

(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.

[9-month-period results]

Sales by industry segment

		The 9-month-period of FY2019 (April 1, 2018 - December 31, 2018)		The 9-month-period of FY2020 (April 1, 2019 - December 31, 2019)			Change	
		(Yen millions)	%	(Yen millions)	%	(U.S.S thousands)	(Yen millions)	Change(%)
Passive Components	External customers	331,524	30.9	298,489	28.1	2,713,536	(33,035)	-10.0
	Intersegment	2,577		2,140		19,455	(437)	-17.0
	Total	334,101		300,629		2,732,991	(33,472)	-10.0
Sensor Application Products	External customers	59,178	5.5	59,227	5.6	538,427	49	0.1
	Intersegment	78		137		1,245	59	75.6
	Total	59,256		59,364		539,672	108	0.2
Magnetic Application Products	External customers	212,276	19.8	167,853	15.8	1,525,937	(44,423)	-20.9
	Intersegment	609		4,074		37,036	3,465	569.0
	Total	212,885		171,927		1,562,973	(40,958)	-19.2
Energy Application Products	External customers	425,720	39.7	479,354	45.1	4,357,764	53,634	12.6
	Intersegment	9		1		9	(8)	-88.9
	Total	425,729		479,355		4,357,773	53,626	12.6
Other	External customers	44,045	4.1	57,740	5.4	524,909	13,695	31.1
	Intersegment	23,172		19,992		181,746	(3,180)	-13.7
	Total	67,217		77,732		706,655	10,515	15.6
Intersegment eliminations		(26,445)		(26,344)		(239,491)	101	
Total		1,072,743	100.0	1,062,663	100.0	9,660,573	(10,080)	-0.9

Note:

U.S.\$1=Yen 110, for convenience only.

Segment profit (loss) by industry segment

		The 9-month-period of FY2019 (April 1, 2018 - December 31, 2018)		The 9-month-period of FY2020 (April 1, 2019 - December 31, 2019)			Change	
		(Yen millions)	%	(Yen millions)	%	(U.S.S thousands)	(Yen millions)	Change(%)
Passive Components		45,110	13.6	32,382	10.8	294,382	(12,728)	-28.2
Sensor Application Products		(14,972)	-25.3	(18,038)	-30.5	(163,982)	(3,066)	-
Magnetic Application Products		12,234	5.8	11,930	7.1	108,455	(304)	-2.5
Energy Application Products		78,983	18.6	109,485	22.8	995,318	30,502	38.6
Other		(3,968)	-9.0	(2,773)	-4.8	(25,209)	1,195	-
Sub total		117,387	10.9	132,986	12.5	1,208,964	15,599	13.3
Corporate and Eliminations		(22,449)		(23,746)		(215,873)	(1,297)	
Operating income		94,938	8.9	109,240	10.3	993,091	14,302	15.1

Note:

U.S.\$1=Yen 110, for convenience only.

[3rd quarter results]

Sales by industry segment

		3Q of FY2019 (October 1, 2018 - December 31, 2018)		3Q of FY2020 (October 1, 2019 - December 31, 2019)			Change	
		(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Passive Components	External customers	106,702	30.4	98,349	27.7	894,082	(8,353)	-7.8
	Intersegment	885		684		6,218	(201)	-22.7
	Total	107,587		99,033		900,300	(8,554)	-8.0
Sensor Application Products	External customers	19,701	5.6	20,308	5.7	184,618	607	3.1
	Intersegment	38		79		718	41	107.9
	Total	19,739		20,387		185,336	648	3.3
Magnetic Application Products	External customers	66,410	18.9	57,859	16.3	525,991	(8,551)	-12.9
	Intersegment	572		716		6,509	144	25.2
	Total	66,982		58,575		532,500	(8,407)	-12.6
Energy Application Products	External customers	145,372	41.5	161,177	45.3	1,465,245	15,805	10.9
	Intersegment	2		1		10	(1)	-50.0
	Total	145,374		161,178		1,465,255	15,804	10.9
Other	External customers	12,618	3.6	17,941	5.0	163,100	5,323	42.2
	Intersegment	8,535		6,139		55,809	(2,396)	-28.1
	Total	21,153		24,080		218,909	2,927	13.8
Intersegment eliminations		(10,032)		(7,619)		(69,264)	2,413	
Total		350,803	100.0	355,634	100.0	3,233,036	4,831	1.4

Note:

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Segment profit (loss) by industry segment

		3Q of FY2019 (October 1, 2018 - December 31, 2018)		3Q of FY2020 (October 1, 2019 - December 31, 2019)			Change	
		(Yen millions)	%	(Yen millions)	%	(U.S.\$ thousands)	(Yen millions)	Change(%)
Passive Components		14,709	13.8	10,623	10.8	96,573	(4,086)	-27.8
Sensor Application Products		(5,468)	-27.8	(5,489)	-27.0	(49,900)	(21)	-
Magnetic Application Products		7,827	11.8	5,182	9.0	47,109	(2,645)	-33.8
Energy Application Products		24,635	16.9	40,535	25.1	368,500	15,900	64.5
Other		(1,212)	-9.6	(2,454)	-13.7	(22,309)	(1,242)	-
Sub total		40,491	11.5	48,397	13.6	439,973	7,906	19.5
Corporate and Eliminations		(7,733)		(8,000)		(72,728)	(267)	
Operating income		32,758	9.3	40,397	11.4	367,245	7,639	23.3

Note:

U.S.\$1=Yen 110, for convenience only.

(6) Notes Concerning Significant Changes in Stockholders' Equity

Nothing to report.