

### 3. Consolidated Financial Statements

#### (1) Balance Sheets

ASSETS									
Term Item	As of March 31, 2017		As of December 31, 2017			Change from March 31, 2017	As of September 30, 2017		Change from Sep 30, 2017
	(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	(Yen millions)	%	(Yen millions)
Current assets	866,136	52.0	952,476	48.5	8,428,991	86,340	961,690	49.5	(9,214)
Cash and cash equivalents	330,388		279,410		2,472,655	(50,978)	270,630		8,780
Short-term investments	56,131		37,036		327,752	(19,095)	77,952		(40,916)
Marketable securities	-		808		7,151	808	1,099		(291)
Net trade receivables	254,909		342,986		3,035,274	88,077	337,968		5,018
Inventories	154,499		211,364		1,870,478	56,865	199,525		11,839
Other current assets	70,209		80,872		715,681	10,663	74,516		6,356
Noncurrent assets	798,197	48.0	1,011,209	51.5	8,948,752	213,012	982,551	50.5	28,658
Investments in securities	161,825		161,508		1,429,274	(317)	149,745		11,763
Net property, plant and equipment	464,667		538,720		4,767,434	74,053	518,341		20,379
Goodwill	61,031		163,904		1,450,478	102,873	189,228		(25,324)
Other assets	110,674		147,077		1,301,566	36,403	125,237		21,840
<b>TOTAL</b>	<b>1,664,333</b>	<b>100.0</b>	<b>1,963,685</b>	<b>100.0</b>	<b>17,377,743</b>	<b>299,352</b>	<b>1,944,241</b>	<b>100.0</b>	<b>19,444</b>

LIABILITIES AND EQUITY									
Term Item	As of March 31, 2017		As of December 31, 2017			Change from March 31, 2017	As of September 30, 2017		Change from Sep 30, 2017
	(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	(Yen millions)	%	(Yen millions)
Current liabilities	477,594	28.7	592,839	30.2	5,246,362	115,245	605,551	31.2	(12,712)
Short-term debt	77,680		109,298		967,239	31,618	131,938		(22,640)
Current installments of long-term debt	42,517		62,287		551,212	19,770	53,819		8,468
Trade payables	176,644		236,531		2,093,195	59,887	228,562		7,969
Accrued expenses	148,609		154,614		1,368,265	6,005	160,968		(6,354)
Other current liabilities	32,144		30,109		266,451	(2,035)	30,264		(155)
Noncurrent liabilities	384,621	23.1	500,505	25.5	4,429,248	115,884	505,785	26.0	(5,280)
Long-term debt, excluding current installments	213,935		321,349		2,843,796	107,414	329,021		(7,672)
Retirement and severance benefits	125,202		127,911		1,131,956	2,709	127,595		316
Other noncurrent liabilities	45,484		51,245		453,496	5,761	49,169		2,076
Total liabilities	862,215	51.8	1,093,344	55.7	9,675,610	231,129	1,111,336	57.2	(17,992)
Common stock	32,641		32,641		288,858	-	32,641		-
Additional paid-in capital	15,349		8,726		77,221	(6,623)	8,685		41
Legal reserve	37,727		45,312		400,991	7,585	37,162		8,150
Retained earnings	833,884		863,423		7,640,912	29,539	857,566		5,857
Accumulated other comprehensive income (loss)	(108,575)		(69,390)		(614,071)	39,185	(92,459)		23,069
Treasury stock	(17,412)		(17,262)		(152,761)	150	(17,309)		47
Total TDK stockholders' equity	793,614	47.7	863,450	44.0	7,641,150	69,836	826,286	42.5	37,164
Noncontrolling interests	8,504	0.5	6,891	0.3	60,983	(1,613)	6,619	0.3	272
Total equity	802,118	48.2	870,341	44.3	7,702,133	68,223	832,905	42.8	37,436
<b>TOTAL</b>	<b>1,664,333</b>	<b>100.0</b>	<b>1,963,685</b>	<b>100.0</b>	<b>17,377,743</b>	<b>299,352</b>	<b>1,944,241</b>	<b>100.0</b>	<b>19,444</b>

**Note:**

U.S.\$1=Yen 113, for convenience only.