

3. Summary Information Regarding Consolidated Projections

[Fiscal 2009 Consolidated Projections]

TDK's projections for consolidated operating results, capital expenditures, depreciation and amortization, and research and development expenses for fiscal 2009, the year ending March 31, 2009, are as follows.

[Consolidated Projections for Fiscal 2009]

Item \ Term	July 2008 Announcement FY2009 (Forecasts) (¥ millions)	FY2008 (Actual) (¥ millions)	Change from FY2008 (¥ millions)	% change from FY2008	April 2008 Announcement FY2009 (Forecasts) (¥ millions)
Net sales	862,000	866,285	(4,285)	-0.5	880,000
Operating income	69,000	87,175	(18,175)	-20.8	80,000
Income before income taxes	73,500	91,505	(18,005)	-19.7	85,500
Net income	55,500	71,461	(15,961)	-22.3	65,000

[Projections for Capital Expenditures, Depreciation and Amortization, and Research and Development Expenses]

Item \ Term	(¥ millions)			
	FY2009 (Forecasts)		FY2008 (Actual)	
	Amount	% of sales	Amount	% of sales
Capital expenditures	70,000	-	84,312	-
Depreciation and amortization	77,000	8.8	71,297	8.2
Research and development expenses	57,000	6.5	57,387	6.6

(Notes)

TDK has revised its projections for the first half of fiscal 2009, based on actual results for the first quarter and second-quarter projections. However, there has been no change to second-half projections because of an uncertain outlook for the operating environment.

(Projections for main products are as follows:)

Electronic Materials and Electronic Devices

It is extremely difficult to forecast demand for finished products and electronic components used in them due to the effects of persistently high resource prices and crude oil as well as fears of an economic standstill in the U.S. However, TDK's sales plan for electronic materials and electronic devices is based on a year-on-year positive demand growth forecast for key finished products such as mobile phones, PCs and flat-screen TVs, which drive the consumer electronics market.

Recording Devices

Firm growth is forecast for HDD demand also in fiscal 2009. Demand for HDD heads is forecast based on the assumption of strong projected growth in demand for 2.5-inch HDDs for notebook PCs in particular.

(Exchange Rate Forecast)

An average yen-U.S. dollar exchange rate of ¥100 is assumed from the second quarter of fiscal 2009.

Cautionary Statements 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 (TDK Group).

These forward-looking statements are based on the current forecasts, estimates, assumptions, plans, beliefs and evaluations of TDK Group in light of information currently available to it, and contain known and unknown risks, uncertainties and other factors. TDK Group therefore wishes to caution readers that, being subject to risks, uncertainties and other factors, TDK Group's actual results, performance, achievements or financial position could be materially different from any future results, performance, achievements or financial position expressed or implied by these forward-looking statements, and TDK Group undertakes no obligation to publicly update or revise any forward-looking statements after the issue of this material except as provided for in applicable laws and ordinances.

The electronics markets in which TDK Group operates are highly susceptible to rapid changes. Risks, uncertainties and other factors that can have significant effects on TDK Group include, but are not limited to, shifts in technology, fluctuations in demand, prices, interest and foreign exchange rates, and changes in economic environments, conditions of competition, laws and regulations.

4. Others

In September 2006, the FASB issued Statement of Financial Accounting Standards No. 157 ("SFAS 157"), "Fair Value Measurements". SFAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. TDK adopted SFAS 157 on April 1, 2008. The adoption of SFAS 157 has no material effect on TDK's consolidated financial position and results of operations.