

#### (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.