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 Listing exchange: Tokyo Stock Exchange (Code Number: 6976)

Consolidated Results for the Six Months Ended September 30, 2013 (April 1, 2013 – September 30, 2013)

Unit: Millions of yen (Millions of yen rounded down unless otherwise stated)

Overview of Operating Results

Item	Period	Six months ended September 30, 2012		Six months ended September 30, 2013		Increase/(Decrease)	
		Amount	Share[%]	Amount	Share[%]	Amount	%
Net sales		95,442	100.0	105,550	100.0	10,107	10.6
Operating income		1,457	1.5	7,196	6.8	5,739	393.9
Ordinary income		138	0.1	7,439	7.0	7,301	-
Income (loss) before income taxes and minority interests		(792)	(0.8)	5,766	5.5	6,558	-
Net income (loss)		(625)	(0.7)	4,260	4.0	4,886	-
Comprehensive income (loss)		(4,228)	-	7,531	-	11,759	-
Net income (loss) per share [Yen]		(5.32)		36.21			
Diluted net income per share [Yen]		-		36.15			
R&D expenses		3,293		3,554		261	7.9
Capital investment		12,073		7,699		(4,373)	(36.2)
Depreciation and amortization		9,300		9,921		620	6.7

Notes:

- Share data is computed as a ratio of net sales.
- Although diluted shares exist for the six months ended September 30, 2012, diluted net income per share is not disclosed since there is net loss per share for the period.

Item	As of March 31, 2013	As of September 30, 2013	Increase/(Decrease)	
			Amount	%
Total assets	225,945	234,999	9,054	4.0
Net assets	115,826	122,829	7,003	6.0
Equity ratio	51.1%	52.2%	1.1pt	-
Net assets per share [Yen]	982.02	1,041.55	59.53	6.1

Net Sales by Product Segment

Product segment	Six months ended September 30, 2012		Six months ended September 30, 2013		Increase/(Decrease)	
	Amount	Share[%]	Amount	Share[%]	Amount	%
Capacitors	41,570	43.5	52,065	49.3	10,495	25.2
Ferrite and applied products	14,212	14.9	17,748	16.8	3,535	24.9
Integrated modules & devices	26,808	28.1	22,071	20.9	(4,737)	(17.7)
Other electronic components	2,260	2.4	2,838	2.7	578	25.6
Electronic components	84,851	88.9	94,723	89.7	9,872	11.6
Optical media products	7,295	7.6	6,786	6.5	(508)	(7.0)
Others	3,296	3.5	4,039	3.8	743	22.6
Optical media and others	10,591	11.1	10,826	10.3	234	2.2
Total	95,442	100.0	105,550	100.0	10,107	10.6

Consolidated Results for the six months ended September 30, 2013

November 11, 2013

Preparation of supplementary materials for the quarterly financial results: Yes
Holding of presentation of quarterly financial results: Yes (For institutional investors and investment analysts)

1. Consolidated financial results for the period from April 1, 2013 to September 30, 2013

(1) Operating results (Percentages represent changes from the same period in the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2013	105,550	10.6	7,196	393.9	7,439	—	4,260	—
Six months ended September 30, 2012	95,442	(1.7)	1,457	—	138	—	(625)	—

Note: Comprehensive income ended on September 30, 2013 7,531 million yen (-%) ended on September 30, 2012 (4,228) million yen (-%)

	Net income per share	Diluted net income per share
	Yen	Yen
Six months ended September 30, 2013	36.21	36.15
Six months ended September 30, 2012	(5.32)	—

(2) Financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2013	234,999	122,829	52.2	1,041.55
As of March 31, 2013	225,945	115,826	51.1	982.02

(Reference) Shareholder's equity As of Sep. 30, 2013 122,640 million yen As of March 31, 2013 115,511 million yen

2. Dividend information

	Cash dividends per share				
	First quarter	Second quarter	Third quarter	Year end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2013	—	5.00	—	5.00	10.00
Year ending March 31, 2014	—	5.00			
Year ending March 31, 2014 (forecast)			—	5.00	10.00

Note: No changes in the forecasted dividend during the second quarter ended September 30, 2013.

3. Forecasts of operating results for the period from April 1, 2013 to March 31, 2014.

(Percentages represent changes from same period in the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Year ending March 31, 2014	210,000	8.9	14,000	188.6	14,000	96.7	9,000	382.0	76.43

Note: There are changes in the forecasted results during the second quarter ended September 30, 2013.

About the earnings forecast revision, please see "TAIYO YUDEN Announces the reason for the differences between Consolidated Forecast and Actual Results, and Earning Forecast Revision" announced today, Nov.11th 2013.

4. Note

(1) Changes in principal subsidiaries during the six months ended Sep. 30, 2013: No

(2) Adoption of specific accounting procedures for quarterly consolidated reporting: No.

(3) Changes in accounting policies and accounting estimates, and restatements

a. Changes in accounting policies due to the revision of accounting standards: Yes

b. Changes in accounting policies by the reasons other than "a".: No

c. Changes in accounting estimates: No

d. Restatement: No

(4) Number of common shares outstanding :

a. Number of common shares outstanding (including treasury stock):

As of Sep. 30, 2013 120,481,395 shares As of March 31, 2013 120,481,395 shares

b. Number of treasury stock:

As of Sep. 30, 2013 2,732,482 shares As of March 31, 2013 2,855,179 shares

c. Average number of common shares outstanding:

Six months ended Sep. 30, 2013 117,678,563 shares Six months ended Sep. 30, 2012 117,603,571 shares

Others :

1. This financial press release is out of scope of the audit procedure based on the Financial Instruments and Exchange Act in Japan. As of time of press release date, the quarterly review procedure is ongoing.

2. Forecasts of operating results include a number of assumptions based on information currently available and certain premises which were judged to be rational. Please note that these forecasts may significantly differ from actual results with various factors.

3. TAIYO YUDEN will post the financial supplementary data on its web-site.

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1. Qualitative Information Concerning Financial Statements and Other

(1) Consolidated Operating Results

Economy and Market Conditions

The economic environment surrounding TAIYO YUDEN CO., LTD. (“TAIYO YUDEN” or “the Company”) and its subsidiaries (together “the Companies”) in the six-month period ending September 30, 2013 indicated that generally we are seeing a steady recovery and a growth in certain parts of the global economy remained sluggish. In the Company’s view, the future outlook for the global economy shows continued gradual recovery with a great deal of uncertainty still persisting.

The Company experienced mixed results in the market with overall higher demand for electronic components. The key factors were growth from the smartphone and tablet device markets as well as advancements in electronic components used in automobiles. This was offset by weaker market conditions for PCs and TVs.

Company Actions Planned to Offset These Conditions

TAIYO YUDEN has implemented and will continue to implement measures to improve profitability in order to attain the targets set in its medium-term management plan that will conclude in the fiscal year ending March 2015. Under this plan, the Company has increased sales of super high-end products used in key growth markets such as the smartphone and tablet device markets. These products include capacitors, inductors and SAW/FBAR devices for mobile communications. The Company is also focusing on markets where growth can be anticipated, such as electrical components used in automobiles and industrial equipment. And, as part of our strategic mid-term plan we have expanded the lineup of high reliability products.

Overview of Each Business Segment

Electronic components

- The Company strengthened its production system and expanded sales of our super high-end products. There are examples of this stated below. These products support the smartphone market and address the continued growth in demand for that market.
 - EIA01005- and EIA0201-sized ultra small multilayer ceramic capacitors
 - ultra thin multilayer ceramic capacitors
 - small and high capacitance multilayer ceramic capacitors with 330 μ F, etc.
 - metal power inductors MCOIL™ used for newly developed metallic magnetic materials
 - high frequency multilayer high-Q chip inductors
 - ultra small multilayer chip inductors, and SAW/FBAR devices for mobile communications

Optical media and others

- The Company is moving ahead with its structural reforms previously announced and will continue to implement measures aimed at enhancing the profitability of its optical media products.

Overview of Business Performance

Consolidated net sales for the six-month period ended September 30, 2013 totaled ¥105,550 million, an increase of 10.6% compared to the corresponding period of the previous fiscal year. The Company achieved an operating profit of ¥7,196 million, an increase of 393.9% as compared to the corresponding period of the previous fiscal year, and an ordinary profit of ¥7,439 million compared to an ordinary profit of ¥138 million for the corresponding period of the previous fiscal year. The Company achieved a net income of ¥4,260 million compared with a net loss of ¥625 million in the same period of the previous fiscal year.

Exchange Rate

The average foreign currency exchange rate for the six-month period ended September 30, 2013 was US\$1: ¥98.12. This is a depreciation of ¥17.98 compared with the average realized in the same period of the previous fiscal year of US\$1: ¥80.14.

Net sales by product segment

Electronic Components

Capacitors

This product segment is comprised of multilayer ceramic capacitors. In the six-month period ended September 30, 2013, sales were ¥52,065 million, a year-over-year increase of 25.2%. Product sales for all equipment types increased compared to the corresponding period of the previous fiscal year.

Ferrite and Applied Products

This product segment is comprised of various inductors including multilayer and wire-wound types. In the six-month period ended September 30, 2013, sales increased by 24.9% to ¥17,748 million as compared to the same period of the previous fiscal year. This increase was largely attributable to increased product sales for information equipment, i.e. PCs, communication equipment, which focused on smartphones, and automobiles/industrial equipment. These increases were offset by a year-over-year decline in sales for consumer products, i.e. TVs.

Integrated Modules & Devices

This product segment is comprised of SAW/FBAR devices for mobile communications, a wide range of power supply and high frequency modules, and embedded-parts multilayer wiring substrates EOMIN™. For the six-month period ended September 30, 2013, sales of SAW/FBAR devices for mobile communications and power supply modules declined compared with the corresponding period of the previous fiscal year. As a result, sales generated by this segment were off 17.7% year over year to ¥22,071 million.

Other Electronic Components

This segment is mainly made up of energy devices. For the six-month period ended September 30, 2013, sales increased 25.6% to ¥2,838 million as compared to the corresponding period of the previous fiscal year.

Optical Media and Others

Optical Media Products

For this product segment, the Company manufactures and sells CD-Rs, DVD-Rs/DVD+Rs as well as recordable Blu-ray Discs (BD-Rs). Optical

media product sales in the six-month period ended September 30, 2013 fell to ¥6,786 million, 7.0% decrease compared with the corresponding period of the previous fiscal year.

Others

Sales in this segment are primarily generated from our product mounting business done by a subsidiary company. For the six-month period ended September 30, 2013, sales in this segment increased 22.6% year over year to ¥4,039 million.

(2) Consolidated Financial Condition

i. Changes in Financial Condition

Assets

Total assets as of the end of the six-month period ended September 30, 2013 increased ¥9,054 million to ¥234,999 million compared with the end of the previous fiscal year Ended March, 31, 2013.

Current assets increased ¥12,107 million. This was mainly attributable to increase of ¥7,513 million in cash and deposits, ¥1,447 million in trade notes and accounts receivable, ¥325 million in merchandise and finished products, ¥1,267 million in work in process, and ¥774 million in raw materials and supplies.

Fixed assets decreased by ¥3,052 million due mainly to a decrease in property, plant and equipment of ¥2,905 million.

Liabilities

Total liabilities at the end of the six-month period ended September 30, 2013 increased ¥2,051 million to ¥112,169 million as compared to the balance at March 31, 2013. This was mainly due to an increase in trade notes and accounts payable of ¥1,215 million.

Net Assets

Net assets as of the end of the six-month period ended September 30, 2013 increased ¥7,003 million to ¥122,829 million compared with the end of the previous fiscal year.

ii. Cash Flows

Operating activities

Net cash provided by operating activities for the six-month period ended September 30, 2013 was ¥14,611 million, an increase of 106.9% compared with the corresponding period of the previous fiscal year. The contributing factors are; income before income taxes and minority interests of ¥5,766 million; depreciation and amortization of ¥9,921 million; offset by an increase in inventories of ¥1,648 million.

Investing activities

Net cash used in investing activities for the six-month period ended September 30, 2013 totaled ¥10,094 million, a decrease of 8.4% compared with the corresponding period of the previous fiscal year. The largest cash outflow was ¥9,856 million paid for purchases of property, plant and equipment.

Financing activities

Net cash provided by financing activities for the six-month period ended September 30, 2013 totaled ¥1,379 million, a decrease of 79.6% compared with the corresponding period of the previous fiscal year. This was primarily attributed to a net increase in proceeds from long-term borrowings of ¥5,000 million, repayments of long-term borrowings of ¥2,535 million, and payments of cash dividends of ¥586 million.

As a result of the aforementioned activities, cash and cash equivalents as of September 30, 2013 increased ¥6,945 million from the end of the previous fiscal year, to ¥40,225 million.

(3) Forecasts of Consolidated Operating Results

TAIYO YUDEN revised its consolidated operating results forecasts for the full fiscal year ending March 31, 2014, previously announced on May 14, 2013. This was decided after careful consideration of the Companies' consolidated performance for the six-month period ended September 30, 2013. For details and the revised figures, please refer to our current press release, "TAIYO YUDEN Announces the Reasons for Differences between

Consolidated Forecasts and Actual Results, and Earnings Forecast Revisions” announced today November 11, 2013.

2. Summary Information and Notes

(1) Changes in Accounting Policy, Changes in Accounting Estimates, and Restatements

(Changes in accounting policy attributed to changes in accounting standards)

IAS 19 *Employee Benefits* (revised June 16, 2011) has been applied to the Company’s consolidated financial statements of the fiscal year started on or after January 1, 2013. This accounting standard has been applied to certain foreign subsidiaries beginning with the first quarter of this fiscal year. As a result, the Company has modified the way to recognize actuarial gains and losses, the net amount of past service costs, and net interest related to defined benefit liability.

This change in accounting policy is applied retroactively, and the quarterly and annual consolidated financial statements of the previous fiscal year now reflect this retroactive application. The effect that retroactive application of this accounting policy change had on the previous second quarter’s results is immaterial. The cumulative effect that this change had on the Company’s net assets at the beginning of the previous fiscal year is also immaterial, but the balance of retained earnings at the end of the previous fiscal year decreased by ¥134 million.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2013	As of September 30, 2013
ASSETS		
Current assets:		
Cash and deposits	35,356	42,870
Trade notes and accounts receivable	41,655	43,102
Merchandise and finished products	15,023	15,348
Work in process	11,086	12,353
Raw materials and supplies	9,832	10,607
Other	4,649	5,467
Allowance for doubtful receivables	(271)	(311)
Total current assets	117,332	129,439
Fixed assets:		
Property, plant and equipment:		
Buildings and structures	68,214	68,962
Machinery and equipment	212,367	215,044
Tools, furniture and fixtures	19,262	19,604
Land	7,689	7,693
Construction in progress	9,357	8,250
Accumulated depreciation	(218,116)	(223,686)
Net property, plant and equipment	98,774	95,869
Intangible fixed assets:		
Goodwill	1,201	900
Other	824	807
Total intangible fixed assets	2,025	1,708
Investments and other assets:		
Investment securities	4,360	4,741
Other	3,733	3,550
Allowance for doubtful receivables	(282)	(310)
Total investments and other assets	7,812	7,982
Total fixed assets	108,612	105,560
Total assets	225,945	234,999

(Millions of yen)

	As of March 31, 2013	As of September 30, 2013
LIABILITIES		
Current liabilities:		
Trade notes and accounts payable	17,950	19,165
Current portion of convertible bonds with subscription rights	-	365
Short-term borrowings	20,242	20,200
Current portion of long-term borrowings	4,899	14,223
Income taxes payable	1,049	1,639
Accrued bonuses for employees	2,981	3,159
Accrued bonuses for directors and corporate auditors	75	59
Other	17,246	14,620
Total current liabilities	64,443	73,434
Long-term liabilities:		
Bonds payable	8,000	8,000
Convertible bonds with stock acquisition rights	365	-
Long-term borrowings	29,364	22,504
Accrued retirement benefits for employees	1,416	1,624
Accrued retirement benefits for directors and corporate auditors	125	109
Negative goodwill	10	-
Other	6,393	6,497
Total long-term liabilities	45,674	38,735
Total liabilities	110,118	112,169
NET ASSETS		
Shareholders' equity:		
Common stock	23,557	23,557
Capital surplus	41,484	41,495
Retained earnings	67,803	71,476
Treasury stock	(3,564)	(3,411)
Total shareholders' equity	129,280	133,117
Accumulated other comprehensive income		
Net unrealized holding gains on securities	562	924
Deferred gains (losses) on hedges	14	43
Foreign currency translation adjustments	(14,346)	(11,444)
Total accumulated other comprehensive income	(13,769)	(10,476)
Stock acquisition rights	274	170
Minority interests	40	18
Total net assets	115,826	122,829
Total liabilities and net assets	225,945	234,999

(2) Consolidated Statements of Operations and Consolidated Statements of Comprehensive Income

(Consolidated Statements of Operations)

(Six months ended September 30, 2013 and 2012)

(Millions of yen)

	Six months ended September 30, 2012	Six months ended September 30, 2013
Net sales	95,442	105,550
Cost of sales	77,807	80,296
Gross profit	17,635	25,253
Selling, general and administrative expenses	16,178	18,057
Operating income	1,457	7,196
Non-operating income:		
Interest income	80	129
Dividend income	63	55
Gain on foreign exchange	-	558
Equity in earnings of affiliate	24	-
Subsidies	23	32
Other	100	107
Total non-operating income	292	883
Non-operating expenses:		
Interest expense	274	267
Interest on bonds	36	36
Loss on foreign exchange	1,104	-
Equity in losses of affiliate	-	3
Depreciation of inactive noncurrent assets	140	239
Other	54	92
Total non-operating expenses	1,611	640
Ordinary income	138	7,439
Extraordinary gains:		
Gain on sales of property, plant and equipment	8	19
Other	0	-
Total extraordinary gains	8	19
Extraordinary losses:		
Loss on disposal and sales of property, plant and equipment	77	106
Impairment loss	150	548
Loss on evaluation of investment securities	427	129
Business structure improvement expense	272	862
Other	10	45
Total extraordinary losses	938	1,692
Income (loss) before income taxes and minority interests	(792)	5,766
Income taxes - current	373	1,431
Income taxes - deferred	(529)	96
Total income taxes	(156)	1,528
Income (loss) before minority interests	(635)	4,238
Minority interests in income (loss)	(9)	(22)
Net income (loss)	(625)	4,260

(Consolidated Statements of Comprehensive Income)

(Six months ended September 30, 2013 and 2012)

(Millions of yen)

	Six months ended September 30, 2012	Six months ended September 30, 2013
Income (loss) before minority interests	(635)	4,238
Other comprehensive income		
Net unrealized holding gains on securities	(507)	362
Deferred gains (losses) on hedges	13	28
Foreign currency translation adjustments	(3,099)	2,901
Total other comprehensive income (loss)	(3,592)	3,293
Comprehensive income (loss)	(4,228)	7,531
(Breakdown)		
Comprehensive income (loss) attributable to shareholders	(4,217)	7,553
Comprehensive income (loss) attributable to minority interest	(10)	(22)

(3) Consolidated Statements of Cash Flows

(Millions of yen)

	Six months ended September 30, 2012	Six months ended September 30, 2013
Operating activities:		
Income (loss) before income taxes and minority interests	(792)	5,766
Depreciation and amortization	9,300	9,921
Impairment loss	150	548
Business structure improvement expense	272	862
Amortization of goodwill	300	300
Amortization of negative goodwill	(10)	(10)
Increase (decrease) in allowance for doubtful receivables	(25)	55
Increase (decrease) in accrued bonuses for employees	1,216	179
Increase (decrease) in accrued bonuses for directors and corporate auditors	-	(15)
Increase (decrease) in accrued retirement benefits for directors and corporate auditors	8	(17)
Interest and dividend income	(144)	(185)
Interest expense	274	267
Interest on bonds	36	36
Equity in earnings of affiliate	(24)	3
(Gain) loss on disposal and sales of property, plant and equipment	69	86
(Gain) Loss on evaluation of investment securities	427	129
(Increase) decrease in trade receivables	(651)	298
(Increase) decrease in inventories	(2,920)	(1,648)
Increase (decrease) in trade payables	5,031	(96)
Other	(1,496)	(1,105)
Subtotal	11,023	15,377
Interest and dividends received	204	178
Interest paid	(242)	(291)
Business structure improvement expense paid	(3,293)	-
Income taxes (paid) refunded	(629)	(651)
Net cash provided by operating activities	7,063	14,611
Investing activities:		
(Increase) decrease in time deposits	(308)	(451)
Purchases of property, plant and equipment	(11,202)	(9,856)
Proceeds from sales of property, plant and equipment	16	148
Proceeds by sales of investment security	10	25
Other	463	39
Net cash used in investing activities	(11,021)	(10,094)
Financing activities:		
Net increase (decrease) in short-term borrowings	14,651	(166)
Proceeds from long-term borrowings	14,652	5,000
Repayments of long-term borrowings	(2,212)	(2,535)
Redemption of current portion of convertible bonds with stock acquisition rights to shares	(19,635)	-
Purchases of treasury stock	(5)	(1)
Payments of cash dividends	(296)	(586)
Repayments of lease obligations	(384)	(330)
Other	-	0
Net cash provided by (used in) financing activities	6,770	1,379
Effect of exchange rate changes on cash and cash equivalents	(828)	1,049
Net increase (decrease) in cash and cash equivalents	1,983	6,945
Cash and cash equivalents at beginning of period	26,671	33,280
Cash and cash equivalents at end of period	28,655	40,225

(4) Notes on Consolidated Financial Statements

(Notes on Premise of Going Concern)

No relevant items to report.

(Notes in Case of Significant Changes to Shareholders' Equity)

No relevant items to report.

4. Supplementary Information

(1) Net Sales by Product Segment

(Millions of yen)

Product segment	Six months ended September 30, 2012		Six months ended September 30, 2013		Increase/ (Decrease)	
	Amount	Share [%]	Amount	Share [%]	Amount	%
Capacitors	41,570	43.5	52,065	49.3	10,495	25.2
Ferrite and applied products	14,212	14.9	17,748	16.8	3,535	24.9
Integrated modules & devices	26,808	28.1	22,071	20.9	(4,737)	(17.7)
Other electronic components	2,260	2.4	2,838	2.7	578	25.6
Electronic components	84,851	88.9	94,723	89.7	9,872	11.6
Optical media products	7,295	7.6	6,786	6.5	(508)	(7.0)
Others	3,296	3.5	4,039	3.8	743	22.6
Optical media and others	10,591	11.1	10,826	10.3	234	2.2
Total	95,442	100.0	105,550	100.0	10,107	10.6

Note: The aforementioned amounts are exclusive of consumption and related taxes.