

May 15, 2012

***Consolidated Results  
for the Year Ended March 31, 2012***

**TAIYO YUDEN**

# Summary of Consolidated Financial Results

for the Year Ended March 31, 2012

TAIYO YUDEN

**Stagnant demand, an extraordinary loss and the reversal of deferred tax assets resulted in a decline in both sales and income**

Unit: Millions of yen	Year ended March 31, 2011 (01 Apr 2010 - 31 Mar 2011)	Year ended March 31, 2012 (01 Apr 2011 - 31 Mar 2012)	Increase (Decrease)	
			Amount	%
Net sales	210,401	183,795	(26,606)	(12.6)
Operating income (loss)	8,792	(8,010)	(16,803)	-
Ordinary income (loss)	6,740	(9,070)	(15,810)	-
Net income (loss)	(5,506)	(21,599)	(16,093)	-

**Net sales:** Sales fell amid stagnant demand for TVs, PCs and LCD panels, despite firm demand for smartphones

**Net loss:** ¥21.5 billion loss mainly attributed to the following factors

- Business structure improvement expenses ¥4.2 billion; Special extra retirement payment for solicitation of voluntary retirement, etc.
- Income taxes-deferred ¥5.8 billion; Reversal of deferred tax assets, etc.

# Results by Business Segment

for the Year Ended March 31, 2012

**TAIYO YUDEN**

**Electronics components declined in sales and income, while the Optical media and others reduced losses**

Unit: Millions of yen	Year ended March 31, 2011 (01 Apr 2010 - 31 Mar 2011)	Year ended March 31, 2012 (01 Apr 2011 - 31 Mar 2012)	Increase (Decrease)	
			Amount	%
<b>Electronic components</b>	179,869	160,851	(19,018)	(10.6)
<b>Optical media and others</b>	30,532	22,943	(7,588)	(24.9)
<b>Net sales</b>	210,401	183,795	(26,606)	(12.6)
<b>Electronic components</b>	12,279	(6,689)	(18,968)	-
<b>Optical media and others</b>	(3,486)	(1,321)	2,165	-
<b>Operating income</b>	8,792	(8,010)	(16,803)	-

# Net Sales by Product Category

for the Year Ended March 31, 2012

**TAIYO YUDEN**

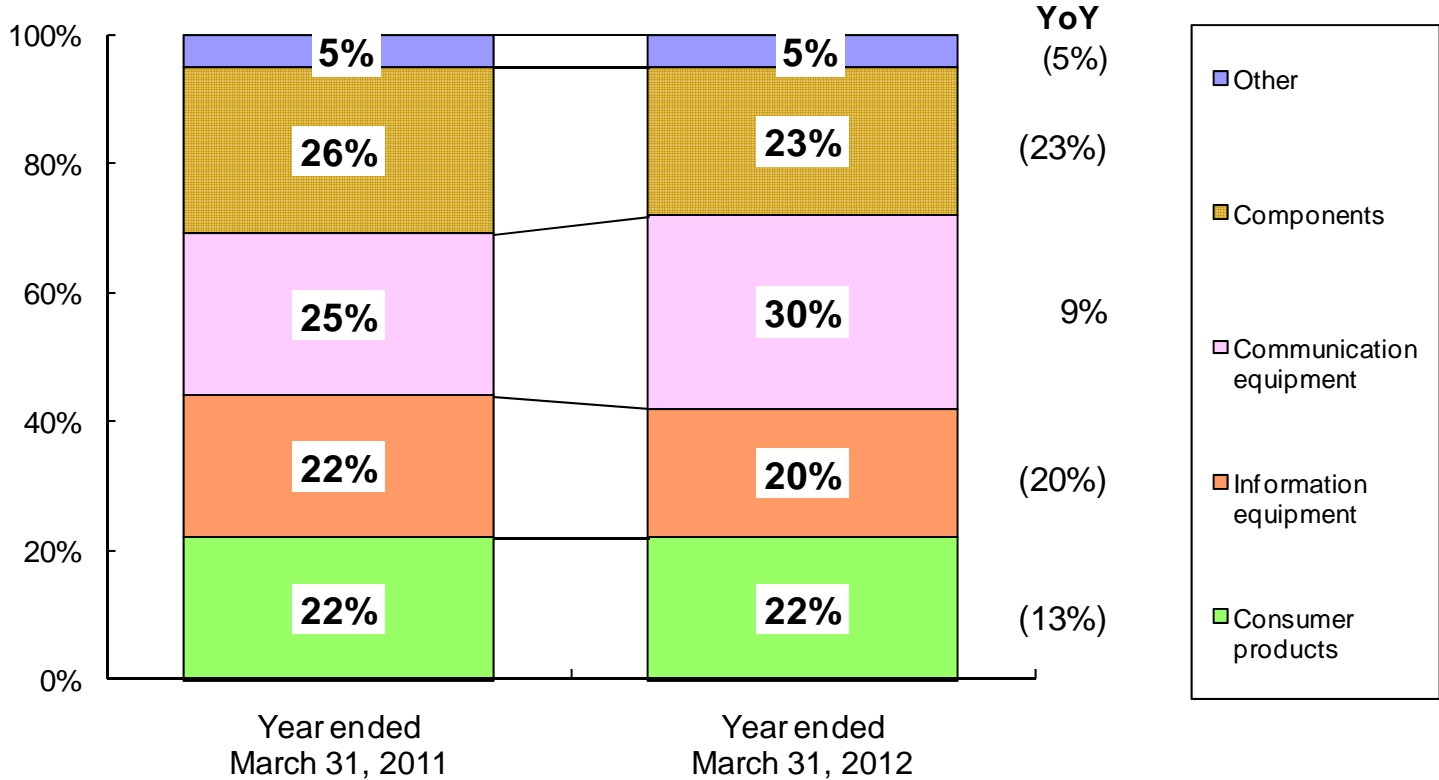
**Sales increased for the other electronic components segment (communication devices such as SAW filters)**

Unit: Millions of yen	Year ended March 31, 2011 (01 Apr 2010 - 31 Mar 2011)	Year ended March 31, 2012 (01 Apr 2011 - 31 Mar 2012)	Increase (Decrease)	
			Amount	%
Capacitors	101,560	84,461	(17,099)	(16.8)
Ferrite and applied products	31,018	27,929	(3,089)	(10.0)
Modules	31,763	29,166	(2,596)	(8.2)
Other electronic components	15,527	19,294	3,767	24.3
<b>Electronic components</b>	<b>179,869</b>	<b>160,851</b>	<b>(19,018)</b>	<b>(10.6)</b>
Optical media products	20,479	16,152	(4,326)	(21.1)
Others	10,052	6,791	(3,261)	(32.4)
<b>Optical media and others</b>	<b>30,532</b>	<b>22,943</b>	<b>(7,588)</b>	<b>(24.9)</b>
<b>Total</b>	<b>210,401</b>	<b>183,795</b>	<b>(26,606)</b>	<b>(12.6)</b>

# Sales of Electronic Components by Market Sector

for the Year Ended March 31, 2012

Sales of products used in communication equipment rose due to growth seen in the smartphone market



Unit: Yen	Year ended March 31, 2011 <small>(01 Apr 2010 – 31 Mar 2011)</small>	Year ended March 31, 2012 <small>(01 Apr 2011 – 31 Mar 2012)</small>
<b>Average exchange rate</b>	86.46	79.02
<b>Last day exchange rate</b>	83.15	82.13

- The average foreign currency exchange rate was US\$1:¥79.02. Accordingly, the value of the yen appreciated by ¥7.44 year on year
- Net sales were negatively impacted by ¥12.3 billion due to exchange rate changes
- Operating income was negatively impacted by ¥6.1 billion due to exchange rate changes

Note: Results from the impact of exchange rate fluctuations take into consideration movements in currencies other than US dollars.

# Key Expenditure Figures

for the Year Ended March 31, 2012

**TAIYO YUDEN**

Unit: Millions of yen	Year ended March 31, 2011 (01 Apr 2010 – 31 Mar 2011)	Year ended March 31, 2012 (01 Apr 2011 – 31 Mar 2012)	Increase (Decrease)	
			Amount	%
<b>R&amp;D expenses</b>	8,475	8,068	(406)	(4.8)
<b>Capital investment</b>	25,074	26,764	1,689	6.7
<b>Depreciation and amortization</b>	19,309	19,250	(59)	(0.3)

<b>Number of employees</b> [as of 31 Mar 2012]	Consolidated: 16,194 [ (1,073) ] Non-consolidated: 2,977 [ (11) ] *Brackets indicate change from March 31, 2011
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**Capital investment:** Production capacity augmented mainly for high-end products like capacitors and SAW/FBAR devices

**Sales and income down from the previous quarter**

Unit: Millions of yen	Year ended March 31, 2012				Increase (Decrease)	
	1Q (01 Apr 2011 – 30 Jun 2011)	2Q (01 Jul 2011 – 30 Sep 2011)	3Q (01 Oct 2011 – 31 Dec 2011)	4Q (01 Jan 2012 – 31 Mar 2012)	Amount	%
<b>Net sales</b>	47,035	50,088	44,307	42,363	(1,944)	(4.4)
<b>Operating income (loss)</b>	(658)	(1,100)	(2,475)	(3,776)	(1,301)	-
<b>Ordinary income (loss)</b>	(1,295)	(2,369)	(2,223)	(3,181)	(957)	-
<b>Net income (loss)</b>	(1,707)	(7,403)	(3,376)	(9,111)	(5,734)	-

**Ordinary loss:** Foreign currency gain realized because the yen weakened at the end of March 2012 compared to December 2011

**Net loss:** ¥9.1 billion loss mainly attributed to the following factors

- Business structure improvement expenses ¥4.2 billion; Special extra retirement payment for solicitation of voluntary retirement, etc.
- Income taxes-deferred ¥1 billion; Reversal of deferred tax assets, etc.



# Quarterly Results by Business Segment

for the Year Ended March 31, 2012

**TAIYO YUDEN**

**Electronic components and Optical media and others saw a downturn in sales and income**

Unit: Millions of yen	Year ended March 31, 2012				Increase (Decrease)	
	1Q (01 Apr 2011 – 30 Jun 2011)	2Q (01 Jul 2011 – 30 Sep 2011)	3Q (01 Oct 2011 – 31 Dec 2011)	4Q (01 Jan 2012 – 31 Mar 2012)	Amount	%
<b>Electronic components</b>	41,464	44,404	37,834	37,147	(687)	(1.8)
<b>Optical media and others</b>	5,571	5,683	6,472	5,216	(1,256)	(19.4)
<b>Net sales</b>	47,035	50,088	44,307	42,363	(1,944)	(4.4)
<b>Electronic components</b>	(435)	(465)	(2,385)	(3,402)	(1,016)	-
<b>Optical media and others</b>	(222)	(634)	(89)	(374)	(284)	-
<b>Operating income</b>	(658)	(1,100)	(2,475)	(3,776)	(1,301)	-

# Quarterly Net Sales by Product Category

for the Year Ended March 31, 2012

**TAIYO YUDEN**

**Sales of modules and other electronic components increased compared to the previous quarter**

Unit: Millions of yen	Year ended March 31, 2012				Increase (Decrease)	
	1Q (01 Apr 2011 – 30 Jun 2011)	2Q (01 Jul 2011 – 30 Sep 2011)	3Q (01 Oct 2011 – 31 Dec 2011)	4Q (01 Jan 2012 – 31 Mar 2012)	Amount	%
<b>Capacitors</b>	23,057	22,948	20,047	18,408	(1,639)	(8.2)
<b>Ferrite and applied products</b>	7,351	7,666	6,617	6,293	(323)	(4.9)
<b>Modules</b>	7,428	8,371	6,411	6,954	542	8.5
<b>Other electronic components</b>	3,627	5,418	4,760	5,490	730	15.3
<b>Electronic components</b>	41,464	44,404	37,834	37,147	(687)	(1.8)
<b>Optical media products</b>	3,762	3,916	4,799	3,675	(1,124)	(23.4)
<b>Others</b>	1,808	1,767	1,672	1,543	(129)	(7.8)
<b>Optical media and others</b>	5,571	5,683	6,472	5,216	(1,256)	(19.4)
<b>Total</b>	47,035	50,088	44,307	42,363	(1,944)	(4.4)

# Quarterly Yen/US Dollar Exchange Rate and Impact on Performance

Unit: Yen	Year ended March 31, 2012	
	3Q (01 Oct 2011 - 31 Dec 2011)	4Q (01 Jan 2012 – 31 Mar 2012)
<b>Average exchange rate</b>	77.04	77.76
<b>Last day exchange rate</b>	77.74	82.13

- Average yen exchange rate to the US dollar was ¥77.76, essentially unchanged from the previous quarter
- Exchange rates helped increased sales by some ¥0.27 billion and boosted operating income by ¥0.08 billion

Note: Results from the impact of exchange rate fluctuations take into consideration movements in currencies other than US dollars.

May 15, 2012

***Forecast of Consolidated Performance  
for the Year Ending March 31, 2013***

**TAIYO YUDEN**

# Consolidated Earnings Forecast

for the Year Ending March 31, 2013

TAIYO YUDEN

## Forecasts for net sales and operating income ¥210 billion and ¥10 billion, respectively

Unit: Millions of yen	Year ended March 31, 2012 (01 Apr 2011 – 31 Mar 2012)	Year ending March 31, 2013 (01 Apr 2012 – 31 Mar 2013)	Increase (Decrease)	
			Amount	%
<b>Net sales</b>	183,795	210,000	26,204	14.3
<b>Operating income</b>	(8,010)	10,000	18,010	-
<b>Ordinary income</b>	(9,070)	9,000	18,070	-
<b>Net income (loss)</b>	(21,599)	5,500	27,099	-

**Operating income:** Fixed cost reductions and growing demand for super high-end products help increase sales and significantly boost profitability

**Exchange rate:** Estimated average yen exchange rate to the US dollar: ¥80.00

**Drop in unit prices:** Projected 12% decrease in unit prices of single item components

## Shifting business structure from “Modules” to “Integrated modules &amp; devices”

Segment	Product category	Main products
Electronic components	Capacitors	Multilayer ceramic capacitors Energy devices
	Ferrite and applied products	Multilayer chip inductors Wire-wound inductors
	Integrated modules & devices★ (conventional “Modules”)	SAW/FBAR devices ★, Antennas ★, Ceramic filters ★, Circuit modules (for power supply, high frequency), embedded-parts multilayer wiring substrate
	Other electronic components	Energy devices ★, SAW/FBAR devices, Varistors, Antennas, Ceramic filters
Optical media and others	Optical media products	CD-Rs, DVD-Rs, BD-Rs
	Others	External business sales of a subsidiary company

# Forecast for Sales Performance by Product Category

for the Year Ending March 31, 2013

**TAIYO YUDEN**

**Sales of electronic components expected to rise 16% year on year**

Unit: Millions of yen	Year ended March 31, 2012 (01 Apr 2011 - 31 Mar 2012)	Year ending March 31, 2013 (01 Apr 2012 - 31 Mar 2013)	Increase (Decrease)	
			Amount	%
Capacitors	82,796	93,000	10,203	12.3
Ferrite and applied products	27,929	32,000	4,070	14.6
Integrated modules & devices	46,050	57,000	10,949	23.8
Other electronic components	4,076	5,000	923	22.7
<b>Electronic components</b>	<b>160,851</b>	<b>187,000</b>	<b>26,148</b>	<b>16.3</b>
Optical media products	16,152	15,000	(1,152)	(7.1)
Others	6,791	8,000	1,208	17.8
<b>Optical media and others</b>	<b>22,943</b>	<b>23,000</b>	<b>56</b>	<b>0.2</b>
<b>Total</b>	<b>183,795</b>	<b>210,000</b>	<b>26,204</b>	<b>14.3</b>

※Data for the year ended March 2012 and the year ending March 2013 is based on new product categories (see P13)

# Forecast for Key Expenditure Figures

in the Year Ending March 31, 2013

**TAIYO YUDEN**

Unit: Millions of yen	Year ended March 31, 2012 (01 Apr 2011 – 31 Mar 2012)	Year ending March 31, 2013 (01 Apr 2012 – 31 Mar 2013)	Increase (Decrease)	
			Amount	%
<b>R&amp;D expenses</b>	8,068	8,000	(68)	(0.8)
<b>Capital investment</b>	26,764	18,500	(8,264)	(30.9)
<b>Depreciation and amortization</b>	19,250	20,000	749	3.9

**Capital investment:** Capital investments totaling ¥18,500 million made mainly to expand production capacity of super high-end products like capacitors, inductors and SAW/FBAR devices



# Half-Year Consolidated Earnings Forecast

for the Year Ending March 31, 2013

**TAIYO YUDEN**

Unit: Millions of yen	Year ended March 31, 2012		Year ending March 31, 2013	
	1H (01 Apr 2011 – 30 Sep 2011)	2H (01 Oct 2011 - 31 Mar 2012)	1H (01 Apr 2012 - 30 Sep 2012)	2H (01 Oct 2012 - 31 Mar 2013)
<b>Net sales</b>	97,124	86,671	100,000	110,000
<b>Operating income</b>	(1,758)	(6,252)	3,500	6,500
<b>Ordinary income</b>	(3,665)	(5,405)	3,000	6,000
<b>Net income (loss)</b>	(9,111)	(12,488)	1,600	3,900

# Half-Year Forecast for Sales by Product Category

for the Year Ending March 31, 2013

**TAIYO YUDEN**

Unit: Millions of yen	Year ended March 31, 2012		Year ending March 31, 2013	
	1H (01 Apr 2011 – 30 Sep 2011)	2H (01 Oct 2011 - 31 Mar 2012)	1H (01 Apr 2012 - 30 Sep 2012)	2H (01 Oct 2012 - 31 Mar 2013)
<b>Capacitors</b>	45,086	37,711	44,500	48,500
<b>Ferrite and applied products</b>	15,018	12,911	15,300	16,700
<b>Integrated modules &amp; devices</b>	23,574	22,476	27,000	30,000
<b>Other electronic components</b>	2,192	1,884	2,350	2,650
<b>Electronic components</b>	85,869	74,982	89,150	97,850
<b>Optical media products</b>	7,678	8,474	7,200	7,800
<b>Others</b>	3,575	3,215	3,650	4,350
<b>Optical media and others</b>	11,254	11,688	10,850	12,150
<b>Total</b>	97,124	86,670	100,000	110,000

※Data for the year ended March 2012 and the year ending March 2013 is based on new product categories (see P13)

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.