

3. Summary Information Regarding Consolidated Projections [Fiscal 2009 Consolidated Projections]

TDK's projections for consolidated operating results, capital expenditures, depreciation and amortization, and research and development expenses for fiscal 2009, the year ending March 31, 2009, are as follows.

[Consolidated Projections for Fiscal 2009]

| Item \ Term | October 2008 Announcement FY2009 (Forecasts) (¥ millions) | FY2008 (Actual) (¥ millions) | Change from FY2008 (¥ millions) | % change from FY2008 | July 2008 Announcement FY2009 (Forecasts) (¥ millions) |
|-------------------------------|---|------------------------------------|---------------------------------------|----------------------------|--|
| Net sales | 795,000 | 866,285 | (71,285) | -8.2 | 862,000 |
| Operating income | 35,000 | 87,175 | (52,175) | -59.9 | 69,000 |
| Income before income taxes | 31,600 | 91,505 | (59,905) | -65.5 | 73,500 |
| Net income | 25,000 | 71,461 | (46,461) | -65.0 | 55,500 |

[Projections for Capital Expenditures, Depreciation and Amortization, and Research and Development Expenses]

(¥ millions)

| Item \ Term | FY2009 (Forecasts) | | FY2008 (Actual) | |
|-----------------------------------|-----------------------|------------|--------------------|------------|
| | Amount | % of sales | Amount | % of sales |
| Capital expenditures | 85,000 | - | 84,312 | - |
| Depreciation and amortization | 77,000 | 9.7 | 71,297 | 8.2 |
| Research and development expenses | 54,000 | 6.8 | 57,387 | 6.6 |

(Notes)

TDK has revised its projections for fiscal 2009 in consideration of a deterioration in the operating environment from that initially assumed, resulting from the negative effect of the financial crisis triggered in the U.S. on the real economy worldwide.

(Projections for main products are as follows:)

Electronic Materials and Electronic Devices

Looking at the markets for electronic materials and electronic devices, supply-demand conditions are worse than initially expected and are expected to remain difficult in the second half of fiscal 2009. For this reason, TDK has revised its sales plans assuming that severe price declines will continue going forward and that the market for the full year will contract compared with the previous fiscal year.

Recording Devices

Growth is forecast on a volume basis for HDD demand in fiscal 2009. Accordingly, demand for HDD heads is similarly forecast to expand. However, TDK has revised its sales plans assuming that downward pressure on HDD head prices will increase.

(Exchange Rate Forecast)

An average yen-U.S. dollar exchange rate of ¥100 is assumed from the third quarter of fiscal 2009 onward.

(Purchase of EPCOS AG Shares)

On October 17, TDK made EPCOS AG (Headquarters: Germany; President and CEO: Gerhard Pegam) a consolidated subsidiary. Forecast results for EPCOS AG have not been reflected in TDK's revised consolidated projections.

Cautionary Statements with Respect to Forward-Looking Statements

This material contains forward-looking statements, including projections, plans, policies, management strategies, targets, schedules, understandings and evaluations, about TDK and its group companies (TDK Group). These forward-looking statements are based on the current forecasts, estimates, assumptions, plans, beliefs and evaluations of TDK Group in light of information currently available to it, and contain known and unknown risks, uncertainties and other factors. TDK Group therefore wishes to caution readers that, being subject to risks, uncertainties and other factors, TDK Group's actual results, performance, achievements or financial position could be materially different from any future results, performance, achievements or financial position expressed or implied by these forward-looking statements, and TDK Group undertakes no obligation to publicly update or revise any forward-looking statements after the issue of this material except as provided for in applicable laws and ordinances.

The electronics markets in which TDK Group operates are highly susceptible to rapid changes. Risks, uncertainties and other factors that can have significant effects on TDK Group include, but are not limited to, shifts in technology, fluctuations in demand, prices, interest and foreign exchange rates, and changes in economic environments, conditions of competition, laws and regulations.

4. Others

In September 2006, the FASB issued Statement of Financial Accounting Standards No. 157 ("SFAS 157"), "Fair Value Measurements". SFAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. TDK adopted SFAS 157 on April 1, 2008. The adoption of SFAS 157 has no material effect on TDK's consolidated financial position and results of operations.