

## (2) Statements of Income

Term Item	1Q of FY2011 (April 1, 2010 - June 30, 2010)		1Q of FY2012 (April 1, 2011 - June 30, 2011)			Change	
	(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Net sales	221,925	100.0	206,771	100.0	2,552,728	(15,154)	-6.8
Cost of sales	164,790	74.3	157,443	76.1	1,943,740	(7,347)	-4.5
Gross profit	57,135	25.7	49,328	23.9	608,988	(7,807)	-13.7
Selling, general and administrative expenses	36,926	16.6	43,685	21.2	539,321	6,759	18.3
Operating income	20,209	9.1	5,643	2.7	69,667	(14,566)	-72.1
Other income (deductions):							
Interest and dividend income	355		358		4,420	3	
Interest expense	(652)		(765)		(9,445)	(113)	
Foreign exchange gain	(1,131)		(602)		(7,432)	529	
Other-net	37		(1,312)		(16,198)	(1,349)	
Total other income (deductions)	(1,391)	-0.6	(2,321)	-1.1	(28,655)	(930)	-
Income before income taxes	18,818	8.5	3,322	1.6	41,012	(15,496)	-82.3
Income taxes	4,332	2.0	906	0.4	11,185	(3,426)	-79.1
Net income	14,486	6.5	2,416	1.2	29,827	(12,070)	-83.3
Less: Net income (loss) attributable to noncontrolling interests	(37)	-0.0	(7)	-0.0	(87)	30	-
Net income attributable to TDK	14,523	6.5	2,423	1.2	29,914	(12,100)	-83.3

**Note:**

U.S.\$1=Yen 81, for convenience only.