

4) Statements of income

Term Items	The first half of FY2003 (April 1, 2002 - Sep. 30, 2002)			The first half of FY2002 (April 1,2001 - Sep. 30,2001)		Change	
	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	%	(Yen millions)	%
Net sales	296,380	100.0	2,409,593	270,786	100.0	25,594	9.5
Cost of sales	223,738	75.5	1,819,008	213,309	78.8	10,429	4.9
Gross profit	72,642	24.5	590,585	57,477	21.2	15,165	26.4
Selling, general and administrative expenses	59,196	20.0	481,268	60,288	22.2	(1,092)	-1.8
Restructuring cost	3,427	1.1	27,862	-	-	3,427	-
Operating income (loss)	10,019	3.4	81,455	(2,811)	-1.0	12,830	-
Other income (deductions):							
Interest and dividend income	708		5,756	1,288		(580)	
Interest expense	(198)		(1,610)	(672)		474	
Foreign exchange gain (loss)	(1,699)		(13,813)	(514)		(1,185)	
Other-net	(1,194)		(9,707)	(373)		(821)	
Total other income (deductions)	(2,383)	-0.8	(19,374)	(271)	-0.1	(2,112)	-779.3
Income (loss) before income taxes	7,636	2.6	62,081	(3,082)	-1.1	10,718	-
Income taxes	2,756	1.0	22,406	(3,577)	-1.3	6,333	-
Income before minority interests	4,880	1.6	39,675	495	0.2	4,385	885.9
Minority interests	(235)	-	(1,911)	1,337	0.5	(1,572)	-
Net income	4,645	1.6	37,764	1,832	0.7	2,813	153.5
Net income per common share	Yen 34.98		U.S.\$ 0.28	Yen 13.78			
Average common shares outstanding	132,802		thousands	132,940		thousands	

Notes:

1. The figures for net income per common share are calculated based upon the weighted average number of shares of common stock (the total outstanding number).
2. TDK adopted the Emerging Issues Task Force Issue 01-9 ("EITF 01-9"), "Accounting for Consideration Given by a Vendor to a Customer (Including a Reseller of the Vendor's Products)" from the fiscal year beginning April 1, 2002 and the prior year's consolidated financial statements have been restated for the change, accordingly.
3. U.S.\$1=Yen 123