

# **Consolidated Financial Results**

## **First Quarter for the year ending March 31, 2013**

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August 9, 2012

# Summary of Consolidated Results (Q/Q)

Significant improvement in profitability and 10% Q/Q increase in sales

¥ in millions of Yen	Year ended March 31, 2012	Year ending March 31, 2013	Growth Q/Q	
	4Q (01 Jan 2012 – 31 Mar 2012)	1Q (01 Apr 2012 – 30 Jun 2012)	Amount	%
Net sales	42,363	46,533	4,169	9.8
Operating income	(3,776)	1,108	4,885	—
Ordinary income	(3,181)	262	3,443	—
Net income	(9,111)	(628)	8,483	—

- Operating income - a large increase in profitability was realized due to three main factors; 1) sales volume increase, 2) an improved operating rate, and 3) fixed cost reductions from structural reforms.
- Net income – a significant improvement in net income as compared to the previous quarter when ¥4.2 billion in business structure improvement expenses and ¥1.0 billion in income taxes- deferred were incurred.

# Consolidated Results by Business (Q/Q)

Both business segments realized a Q/Q increase in sales and income

¥ in millions of Yen	Year ended March 31, 2012	Year ending March 31, 2013	Growth Q/Q	
	4Q (01 Jan 2012 – 31 Mar 2012)	1Q (01 Apr 2012 – 30 Jun 2012)	Amount	%
Electronic components	37,147	41,171	4,023	10.8
Optical media and others	5,216	5,362	145	2.8
<b>Total net sales</b>	<b>42,363</b>	<b>46,533</b>	<b>4,169</b>	<b>9.8</b>
Electronic components	(3,402)	1,330	4,732	—
Optical media and others	(374)	(221)	152	—
<b>Total operating income</b>	<b>(3,776)</b>	<b>1,108</b>	<b>4,885</b>	<b>—</b>

# Net Sales by Product (Q/Q)

Sales increased Q/Q across all product groups from Capacitors, Ferrite and applied products, and Integrated modules & devices

¥ in millions of Yen	Year ended March 31, 2012	Year ending March 31, 2013	Growth Q/Q	
	4Q (01 Jan 2012 – 31 Mar 2012)	1Q (01 Apr 2012 – 30 Jun 2012)	Amount	%
Capacitors	18,030	19,833	1,803	10.0
Ferrite and applied products	6,293	7,030	736	11.7
Integrated modules & devices	11,891	13,287	1,396	11.7
Other electronic components	930	1,019	89	9.6
Electronic components	37,147	41,171	4,023	10.8
Optical media products	3,675	3,689	14	0.4
Others	1,543	1,672	129	8.4
Optical media and others	5,216	5,362	145	2.8
Total	42,363	46,533	4,169	9.8

# Summary of Consolidated Results (Y/Y)

Comparison to the same period one year ago; improved profitability from reduced fixed costs obtained from structural reforms, despite a drop in net sales

¥ in millions of Yen	Year ended March 31, 2012	Year ending March 31, 2013	Growth Y/Y	
	1Q (01 Apr 2011 – 30 Jun 2011)	1Q (01 Apr 2012 – 30 Jun 2012)	Amount	%
Net sales	47,035	46,533	(502)	(1.1)
Operating income	(658)	1,108	1,767	—
Ordinary income	(1,295)	262	1,558	—
Net income	(1,707)	(628)	1,079	—

- Reduction in fixed costs - as part of its structural reforms, TAIYO YUDEN and its consolidated subsidiaries solicited employees for voluntary retirement and implemented staff reductions.

# Consolidated Results by Business (Y/Y)

Profitability increased in the Electronic components segment

¥ in millions of Yen	Year ended March 31, 2012	Year ending March 31, 2013	Growth Y/Y	
	1Q (01 Apr 2011 – 30 Jun 2011)	1Q (01 Apr 2012 – 30 Jun 2012)	Amount	%
Electronic components	41,464	41,171	(293)	(0.7)
Optical media and others	5,571	5,362	(209)	(3.8)
Total net sales	47,035	46,533	(502)	(1.1)
Electronic components	(435)	1,330	1,766	—
Optical media and others	(222)	(221)	0	—
Total operating income	(658)	1,108	1,767	—

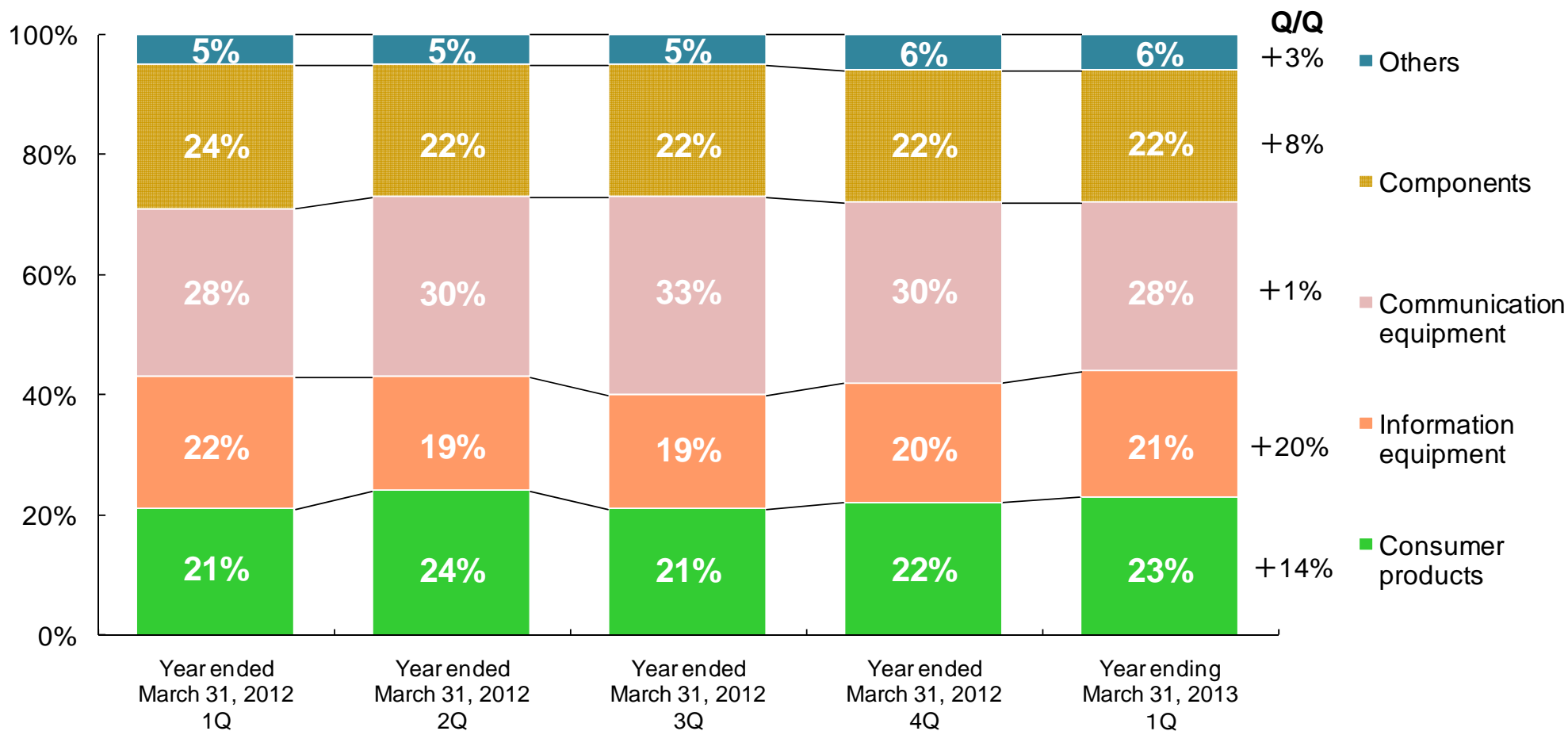
# Net Sales by Product (Y/Y)

Integrated modules & devices; sales increased driven by sales growth in the SAW filter market and added production capacity to meet demand

¥ in millions of Yen	Year ended March 31, 2012	Year ending March 31, 2013	Growth Y/Y	
	1Q (01 Apr 2011 – 30 Jun 2011)	1Q (01 Apr 2012 – 30 Jun 2012)	Amount	%
Capacitors	22,592	19,833	(2,759)	(12.2)
Ferrite and applied products	7,351	7,030	(320)	(4.4)
Integrated modules & devices	10,482	13,287	2,805	26.8
Other electronic components	1,038	1,019	(18)	(1.8)
Electronic components	41,464	41,171	(293)	(0.7)
Optical media products	3,762	3,689	(73)	(1.9)
Others	1,808	1,672	(135)	(7.5)
Optical media and others	5,571	5,362	(209)	(3.8)
Total	47,035	46,533	(502)	(1.1)

# Sales of Electronic Components by Market Sector

Sales increased for all equipment categories were seen and the share of sales for products used in consumer products and information equipment increased





# Yen to USD Exchange Rate and Impact on Performance

¥	Year ended March 31, 2012		Year ending March 31, 2013
	1Q (01 Apr 2011 – 30 Jun 2011)	4Q (01 Jan 2012 – 31 Mar 2012)	1Q (01 Apr 2012 – 30 Jun 2012)
Average	82.17	77.76	81.26
Last day	80.68	82.13	79.28

- Q/Q - the yen depreciated by ¥3.50. As a result, net sales rose by ¥1.5 billion and operating income increased ¥500 million.
- Y/Y - the value of the yen climbed ¥0.91. As a result, net sales declined ¥400 million and operating income declined ¥50 million.

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

# Key Expenditure Figures

¥ in millions of Yen	Year ending March 31, 2013		
	1Q (01 Apr 2012 – 30 Jun 2012)	Full year forecast [as of May 14, 2012] (01 Apr 2012 – 31 Mar 2013)	Portion of forecast
R&D expenses	1,623	8,000	20.3%
Capital investment	5,801	18,500	31.4%
Depreciation expenses	4,547	20,000	22.7%
Number of Employees [as of 30 Jun 2012]	Consolidated      16,161 [ (33)] Non-consolidated    2,623 [(354)] *Brackets indicate a change from March 31, 2012		

Note: Partial changes have been made to the capital investment calculation criteria for the fiscal year ending March 31, 2013. Data above for the fiscal year ended March 31, 2012 differs from previous disclosures because it has been calculated using the new criteria.

# Full-Year Forecast

There is no change in the full-year financial forecast

¥ in millions of Yen	Year ended March 31, 2012 <small>(01 Apr 2011 – 31 Mar 2012)</small>	Year ending March 31, 2013 <small>[as of May 14, 2012] (01 Apr 2012 – 31 Mar 2013)</small>	Growth Y/Y	
			Amount	%
Net sales	183,795	210,000	26,204	14.3
Operating income	(8,010)	10,000	18,010	—
Ordinary income	(9,070)	9,000	18,070	—
Net income	(21,599)	5,500	27,099	—

R&D expenses	8,068	8,000	(68)	(0.8)
Capital investment	26,764	18,500	(8,264)	(30.9)
Depreciation expenses	19,250	20,000	749	3.9

# Forward-Looking Statements

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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.

**TAIYO YUDEN**