



TDK Corporation
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Contact;

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Consolidated results (U.S. GAAP) for the 1st quarter of FY March 2016

Summary (April 1, 2015 - June 30, 2015)

Term Item	1Q of FY2015 (April 1, 2014 - June 30, 2014)		1Q of FY2016 (April 1, 2015 - June 30, 2015)			Change	
	(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Net sales	237,462	100.0	279,556	100.0	2,291,443	42,094	17.7
Operating income	9,595	4.0	18,140	6.5	148,689	8,545	89.1
Income before income taxes	10,355	4.4	18,935	6.8	155,205	8,580	82.9
Net income attributable to TDK	5,754	2.4	13,099	4.7	107,369	7,345	127.7
Per common share :							
Net income attributable to TDK / Basic	Yen 45.73		Yen 103.96		U.S.\$ 0.85		
Net income attributable to TDK / Diluted	Yen 45.08		Yen 100.73		U.S.\$ 0.83		
Capital expenditures	19,974	-	28,690	-	235,164	8,716	43.6
Depreciation and amortization	19,650	8.3	20,534	7.3	168,311	884	4.5
Research and development	16,716	7.0	19,909	7.1	163,189	3,193	19.1
Result of financial income (loss)	307	-	279	-	2,287	(28)	-
Ratio of overseas production	86.1%	-	89.0%	-	-		
Number of employees	84,632	-	90,611	-	-		

Note:

U.S.\$1=Yen 122, for convenience only.

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[Summary Information and Financial Statements]

1. Summary Information Regarding Financial Results for the First Quarter of Fiscal 2016

(1) Summary Information Regarding Consolidated Business Results

Consolidated results for the first three months of fiscal 2016, the period from April 1 to June 30, 2015, are as follows.

During the first quarter of fiscal 2016, the global economy continued to make a gradual recovery overall, driven by employment growth and firm consumer spending in the U.S., among other factors. In Europe, Greece’s fiscal problems resurfaced and the European economy saw persistent concerns about its stabilization. The economies of emerging countries such as China and India, while showing some slightly lower economic growth rates, overall continued to maintain growth rates higher than those of industrialized countries.

Under these world economic conditions, the electronics market, which has a large bearing on the consolidated performance of TDK, saw production levels differ by finished product. Production of smartphones was higher than in the same period of fiscal 2015, mainly due to growing demand in the Chinese market and the brisk sales of models of a major manufacturer that had been launched last year. Production in the automobile market was slightly higher than in the same period of the previous fiscal year, driven mainly by solid automobile sales in the U.S. Meanwhile, production of PCs declined compared to the same period of the previous fiscal year when there had been firm demand for replacement PCs spurred by the end of support for Windows XP. Production of hard disk drives (HDDs) declined compared to the same period of the previous fiscal year due to the decreased demand for PCs despite the continued strength of the market for data center applications.

In this business environment, the TDK Group’s consolidated operating results for the first quarter of fiscal 2016 were as follows.

Term Item	1Q of FY2015 (April 1, 2014 - June 30, 2014)		1Q of FY2016 (April 1, 2015 - June 30, 2015)			Change	
	(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Net sales	237,462	100.0	279,556	100.0	2,291,443	42,094	17.7
Operating income	9,595	4.0	18,140	6.5	148,689	8,545	89.1
Income before income taxes	10,355	4.4	18,935	6.8	155,205	8,580	82.9
Net income attributable to TDK	5,754	2.4	13,099	4.7	107,369	7,345	127.7
Per common share :							
Net income attributable to TDK / Basic	Yen 45.73		Yen 103.96		U.S.\$ 0.85		
Net income attributable to TDK / Diluted	Yen 45.08		Yen 100.73		U.S.\$ 0.83		

Note:

U.S.\$1=Yen 122, for convenience only.

Average yen exchange rates for the U.S. dollar and the euro during the first quarter of fiscal 2016 were ¥121.29 and ¥134.15, respectively, as the yen depreciated 18.7% against the U.S. dollar and the yen appreciated 4.3% against the euro. This increased net sales by approximately ¥39.3 billion and operating income by approximately ¥6.1 billion.

Sales by Product

Term Product	1Q of FY2015 (April 1, 2014 - June 30, 2014)		1Q of FY2016 (April 1, 2015 - June 30, 2015)			Change	
	(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Capacitors	36,490	15.4	39,126	14.0	320,705	2,636	7.2
Inductive devices	35,696	15.0	37,895	13.6	310,615	2,199	6.2
Other Passive Components	49,736	20.9	70,795	25.3	580,287	21,059	42.3
Passive Components	121,922	51.3	147,816	52.9	1,211,607	25,894	21.2
Recording devices	59,074	24.8	54,585	19.5	447,418	(4,489)	-7.6
Other Magnetic Application Products	26,175	11.1	24,773	8.9	203,057	(1,402)	-5.4
Magnetic Application Products	85,249	35.9	79,358	28.4	650,475	(5,891)	-6.9
Film Application Products	22,484	9.5	43,232	15.4	354,361	20,748	92.3
Other	7,807	3.3	9,150	3.3	75,000	1,343	17.2
Total	237,462	100.0	279,556	100.0	2,291,443	42,094	17.7
Overseas sales	213,565	89.9	257,012	91.9	2,106,656	43,447	20.3

Notes:

1. U.S.\$1=Yen 122, for convenience only.
2. In accordance with the reorganization in 1Q of FY2016, certain products of Inductive devices, Other Passive Components and Other Magnetic Application Products were reclassified into Other that wasn't a part of three reportable segments. The prior year's sales are also reclassified to conform to the new segmentation.

(1) Passive Components Segment

This segment is made up of (1) capacitors, (2) inductive devices, and (3) other passive components. Sales in the passive components segment were ¥147,816 million (U.S.\$1,211,607 thousand), up 21.2% year on year from ¥121,922 million.

The capacitors business is made up of ceramic capacitors, aluminum electrolytic capacitors, and film capacitors. Sales in the capacitors business were ¥39,126 million (U.S.\$320,705 thousand), up 7.2% year on year from ¥36,490 million. Sales of ceramic capacitors, aluminum electrolytic capacitors and film capacitors increased to the automotive market.

Sales of inductive devices increased 6.2% year on year from ¥35,696 million to ¥37,895 million (U.S.\$310,615 thousand). Sales increased to the automotive and the information and communications technology (ICT) markets.

Other passive components include high-frequency devices, piezoelectric material products, circuit protection components, and sensors. Sales of other passive components increased 42.3% year on year from ¥49,736 million to ¥70,795 million (U.S.\$580,287 thousand). Sales of high-frequency devices increased significantly to the ICT market. Sales of piezoelectric material products, circuit protection components and sensors increased to the ICT and industrial equipment markets.

(2) Magnetic Application Products Segment

This segment is made up of (1) recording devices, and (2) other magnetic application products. Segment sales decreased 6.9% year on year, from ¥85,249 million to ¥79,358 million (U.S.\$650,475 thousand).

The recording devices business comprises mainly HDD heads and HDD suspension assemblies. It recorded sales of ¥54,585 million (U.S.\$447,418 thousand), down 7.6% from ¥59,074 million.

The sales volume of HDD heads and HDD suspension assemblies declined due to the lackluster HDD production levels.

Other magnetic application products include power supplies and magnets. Sales decreased 5.4% year on year from ¥26,175 million to ¥24,773 million (U.S.\$203,057 thousand).

Sales of power supplies slightly increased to the industrial equipment market. However, sales of magnets decreased to the automotive market and ICT market for use in HDDs.

(3) Film Application Products Segment

This segment includes energy devices (rechargeable batteries) and applied films. Segment sales increased 92.3% from ¥22,484 million to ¥43,232 million (U.S.\$354,361 thousand).

Sales of energy devices increased significantly to the ICT market.

(4) Other

Other includes mechatronics (production equipment) and other businesses. Segment sales increased 17.2% from ¥7,807 million to ¥9,150 million (U.S.\$75,000 thousand).

The main businesses making up the three reporting segments and Other, which includes products not included in these reporting segments, are as follows:

The classification of segments is as follows.

New Classification	Constituent Main Business
Passive Components	Ceramic capacitors, Aluminum electrolytic capacitors, Film capacitors, Inductive devices (Coils/Ferrite cores/Transformers), High-frequency devices, Piezoelectric material products, Circuit protection components, Sensors
Magnetic Application Products	HDD heads, HDD suspension assemblies, Power supplies, Magnets
Film Application Products	Energy devices (rechargeable batteries), Applied films
Other	Mechatronics (production equipment), other

[Sales by Region]

Overseas sales increased 20.3% year on year from ¥213,565 million to ¥257,012 million (U.S.\$2,106,656 thousand). Overseas sales accounted for 91.9% of consolidated net sales, a 2.0 percentage point increase from 89.9% in the first quarter of fiscal 2015. Detailed information on sales by region can be found in the consolidated supplementary information on page 16.

(2) Summary Information Regarding Consolidated Financial Position

(1) The following table summarizes TDK's consolidated balance sheet as of June 30, 2015.

Total assets	¥1,467,805 million	(4.5% increase)
Total TDK stockholders' equity	¥763,914 million	(3.4% increase)
Stockholders' equity ratio	52.0%	(0.6 point decrease)

As of June 30, 2015, total assets had increased ¥63,523 million compared with March 31, 2015. Net liquidity (cash and cash equivalent, short-term investments, marketable securities) increased ¥15,803 million. In addition, inventories increased ¥15,500 million and net property, plant and equipment increased ¥23,007 million.

Total liabilities increased ¥37,595 million from March 31, 2015. Trade payables increased ¥11,031 million, short-term debt increased ¥10,812 million and long-term debt, excluding current installments increased ¥7,798 million.

TDK stockholders' equity, which is included in total equity, increased ¥25,053 million from March 31, 2015. Accumulated other comprehensive income (loss) increased ¥17,992 million, mainly due to an increase in foreign currency translation adjustments compared with March 31, 2015 as a result of the yen's depreciation.

(2) Cash Flows

(Yen millions)

	FY 2015 1Q	FY 2016 1Q	Change
Net cash provided by operating activities	18,729	26,557	7,828
Net cash used in investing activities	(18,547)	(25,681)	(7,134)
Net cash provided by financing activities	1,725	10,481	8,756
Effect of exchange rate changes on cash and cash equivalents	(3,448)	5,690	9,138
Net increase (decrease) in cash and cash equivalents	(1,541)	17,047	18,588
Cash and cash equivalents at beginning of period	250,848	265,104	14,256
Cash and cash equivalents at end of period	249,307	282,151	32,844

Operating activities provided net cash of ¥26,557 million (U.S.\$217,680 thousand), an increase of ¥7,828 million year on year. It mainly came from the increase in net income.

Investing activities used net cash of ¥25,681 million (U.S.\$210,500 thousand), an increase of ¥7,134 million year on year. It mainly came from the increase in capital expenditure.

Financing activities provided net cash of ¥10,481 million (U.S.\$85,910 thousand), an increase of ¥8,756 million year on year. There was an acquisition of noncontrolling interests in the same period of fiscal 2015.

(3) Summary Information Regarding Consolidated Projections

(Fiscal 2016 Consolidated Projections)

TDK's projections for consolidated operating results, capital expenditures, depreciation and amortization, and research and development expenses for fiscal 2016, the year ending March 31, 2016, are as follows. TDK keeps initial projections unchanged.

Term Item	FY2016 (April 1, 2015 - March 31, 2016)	FY2015 (April 1, 2014 - March 31, 2015)	vs FY2015 Changes	
	Forecast in April '15	Actual	(Yen millions)	%
	(Yen millions)	(Yen millions)	(Yen millions)	%
Net sales	1,180,000	1,082,560	97,440	9.0
Operating income	95,000	72,459	22,541	31.1
Income before income taxes	95,000	74,517	20,483	27.5
Net income attributable to TDK	65,000	49,440	15,560	31.5
Capital expenditures	130,000	102,525	27,475	26.8
Depreciation and amortization	90,000	80,249	9,751	12.2
Research and development	77,000	70,644	6,356	9.0

(Notes)

Management has judged that compared with TDK's projections as of April 28, 2015, there should be no major change in demand for electronic components used in major finished products based on information regarding trends in the electronics market and major finished products etc, which is currently available to TDK Group (as defined below).

(Exchange Rate Forecast)

Average yen exchange rates against the U.S. dollar and the euro of ¥115 and ¥130 respectively will be assumed from the second quarter onward.

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 or 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 positions could be materially different from any future results, performance, achievements or financial positions 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.

2. Other Information

(1) Changes in Significant Subsidiaries

Nothing to report.

(2) Simplified Accounting Treatment and Special Accounting Treatment

Nothing to report.

(3) Accounting Policy Changes, Accounting Estimate Changes and Restatements

Nothing to report.

(4) Fundamental Policy for Distribution of Earnings, and Fiscal 2016 Dividends

TDK recognizes that achieving growth in corporate value over the long term ultimately translates into higher shareholder value. In line with this recognition, TDK's fundamental policy is to work to consistently increase dividends through growth in earnings per share. By actively investing for growth, mainly in the development of new products and technologies in key fields so as to respond precisely to rapid technological advances in the electronics industry, TDK is aiming to increase long-term corporate value. Accordingly, TDK actively reinvests its profits in business activities and sets dividends taking comprehensively into consideration the return on equity (ROE) and dividends on equity (DOE) on a consolidated basis, as well as changes in the business environment, among other factors.

Projected dividends per share for fiscal 2016 are as follows. TDK keeps initial dividend forecast unchanged.

(Yen)

	FY2016 Forecast	FY2015 Actual
Interim dividend	60.00	40.00
Year-end dividend	60.00	50.00
Annual dividend	120.00	90.00

3. Consolidated Financial Statements

(1) Balance Sheets

ASSETS						
Term Item	As of March 31, 2015		As of June 30, 2015			Change
	(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)
Current assets	740,241	52.7	775,616	52.8	6,357,508	35,375
Cash and cash equivalents	265,104		282,151		2,312,713	17,047
Short-term investments	20,091		18,847		154,484	(1,244)
Marketable securities	1,301		1,301		10,664	0
Net trade receivables	238,089		240,092		1,967,967	2,003
Inventories	151,012		166,512		1,364,852	15,500
Other current assets	64,644		66,713		546,828	2,069
Noncurrent assets	664,041	47.3	692,189	47.2	5,673,681	28,148
Investments in securities	45,733		44,905		368,074	(828)
Net property, plant and equipment	427,254		450,261		3,690,664	23,007
Other assets	191,054		197,023		1,614,943	5,969
TOTAL	1,404,282	100.0	1,467,805	100.0	12,031,189	63,523

LIABILITIES AND EQUITY						
Term Item	As of March 31, 2015		As of June 30, 2015			Change
	(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)
Current liabilities	387,877	27.6	414,922	28.3	3,401,000	27,045
Short-term debt	136,098		146,910		1,204,180	10,812
Current installments of long-term debt	751		772		6,328	21
Trade payables	111,591		122,622		1,005,098	11,031
Accrued expenses	118,336		119,864		982,492	1,528
Other current liabilities	21,101		24,754		202,902	3,653
Noncurrent liabilities	258,398	18.4	268,948	18.3	2,204,492	10,550
Long-term debt, excluding current installments	131,483		139,281		1,141,647	7,798
Retirement and severance benefits	105,687		107,500		881,148	1,813
Other noncurrent liabilities	21,228		22,167		181,697	939
Total liabilities	646,275	46.0	683,870	46.6	5,605,492	37,595
Common stock	32,641		32,641		267,549	-
Additional paid-in capital	39,755		39,766		325,951	11
Legal reserve	29,685		30,112		246,820	427
Retained earnings	661,159		667,532		5,471,574	6,373
Accumulated other comprehensive income (loss)	(5,882)		12,110		99,262	17,992
Treasury stock	(18,497)		(18,247)		(149,566)	250
Total TDK stockholders' equity	738,861	52.6	763,914	52.0	6,261,590	25,053
Noncontrolling interests	19,146	1.4	20,021	1.4	164,107	875
Total equity	758,007	54.0	783,935	53.4	6,425,697	25,928
TOTAL	1,404,282	100.0	1,467,805	100.0	12,031,189	63,523

Note:

U.S.\$1=Yen 122, for convenience only.

(2) Statements of Income and Statements of Comprehensive Income

Statements of Income

Term Item	1Q of FY2015 (April 1, 2014 - June 30, 2014)		1Q of FY2016 (April 1, 2015 - June 30, 2015)			Change	
	(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Net sales	237,462	100.0	279,556	100.0	2,291,443	42,094	17.7
Cost of sales	179,994	75.8	206,872	74.0	1,695,672	26,878	14.9
Gross profit	57,468	24.2	72,684	26.0	595,771	15,216	26.5
Selling, general and administrative expenses	47,873	20.2	54,544	19.5	447,082	6,671	13.9
Operating income	9,595	4.0	18,140	6.5	148,689	8,545	89.1
Other income (deductions):							
Interest and dividend income	1,136		1,084		8,885	(52)	
Interest expense	(829)		(805)		(6,598)	24	
Foreign exchange gain (loss)	311		20		164	(291)	
Other-net	142		496		4,065	354	
Total other income (deductions)	760	0.4	795	0.3	6,516	35	4.6
Income before income taxes	10,355	4.4	18,935	6.8	155,205	8,580	82.9
Income taxes	4,068	1.8	5,146	1.9	42,180	1,078	26.5
Net income	6,287	2.6	13,789	4.9	113,025	7,502	119.3
Less: Net income attributable to noncontrolling interests	533	0.2	690	0.2	5,656	157	29.5
Net income attributable to TDK	5,754	2.4	13,099	4.7	107,369	7,345	127.7

Note:

U.S.\$1=Yen 122, for convenience only.

Statements of Comprehensive Income

Term Item	1Q of FY2015 (April 1, 2014 - June 30, 2014)		1Q of FY2016 (April 1, 2015 - June 30, 2015)		Change
	(Yen millions)	(Yen millions)	(Yen millions)	(U.S.\$ thousands)	(Yen millions)
Net income	6,287	13,789	113,025	7,502	
Other comprehensive income (loss), net of taxes:					
Foreign currencies translation adjustments	(10,140)	18,684	153,147	28,824	
Pension liability adjustments	367	645	5,287	278	
Net unrealized gains (losses) on securities	(153)	(1,034)	(8,475)	(881)	
Total other comprehensive income (loss)	(9,926)	18,295	149,959	28,221	
Comprehensive income (loss)	(3,639)	32,084	262,984	35,723	
Comprehensive income attributable to noncontrolling interests	282	993	8,140	711	
Comprehensive income (loss) attributable to TDK	(3,921)	31,091	254,844	35,012	

Note:

U.S.\$1=Yen 122, for convenience only.

(3) Statements of Cash Flows

Item	Term	1Q of FY2016	
		(April 1, 2014 - June 30, 2014)	(April 1, 2015 - June 30, 2015)
	(Yen millions)	(Yen millions)	(U.S.\$ thousands)
Cash flows from operating activities:			
Net income	6,287	13,789	113,025
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	19,650	20,534	168,311
Changes in assets and liabilities:			
Decrease (increase) in trade receivables	(927)	4,533	37,156
Decrease (increase) in inventories	(4,849)	(11,977)	(98,172)
Increase (decrease) in trade payables	7,630	7,341	60,172
Increase (decrease) in accrued expenses	(4,014)	(8,103)	(66,418)
Decrease (increase) in other assets and liabilities, net	(6,858)	419	3,434
Other-net	1,810	21	172
Net cash provided by operating activities	18,729	26,557	217,680
Cash flows from investing activities:			
Capital expenditures	(19,974)	(28,690)	(235,164)
Proceeds from sale and maturity of short-term investments	4,155	10,037	82,271
Payment for purchase of short-term investments	(3,789)	(8,533)	(69,943)
Proceeds from sale and maturity of securities	101	1,296	10,623
Payment for purchase of securities	(51)	(131)	(1,074)
Proceeds from sales of tangible and intangible assets	654	397	3,254
Other-net	357	(57)	(467)
Net cash used in investing activities	(18,547)	(25,681)	(210,500)
Cash flows from financing activities:			
Proceeds from long-term debt	1,228	6,870	56,311
Repayment of long-term debt	(1,080)	(139)	(1,139)
Increase (decrease) in short-term debt, net	15,495	10,011	82,057
Dividends paid	(4,892)	(6,184)	(50,688)
Acquisition of noncontrolling interests	(11,366)	-	-
Other-net	2,340	(77)	(631)
Net cash provided by financing activities	1,725	10,481	85,910
Effect of exchange rate changes on cash and cash equivalents	(3,448)	5,690	46,639
Net increase (decrease) in cash and cash equivalents	(1,541)	17,047	139,729
Cash and cash equivalents at beginning of period	250,848	265,104	2,172,984
Cash and cash equivalents at end of period	249,307	282,151	2,312,713

Note:

U.S.\$1=Yen 122, for convenience only.

(4) Notes Concerning Going Concern Assumptions

Nothing to report.

(5) Segment Information

TDK has three reporting segments: Passive Components, Magnetic Application Products and Film Application Products, as well as Other, which includes products not included in these three reporting segments.

In accordance with the reorganization in 1Q of FY2016, certain products of Passive Components and Magnetic Application Products were reclassified into Other. The prior year's sales are also reclassified to conform to the new segmentation.

Sales by industry segment

		1Q of FY2015 (April 1, 2014 - June 30, 2014)		1Q of FY2016 (April 1, 2015 - June 30, 2015)			Change	
		(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Passive Components	External customers	121,922	51.3	147,816	52.9	1,211,607	25,894	21.2
	Intersegment	815		765		6,270	(50)	-6.1
	Total	122,737		148,581		1,217,877	25,844	21.1
Magnetic Application Products	External customers	85,249	35.9	79,358	28.4	650,475	(5,891)	-6.9
	Intersegment	21		63		517	42	200.0
	Total	85,270		79,421		650,992	(5,849)	-6.9
Film Application Products	External customers	22,484	9.5	43,232	15.4	354,361	20,748	92.3
	Intersegment	713		736		6,032	23	3.2
	Total	23,197		43,968		360,393	20,771	89.5
Other	External customers	7,807	3.3	9,150	3.3	75,000	1,343	17.2
	Intersegment	1,948		3,082		25,262	1,134	58.2
	Total	9,755		12,232		100,262	2,477	25.4
Intersegment eliminations		(3,497)		(4,646)		(38,081)	(1,149)	
Total		237,462	100.0	279,556	100.0	2,291,443	42,094	17.7

Segment profit (loss) by industry segment

		1Q of FY2015 (April 1, 2014 - June 30, 2014)		1Q of FY2016 (April 1, 2015 - June 30, 2015)			Change	
		(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Passive Components		7,757	6.4	15,030	10.2	123,197	7,273	93.8
Magnetic Application Products		7,261	8.5	3,787	4.8	31,041	(3,474)	-47.8
Film Application Products		286	1.3	4,732	10.9	38,787	4,446	-
Other		(494)	-6.3	373	4.1	3,057	867	-
Sub total		14,810	6.2	23,922	8.6	196,082	9,112	61.5
Corporate and Eliminations		(5,215)		(5,782)		(47,393)	(567)	
Operating income		9,595	4.0	18,140	6.5	148,689	8,545	89.1

Note:

U.S.\$1=Yen 122, for convenience only.

(6) Notes Concerning Significant Changes in Stockholders' Equity

Nothing to report.

(7) Consolidated Supplementary Information

1. Exchange rates used for conversion

Item	Term	As of June 30, 2014		As of June 30, 2015		As of March 31, 2015	
		US\$=Yen	Euro=Yen	US\$=Yen	Euro=Yen	US\$=Yen	Euro=Yen
The end of the period		101.36	138.31	122.45	137.23	120.17	130.32

2. Sales by region

Region	Term	1Q of FY2015 (April 1, 2014 - June 30, 2014)		1Q of FY2016 (April 1, 2015 - June 30, 2015)			Change	
		(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Americas		19,195	8.1	25,208	9.0	206,623	6,013	31.3
Europe		36,918	15.5	36,469	13.0	298,926	(449)	-1.2
Asia and others		157,452	66.3	195,335	69.9	1,601,107	37,883	24.1
Overseas sales total		213,565	89.9	257,012	91.9	2,106,656	43,447	20.3
Japan		23,897	10.1	22,544	8.1	184,787	(1,353)	-5.7
Net sales		237,462	100.0	279,556	100.0	2,291,443	42,094	17.7

Notes:

- Overseas sales are based on the location of the customers.
- U.S.\$1=Yen 122, for convenience only.

3. Company group

As of June 30, 2015, TDK had 117 consolidated subsidiaries (12 in Japan and 105 overseas). TDK also had 8 affiliates (4 in Japan and 4 overseas), the financial statements for which are accounted for by the equity method.

4. Overview of sales by product

Term Product	1Q of FY2015 (April 1, 2014 - June 30, 2014)		2Q of FY2015 (July 1, 2014 - September 30, 2014)		3Q of FY2015 (October 1, 2014 - December 31, 2014)		4Q of FY2015 (January 1, 2015 - March 31, 2015)	
	(Yen millions)	%	(Yen millions)	%	(Yen millions)	%	(Yen millions)	%
Capacitors	36,490	15.4	37,308	14.1	37,518	12.5	37,644	13.5
Inductive devices	35,696	15.0	37,085	14.0	38,071	12.7	36,430	13.0
Other	49,736	20.9	55,529	20.9	67,645	22.5	62,846	22.4
Passive Components	121,922	51.3	129,922	49.0	143,234	47.7	136,920	48.9
Recording devices	59,074	24.8	63,739	24.0	75,088	25.0	62,605	22.4
Other	26,175	11.1	25,456	9.7	25,281	8.4	25,929	9.2
Magnetic Application Products	85,249	35.9	89,195	33.7	100,369	33.4	88,534	31.6
Film Application Products	22,484	9.5	37,235	14.1	47,417	15.8	44,139	15.8
Other	7,807	3.3	8,461	3.2	9,357	3.1	10,315	3.7
Total	237,462	100.0	264,813	100.0	300,377	100.0	279,908	100.0

Term Product	1Q of FY2016 (April 1, 2015 - June 30, 2015)		
	(Yen millions)	%	(U.S.\$ thousands)
Capacitors	39,126	14.0	320,705
Inductive devices	37,895	13.6	310,615
Other	70,795	25.3	580,287
Passive Components	147,816	52.9	1,211,607
Recording devices	54,585	19.5	447,418
Other	24,773	8.9	203,057
Magnetic Application Products	79,358	28.4	650,475
Film Application Products	43,232	15.4	354,361
Other	9,150	3.3	75,000
Total	279,556	100.0	2,291,443

Notes:

1. U.S.\$1=Yen 122, for convenience only.
2. In accordance with the reorganization in 1Q of FY2016, certain products of Inductive devices, Other of Passive Components and Other of Magnetic Application Products were reclassified into Other that wasn't a part of three reportable segments. The prior year's sales are also reclassified to conform to the new segmentation.