

CONSOLIDATED BALANCE SHEETS

TDK Corporation and Subsidiaries
March 31, 2001 and 2000

ASSETS	Yen (Millions)		U.S. Dollars (Thousands) (Note 2)
	2001	2000	2001
Current assets:			
Cash and cash equivalents	¥150,917	174,519	\$1,217,073
Marketable securities (Note 4)	–	6,530	–
Trade receivables:			
Notes	11,799	12,443	95,153
Accounts	147,526	153,050	1,189,726
Allowance for doubtful receivables	(2,740)	(2,945)	(22,097)
Net trade receivables	156,585	162,548	1,262,782
Inventories (Note 5)	116,423	84,839	938,895
Prepaid expenses and other current assets (Notes 7 and 8)	28,988	27,337	233,774
Total current assets	452,913	455,773	3,652,524
Investments and advances (Notes 4, 7 and 12)	21,143	66,347	170,508
Property, plant, and equipment, at cost:			
Land	21,705	21,161	175,040
Buildings	175,463	161,280	1,415,024
Machinery and equipment	499,331	450,457	4,026,863
Construction in progress	28,838	20,042	232,565
	725,337	652,940	5,849,492
Less accumulated depreciation	446,712	418,666	3,602,516
Net property, plant, and equipment	278,625	234,274	2,246,976
Prepaid pension cost (Note 8)	41,290	–	332,984
Other assets (Notes 7, 8 and 16)	26,206	19,598	211,339
	¥820,177	775,992	\$6,614,331

See accompanying notes to consolidated financial statements.

	Yen (Millions)		U.S. Dollars (Thousands) (Note 2)
	2001	2000	2001
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities:			
Short-term debt (Note 6)	¥ 5,120	1,417	\$ 41,290
Current installments of long-term debt (Note 6)	759	516	6,121
Trade payables:			
Notes	791	722	6,379
Accounts	63,882	70,054	515,177
Accrued salaries and wages	8,334	12,559	67,210
Other accrued expenses	26,248	15,145	211,677
Income taxes (Note 7)	19,638	14,727	158,371
Other current liabilities (Note 7)	21,370	29,791	172,339
Total current liabilities	146,142	144,931	1,178,564
Long-term debt, excluding current installments (Note 6)	1,004	46	8,097
Retirement and severance benefits (Notes 7 and 8)	31,755	56,845	256,089
Deferred income taxes (Note 7)	93	407	750
Total liabilities	178,994	202,229	1,443,500
Minority interests	3,434	2,750	27,694
Stockholders' equity:			
Common stock of ¥50 (\$0.40) par value—			
Authorized 480,000,000 shares;			
Issued 133,189,659 shares in 2001 and 2000	32,641	32,641	263,234
Additional paid-in capital	63,051	63,051	508,476
Legal reserve (Note 9)	13,409	13,302	108,137
Retained earnings (Note 9)	556,165	520,276	4,485,201
Accumulated other comprehensive income (loss) (Notes 7, 8 and 11)	(24,851)	(58,257)	(200,411)
Treasury stock at cost; 170,462 shares in 2001 (Note 10)	(2,666)	—	(21,500)
Total stockholders' equity	637,749	571,013	5,143,137
Commitments and contingent liabilities (Note 13)			
	¥820,177	775,992	\$6,614,331