

Announcement of Acquisition of Lambda Americas and Lambda Europe Groups Shares, making the groups wholly owned subsidiaries of Densei-Lambda K.K.

TOKYO, October 31, 2005 - Densei-Lambda K.K. ("the Company") announces TDK Corporation and the Company agreed on acquisition of shares of Lambda Americas and Lambda Europe Groups, which are subsidiaries of TDK, as described below.

1. Reason for Acquisition

As North America and Europe markets comprise of approximately 60 percent of the global switching power supply market, it is essential to boost the shares of North America and Europe markets in order to keep continuous growth in the business.

For this reason, the Company will acquire Lambda Americas Group (two companies incorporated abroad) and Lambda Europe Group (five companies incorporated abroad) from TDK Corporation, which is a parent company of the Company to make the two groups wholly owned subsidiaries of the Company, in order to carry out overseas strategy with the total Lambda Group sales based on the Company's products and speed up the implementation.

2. Overview of Companies to be acquired

	Lambda Americas Group	Lambda Europe Group
(1) Net sales	US\$68,213 thousand	US\$88,692 thousand
(2) Gross Profit	US\$15,784 thousand	US\$28,140 thousand
(3) OPBIT	US\$ - 643 thousand	US\$8,869 thousand
(4) PBT	US\$ -7,971 thousand	US\$6,280 thousand
(5) No. of employees	326	391
(6) Main business	Manufacture and sale of switching power supplies	Manufacture and sale of switching power supplies
(7) Fiscal term	March	March
(8) Current parent company and shareholding	TDK Corporation 100%	TDK Corporation 100%
(9) Companies to be acquired	Lambda Americas Inc.(U.S.A.) Lambda Electronics (Canada)	Coutant-Lambda Ltd. (UK) Lambda Scandinavia (Sweden) Lambda GmbH (Germany) Lambda SAS (France) Lambda S.r.l (Italy)

* The above figures are for the year ended March 31, 2005 on a UK-GAAP basis.

3. Details of Seller

- 1) Company: TDK Corporation
2) President: Mr. Hajime Sawabe
3) Head office: 1-13-1, Nihonbashi, Chuo-ku, Tokyo
4) Main business: Manufacture and sale of electronic materials and components, recording media & systems
5) Relationship to the Company: Parent company

4. Current Shareholding, Acquisition Price, Post-acquisition Shareholding

- 1) Shareholding before acquisition: 0%
2) Estimated acquisition price: US\$59 million
3) Shareholding after acquisition: 100%

5. Timetable

January 1, 2006 Planned date of share certificate transfer

6. Current Forecast

Forecast for the fiscal year ending March 31, 2006 (consolidation)

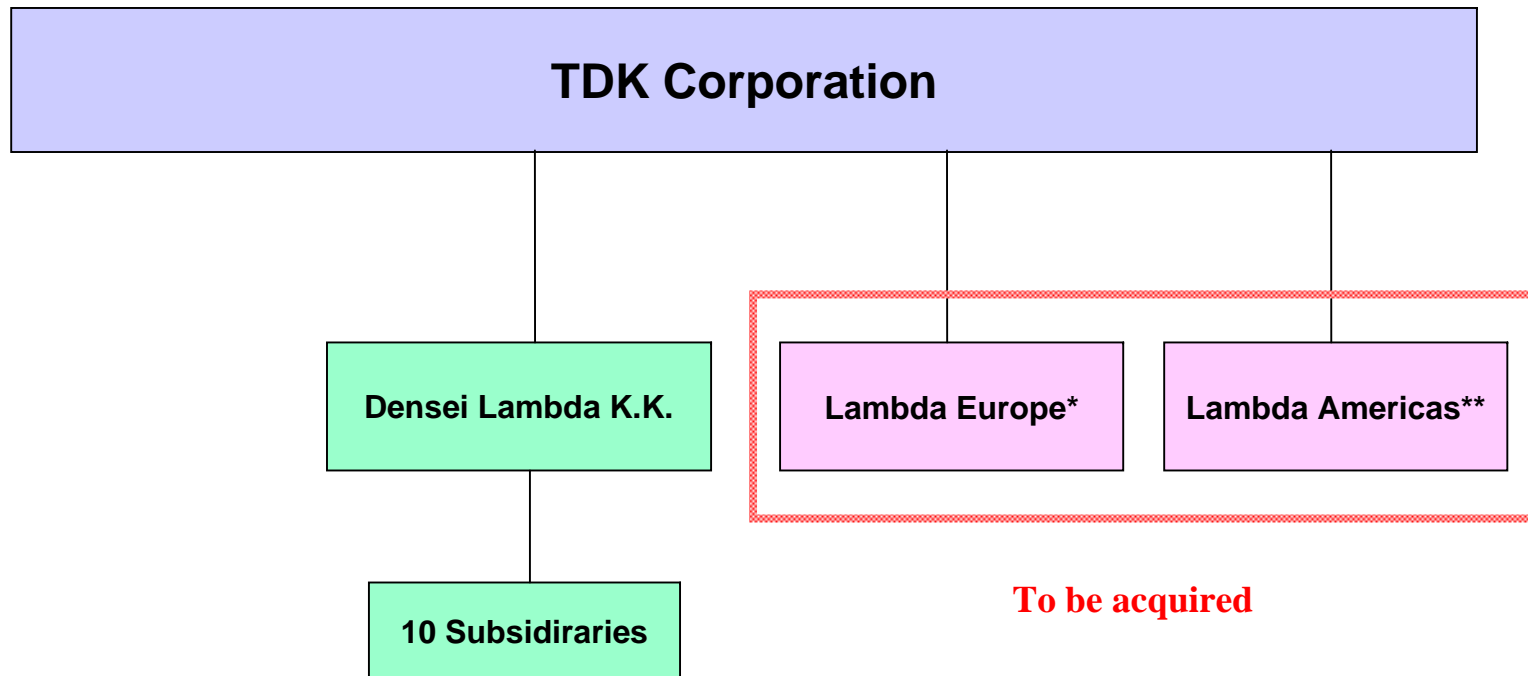
	Net sales	Ordinary income	Net income
	JPY million	JPY million	JPY million
Full year	39,000	3,000	1,300

Note: Only forecast for the fourth quarter of Lambda Americas and Lambda Europe Groups is added in.

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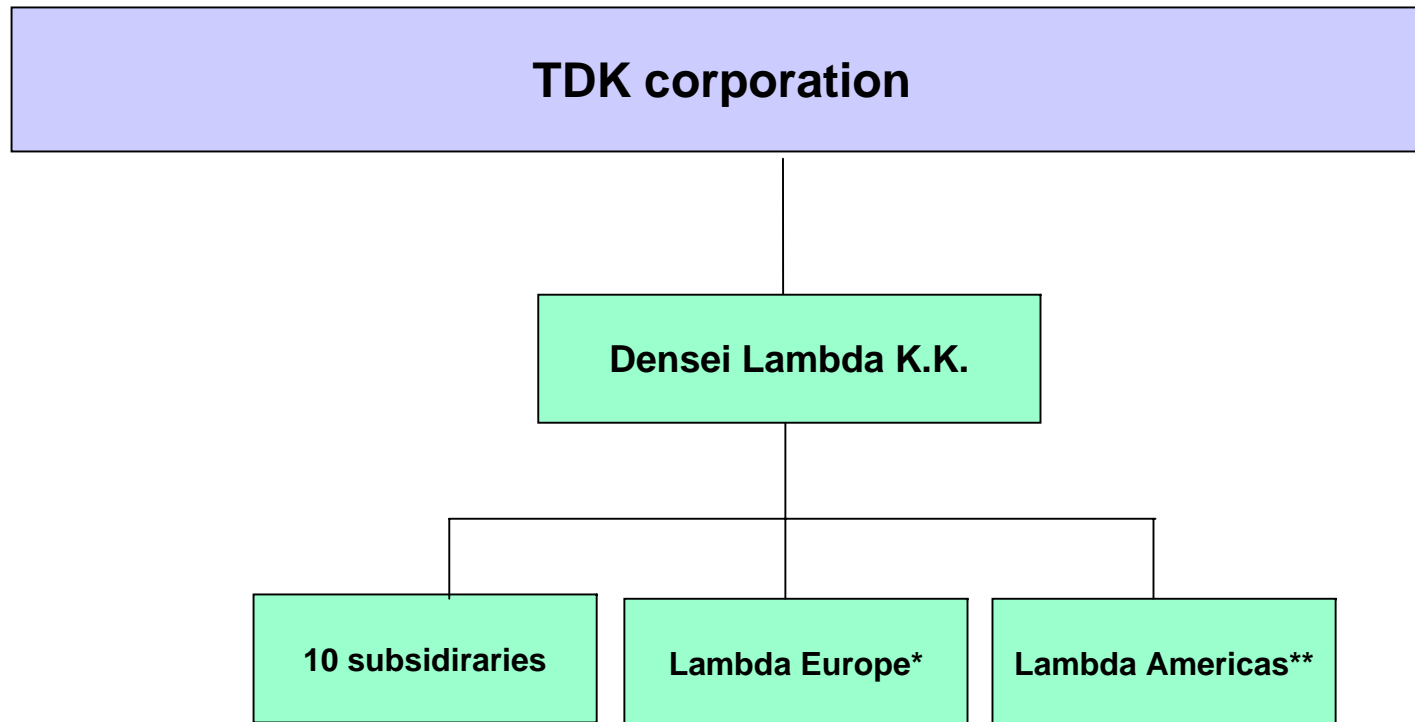
Current organization *as of Oct.1st, 2005



* Lambda Europe: Coutant-Lambda Ltd.(UK), Lambda GmbH(Germany), Lambda S.r.l.(Italy), Lambda SAS(France), Lambda Scandinavia(Sweden)

**Lambda Americas: Lambda Americas Inc.(USA), Lambda Electronics(Canada)

Organization after acquisition *planned on Jan., 1st, 2006



* Lambda Europe: Coutant-Lambda Ltd.(UK), Lambda GmbH(Germany), Lambda S.r.l.(Italy), Lambda SAS(France), Lambda Scandinavia(Sweden)

**Lambda Americas: Lambda Americas Inc.(USA), Lambda Electronics(Canada)