

#### (4) Notes Concerning Going Concern Assumption

Nothing to report.

#### (5) Segment Information

In the past, TDK prepared segment information in accordance with Japan's regulations for consolidated financial statements in conformity with applicable exemption provisions in the U.S. Due to a revision to the exemption provisions by the U.S. Securities and Exchange Commission in September 2008, with the objective of strengthening reporting by foreign issuers, TDK has disclosed segment information in accordance with Accounting Standards Codification ("ASC") 280, "Segment Reporting," issued by the U.S. Financial Accounting Standards Board ("FASB"), generally accepted accounting principles in the U.S.

TDK classifies its businesses into two segments: 1) Passive Components and 2) Magnetic Application Products, and Other. For details, please see on page 17.

##### 【1st half results】

##### Net sales by industry segment

		1H of FY2010 (April 1, 2009 - September 30, 2009)		1H of FY2011 (April 1, 2010 - September 30, 2010)			Change	
		(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Passive Components	External customers	173,977	45.1	214,562	48.5	2,554,309	40,585	23.3
	Intersegment	43		1,141		13,584	1,098	-
	Total	174,020		215,703		2,567,893	41,683	24.0
Magnetic Application Products	External customers	183,182	47.5	192,506	43.5	2,291,738	9,324	5.1
	Intersegment	1,919		3,045		36,250	1,126	58.7
	Total	185,101		195,551		2,327,988	10,450	5.6
Other	External customers	28,692	7.4	35,166	8.0	418,643	6,474	22.6
	Intersegment	4,115		6,432		76,571	2,317	56.3
	Total	32,807		41,598		495,214	8,791	26.8
Intersegment eliminations		(6,077)		(10,618)		(126,405)	(4,541)	
Consolidated total		385,851	100.0	442,234	100.0	5,264,690	56,383	14.6

##### Segment profit (loss) by industry segment

		1H of FY2010 (April 1, 2009 - September 30, 2009)		1H of FY2011 (April 1, 2010 - September 30, 2010)			Change	
		(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Passive Components		(8,992)	-5.2	13,454	6.3	160,167	22,446	-
Magnetic Application Products		17,213	9.4	28,613	14.9	340,631	11,400	66.2
Other		2,038	7.1	2,731	7.8	32,512	693	34.0
Sub total		10,259	2.7	44,798	10.1	533,310	34,539	336.7
Corporate and Eliminations		(4,857)		(7,610)		(90,596)	(2,753)	
Operating income		5,402	1.4	37,188	8.4	442,714	31,786	588.4

##### Note:

U.S.\$1=Yen 84, for convenience only.

**【2nd quarter results】**

**Net sales by industry segment**

		2Q of FY2010 (July 1, 2009 - September 30, 2009)		2Q of FY2011 (July 1, 2010 - September 30, 2010)			Change	
		(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Passive Components	External customers	93,754	45.9	109,481	49.7	1,303,345	15,727	16.8
	Intersegment	24		595		7,083	571	-
	Total	93,778		110,076		1,310,428	16,298	17.4
Magnetic Application Products	External customers	96,252	47.1	92,244	41.9	1,098,143	(4,008)	-4.2
	Intersegment	1,011		1,555		18,512	544	53.8
	Total	97,263		93,799		1,116,655	(3,464)	-3.6
Other	External customers	14,299	7.0	18,584	8.4	221,238	4,285	30.0
	Intersegment	2,239		3,615		43,036	1,376	61.5
	Total	16,538		22,199		264,274	5,661	34.2
Intersegment eliminations		(3,274)		(5,765)		(68,631)	(2,491)	
Consolidated total		204,305	100.0	220,309	100.0	2,622,726	16,004	7.8

**Segment profit by industry segment**

		2Q of FY2010 (July 1, 2009 - September 30, 2009)		2Q of FY2011 (July 1, 2010 - September 30, 2010)			Change	
		(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Passive Components		159	0.2	7,271	6.6	86,560	7,112	-
Magnetic Application Products		11,315	11.8	12,536	13.6	149,238	1,221	10.8
Other		1,233	8.6	1,680	9.0	20,000	447	36.3
Sub total		12,707	6.2	21,487	9.8	255,798	8,780	69.1
Corporate and Eliminations		(3,660)		(4,508)		(53,667)	(848)	
Operating income		9,047	4.4	16,979	7.7	202,131	7,932	87.7

**Note:**

U.S.\$1=Yen 84, for convenience only.

**(6) Notes Concerning Significant Change in Stockholders' Equity**

Nothing to report.