

## Consolidated Statements of Stockholders' Equity

TDK Corporation and Subsidiaries years ended March 31, 2004, 2003, and 2002

		Yen (Millions)		U.S. Dollars (Thousands) (Note 2)
	2004	2003	2002	2004
<b>Common stock:</b>				
Balance at beginning of period	¥ 32,641	32,641	32,641	\$ 307,934
Balance at end of period	<u>32,641</u>	<u>32,641</u>	<u>32,641</u>	<u>307,934</u>
<b>Additional paid-in capital:</b>				
Balance at beginning of period	63,051	63,051	63,051	594,821
Balance at end of period	<u>63,051</u>	<u>63,051</u>	<u>63,051</u>	<u>594,821</u>
<b>Legal reserve (Note 9):</b>				
Balance at beginning of period	15,953	15,683	13,409	150,500
Transferred from retained earnings	544	270	2,274	5,132
Balance at end of period	<u>16,497</u>	<u>15,953</u>	<u>15,683</u>	<u>155,632</u>
<b>Retained earnings (Note 9):</b>				
Balance at beginning of period	525,919	520,143	556,165	4,961,500
Net income (loss)	42,101	12,019	(25,771)	397,179
Cash dividends	(6,625)	(5,973)	(7,977)	(62,500)
Losses on sales of treasury stock	(95)	-	-	(896)
Transferred to legal reserve	(544)	(270)	(2,274)	(5,132)
Balance at end of period	<u>560,756</u>	<u>525,919</u>	<u>520,143</u>	<u>5,290,151</u>
<b>Accumulated other comprehensive income (loss)</b>				
(Notes 7, 8 and 11):				
Balance at beginning of period	(78,824)	(43,999)	(24,851)	(743,623)
Other comprehensive income (loss) for the period, net of tax	(11,563)	(34,825)	(19,148)	(109,085)
Balance at end of period	<u>(90,387)</u>	<u>(78,824)</u>	<u>(43,999)</u>	<u>(852,708)</u>
<b>Treasury stock (Note 10):</b>				
Balance at beginning of period	(4,855)	(3,592)	(2,666)	(45,802)
Acquisition of treasury stock	(1,865)	(1,263)	(926)	(17,594)
Exercise of stock option	381	-	-	3,594
Balance at end of period	<u>(6,339)</u>	<u>(4,855)</u>	<u>(3,592)</u>	<u>(59,802)</u>
<b>Total stockholders' equity</b>	<u>¥576,219</u>	<u>553,885</u>	<u>583,927</u>	<u>\$5,436,028</u>
<b>Disclosure of comprehensive income (loss):</b>				
Net income (loss) for the period	¥ 42,101	12,019	(25,771)	\$ 397,179
Other comprehensive income (loss) for the period, net of tax (Note 11)	(11,563)	(34,825)	(19,148)	(109,085)
Total comprehensive income (loss) for the period	<u>¥ 30,538</u>	<u>(22,806)</u>	<u>(44,919)</u>	<u>\$ 288,094</u>

See accompanying notes to consolidated financial statements.