

Taiyo Yuden Co., Ltd.
Year ending March 31, 2010
3Q
(October 1, 2009 – December 31, 2009)

Overview of Operating Results

TAIYO YUDEN

Net sales unchanged, operating income fell ¥0.5 billion

Unit: Millions of yen	Year ending March 31, 2010 2Q (July 1, 2009~ September 30, 2009)	Year ending March 31, 2010 3Q (October 1, 2009~ December 31, 2009)	Increase (Decrease)	
			Amount	%
Net sales	52,408	52,588	179	0.3
Operating income	3,046	2,539	(507)	(16.7)
Ordinary income	1,986	2,467	480	24.2
Net income	1,047	1,562	514	49.1

Operating income: Despite the increase in sales volume, operating income declined due to the fall in unit prices and the loss attributable to exchange rate fluctuation

Sales for optical media products up 17%, capacitors and ferrite and applied products down

Unit: Millions of yen	Year ending March 31, 2010 2Q (July 1, 2009~ September 30, 2009)	Year ending March 31, 2010 3Q (October 1, 2009~ December 31, 2009)	Increase (Decrease)	
			Amount	%
Capacitors	24,405	23,978	(427)	(1.8)
Ferrite and applied products	8,092	7,461	(631)	(7.8)
Modules	10,190	9,952	(237)	(2.3)
Optical media products	6,585	7,716	1,130	17.2
Other electronic components	3,134	3,479	345	11.0

YoY increases in net sales and income

Unit: Millions of yen	Year ended March 31, 2009 3Q (October 1, 2008~ December 31, 2008)	Year ending March 31, 2010 3Q (October 1, 2009~ December 31, 2009)	Increase (Decrease)	
			Amount	%
Net sales	45,481	52,588	7,106	15.6
Operating income	(4,333)	2,539	6,872	—
Ordinary income	(5,428)	2,467	7,895	—
Net income	(6,297)	1,562	7,859	—

Net sales up YoY in all product segments except optical media products

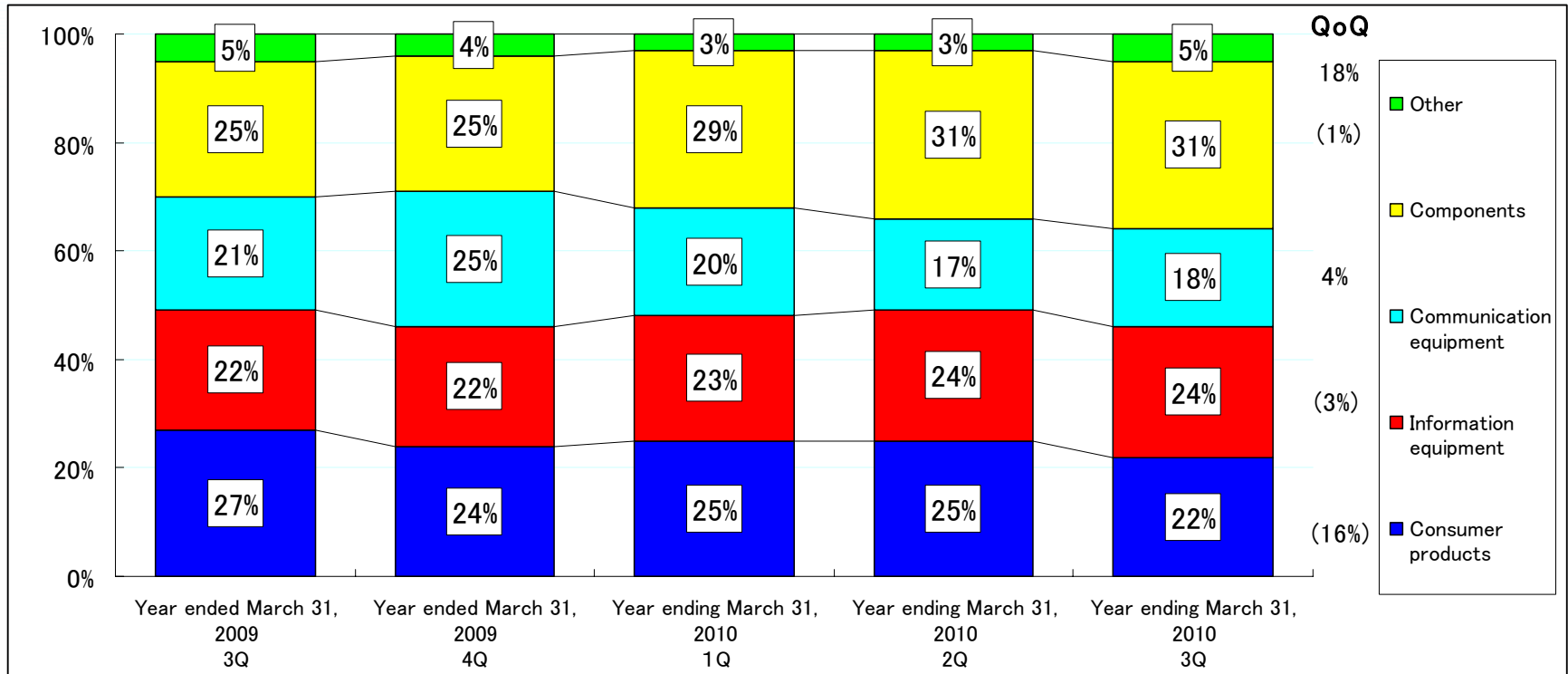
Unit: Millions of yen	Year ended March 31, 2009 3Q (October 1, 2008~ December 31, 2008)	Year ending March 31, 2010 3Q (October 1, 2009~ December 31, 2009)	Increase (Decrease)	
			Amount	%
Capacitors	17,158	23,978	6,819	39.7
Ferrite and applied products	6,509	7,461	952	14.6
Modules	8,983	9,952	969	10.8
Optical media products	10,149	7,716	(2,432)	(24.0)
Other electronic components	2,680	3,479	799	29.8

Unit: Yen	Year ended March 31, 2009 3Q (October 1, 2008~ December 31, 2008)	Year ending March 31, 2010	
		2Q (July 1, 2009~ September 30, 2009)	3Q (October 1, 2009~ December 31, 2009)
Average exchange rate	101.43	95.34	90.38
Last day exchange rate	91.04	90.22	92.10

- Yen appreciated 4.96 yen to the US dollar compared with the previous quarter, negatively impacting sales and operating income by 1.8 billion and 1 billion yen respectively
- Yen appreciated 11.05 yen to the US dollar YoY, negatively impacting sales and operating income by 4.2 billion yen and 1.9 billion yen, respectively

Note: The results from the impact of exchange rate fluctuations include the impact of currencies other than US dollars

Sales for communication equipment edged up slightly, consumer products contracted



Unit: Millions of yen	Year ending March 31, 2010			Proportion of forecast %
	3Q (October 1, 2009~ December 31, 2009)	1Q~3Q (April 1, 2009~ December 31, 2009)	Full fiscal year (April 1, 2009~ March 31, 2010) Forecast	
R&D expenses	2,122	5,532	8,000	69.2
Capital investment	2,184	6,841	10,000	68.4
Depreciation expenses	5,925	17,600	23,500	74.9

Unit: Millions of yen	Year ending March 31, 2010 2Q (July 1, 2009~ September 30, 2009)	Year ending March 31, 2010 3Q (October 1, 2009~ December 31, 2009)
Net sales	52,408	52,588
Cost of sales	41,733	41,364
Gross profit	10,675	11,223
Selling, general and administrative expenses	7,628	8,684
Operating income	3,046	2,539

An increase of 0.8 billion yen in selling, general and administrative expenses:
Starting from the third quarter under review, part of the cost of sales was included in selling, general and administrative expenses

- Accompanying the expansion of overseas facilities, global administrative operations and related research and development operations also increased
 - Taking advantage of the organizational change, part of the cost of sales which was previously recorded as manufacturing cost is now included in selling, general and administrative expenses
- This has resulted in the increase of 0.8 billion yen in selling, general and administrative expenses compared with expenses as historically classified

***Forecast of Consolidated
Performance
for the Year Ending March 31,
2010***

TAIYO YUDEN

Both sales and income revised upward from previous forecast

Unit: Millions of yen	Year ending March 31, 2010 (April 1, 2009~March 31, 2010)		Increase (Decrease)	
	Previous forecast	Revised forecast	Amount	%
Net sales	189,000	194,000	5,000	2.6
Operating income	3,500	4,500	1,000	28.6
Ordinary income	1,500	2,500	1,000	66.7
Net income	(1,500)	(1,000)	500	—

Full-year capacitor sales forecast increased to 90.0 billion yen

Unit: Millions of yen	Year ending March 31, 2010 (April 1, 2009~March 31, 2010)		Increase (Decrease)	
	Previous forecast	Revised forecast	Amount	%
Capacitors	86,000	90,000	4,000	4.6
Ferrite and applied products	29,000	29,000	0	0
Modules	35,500	36,000	500	1.4
Optical media products	27,500	27,500	0	0
Other electronic components	11,000	11,500	500	4.5

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