

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	February 2009 Announcement FY2009 (Forecasts) (¥ millions)	FY2008 (Actual) (¥ millions)	Change from FY2008 (¥ millions)	% change from FY2008	January 2009 Announcement FY2009 (Forecasts) (¥ millions)
Net sales	741,000	866,285	(125,285)	-14.5	673,000
Operating income	(38,000)	87,175	(125,175)	-	(26,000)
Income before income taxes	(46,000)	91,505	(137,505)	-	(32,000)
Net income	(42,000)	71,461	(113,461)	-	(28,000)

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

Item \ Term	(¥ millions)			
	FY2009 (Forecasts)		FY2008 (Actual)	
	Amount	% of sales	Amount	% of sales
Capital expenditures	95,000	-	84,312	-
Depreciation and amortization	83,000	11.2	71,297	8.2
Research and development expenses	57,000	7.7	57,387	6.6

(Notes)

The full-year projections announced on January 8, 2009 did not include the expected contribution to results from the acquisition of the EPCOS Group. However, this expected contribution has been factored into the latest projections above.

(Projections for main products are as follows:)

Electronic Materials and Electronic Devices

Looking at markets for electronic materials and electronic devices, supply-demand conditions are worse than initially expected and are expected to remain so in the fourth quarter of fiscal 2009. For these reasons, 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

Sales are forecast to decline on a volume basis year on year because demand conditions for HDDs differ from initial assumptions. Accordingly, TDK has revised its sales plans assuming that sales will track the fall in HDD head demand.

Others

The electronic components markets to which the EPCOS Group sells its products offer similar prospects to markets for electronic materials and electronic devices. Consequently, difficult supply-demand conditions are expected to continue in the fourth quarter.

(Exchange Rate Forecast)

An average yen-U.S. dollar exchange rate of ¥90 and an average yen-euro exchange rate of ¥120 are assumed for the fourth quarter of fiscal 2009.

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

(4-1) Fair Value Measurements

In September 2006, the FASB issued Statement of Financial Accounting Standards No. 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.

(4-2) Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans

In September 2006, the FASB issued Statement of Financial Accounting Standards No. 158 ("SFAS 158"), "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans – an amendment of FASB Statements No. 87, 88, 106 and 132(R)". SFAS 158 requires TDK to measure the fair value of plan assets and benefit obligations as of the date of its fiscal year-end. TDK adopted SFAS 158 on April 1, 2008. TDK will change its measurement date in TDK's fiscal year 2009 annual closing.