

# TDK Corporation Consolidated Results

1<sup>st</sup> Half of Fiscal Year 2004  
(April 1, 2003 –September 30, 2003)

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## Consolidated results for the 1<sup>st</sup> H of FY2004

(Unit:Yen millions)	1 <sup>st</sup> H of FY03	<b>1<sup>st</sup> H of FY04</b>	Change	Change (%)
Net sales	296,380	<b>316,279</b>	19,899	6.7%
Cost of sales	223,738	<b>227,919</b>	4,181	1.9%
SG & A expenses	62,623	<b>64,340</b>	1,717	2.7%
Operating income	10,019	<b>24,020</b>	14,001	139.7%
Net income	4,645	<b>19,257</b>	14,612	314.6%

## Structural reform expenses for the 1<sup>st</sup> H of FY2004

(Unit:Yen 0.1 billions)	1 <sup>st</sup> H of FY03	<b>1<sup>st</sup> H of FY04</b>	Change
Amount included in SG & A expenses	34	<b>15</b>	-19
Amount included in cost of sales	17	<b>11</b>	-6
<b>Total</b>	<b>51</b>	<b>26</b>	<b>-25</b>

## Balance sheets (Assets)

(Unit:Yen millions)	March 31, 2003	<b>Sep. 30, 2003</b>	Change
Current assets	420,962	<b>446,324</b>	25,362
Cash and cash equivalents	170,551	<b>193,406</b>	22,855
Net trade receivables	140,023	<b>141,343</b>	1,320
Inventories	73,917	<b>77,663</b>	3,746
Other current assets	36,471	<b>33,912</b>	-2,559
Fixed assets	326,375	<b>304,391</b>	-21,984
Capital expenditures	225,907	<b>216,670</b>	-9,237
Others	100,468	<b>87,721</b>	-12,747
<b>Total assets</b>	<b>747,337</b>	<b>750,715</b>	<b>3,378</b>

## Balance sheets (Liabilities and stockholders' equity)

(Unit:Yen millions)	March 31, 2003	<b>Sep. 30, 2003</b>	Change
Current liabilities	105,014	<b>109,836</b>	4,822
Noncurrent liabilities	85,078	<b>75,989</b>	-9,089
Retirement and severance benefits	84,971	<b>75,811</b>	-9,160
Other Noncurrent liabilities	107	<b>178</b>	71
Minority interests	3,360	<b>3,228</b>	-132
Total stockholders' equity	553,885	<b>561,662</b>	7,777
Accumulated other comprehensive income (loss)	-78,824	<b>-85,204</b>	-6,380
Common stock and others	632,709	<b>646,866</b>	14,157
<b>Total</b>	<b>747,337</b>	<b>750,715</b>	<b>3,378</b>

## Sales breakdown

(Unit:Yen millions)	1 <sup>st</sup> H of FY03	1 <sup>st</sup> H of FY04	Change	Change (%)
<b>Electronic materials and components</b>	234,272	<b>254,352</b>	20,080	8.6%
Electronic materials	88,918	<b>82,302</b>	-6,616	-7.4%
Electronic devices	59,293	<b>52,451</b>	-6,842	-11.5%
Recording devices	78,173	<b>111,423</b>	33,250	42.5%
Semiconductors and others	7,888	<b>8,176</b>	288	3.7%
<b>Recording media &amp; systems</b>	62,108	<b>61,927</b>	-181	-0.3%
<b>Total net sales</b>	296,380	<b>316,279</b>	19,899	6.7%



## 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.