

(4) Notes Concerning Going Concern Assumptions

Nothing to report.

(5) Segment Information

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

[1st half results]

		1H of FY2019 (April 1, 2018 - September 30, 2018)		1H of FY2020 (April 1, 2019 - September 30, 2019)			Change	
		(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Passive Components	External customers	224,822	31.1	200,140	28.3	1,853,149	(24,682)	-11.0
	Intersegment	1,692		1,456		13,481	(236)	-13.9
	Total	226,514		201,596		1,866,630	(24,918)	-11.0
Sensor Application Products	External customers	39,477	5.5	38,919	5.5	360,361	(558)	-1.4
	Intersegment	40		58		537	18	45.0
	Total	39,517		38,977		360,898	(540)	-1.4
Magnetic Application Products	External customers	145,866	20.2	109,994	15.6	1,018,463	(35,872)	-24.6
	Intersegment	37		3,358		31,093	3,321	-
	Total	145,903		113,352		1,049,556	(32,551)	-22.3
Energy Application Products	External customers	280,348	38.8	318,177	45.0	2,946,083	37,829	13.5
	Intersegment	7		-		-	(7)	-
	Total	280,355		318,177		2,946,083	37,822	13.5
Other	External customers	31,427	4.4	39,799	5.6	368,509	8,372	26.6
	Intersegment	14,637		13,853		128,269	(784)	-5.4
	Total	46,064		53,652		496,778	7,588	16.5
Intersegment eliminations		(16,413)		(18,725)		(173,380)	(2,312)	
Total		721,940	100.0	707,029	100.0	6,546,565	(14,911)	-2.1

Note:

U.S.\$1=Yen 108, for convenience only.

Segment profit (loss) by industry segment

		1H of FY2019 (April 1, 2018 - September 30, 2018)		1H of FY2020 (April 1, 2019 - September 30, 2019)			Change	
		(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Passive Components		30,401	13.5	21,759	10.9	201,472	(8,642)	-28.4
Sensor Application Products		(9,504)	-24.1	(12,549)	-32.2	(116,194)	(3,045)	-
Magnetic Application Products		4,407	3.0	6,748	6.1	62,481	2,341	53.1
Energy Application Products		54,348	19.4	68,950	21.7	638,426	14,602	26.9
Other		(2,756)	-8.8	(319)	-0.8	(2,954)	2,437	-
Sub total		76,896	10.7	84,589	12.0	783,231	7,693	10.0
Corporate and Eliminations		(14,716)		(15,746)		(145,796)	(1,030)	
Operating income		62,180	8.6	68,843	9.7	637,435	6,663	10.7

Note:

U.S.\$1=Yen 108, for convenience only.

[2nd quarter results]

		2Q of FY2019 (July 1, 2018 - September 30, 2018)		2Q of FY2020 (July 1, 2019 - September 30, 2019)			Change	
		(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Passive Components	External customers	112,100	29.6	101,871	27.5	943,250	(10,229)	-9.1
	Intersegment	891		692		6,407	(199)	-22.3
	Total	112,991		102,563		949,657	(10,428)	-9.2
Sensor Application Products	External customers	20,608	5.4	20,777	5.6	192,380	169	0.8
	Intersegment	7		43		398	36	514.3
	Total	20,615		20,820		192,778	205	1.0
Magnetic Application Products	External customers	75,390	19.9	54,465	14.7	504,305	(20,925)	-27.8
	Intersegment	14		576		5,333	562	-
	Total	75,404		55,041		509,638	(20,363)	-27.0
Energy Application Products	External customers	154,761	40.9	173,664	46.9	1,608,000	18,903	12.2
	Intersegment	-		-		-	-	-
	Total	154,761		173,664		1,608,000	18,903	12.2
Other	External customers	16,013	4.2	19,437	5.3	179,972	3,424	21.4
	Intersegment	7,826		7,215		66,806	(611)	-7.8
	Total	23,839		26,652		246,778	2,813	11.8
Intersegment eliminations		(8,738)		(8,526)		(78,944)	212	
Total		378,872	100.0	370,214	100.0	3,427,907	(8,658)	-2.3

Note:

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Segment profit (loss) by industry segment

		2Q of FY2019 (July 1, 2018 - September 30, 2018)		2Q of FY2020 (July 1, 2019 - September 30, 2019)			Change	
		(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Passive Components		16,379	14.6	11,420	11.2	105,741	(4,959)	-30.3
Sensor Application Products		(4,563)	-22.1	(5,528)	-26.6	(51,185)	(965)	-
Magnetic Application Products		939	1.2	3,450	6.3	31,944	2,511	267.4
Energy Application Products		33,323	21.5	42,481	24.5	393,342	9,158	27.5
Other		(1,716)	-10.7	(634)	-3.3	(5,870)	1,082	-
Sub total		44,362	11.7	51,189	13.8	473,972	6,827	15.4
Corporate and Eliminations		(7,602)		(7,326)		(67,833)	276	
Operating income		36,760	9.7	43,863	11.8	406,139	7,103	19.3

Note:

U.S.\$1=Yen 108, for convenience only.

(6) Notes Concerning Significant Changes in Stockholders' Equity

Nothing to report.