

***Consolidated Results for  
the Year Ending March 31, 2012  
2Q***

***(July 1, 2011 – September 30, 2011)***

**TAIYO YUDEN**

**Saw a decline in income, despite an increase in sales, due to operational losses, loss on foreign exchange and the reversal of deferred tax assets**

Unit: Millions of yen	Year ending March 31, 2012		Increase (Decrease)	
	1Q (01 Apr 2011 – 30 Jun 2011)	2Q (01 Jul 2011 – 30 Sep 2011)	Amount	%
<b>Net sales</b>	47,035	50,088	3,052	6.5
<b>Operating income</b>	(658)	(1,100)	(441)	—
<b>Ordinary income</b>	(1,295)	(2,369)	(1,074)	—
<b>Net income</b>	(1,707)	(7,403)	(5,695)	—

**Operating income** : Operating losses grew amid operational losses from a reduction in inventories and a fall in unit prices

**Ordinary income**: Ordinary losses grew due to a ¥1.1 billion loss on foreign exchange from the strong yen

**Net income**: A ¥4.4 billion reversal occurred in deferred tax assets, resulting in a net loss of ¥7.4 billion

**Electronic components, Optical media and others each saw a decrease in income, despite an increase in sales**

Unit: Millions of yen	Year ending March 31, 2012		Increase (Decrease)	
	1Q (01 Apr 2011 – 30 Jun 2011)	2Q (01 Jul 2011 – 30 Sep 2011)	Amount	%
Electronic components	41,464	44,404	2,940	7.1
Optical media and others	5,571	5,683	112	2.0
<b>Net sales</b>	<b>47,035</b>	<b>50,088</b>	<b>3,052</b>	<b>6.5</b>
Electronic components	(435)	(465)	(29)	—
Optical media and others	(222)	(634)	(411)	—
<b>Operating income</b>	<b>(658)</b>	<b>(1,100)</b>	<b>(441)</b>	<b>—</b>

**Other electronic components and the Module segment saw an increase in sales**

Unit: Millions of yen		Year ending March 31, 2012		Increase (Decrease)	
		1Q (01 Apr 2011 – 30 Jun 2011)	2Q (01 Jul 2011 – 30 Sep 2011)	Amount	%
Capacitors	23,057	22,948	(108)	(0.5)	
Ferrite and applied products	7,351	7,666	315	4.3	
Modules	7,428	8,371	943	12.7	
Other electronic components	3,627	5,418	1,790	49.4	
<b>Electronic components</b>	<b>41,464</b>	<b>44,404</b>	<b>2,940</b>	<b>7.1</b>	
Optical media products	3,762	3,916	153	4.1	
Others	1,808	1,767	(41)	(2.3)	
<b>Optical media and others</b>	<b>5,571</b>	<b>5,683</b>	<b>112</b>	<b>2.0</b>	
<b>Total</b>	<b>47,035</b>	<b>50,088</b>	<b>3,052</b>	<b>6.5</b>	

**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)	
	<b>2Q</b> (01 Jul 2010 – 30 Sep 2010)	<b>2Q</b> (01 Jul 2011 – 30 Sep 2011)	Amount	%
<b>Net sales</b>	57,928	50,088	(7,840)	(13.5)
<b>Operating income</b>	4,342	(1,100)	(5,442)	—
<b>Ordinary income</b>	3,070	(2,369)	(5,440)	—
<b>Net income</b>	(6,724)	(7,403)	(678)	—

**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)	
	2Q (01 Jul 2010 – 30 Sep 2010)	2Q (01 Jul 2011 – 30 Sep 2011)	Amount	%
Electronic components	50,069	44,404	(5,664)	(11.3)
Optical media and others	7,859	5,683	(2,175)	(27.7)
<b>Net sales</b>	<b>57,928</b>	<b>50,088</b>	<b>(7,840)</b>	<b>(13.5)</b>
Electronic components	5,964	(465)	(6,430)	—
Optical media and others	(1,622)	(634)	988	—
<b>Operating income</b>	<b>4,342</b>	<b>(1,100)</b>	<b>(5,442)</b>	<b>—</b>

**Excluding Other electronic components, all product segments reduced sales compared to the previous second quarter**

Unit: Millions of yen	Year ended March 31, 2011	Year ending March 31, 2012	Increase (Decrease)	
	2Q (01 Jul 2010 – 30 Sep 2010)	2Q (01 Jul 2011 – 30 Sep 2011)	Amount	%
Capacitors	28,499	22,948	(5,550)	(19.5)
Ferrite and applied products	8,217	7,666	(550)	(6.7)
Modules	9,145	8,371	(773)	(8.5)
Other electronic components	4,206	5,418	1,210	28.8
<b>Electronic components</b>	<b>50,069</b>	<b>44,404</b>	<b>(5,664)</b>	<b>(11.3)</b>
Optical media products	4,943	3,916	(1,027)	(20.8)
Others	2,916	1,767	(1,148)	(39.4)
<b>Optical media and others</b>	<b>7,859</b>	<b>5,683</b>	<b>(2,175)</b>	<b>(27.7)</b>
<b>Total</b>	<b>57,928</b>	<b>50,088</b>	<b>(7,840)</b>	<b>(13.5)</b>

Unit: Yen	Year ended March 31, 2011	Year ending March 31, 2012	
	2Q (01 Jul 2010 – 30 Sep 2010)	1Q (01 Apr 2011 – 30 Jun 2011)	2Q (01 Jul 2011 – 30 Sep 2011)
Average exchange rate	88.06	82.17	79.09
Last day exchange rate	83.80	80.68	76.65

## Yen/US Dollar Average Exchange Rate

-The value of the yen climbed ¥3.08 compared with the previous quarter. As a result, net sales and operating income declined ¥1.4 billion and ¥0.7 billion, respectively

-On a year-on-year basis, net sales and operating income declined ¥4 billion and ¥2.4 billion, respectively, owing to the ¥8.97 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.



**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)	
	<b>1H</b> (01 Apr 2010 – 30 Sep 2010)	<b>1H</b> (01 Apr 2011 – 30 Sep 2011)	Amount	%
<b>Net sales</b>	112,877	97,124	(15,752)	(14.0)
<b>Operating income</b>	8,102	(1,758)	(9,861)	—
<b>Ordinary income</b>	6,538	(3,665)	(10,203)	—
<b>Net income</b>	(3,148)	(9,111)	(5,962)	—

**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)	
	1H (01 Apr 2010 – 30 Sep 2010)	1H (01 Apr 2011 – 30 Sep 2011)	Amount	%
Electronic components	97,757	85,869	(11,888)	(12.2)
Optical media and others	15,119	11,254	(3,864)	(25.6)
<b>Net sales</b>	<b>112,877</b>	<b>97,124</b>	<b>(15,752)</b>	<b>(14.0)</b>
Electronic components	10,404	(901)	(11,305)	—
Optical media and others	(2,301)	(857)	1,444	—
<b>Operating income</b>	<b>8,102</b>	<b>(1,758)</b>	<b>(9,861)</b>	<b>—</b>

**Excluding Other electronic components, all product segments reduced sales compared to the previous first half**

Unit: Millions of yen	Year ended March 31, 2011	Year ending March 31, 2012	Increase (Decrease)	
	1H (01 Apr 2010 – 30 Sep 2010)	1H (01 Apr 2011 – 30 Sep 2011)	Amount	%
Capacitors	55,188	46,006	(9,182)	(16.6)
Ferrite and applied products	16,408	15,018	(1,389)	(8.5)
Modules	17,993	15,800	(2,193)	(12.2)
Other electronic components	8,167	9,044	877	10.7
<b>Electronic components</b>	<b>97,757</b>	<b>85,869</b>	<b>(11,888)</b>	<b>(12.2)</b>
Optical media products	10,494	7,678	(2,815)	(26.8)
Others	4,625	3,575	(1,049)	(22.7)
<b>Optical media and others</b>	<b>15,119</b>	<b>11,254</b>	<b>(3,864)</b>	<b>(25.6)</b>
<b>Total</b>	<b>112,877</b>	<b>97,124</b>	<b>(15,752)</b>	<b>(14.0)</b>

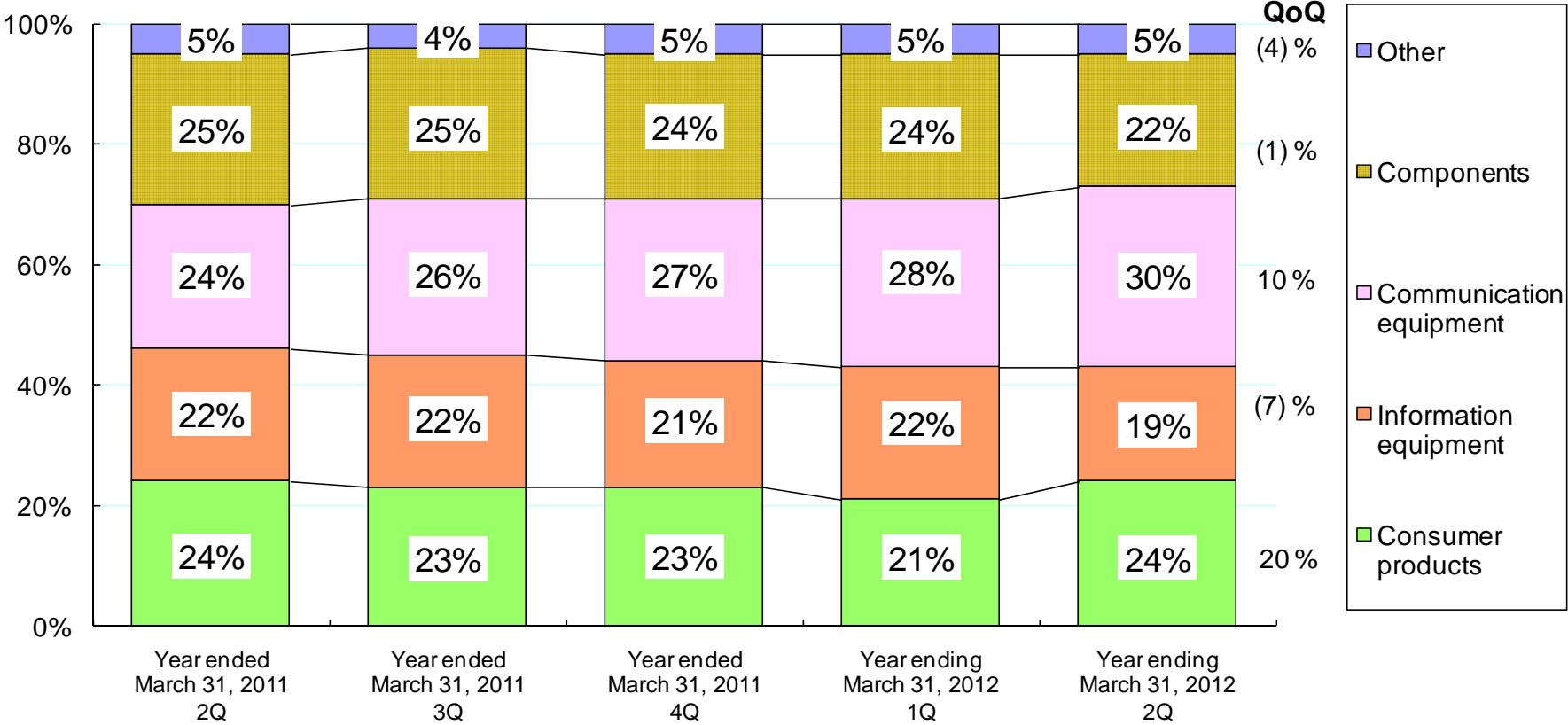
Unit: Yen	Year ended March 31, 2011	Year ending March 31, 2012
	1H (01 Apr 2010 – 30 Sep 2010)	1H (01 Apr 2011– 30 Sep 2011)
Average exchange rate	89.98	80.63
Last day exchange rate	83.80	76.65

### Yen/US Dollar Average Exchange Rate

-The value of the yen climbed ¥9.35 compared with the previous first half. As a result, net sales and operating income declined ¥8.1 billion and ¥4.5 billion, respectively

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

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



Unit: Millions of yen	Year ending March 31, 2012			Proportion of forecast
	2Q (01 Jul 2011 – 30 Sep 2011)	1H (01 Apr 2011 – 30 Sep 2011)	Full-year forecast [as of 09 Nov 2011]	%
<b>R&amp;D expenses</b>	2,024	4,018	8,000	50.2
<b>Capital investment</b>	5,542	15,350	32,000	48.0
<b>Depreciation expenses</b>	4,721	9,017	21,000	42.9

**R&D expenses** : Full fiscal year forecast revised from ¥8.5 billion to ¥8 billion

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

**TAIYO YUDEN**

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 05 Aug, 2011]	Revised forecast [as of 09 Nov, 2011]	Amount	%
<b>Net sales</b>	212,000	189,000	(23,000)	(10.8)
<b>Operating income</b>	6,500	(7,000)	(13,500)	—
<b>Ordinary income</b>	4,600	(10,000)	(14,600)	—
<b>Net income</b>	300	(16,000)	(16,300)	—



**Downward revisions were made to the sales forecast for Electronic components, including capacitors**

Unit: Millions of yen	Year ending March 31, 2012		Increase (Decrease)	
	Previous forecast [as of 05 Aug, 2011]	Revised forecast [as of 09 Nov, 2011]	Amount	%
Capacitors	103,000	85,500	(17,500)	(17.0)
Ferrite and applied products	32,400	28,700	(3,700)	(11.4)
Modules	33,800	31,200	(2,600)	(7.7)
Other electronic components	20,000	19,600	(400)	(2.0)
<b>Electronic components</b>	<b>189,200</b>	<b>165,000</b>	<b>(24,200)</b>	<b>(12.8)</b>
Optical media products	15,600	16,500	900	5.8
Others	7,200	7,500	300	4.2
<b>Optical media and others</b>	<b>22,800</b>	<b>24,000</b>	<b>1,200</b>	<b>5.3</b>
<b>Total</b>	<b>212,000</b>	<b>189,000</b>	<b>(23,000)</b>	<b>(10.8)</b>

# Forecasts for the Second Six-month Period of the Fiscal Year Ending March 31, 2012

**TAIYO YUDEN**

**We forecast the downturn in device markets, such as TVs and PCs, will continue in the second half**

Unit: Millions of yen	Previous forecast [as of 05 Aug, 2011]		Result	Revised forecast [as of 09 Nov, 2011]
	1H (01 Apr 2011 – 30 Sep 2011)	2H (01 Oct 2011 – 31 Mar 2012)	1H (01 Apr 2011 – 30 Sep 2011)	2H (01 Oct 2011 – 31 Mar 2012)
<b>Net sales</b>	98,000	114,000	97,124	91,875
<b>Operating income</b>	0	6,500	(1,758)	(5,241)
<b>Ordinary income</b>	(1,400)	6,000	(3,665)	(6,334)
<b>Net income</b>	(2,500)	2,800	(9,111)	(6,888)

**Exchange rate assumption** : An average exchange rate of US\$1 : ¥77 for the second six-month period of the year ending March 31, 2012 (previous forecast was ¥85 to US\$1)

**Note:** First half (1H) data are the cumulative totals of first and second quarter forecast results : second half (2H) data are forecast results for the full fiscal year after subtracting first half forecast results.

# Forecasts for the Second Six-month Period of Net Sales by Product Classification

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Unit: Millions of yen		Previous forecast [as of 05 Aug, 2011]		Result	Revised forecast [as of 09 Nov, 2011]
		1H (01 Apr 2011 – 30 Sep 2011)	2H (01 Oct 2011 – 31 Mar 2012)	1H (01 Apr 2011 – 30 Sep 2011)	2H (01 Oct 2011 – 31 Mar 2012)
	Capacitors	47,000	56,000	46,006	39,493
	Ferrite and applied products	14,800	17,600	15,018	13,681
	Modules	16,000	17,800	15,800	15,399
	Other electronic components	8,800	11,200	9,044	10,555
	<b>Electronic components</b>	<b>86,600</b>	<b>102,600</b>	<b>85,869</b>	<b>79,130</b>
	Optical media products	7,700	7,900	7,678	8,821
	Others	3,700	3,500	3,575	3,924
	<b>Optical media and others</b>	<b>11,400</b>	<b>11,400</b>	<b>11,254</b>	<b>12,745</b>
	<b>Total</b>	<b>98,000</b>	<b>114,000</b>	<b>97,124</b>	<b>91,875</b>

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