3rd quarter of FY2007 (Oct. 1, 2006 - Dec. 31, 2006)		The 3rd quarter of FY2008 (October 1, 2007 - December 31, 2007)			Change	
		(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Region	Net sales	102,397	100.0	102,895	100.0	902,588	498	0.5
	Operating income	9,584	9.4	9,758	9.5	85,597	174	1.8
Americas	Net sales	28,267	100.0	26,194	100.0	229,772	(2,073)	-7.3
	Operating income	916	3.2	2,953	11.3	25,904	2,037	222.4
Europe	Net sales	22,465	100.0	11,130	100.0	97,631	(11,335)	-50.5
	Operating income (loss)	503	2.2	(1,352)	-12.1	(11,860)	(1,855)	-
Asia and others	Net sales	146,392	100.0	170,188	100.0	1,492,877	23,796	16.3
	Operating income	12,960	8.9	14,486	8.5	127,070	1,526	11.8
Intersegment eliminations	Net sales	76,268		85,065		746,184	8,797	
	Operating income (loss)	822		(872)		(7,649)	(1,694)	
Total	Net sales	223,253	100.0	225,342	100.0	1,976,684	2,089	0.9
	Operating income	23,141	10.4	26,717	11.9	234,360	3,576	15.5

9-month-period results

Term		The 9-month-period of FY2007 (April 1, 2006 - Dec. 31, 2006)		The 9-month-period of FY2008 (April 1, 2007 - December 31, 2007)			Change		FY2007 (April 1, 2006 - March 31, 2007)	
		(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)	(Yen millions)	%
Region	Net sales	296,205	100.0	304,155	100.0	2,668,026	7,950	2.7	397,147	100.0
	Operating income	24,713	8.3	40,015	13.2	351,009	15,302	61.9	31,277	7.9
Americas	Net sales	85,422	100.0	82,256	100.0	721,544	(3,166)	-3.7	111,689	100.0
	Operating income	5,697	6.7	8,237	10.0	72,254	2,540	44.6	7,869	7.0
Europe	Net sales	61,539	100.0	43,097	100.0	378,044	(18,442)	-30.0	84,329	100.0
	Operating income (loss)	(421)	-0.7	(5,018)	-11.6	(44,018)	(4,597)	-	(3)	-0.0
Asia and others	Net sales	433,777	100.0	482,911	100.0	4,236,062	49,134	11.3	572,979	100.0
	Operating income	32,128	7.4	30,729	6.4	269,553	(1,399)	-4.4	41,515	7.2
Intersegment eliminations	Net sales	228,852		253,989		2,227,974	25,137		304,119	
	Operating income	712		101		886	(611)		1,068	
Total	Net sales	648,091	100.0	658,430	100.0	5,775,702	10,339	1.6	862,025	100.0
	Operating income	61,405	9.5	73,862	11.2	647,912	12,457	20.3	79,590	9.2

Notes:

1. Net sales in each geographic area are based on the location of TDK entities where the sales are generated.
2. U.S.\$1=Yen 114, for convenience only.

3. Sales by region

Term		The 3rd quarter of FY2007 (Oct. 1, 2006 - December 31, 2006)		The 3rd quarter of FY2008 (October 1, 2007 - December 31, 2007)			Change	
		(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Americas	Net sales	26,872	12.0	24,126	10.7	211,632	(2,746)	-10.2
Europe	Net sales	22,279	10.0	13,346	5.9	117,070	(8,933)	-40.1
Asia and others	Net sales	129,353	58.0	149,021	66.2	1,307,202	19,668	15.2
Overseas sales total	Net sales	178,504	80.0	186,493	82.8	1,635,904	7,989	4.5
Japan	Net sales	44,749	20.0	38,849	17.2	340,780	(5,900)	-13.2
Net sales	Net sales	223,253	100.0	225,342	100.0	1,976,684	2,089	0.9

9-month-period results

Term		The 9-month-period of FY2007 (April 1, 2006 - December 31, 2006)		The 9-month-period of FY2008 (April 1, 2007 - December 31, 2007)			Change		FY2007 (April 1, 2006 - March 31, 2007)	
		(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)	(Yen millions)	%
Americas	Net sales	78,197	12.1	75,073	11.4	658,535	(3,124)	-4.0	103,124	11.9
Europe	Net sales	61,149	9.4	46,225	7.0	405,482	(14,924)	-24.4	83,545	9.7
Asia and others	Net sales	381,059	58.8	422,016	64.1	3,701,895	40,957	10.7	504,004	58.5
Overseas sales total	Net sales	520,405	80.3	543,314	82.5	4,765,912	22,909	4.4	690,673	80.1
Japan	Net sales	127,686	19.7	115,116	17.5	1,009,790	(12,570)	-9.8	171,352	19.9
Net sales	Net sales	648,091	100.0	658,430	100.0	5,775,702	10,339	1.6	862,025	100.0

Notes:

1. Overseas sales are based on the location of the customers.
2. U.S.\$1=Yen 114, for convenience only.