8) Segment Information

1. Industry segment information

Recording media sales have dropped sharply due to the August 2007 transfer of the TDK brand recording media sales business and as a result these sales now account for less than 10% of total net sales. Because the electronic materials and components segment accounted for more than 90% of total net sales and operating income, segment information has been omitted.

2. Geographic segment information

| | Term | 1Q of FY2008 | | 10 | | | | |
|---------------------------|-------------------------|------------------|-------|------------------|----------|--------------------|----------------|-----------|
| | | (April 1, 2007 - | | (April 1, 2008 - | | | Change | |
| | | June 30, 2007) | | Ju | ne 30, 2 | | | |
| Region | | (Yen millions) | % | (Yen millions) | % | (U.S.\$ thousands) | (Yen millions) | Change(%) |
| Japan | Net sales | 99,785 | 100.0 | 84,062 | 100.0 | 793,038 | (15,723) | -15.8 |
| | Operating income (loss) | 9,454 | 9.5 | (1,772) | -2.1 | (16,717) | (11,226) | - |
| Americas | Net sales | 27,212 | 100.0 | 21,862 | 100.0 | 206,245 | (5,350) | -19.7 |
| | Operating income | 621 | 2.3 | 1,127 | 5.2 | 10,632 | 506 | 81.5 |
| Europe | Net sales | 18,318 | 100.0 | 10,756 | 100.0 | 101,472 | (7,562) | -41.3 |
| | Operating income (loss) | (498) | -2.7 | 12 | 0.1 | 113 | 510 | - |
| Asia and others | Net sales | 142,860 | 100.0 | 141,994 | 100.0 | 1,339,566 | (866) | -0.6 |
| | Operating income | 6,600 | 4.6 | 6,940 | 4.9 | 65,472 | 340 | 5.2 |
| Intersegment eliminations | Net sales | 81,476 | | 68,051 | | 641,991 | (13,425) | |
| | Operating income | 48 | | 914 | | 8,623 | 866 | |
| Total | Net sales | 206,699 | 100.0 | 190,623 | 100.0 | 1,798,330 | (16,076) | -7.8 |
| | Operating income | 16,129 | 7.8 | 5,393 | 2.8 | 50,877 | (10,736) | -66.6 |

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 106, for convenience only.

3. Sales by region

| Term | 1Q of FY2008 | | 10 | | | | | | | | |
|----------------------|------------------|-------|----------------|--------|--------------------|----------------|-----------|--|--|--|--|
| | (April 1, 2007 - | | (A | Change | | | | | | | |
| | June 30, 2007) | | Ju | | | | | | | | |
| Region | (Yen millions) | % | (Yen millions) | % | (U.S.\$ thousands) | (Yen millions) | Change(%) | | | | |
| Americas | 24,735 | 12.0 | 22,590 | 11.9 | 213,113 | (2,145) | -8.7 | | | | |
| Europe | 18,010 | 8.7 | 12,151 | 6.4 | 114,632 | (5,859) | -32.5 | | | | |
| Asia and others | 125,011 | 60.5 | 123,417 | 64.7 | 1,164,312 | (1,594) | -1.3 | | | | |
| Overseas sales total | 167,756 | 81.2 | 158,158 | 83.0 | 1,492,057 | (9,598) | -5.7 | | | | |
| Japan | 38,943 | 18.8 | 32,465 | 17.0 | 306,273 | (6,478) | -16.6 | | | | |
| Net sales | 206,699 | 100.0 | 190,623 | 100.0 | 1,798,330 | (16,076) | -7.8 | | | | |

Notes:

- 1. Overseas sales are based on the location of the customers.
- 2. U.S.\$1=Yen 106, for convenience only.