

## Consolidated Balance Sheets

TDK Corporation and Subsidiaries March 31, 2003 and 2002

ASSETS	Yen (Millions)		U.S. Dollars (Thousands) (Note 2)
	2003	2002	2003
<b>Current assets:</b>			
Cash and cash equivalents	¥170,551	125,761	\$1,421,258
Trade receivables:			
Notes	7,750	8,219	64,584
Accounts	135,123	138,378	1,126,025
Allowance for doubtful receivables	(2,850)	(3,770)	(23,750)
Net trade receivables	140,023	142,827	1,166,859
Inventories (Note 5)	73,917	91,149	615,975
Income tax receivables (Note 7)	2,765	8,289	23,042
Prepaid expenses and other current assets (Note 7)	33,706	31,180	280,883
Total current assets	420,962	399,206	3,508,017
Investments and advances (Notes 4 and 12)	22,578	24,265	188,150
<b>Property, plant and equipment, at cost:</b>			
Land	21,284	23,739	177,367
Buildings	178,959	183,450	1,491,325
Machinery and equipment	489,131	507,589	4,076,091
Construction in progress	9,362	13,301	78,017
	698,736	728,079	5,822,800
Less accumulated depreciation	472,829	462,489	3,940,242
Net property, plant and equipment	225,907	265,590	1,882,558
Goodwill (Note 17)	14,131	11,500	117,758
Intangible assets (Note 17)	16,418	7,265	136,817
Deferred income taxes (Note 7)	43,948	37,021	366,233
Other assets	3,393	5,063	28,275
	¥747,337	749,910	\$6,227,808

See accompanying notes to consolidated financial statements.

<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>	Yen (Millions)	2002	U.S. Dollars (Thousands) (Note 2)
	2003		2003
<b>Current liabilities:</b>			
Short-term debt (Note 6) . . . . .	¥ 1,431	1,655	\$ 11,925
Current installments of long-term debt (Note 6) . . . . .	488	657	4,067
Trade payables:			
Notes . . . . .	824	849	6,867
Accounts . . . . .	56,136	51,760	467,800
Accrued salaries and wages . . . . .	11,483	11,247	95,692
Accrued expenses (Note 16) . . . . .	28,088	35,665	234,066
Income taxes payables (Note 7) . . . . .	1,057	2,546	8,808
Other current liabilities (Note 7) . . . . .	5,507	5,962	45,892
Total current liabilities . . . . .	<u>105,014</u>	<u>110,341</u>	<u>875,117</u>
Long-term debt, excluding current installments (Note 6) . . . . .	94	459	783
Retirement and severance benefits (Note 8) . . . . .	84,971	49,992	708,092
Deferred income taxes (Note 7) . . . . .	13	598	108
Commitments and contingent liabilities (Note 13) . . . . .	-	-	-
Total liabilities . . . . .	<u>190,092</u>	<u>161,390</u>	<u>1,584,100</u>
Minority interests . . . . .	3,360	4,593	28,000
<b>Stockholders' equity:</b>			
Common stock			
Authorized 480,000,000 shares;			
Issued 133,189,659 shares in 2003 and 2002 . . . . .	32,641	32,641	272,008
Additional paid-in capital . . . . .	63,051	63,051	525,425
Legal reserve (Note 9) . . . . .	15,953	15,683	132,942
Retained earnings (Note 9) . . . . .	525,919	520,143	4,382,658
Accumulated other comprehensive income (loss) (Notes 7, 8 and 11) . . . . .	(78,824)	(43,999)	(656,867)
Treasury stock at cost; 564,475 shares in 2003 and 330,083 shares in 2002 (Note 10) . . . . .	(4,855)	(3,592)	(40,458)
Total stockholders' equity . . . . .	<u>553,885</u>	<u>583,927</u>	<u>4,615,708</u>
	<u>¥747,337</u>	<u>749,910</u>	<u>\$6,227,808</u>