

Cautionary Statements with Respect to Forward-Looking Statements

Estimates for TDK's future operating results contained in this annual report are based on information currently available to TDK and its group members and are subject to risks and uncertainties. Consequently, these projections should not be relied upon as the sole basis for evaluating TDK. Actual results may differ substantially from the projections depending on a number of factors.

The electronics markets in which TDK operates are highly susceptible to rapid changes. Furthermore, TDK operates not only in Japan, but in many other countries. As such, factors that can have significant effects on its results include, but are not limited to, shifts in technology, demand, prices, competition, economic environments and foreign exchange rates.

About TDK

TDK was established in 1935 as the world's first company to commercialize a magnetic material called ferrite. In the ensuing years, TDK has conducted research and development programs in ferrite and a variety of other electronic materials and components. This drive was based on the company's founding spirit of "contribute to culture and industry through creativity."

Today, we continue to deliver innovative products that are tuned precisely to our customers' needs. In doing so, we leverage a combination of know-how and process technology refined over years of specialization in electronic materials.

"e-material solution provider" is the key phrase that symbolizes the TDK of today.



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TO OUR STAKEHOLDERS

In his message, President and CEO Hajime Sawabe reaffirms TDK's commitment to the goals of Exciting 108 and sets out the specific themes for fiscal 2002.

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EXCITING 108 PROGRESS REPORT

A statistics-based comparison between fiscal 2001 results and Exciting 108 targets, focusing on growth rates for strategic fields, profitability and asset utilization.

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ENVIRONMENTAL ACTIVITIES

With environmental concerns constituting an important theme of Exciting 108, this section details how plans are being turned into action.

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AT THE FOREFRONT OF PROGRESS

Communications and Recording are the strategic markets of the moment for TDK. This four-page feature sets out new technologies and the actions TDK is taking to ensure that it remains at the vanguard of progress in the development and application of such technologies.

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This section offers an overview of TDK's product sectors, listing the products included in each sector and sales figures for fiscal 2000 and fiscal 2001.

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