

TDK Corporation Consolidated Results

Fiscal Year 2003
(April 1, 2002 – March 31, 2003)

May 7, 2003

Seiji Enami
General Manager
Finance & Accounting Department

This conference will be made in Japanese. Please note that we cannot guarantee the accuracy of the English translation.

Consolidated Results (FY2003)

(Unit:Yen millions)	FY02	FY03	Change	Change (%)
Net sales	570,511	608,880	38,369	6.7%
Cost of sales	464,620	459,616	-5,004	-1.1%
SG & A expenses	123,741	121,839	-1,902	-1.5%
Restructuring cost	25,872	5,345	-20,527	-79.3%
Operating income(loss)	-43,722	22,080	65,802	-
Other income (deductions)	25	-3,999	-4,024	-
Income(loss) before income taxes	-43,697	18,081	61,778	-
Net income(loss)	-25,771	12,019	37,790	-

Balance Sheets (Assets)

(Unit:Yen millions)	Mar. 31, 2002	Mar. 31, 2003	Change
Current assets	399,206	420,962	21,756
Cash and cash equivalents	125,761	170,551	44,790
Net trade receivables	142,827	140,023	-2,804
Inventories	91,149	73,917	-17,232
Other current assets	39,469	36,471	-2,998
Fixed assets	350,704	326,375	-24,329
Capital expenditures	265,590	225,907	-39,683
Others	85,114	100,468	15,354
Total assets	749,910	747,337	-2,573

Balance Sheets (Liabilities and stockholders' equity)

(Unit:Yen millions)	Mar. 31, 2002	Mar. 31, 2003	Change
Current liabilities	110,341	105,014	-5,327
Trade payables	52,609	56,960	4,351
Others	57,732	48,054	-9,678
Fixed liabilities	51,049	85,078	34,029
Minority interests	4,593	3,360	-1,233
Total stockholders' equity	583,927	553,885	-30,042
Accumulated other comprehensive income (loss)	-43,999	-78,824	-34,825
Common stock and others	627,926	632,709	4,783
Total	749,910	747,337	-2,573

Sales Breakdown

(Yen millions)	FY2002	FY2003	Change	Change (%)
Electronic materials and components	432,886	472,529	39,643	9.2%
Electronic materials	161,846	168,949	7,103	4.4%
Electronic devices	105,937	112,729	6,792	6.4%
Recording devices	147,004	175,986	28,982	19.7%
Semiconductors & Others	18,099	14,865	-3,234	-17.9%
Recording media & systems	137,625	136,351	-1,274	-0.9%
Total sales	570,511	608,880	38,369	6.7%

Operating Income by Industry Segment

(Yen millions)	FY2002	FY2003	Change	Change (%)
Electronic materials and components				
Net sales	432,886	472,529	39,643	9.2%
Operating income (loss)	-36,346	20,536	56,882	-
Recording media & systems				
Net sales	137,625	136,351	-1,274	-0.9%
Operating income (loss)	-7,376	1,544	8,920	-
Total				
Net sales	570,511	608,880	38,369	6.7%
Operating income (loss)	-43,722	22,080	65,802	-

Geographic segment information

Region		Term	FY2002		FY2003		Change	
			(Yen millions)	%	(Yen millions)	%	(Yen millions)	%
Japan	Net sales		328,214	100.0	334,882	100.0	6,668	2.0
	Operating income (loss)		(33,252)	-10.1	5,193	1.6	38,445	-
Americas	Net sales		101,910	100.0	101,784	100.0	(126)	-0.1
	Operating income (loss)		(12,712)	-12.5	(1,082)	-1.1	11,630	91.5
Europe	Net sales		78,941	100.0	78,462	100.0	(479)	-0.6
	Operating income (loss)		(3,184)	-4.0	(3,547)	-4.5	(363)	-11.4
Asia and others	Net sales		268,364	100.0	314,918	100.0	46,554	17.3
	Operating income		1,700	0.6	20,640	6.6	18,940	-
Intersegment eliminations	Net sales		206,918		221,166		14,248	
	Operating income (loss)		(3,726)		(876)		2,850	
Total	Net sales		570,511	100.0	608,880	100.0	38,369	6.7
	Operating income (loss)		(43,722)	-7.7	22,080	3.6	65,802	-

Selection and Concentration

As a result of a Selection and Concentration drive initiated at the start of the term, fiscal 2003 profitability improved, if the restructuring costs are excluded.

TDK aims to raise profits further with ongoing Selection and Concentration.



Cautionary Statement 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 that are not historical facts. These forward-looking statements are based on current forecasts, estimates, assumptions, plans, beliefs and evaluations in light of information currently available to management. In preparing forecasts and estimates, TDK and its group companies have used as their basis, certain assumptions as necessary, in addition to confirmed historical facts. However, due to their nature, there is no guarantee that these statements and assumptions will prove to be accurate in the future. TDK therefore wishes to caution readers that these statements, facts and certain assumptions are subject to a number of risks and uncertainties and may prove to be inaccurate.

The electronics markets in which TDK and its group companies operate are highly susceptible to rapid changes. Furthermore, TDK and its group companies operate 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.

Note : Net sales

TDK adopted the Emerging Issues Task Force 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 the prior year's consolidated financial statements have been restated for the change, accordingly. This change only affects the figures for net sale and SG & A expenses; there is no effect on operating income (loss).