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# Consolidated Results FY March 2004 & Projections for FY March 2005

April 28, 2004

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TDK Corporation

## Consolidated Results FY March 2004

(Yen millions)	FY Mar 2003	FY Mar 2004	Change	Change (%)
Net sales	608,880	658,862	49,982	8.2%
Operating income	22,080	54,322	32,242	146.0%
Income before income taxes	18,081	55,603	37,522	207.5%
Net income	12,019	42,101	30,082	250.3%

# Sales Breakdown

(Yen millions)	FY Mar 2003	FY Mar 2004	Change	Change (%)
<b>Electronic materials and components</b>	472,529	522,862	50,333	10.7%
Electronic materials	168,949	166,818	-2,131	-1.3%
Electronic devices	112,729	107,999	-4,730	-4.2%
Recording devices	175,986	230,105	54,119	30.8%
Semiconductors & Others	14,865	17,940	3,075	20.7%
Recording media & systems	136,351	136,000	-351	-0.3%
<b>Total sales</b>	608,880	658,862	49,982	8.2%

## Sales by major customer industry (Electronic materials and components)

	FY March 2004 Sales Weight (%)	Sales Change (%) vs Mar 2003
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<b>I T</b>	56%	Plus 22%
<b>Automobile</b>	9%	Plus 1%
<b>Telecommunication</b>	9%	Plus 11%
<b>AV</b>	11%	Minus 17%

Due to sluggish demand for  
Amusement & Analogue devices

Note: Sales of Electronics materials and components =100%

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## Sales by Region

(Yen millions)	FY Mar 2003	FY Mar 2004	Change	Change (%)
Japan	165,503	168,656	3,153	1.9%
Americas	106,060	89,657	-16,403	-15.5%
Europe	78,740	81,950	3,210	4.1%
Asia and others	258,577	318,599	60,022	23.2%
Total sales	608,880	658,862	49,982	8.2%
Share of overseas sales	72.8%	74.4%		

## Breakdown of Operating Income Changes FY March 2004

(Unit:Yen millions)

<b>[ Changes in operating income Total]</b>	<b>32,242</b>
Changes in sales and product mix	<b>63,343</b>
Rationalization	<b>40,118</b>
Sales price discounts(8.1%)	<b>-58,068</b>
Exchange fluctuations(1U.S.\$=Yen 122 -> 113)	<b>-13,151</b>

## Operating Income by Industry Segment

(Yen millions)	FY Mar 2003	FY Mar 2004	Change	Change (%)
<b>Electronic materials and components</b>				
Net sales	472,529	522,862	50,333	10.7%
Operating income	20,536	56,527	35,991	175.3%
Ratio (%)	4.3%	10.8%		
<b>Recording media &amp; systems</b>				
Net sales	136,351	136,000	-351	-0.3%
Operating income	1,544	-2,205	-3,749	-
Ratio (%)	1.1%	-1.6%		
<b>Total</b>				
Net sales	608,880	658,862	49,982	8.2%
Operating income	22,080	54,322	32,242	146.0%
Ratio (%)	3.6%	8.2%		



## Cash Flow Improvement

	End of Mar 2003	End of Mar 2004
Inventory turnover (months)	1.5	1.4
Fixed asset turnover (times)	2.5	3.0
Trade receivables turnover (months)	2.8	2.5

Free cash flows: FY2002 : 57.7billion Yen  
 FY2003 : 76.9 billion Yen  
 Improvement: +19.2 billion Yen

## Non-Consolidated Results FY March 2004

(Yen millions)	FY Mar 2003	FY Mar 2004	Change	Change (%)
Net Sales	320,697	316,050	-4,647	-1.4%
Operating income	3,182	1,756	-1,426	-44.8%
Current income	9,078	10,277	1,199	13.2%
Net income	133	4,458	4,325	--

## Projections for FY March 2005 Consolidated

(Yen millions)	FY Mar 2004 Results	FY Mar 2005 Projections	April 28, 2004	
			Change	Change (%)
Net Sales	658,862	680,000	21,138	3.2%
Operating income	54,322	60,000	5,678	10.5%
Income before income taxes	55,603	62,000	6,397	11.5%
Net income	42,101	46,500	4,399	10.4%
Exchange rate (U.S.\$=Yen)	113	105		



## 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.