

(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 figures are also reclassified to conform to the new segmentation.

[9-month-period results]

Sales by industry segment

		The 9-month-period of FY2015 (April 1, 2014 - December 31, 2014)		The 9-month-period of FY2016 (April 1, 2015 - December 31, 2015)			Change	
		(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Passive Components	External customers	395,078	49.2	439,482	49.4	3,632,083	44,404	11.2
	Intersegment	2,261		2,110		17,438	(151)	-6.7
	Total	397,339		441,592		3,649,521	44,253	11.1
Magnetic Application Products	External customers	274,813	34.3	246,417	27.7	2,036,504	(28,396)	-10.3
	Intersegment	162		275		2,273	113	69.8
	Total	274,975		246,692		2,038,777	(28,283)	-10.3
Film Application Products	External customers	107,136	13.3	175,760	19.8	1,452,562	68,624	64.1
	Intersegment	2,204		2,273		18,785	69	3.1
	Total	109,340		178,033		1,471,347	68,693	62.8
Other	External customers	25,625	3.2	27,683	3.1	228,785	2,058	8.0
	Intersegment	8,497		11,492		94,975	2,995	35.2
	Total	34,122		39,175		323,760	5,053	14.8
Intersegment eliminations		(13,124)		(16,150)		(133,471)	(3,026)	
Total		802,652	100.0	889,342	100.0	7,349,934	86,690	10.8

Note:

U.S.\$1=Yen 121, for convenience only.

Segment profit (loss) by industry segment

		The 9-month-period of FY2015 (April 1, 2014 - December 31, 2014)		The 9-month-period of FY2016 (April 1, 2015 - December 31, 2015)			Change	
		(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Passive Components		28,607	7.2	49,906	11.4	412,446	21,299	74.5
Magnetic Application Products		23,371	8.5	12,990	5.3	107,355	(10,381)	-44.4
Film Application Products		15,154	14.1	30,933	17.6	255,645	15,779	104.1
Other		(42)	-0.2	498	1.8	4,116	540	-
Sub total		67,090	8.4	94,327	10.6	779,562	27,237	40.6
Corporate and Eliminations		(13,986)		(18,455)		(152,521)	(4,469)	
Operating income		53,104	6.6	75,872	8.5	627,041	22,768	42.9

Notes:

1. U.S.\$1=Yen 121, for convenience only.
2. % to sales of each corresponding segment

[3rd quarter results]

Sales by industry segment

		3Q of FY2015 (October 1, 2014 - December 31, 2014)		3Q of FY2016 (October 1, 2015 - December 31, 2015)			Change	
		(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Passive Components	External customers	143,234	47.7	141,515	46.9	1,169,546	(1,719)	-1.2
	Intersegment	795		599		4,950	(196)	-24.7
	Total	144,029		142,114		1,174,496	(1,915)	-1.3
Magnetic Application Products	External customers	100,369	33.4	81,793	27.1	675,975	(18,576)	-18.5
	Intersegment	76		165		1,364	89	117.1
	Total	100,445		81,958		677,339	(18,487)	-18.4
Film Application Products	External customers	47,417	15.8	68,463	22.7	565,810	21,046	44.4
	Intersegment	736		771		6,372	35	4.8
	Total	48,153		69,234		572,182	21,081	43.8
Other	External customers	9,357	3.1	9,957	3.3	82,289	600	6.4
	Intersegment	3,544		4,248		35,108	704	19.9
	Total	12,901		14,205		117,397	1,304	10.1
Intersegment eliminations		(5,151)		(5,783)		(47,794)	(632)	
Total		300,377	100.0	301,728	100.0	2,493,620	1,351	0.4

Note:

U.S.\$1=Yen 121, for convenience only.

Segment profit (loss) by industry segment

		3Q of FY2015 (October 1, 2014 - December 31, 2014)		3Q of FY2016 (October 1, 2015 - December 31, 2015)			Change	
		(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Passive Components		11,435	8.0	17,494	12.4	144,578	6,059	53.0
Magnetic Application Products		7,657	7.6	4,745	5.8	39,215	(2,912)	-38.0
Film Application Products		9,642	20.3	14,558	21.3	120,314	4,916	51.0
Other		243	2.6	(86)	-0.9	(711)	(329)	-
Sub total		28,977	9.6	36,711	12.2	303,396	7,734	26.7
Corporate and Eliminations		(3,795)		(6,414)		(53,008)	(2,619)	
Operating income		25,182	8.4	30,297	10.0	250,388	5,115	20.3

Notes:

1. U.S.\$1=Yen 121, for convenience only.
2. % to sales of each corresponding segment

(6) Notes Concerning Significant Changes in Stockholders' Equity

Nothing to report.