

consolidated statements of cash flows

TDK Corporation and Subsidiaries
years ended March 31, 2000, 1999 and 1998

annual report 2000 e-material solution provider TDK Corporation

	Yen (Millions)			U.S. Dollars (Thousands) (Note 2)
	2000	1999	1998	2000
Cash flows from operating activities:				
Net income	¥ 50,730	46,007	58,371	\$ 478,585
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	53,846	50,960	45,663	507,981
Loss on disposal of property and equipment	2,156	2,328	1,821	20,340
Deferred income taxes	(3,375)	5,273	12,880	(31,840)
Gain on sale of investment securities	(1,452)	(14,342)	–	(13,698)
Loss on settlement of debt securities	–	15,001	–	–
Other noncash charges – net	7,662	8,650	4,410	72,283
Changes in assets and liabilities:				
Decrease (increase) in trade receivables	(24,427)	11,741	(16,414)	(230,443)
Decrease (increase) in inventories	(9,408)	7,795	(2,429)	(88,755)
Increase in trade payables	20,002	3,832	3,254	188,698
Increase (decrease) in income taxes	2,566	39	(5,246)	24,207
Other – net	(4,392)	(10,960)	(3,953)	(41,434)
Net cash provided by operating activities	93,908	126,324	98,357	885,924
Cash flows from investing activities:				
Capital expenditures	(84,780)	(54,330)	(61,768)	(799,811)
Proceeds from sale of investments	4,256	26,418	4	40,151
Payment for purchase of investments	(17,189)	(27,539)	(603)	(162,161)
Proceeds from sale and settlement of marketable securities	–	4,171	–	–
Proceeds from maturities of marketable securities	–	6,263	600	–
Payment for purchase of marketable securities	(1,993)	(18,250)	(8,700)	(18,802)
Other – net	929	458	(441)	8,764
Net cash used in investing activities	(98,777)	(62,809)	(70,908)	(931,859)
Cash flows from financing activities:				
Proceeds from long-term debt	72	83	1,106	679
Repayment of long-term debt	(2,505)	(1,512)	(3,004)	(23,632)
Decrease in short-term debt	(1,694)	(1,699)	(2,724)	(15,981)
Dividends paid	(8,658)	(7,992)	(7,991)	(81,679)
Net cash used in financing activities	(12,785)	(11,120)	(12,613)	(120,613)
Effect of exchange rate changes on cash and cash equivalents	(7,946)	(6,742)	1,843	(74,962)
Net increase (decrease) in cash and cash equivalents	(25,600)	45,653	16,679	(241,510)
Cash and cash equivalents at beginning of period	200,119	154,466	137,787	1,887,915
Cash and cash equivalents at end of period	¥174,519	200,119	154,466	\$1,646,405

See accompanying notes to consolidated financial statements.