

Consolidated Financial Results

Year ended March 31, 2013

May 14, 2013
TAIYO YUDEN CO., LTD.

Summary of Consolidated Results (Y/Y)

The Company was profitable for the year, helped by increased sales of super high-end products and fixed cost reductions

¥ in million	Year ended March 31, 2012 (01 Apr 2011 – 31 Mar 2012)	Year ended March 31, 2013 (01 Apr 2012 – 31 Mar 2013)	Growth Y/Y	
			Amount	%
Net sales	183,795	192,903	9,108	5.0
Operating income (loss)	(8,010)	4,993	13,004	—
Ordinary income (loss)	(9,070)	7,260	16,331	—
Net income (loss)	(21,599)	2,000	23,600	—

- Operating income

- The Company realized Improved profitability aided from product mix adjustments and fixed cost reductions generated from structural reforms

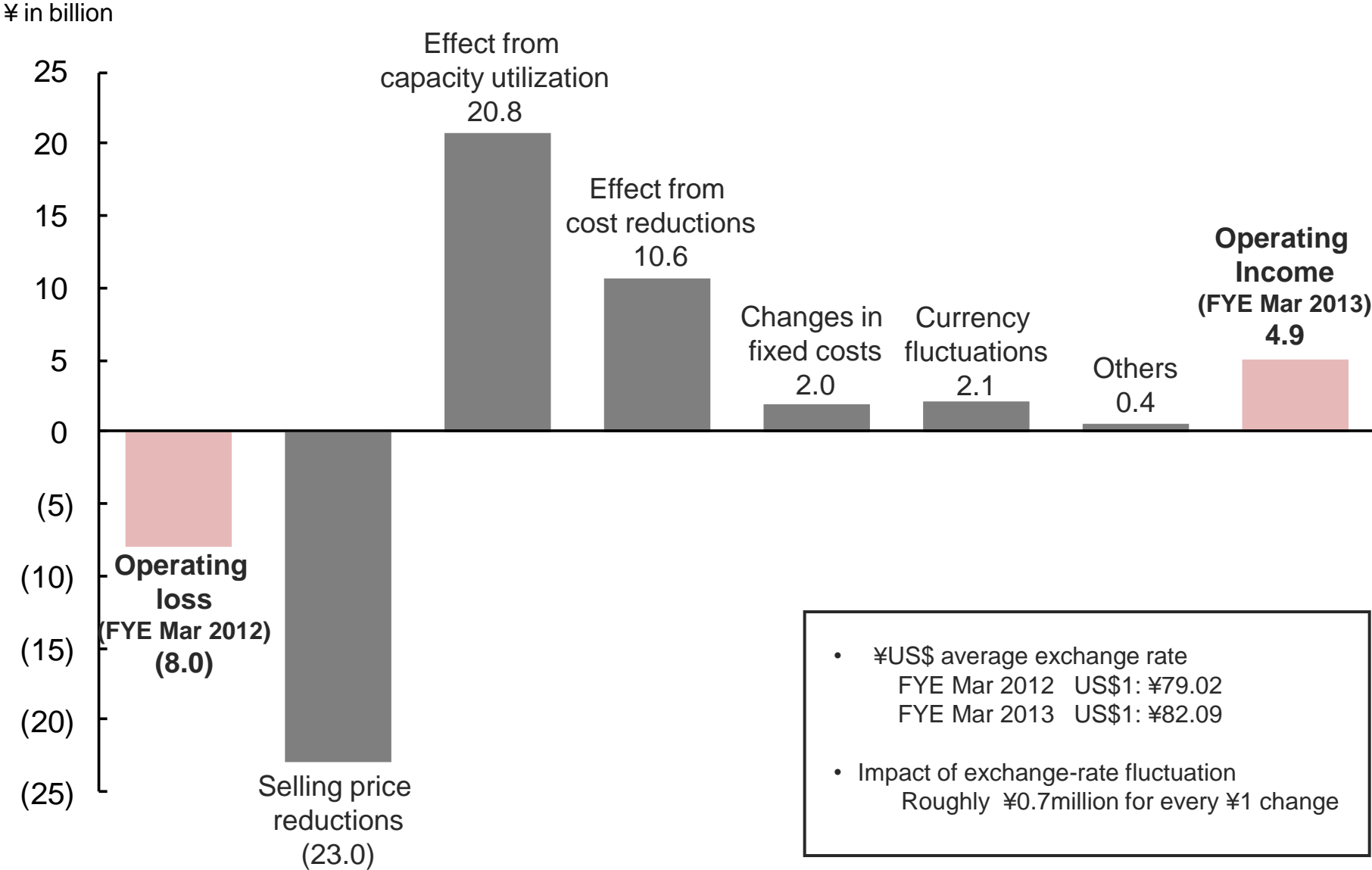
- Ordinary income

- A booked gain on foreign exchange of ¥2,895 million was experienced in the non-operating income category as a result of the rapid depreciation of the yen

- Net income

- An extraordinary loss was booked reflecting a settlement package of ¥2,822 million in the Optical Media and Others segment

Factors driving Operating Income in FYE March 2013



Consolidated Results by Business (Y/Y)

Electronic Components product group realized a Y/Y increase in sales and income.
The Optical Media and Others group had reduced operating losses in the period.

¥ in million	Year ended March 31, 2012 (01 Apr 2011 – 31 Mar 2012)	Year ended March 31, 2013 (01 Apr 2012 – 31 Mar 2013)	Growth Y/Y	
			Amount	%
Electronic components	160,851	170,925	10,073	6.3
Optical media and others	22,943	21,978	(965)	(4.2)
Total net sales	183,795	192,903	9,108	5.0
Electronic components	(6,689)	5,217	11,907	—
Optical media and others	(1,321)	(224)	1,096	—
Total operating income	(8,010)	4,993	13,004	—

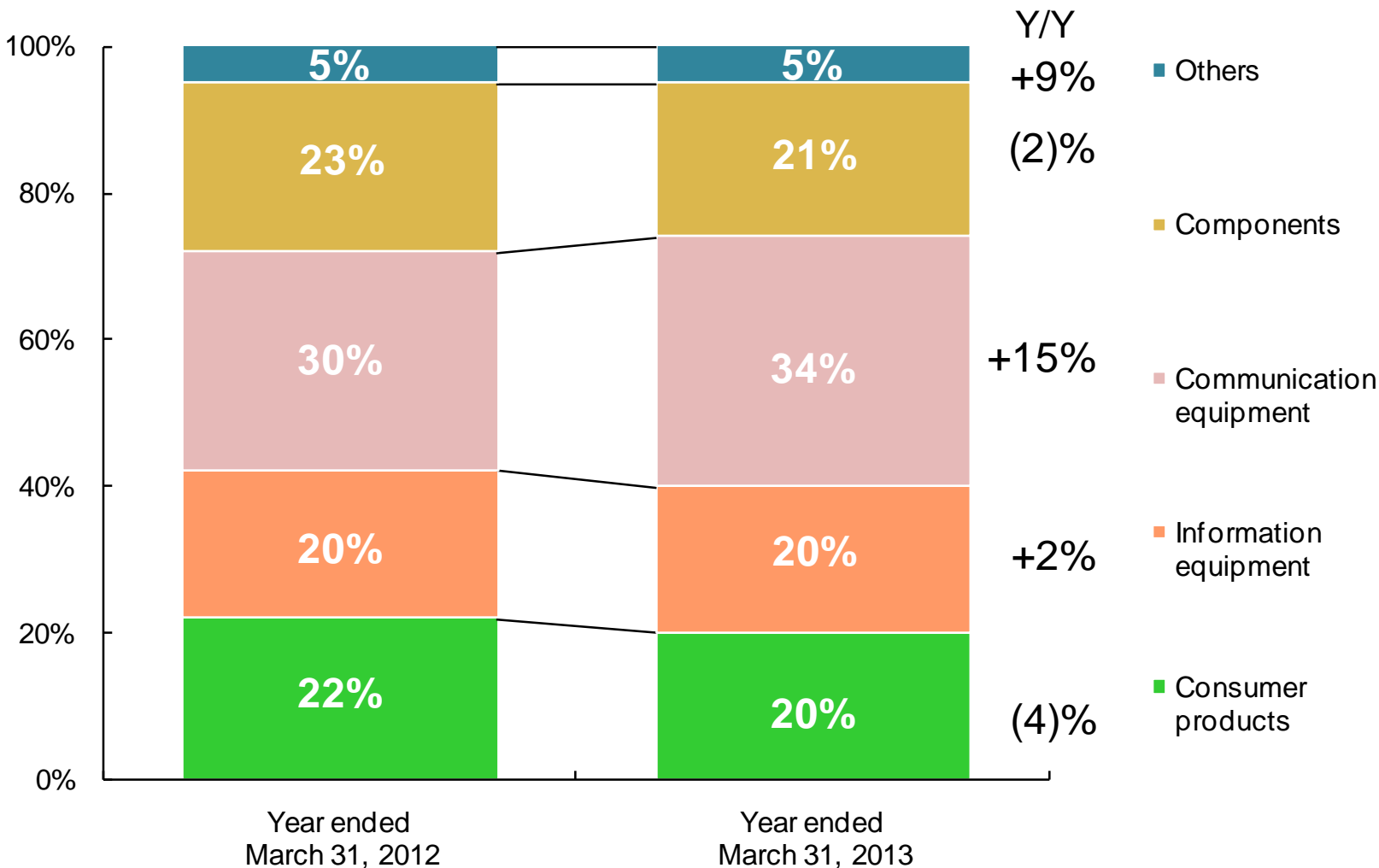
Net Sales by Product (Y/Y)

Capacitor sales increased 9% Y/Y driven by sales growth in the smartphone market

¥ in million	Year ended March 31, 2012 (01 Apr 2011 – 31 Mar 2012)	Year ended March 31, 2013 (01 Apr 2012 – 31 Mar 2013)	Growth Y/Y	
			Amount	%
Capacitors	82,796	89,852	7,056	8.5
Ferrite and applied products	27,929	28,490	560	2.0
Integrated modules & devices	46,041	47,804	1,762	3.8
Other electronic components	4,084	4,778	694	17.0
Electronic components	160,851	170,925	10,073	6.3
Optical media products	16,152	15,412	(739)	(4.6)
Others	6,791	6,565	(225)	(3.3)
Optical media and others	22,943	21,978	(965)	(4.2)
Total	183,795	192,903	9,108	5.0

Sales of Electronic Components by Market Sector

Sales growth in the smartphone market shown in the communication equipment category below helped that group increase the share of total Company sales to 34%.



Yen to USD Exchange Rate and Impact on Performance

¥	Year ended March 31, 2012 (01 Apr 2011 – 31 Mar 2012)	Year ended March 31, 2013 (01 Apr 2012 – 31 Mar 2013)
Average	79.02	82.09
Last day	82.13	94.01

- Y/Y – the yen depreciated by ¥3.07. As a result, net sales rose by ¥5.5 billion and operating income rose by ¥2.1 billion.

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

Key Expenditure Figures

¥ in million	Year ended March 31, 2012 (01 Apr 2011 – 31 Mar 2012)	Year ended March 31, 2013 (01 Apr 2012 – 31 Mar 2013)	Increase /(Decrease)	
			Amount	%
R&D expenses	8,068	6,840	(1,228)	(15.2)%
Capital investment	26,450	20,702	(5,747)	(21.7)%
Depreciation expenses	19,250	19,832	582	3.0%

Number of Employees [as of 31 Mar 2013]	Consolidated	15,909 [(285)]
	Non-consolidated	2,632 [(345)]
*Brackets indicate a change from March 31, 2012		

Forecast of Consolidated Performance

for the year ending March 31, 2014

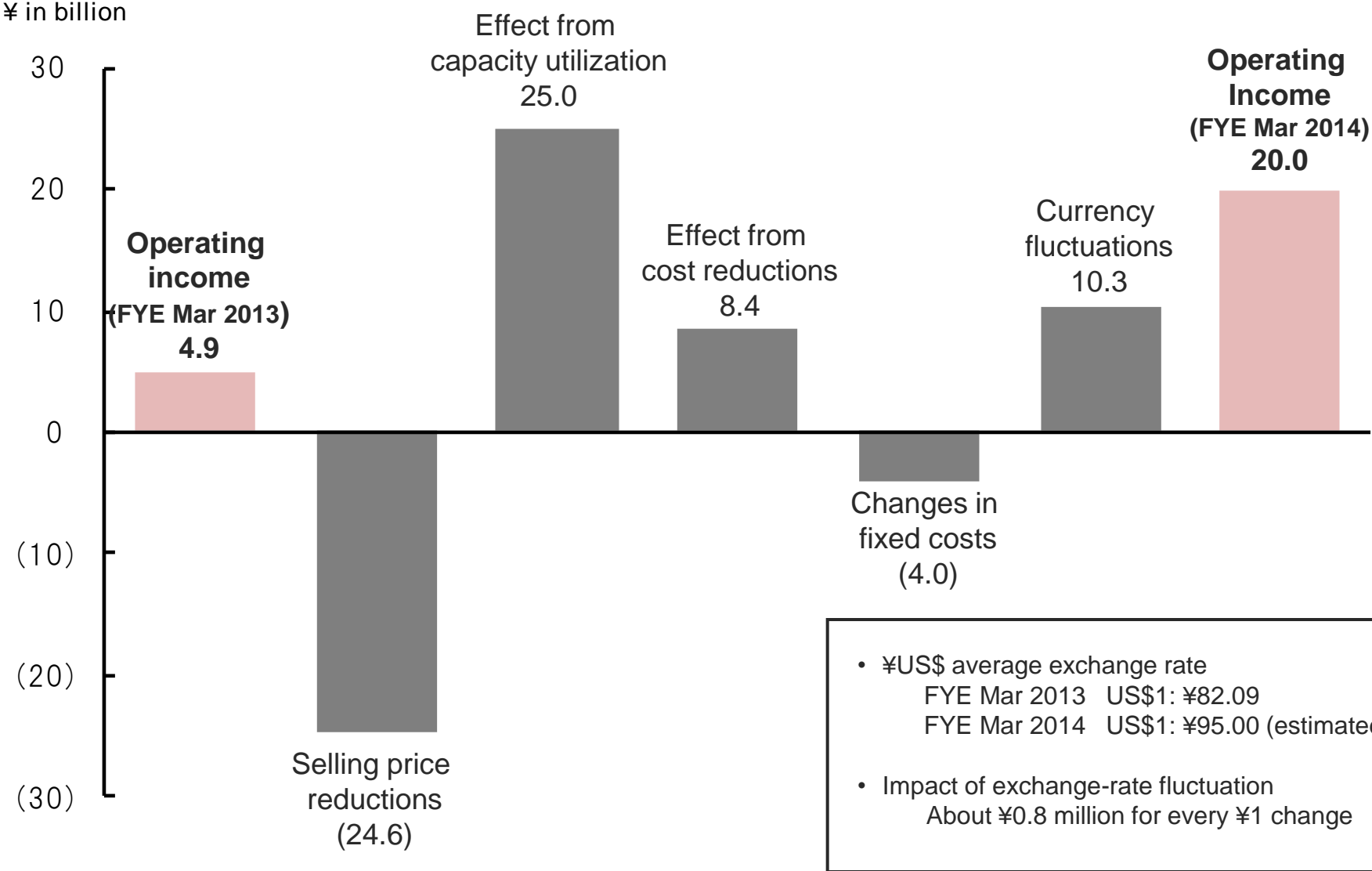
Full-Year Forecast

The Company forecasts an increase in profitability with net sales of ¥220,000 million and operating income of ¥20,000 million

¥ in million	Year ended March 31, 2013 (01 Apr 2012 – 31 Mar 2013)	Year ending March 31, 2014 (01 Apr 2013 – 31 Mar 2014) FORECAST	Change	
			Amount	%
Net sales	192,903	220,000	27,097	14.0
Operating income	4,993	20,000	15,007	300.5
Ordinary income	7,260	19,000	11,740	161.7
Net income	2,000	13,000	11,000	549.9

Exchange rate assumption: An average exchange rate of US\$1: ¥95 for the year ending March 31, 2014.

Factors behind Operating Income in FYE March 2014



Full-Year Forecast by Product

Sales of Electronic Components are expected to rise 18% Y/Y.

¥ in million	Year ended March 31, 2013 (01 Apr 2012 – 31 Mar 2013)	Year ending March 31, 2014 (01 Apr 2013 – 31 Mar 2014)	Growth Y/Y	
			Amount	%
Capacitors	89,852	106,000	16,148	18.0
Ferrite and applied products	28,490	36,000	7,510	26.4
Integrated modules & devices	47,804	53,000	5,196	10.9
Other electronic components	4,778	6,000	1,222	25.6
Electronic components	170,925	201,000	30,075	17.6
Optical media products	15,412	12,500	(2,912)	(18.9)
Others	6,565	6,500	(65)	(1.0)
Optical media and others	21,978	19,000	(2,978)	(13.5)
Total	192,903	220,000	27,097	14.0

Key Expenditure Figures

¥ in million	Year ended March 31, 2013 (01 Apr 2012 – 31 Mar 2013)	Year ending March 31, 2014 (01 Apr 2013 – 31 Mar 2014) FORECAST	Increase/ (Decrease)	
			Amount	%
R&D expenses	6,840	7,000	160	2.3
Capital investment	20,702	22,000	1,298	6.3
Depreciation expenses	19,832	23,500	3,668	18.5

Combined capital investments for both years was ¥42,702 million. Investments will be made selectively within the scope of depreciation expenses at ¥43,332 million and with a focus on cash flow.

Supplementary Information

Summary of Consolidated Results (Q/Q)

Sales and income results were down from the previous quarter

¥ in million	Year ended March 31, 2013				Growth Q/Q	
	1Q (01 Apr 2012 – 30 Jun 2012)	2Q (01 Jul 2012 – 30 Sep 2012)	3Q (01 Oct 2012 – 31 Dec 2012)	4Q (01 Jan 2013 – 31 Mar 2013)	Amount	%
Net sales	46,533	48,909	50,588	46,872	(3,716)	(7.3)
Operating income (loss)	1,108	348	1,899	1,636	(262)	(13.8)
Ordinary income (loss)	262	(123)	4,062	3,059	(1,003)	(24.7)
Net income (loss)	(628)	1	3,026	(398)	(3,425)	—

- Ordinary income

- The Company booked a gain on foreign exchange of ¥1,635 million as non-operating income as a result of the rapid depreciation of the yen

- Net income

- A settlement package of ¥2,822 million from the Optical Media and Others segment was booked as an extraordinary loss

Consolidated Results by Business (Q/Q)

Sales and income for the Electronic Components segment were down.
Operating income for the Optical Media and Others segment returned to profitability.

¥ in million	Year ended March 31, 2013				Growth Q/Q	
	1Q (01 Apr 2012 – 30 Jun 2012)	2Q (01 Jul 2012 – 30 Sep 2012)	3Q (01 Oct 2012 – 31 Dec 2012)	4Q (01 Jan 2013 – 31 Mar 2013)	Amount	%
Electronic components	41,171	43,680	44,845	41,228	(3,617)	(8.1)
Optical media and others	5,362	5,229	5,742	5,644	(98)	(1.7)
Total net sales	46,533	48,909	50,588	46,872	(3,716)	(7.3)
Electronic components	1,330	463	1,938	1,485	(453)	(23.4)
Optical media and others	(221)	(114)	(39)	151	191	—
Total operating income	1,108	348	1,899	1,636	(262)	(13.8)

Net Sales by Product (Q/Q)

Net sales fell compared to the previous quarter led by a reduction in revenue for capacitors and integrated modules & devices

¥ in million	Year ended March 31, 2013				Growth Y/Y	
	1Q (01 Apr 2012 – 30 Jun 2012)	2Q (01 Jul 2012 – 30 Sep 2012)	3Q (01 Oct 2012 – 31 Dec 2012)	4Q (01 Jan 2013 – 31 Mar 2013)	Amount	%
Capacitors	19,833	21,737	25,095	23,186	(1,908)	(7.6)
Ferrite and applied products	7,030	7,181	7,256	7,020	(236)	(3.3)
Integrated modules & devices	13,287	13,520	11,158	9,837	(1,320)	(11.8)
Other electronic components	1,019	1,241	1,336	1,183	(152)	(11.4)
Electronic components	41,171	43,680	44,845	41,228	(3,617)	(8.1)
Optical media products	3,689	3,606	4,257	3,860	(396)	(9.3)
Others	1,672	1,623	1,485	1,784	298	20.1
Optical media and others	5,362	5,229	5,742	5,644	(98)	(1.7)
Total	46,533	48,909	50,588	46,872	(3,716)	(7.3)

Half-Year Consolidated Revenue and Earnings Forecast

¥ in million	Year ended March 31, 2013		Year ending March 31, 2014 FORECAST	
	1H (01 Apr 2012– 30 Sep 2012)	2H (01 Oct 2012– 31 Mar 2013)	1H (01 Apr 2013– 30 Sep 2013)	2H (01 Oct 2013– 31 Mar 2014)
Net sales	95,442	97,461	108,000	112,000
Operating income	1,457	3,535	10,000	10,000
Ordinary income	138	7,122	9,500	9,500
Net income (loss)	(626)	2,627	6,500	6,500

Half-Year Revenue Forecast by Product

¥ in million		Year ended March 31, 2013		Year ending March 31, 2014 FORECAST	
		1H (01 Apr 2012– 30 Sep 2012)	2H (01 Oct 2012– 31 Mar 2013)	1H (01 Apr 2013– 30 Sep 2013)	2H (01 Oct 2013– 31 Mar 2014)
	Capacitors	41,570	48,282	54,000	52,000
	Ferrite and applied products	14,212	14,277	17,000	19,000
	Integrated modules & devices	26,808	20,995	25,000	28,000
	Other electronic components	2,260	2,518	3,000	3,000
	Electronic components	84,851	86,074	99,000	102,000
	Optical media products	7,295	8,118	6,000	6,500
	Others	3,296	3,269	3,000	3,500
	Optical media and others	10,591	11,387	9,000	10,000
	Total	95,442	97,461	108,000	112,000

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