

3) Statements of income

Term Items	The 1st Qtr. of FY2003 (April 1, 2002 - June 30, 2002)			The 1st Qtr. of FY2002 (April 1, 2001 - June 30, 2001)		Change	
	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	%	(Yen millions)	%
Net sales	148,708	100.0	1,239,233	140,244	100.0	8,464	6.0
Cost of sales	112,197	75.4	934,975	106,202	75.7	5,995	5.6
Gross profit	36,511	24.6	304,258	34,042	24.3	2,469	7.3
Selling, general and administrative expenses	29,713	20.0	247,608	31,453	22.5	(1,740)	(5.5)
Restructuring cost	812	0.6	6,767	-	-	812	-
Operating income	5,986	4.0	49,883	2,589	1.8	3,397	131.2
Other income (deductions):							
Interest and dividend income	325		2,708	713		(388)	
Interest expense	(118)		(983)	(360)		242	
Foreign exchange gain (loss)	(2,890)		(24,083)	(92)		(2,798)	
Other-net	0		0	(286)		286	
Total other income (deductions)	(2,683)	(1.8)	(22,358)	(25)	-	(2,658)	-
Income before income taxes	3,303	2.2	27,525	2,564	1.8	739	28.8
Income taxes	1,103	0.7	9,192	1,257	0.9	(154)	(12.3)
Income before minority interests	2,200	1.5	18,333	1,307	0.9	893	68.3
Minority interests	39	-	325	100	-	61	61.0
Net income	2,161	1.5	18,008	1,207	0.9	954	79.0
Net income per common share	Yen 16.27		U.S.\$ 0.14	Yen 9.07			
Average common shares outstanding	132,859	thousands		133,019	thousands		

Notes:

1. The figures for net income per common share are calculated based upon the weighted average number of shares of common stock (the total outstanding number).
2. TDK adopted the Emerging Issues Task Force Issue 01-9 ("EITF 01-9"), "Accounting for Consideration Given by a Vendor to a Customer (Including a Reseller of the Vendor's Products)" from the fiscal year beginning April 1, 2002 and has applied EITF 01-9 retroactively.
3. Statements of income for the 1st quarter of FY2003 and FY2002 are unaudited by independent auditors.
4. U.S.\$1=Yen 120