Profile

Since its founding in 1950, TAIYO YUDEN has worked to develop and mass produce electronic components that meet the most current needs of our customers and the markets we serve. based on our corporate philosophy of conducting "from the research and development of materials to product commercialization." We are continuing to grow with the expansion of our businesses worldwide.

TAIYO YUDEN aims not only to enhance economical value but also to heighten social value by fulfilling our social responsibilities in response to the demands and expectations from our stakeholders. We are also committed to enhancing activities and approaches toward labor and human rights, health and safety, environment, ethics, as well as product safety and quality with responsibilities.

Management Philosophy

Employee Well-being

Betterment of Local Communities **Responsibility to Provide Returns** to Shareholders

TAIYO YUDEN Vision

To be an excellent company that enjoys the trust and highest regard from our customers

Contents

Notes

- Period covered by this report: From April 1, 2016 to March 31, 2017. The figures in this report omit amounts less than hundred million yen and 1 million yen and displays it.
- The following convention has been applied as regards the labeling of fiscal years in graphs: "The fiscal year ended March 2017," for example, has been shortened to "2017."
- The English-language version of this report is based on the Japanese-language version. With the exception of the financial statements, all figures presented have been rounded down to the nearest appropriate unit. As a result, there are cases when a presented figure differs slightly from the equivalent figure in the financial statements.
- The Bluetooth[®] word mark and logos are registered trademarks owned by Bluetooth SIG, Inc. TAIYO YUDEN has been granted approval to use these trademarks The contents of this Annual Report are correct as of June
- 29, 2017

Disclaimer

This Annual Report is intended to provide information about the business performance and strategies of the TAIYO YUDEN Group. It is not intended as an inducement to purchase or sell stock in TAIYO YUDEN or any TAIYO YUDEN Group company. Statements in this report that are not historical fact are forward-looking statements based on the current beliefs, estimates and expectations of TAIYO YUDEN Group management. As these beliefs, estimates and expectations are subject to a number of risks, uncertainties and assumptions, actual results may differ materially. TAIYO YUDEN undertakes no obligation to update any forward-looking statements, and shall in no event be liable for any damages arising out of the use or interpretation of this material. Please refrain from copying or disseminating this material without the prior consent of TAIYO YUDEN.

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Our President and Chief Executive Officer provides the Company's earnings forecasts and investment strategies for the fiscal year ending March 31, 2018, as well as the management policies and growth strategies toward the achievement of our medium-term targets which include sales target of ¥300 billion and ROE of at least 10%.

Special feature: 16

Production Innovation smart. E Project Aimed at the Arrival of the IoT Era

Utilizing big data to strengthen manufacturing capabilities

We would like to explain our approaches toward establishing production structure prepared for the coming unprecedented mass production, before the full-scale arrival of IoT era.

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