

August 5, 2011

***Consolidated Results for
the Year Ending March 31, 2012
1Q***

(April 1, 2011 – June 30, 2011)

TAIYO YUDEN

Second consecutive quarter with a net loss, despite an improvement in performance

Unit: Millions of yen	Year ended March 31, 2011	Year ending March 31, 2012	Increase (Decrease)	
	4Q (01 Jan 2011 – 31 Mar 2011)	1Q (01 Apr 2011 – 30 Jun 2011)	Amount	%
Net sales	45,911	47,035	1,124	2.4
Operating income	(1,431)	(658)	772	—
Ordinary income	(1,373)	(1,295)	78	—
Net income	(3,406)	(1,707)	1,698	—

Losses reduced in Electronic components, Optical media products and others

Unit: Millions of yen	Year ended March 31, 2011	Year ending March 31, 2012	Increase (Decrease)	
	4Q (01 Jan 2011 – 31 Mar 2011)	1Q (01 Apr 2011 – 30 Jun 2011)	Amount	%
Electronic components	39,486	41,464	1,978	5.0
Optical media and others	6,425	5,571	(853)	(13.3)
Net sales	45,911	47,035	1,124	2.4
Electronic components	(686)	(435)	251	—
Optical media and others	(744)	(222)	521	—
Operating income	(1,431)	(658)	772	—

Module segment earnings up 19% over the previous quarter

Unit: Millions of yen	Year ended March 31, 2011	Year ending March 31, 2012	Increase (Decrease)	
	4Q (01 Jan 2011 – 31 Mar 2011)	1Q (01 Apr 2011 – 30 Jun 2011)	Amount	%
Capacitors	22,413	23,057	643	2.9
Ferrite and applied products	7,209	7,351	142	2.0
Modules	6,237	7,428	1,190	19.1
Other electronic components	3,625	3,627	1	0.0
Electronic components	39,486	41,464	1,978	5.0
Optical media products	4,110	3,762	(348)	(8.5)
Others	2,314	1,808	(505)	(21.9)
Optical media and others	6,425	5,571	(853)	(13.3)
Total	45,911	47,035	1,124	2.4

Downturn in sales and income of Electronic components business contrasted with rampant demand seen in the previous first quarter

Unit: Millions of yen	Year ended March 31, 2011	Year ending March 31, 2012	Increase (Decrease)	
	1Q (01 Apr 2010 – 30 Jun 2010)	1Q (01 Apr 2011 – 30 Jun 2011)	Amount	%
Net sales	54,948	47,035	(7,912)	(14.4)
Operating income	3,760	(658)	(4,418)	—
Ordinary income	3,467	(1,295)	(4,762)	—
Net income	3,575	(1,707)	(5,283)	—

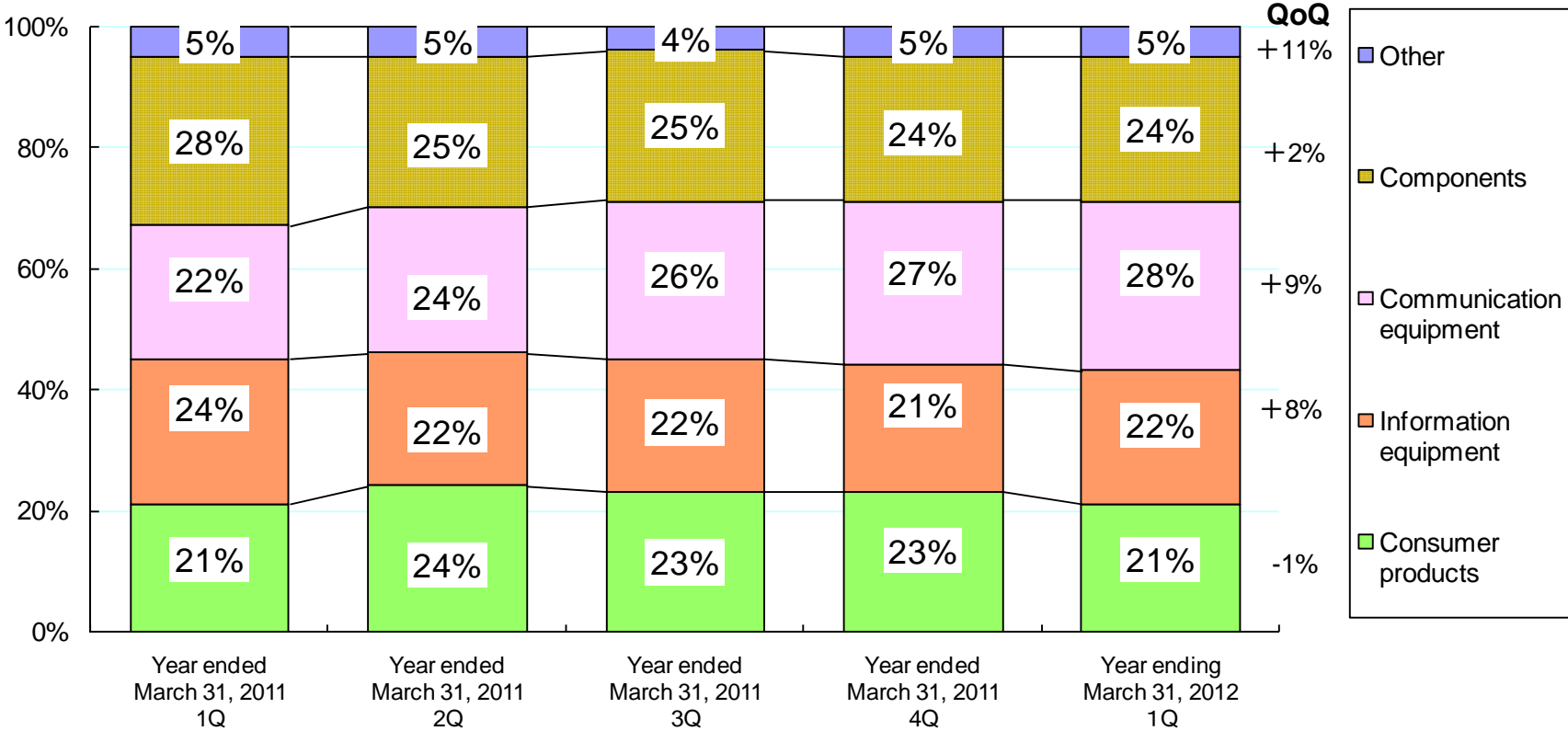
Electronic components declined in sales and income, while the Optical media products and others reduced losses

Unit: Millions of yen	Year ended March 31, 2011	Year ending March 31, 2012	Increase (Decrease)	
	1Q (01 Apr 2010 – 30 Jun 2010)	1Q (01 Apr 2011 – 30 Jun 2011)	Amount	%
Electronic components	47,688	41,464	(6,223)	(13.1)
Optical media and others	7,260	5,571	(1,688)	(23.3)
Net sales	54,948	47,035	(7,912)	(14.4)
Electronic components	4,439	(435)	(4,875)	—
Optical media and others	(679)	(222)	456	—
Operating income	3,760	(658)	(4,418)	—

Excluding Others, all product segments reduced sales compared to the previous first quarter

Unit: Millions of yen	Year ended March 31, 2011	Year ending March 31, 2012	Increase (Decrease)	
	1Q (01 Apr 2010 – 30 Jun 2010)	1Q (01 Apr 2011 – 30 Jun 2011)	Amount	%
Capacitors	26,689	23,057	(3,631)	(13.6)
Ferrite and applied products	8,190	7,351	(839)	(10.2)
Modules	8,848	7,428	(1,419)	(16.0)
Other electronic components	3,960	3,627	(332)	(8.4)
Electronic components	47,688	41,464	(6,223)	(13.1)
Optical media products	5,550	3,762	(1,788)	(32.2)
Others	1,709	1,808	99	5.8
Optical media and others	7,260	5,571	(1,688)	(23.3)
Total	54,948	47,035	(7,912)	(14.4)

Growth continues in the smartphone market, while sales for communication equipment rose



Unit: Yen	Year ended March 31, 2011		Year ending March 31, 2012
	1Q (01 Apr 2010 – 30 Jun 2010)	4Q (01 Jan 2011 – 31 Mar 2011)	1Q (01 Apr 2011– 30 Jun 2011)
Average exchange rate	91.89	82.89	82.17
Last day exchange rate	88.52	83.15	80.68

Yen/US Dollar Average Exchange Rate

- The value of the yen climbed ¥0.72 compared with the previous quarter. As a result, net sales and operating income declined ¥0.2 billion and ¥0.3 billion, respectively
- On a year-on-year basis, net sales and operating income declined ¥4.1 billion and ¥2.4 billion, respectively, owing to the ¥9.72 appreciation in the value of the yen

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

Unit: Millions of yen	Year ending March 31, 2012	Year ending March 31, 2012	Proportion of forecast
	1Q (01 Apr 2011 – 30 Jun 2011)	Full-year forecast [as of 12 May 2011]	%
R&D expenses	1,994	8,500	23.5
Capital investment	9,808	32,000	30.7
Depreciation expenses	4,295	21,000	20.5

***Forecast of Consolidated Performance
for the Year Ending March 31, 2012***

TAIYO YUDEN

Downward revision of first half net sales and income forecasts announced at the beginning of the period; second half forecasts remain unchanged

Unit: Millions of yen	Previous forecast [as of May 12, 2011]		Revised forecast [as of August 5, 2011]	
	Six months ending 30 Sep 2011	Six months ending 31 Mar 2012	Six months ending 30 Sep 2011	Six months ending 31 Mar 2012
Net sales	106,000	114,000	98,000	114,000
Operating income	3,500	6,500	0	6,500
Ordinary income	3,000	6,000	(1,400)	6,000
Net income	1,200	2,800	(2,500)	2,800

Note: First half data are the cumulative totals of first and second quarter forecast results: second half data are forecast results for the full fiscal year after subtracting first half forecast results

Downward revisions were made to our initial outlook for both sales and profits

Unit: Millions of yen	Year ending March 31, 2012		Increase (Decrease)	
	Previous forecast [as of May 12, 2011]	Revised forecast [as of August 5, 2011]	Amount	%
Net sales	220,000	212,000	(8,000)	(3.6)
Operating income	10,000	6,500	(3,500)	(35.0)
Ordinary income	9,000	4,600	(4,400)	(48.9)
Net income	4,000	300	(3,700)	(92.5)

Our sales forecast for the Electronic components business has also been revised downward

Unit: Millions of yen		Year ending March 31, 2012		Increase (Decrease)	
		Previous forecast [as of May 12, 2011]	Revised forecast [as of August 5, 2011]	Amount	%
Capacitors	109,000	103,000	(6,000)	(5.5)	
Ferrite and applied products	34,000	32,400	(1,600)	(4.7)	
Modules	34,000	33,800	(200)	(0.6)	
Other electronic components	21,000	20,000	(1,000)	(4.8)	
Electronic components	198,000	189,200	(8,800)	(4.4)	
Optical media products	15,000	15,600	600	4.0	
Others	7,000	7,200	200	2.9	
Optical media and others	22,000	22,800	800	3.6	
Total	220,000	212,000	(8,000)	(3.6)	

This document contains information about the plans, business results, and strategies of TAIYO YUDEN CO., LTD. and the Taiyo Yuden Group. These forward-looking statements other than historical facts represent judgments made by the Company based on information available at present and are inherently subject to a variety of uncertainties. Taiyo Yuden cannot provide any guarantee as to the attainment of certain figures in the future. The Company's actual activities and business results could differ significantly due to changes including, but not limited to, changes in the electronics market in which the Company's business activities are centered. Readers should not overly rely on the information contained in this document.