

Consolidated Financial Results

Third quarter for the year ending March 31, 2014

February 13, 2014
TAIYO YUDEN CO., LTD.

1Q to 3Q - Consolidated Financial Results (Y/Y)

Sales and income increased and there was a considerable improvement in profitability over the 9-month comparable period.

¥ in millions	FYE Mar 31, 2013	FYE Mar 31, 2014	Growth Y/Y	
	1Q to 3Q (01 Apr 2012 – 31 Dec 2012)	1Q to 3Q (01 Apr 2013 – 31 Dec 2013)	Amount	%
Net sales	146,031	158,341	12,309	8.4
Operating income	3,213	8,932	5,718	177.9
Ordinary income	4,058	10,147	6,088	150.0
Net income	2,265	6,001	3,735	164.9

1Q to 3Q – Financial Results by Product Segment (Y/Y)

Electronic components, Optical media and others group realized a Y/Y increase in sales and income.

¥ in millions		FYE Mar 31, 2013	FYE Mar 31, 2014	Growth Y/Y	
		1Q to 3Q	1Q to 3Q	Amount	%
Capacitors		66,665	79,049	12,383	18.6
Ferrite and applied products		21,469	26,380	4,910	22.9
Integrated modules & devices		37,966	32,427	(5,538)	(14.6)
Other electronic components		3,595	4,049	454	12.6
Electronic components		129,697	141,906	12,209	9.4
Optical media products		11,552	10,599	(953)	(8.3)
Others		4,781	5,834	1,053	22.0
Optical media and others		16,333	16,434	100	0.6
Total Net Sales		146,031	158,341	12,309	8.4

Electronic components		3,590	9,083	5,493	153.0
Optical media and others		(376)	(151)	225	—
Total Operating Income		3,213	8,932	5,718	177.9

3Q - Consolidated Financial Results (Q/Q)

Operating income fell ¥2,177 million driven by a reduction in inventories causing a decrease in the operation rate.

¥ in millions	FYE Mar 31, 2014		Growth Q/Q	
	2Q (01 Jul 2013 – 30 Sep 2013)	3Q (01 Oct 2013 – 31 Dec 2013)	Amount	%
Net sales	53,801	52,791	(1,010)	(1.9)
Operating income	3,913	1,736	(2,177)	(55.6)
Ordinary income	3,596	2,707	(889)	(24.7)
Net income	1,122	1,740	618	55.1

Yen to USD Exchange Rate and Impact

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

¥ in billions	2Q	3Q	Fluctuation	Impact on Net sales on Operating income
Average	98.36 yen	99.03 yen	0.67 yen depreciated	+0.3 (0.1)
Last day	97.69 yen	105.37 yen	7.68 yen depreciated	—

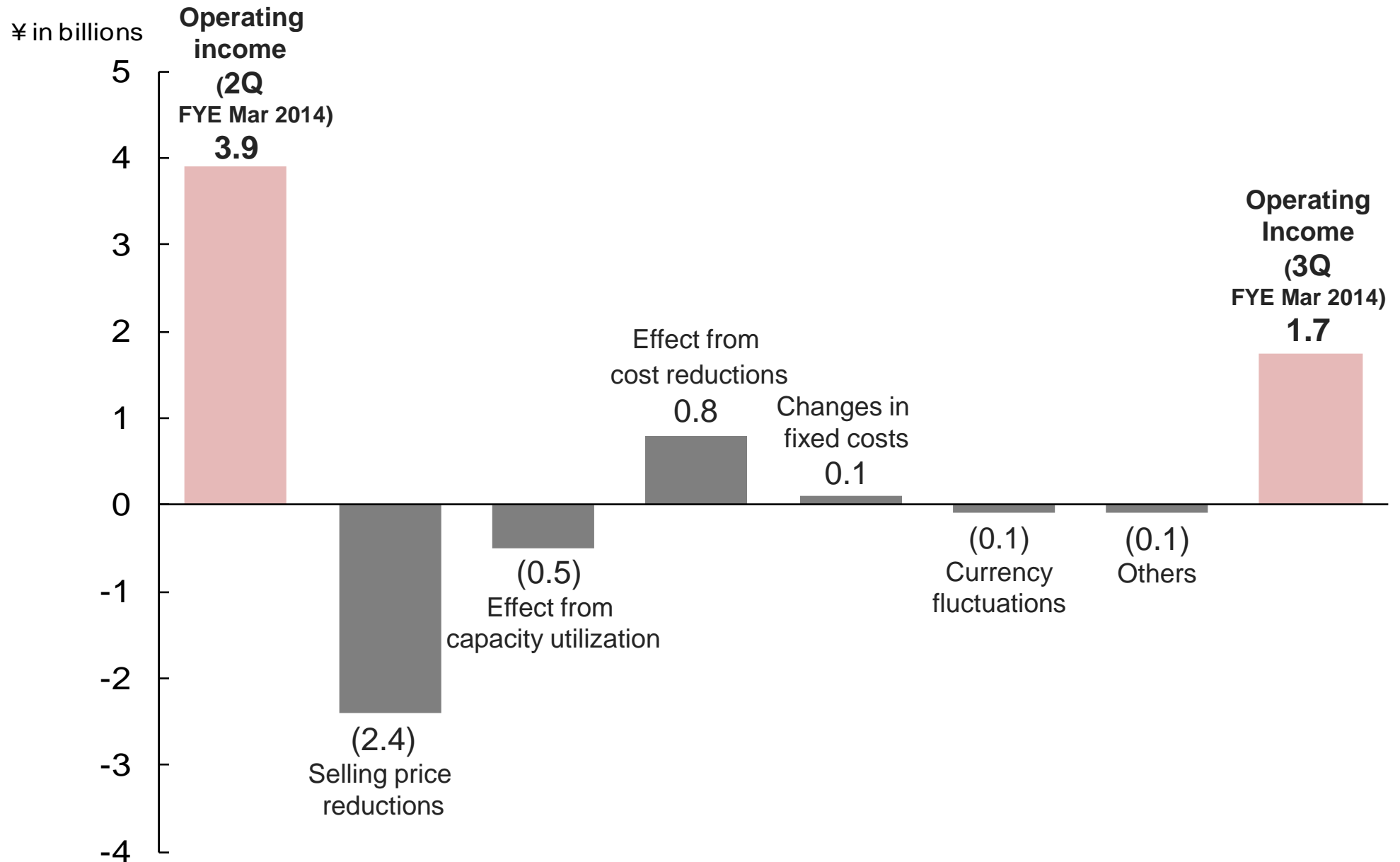
3Q - Financial Results by Product Segment (Q/Q)

- Capacitor sales increased Q/Q.
- Sales declined for Ferrite and applied products and Integrated modules & devices.

¥ in millions		FYE Mar 31, 2014		Growth Q/Q	
		2Q	3Q	Amount	%
Capacitors		26,203	26,983	779	3.0
Ferrite and applied products		9,345	8,632	(713)	(7.6)
Integrated modules & devices		11,538	10,356	(1,182)	(10.2)
Other electronic components		1,251	1,211	(40)	(3.2)
Electronic components		48,339	47,183	(1,156)	(2.4)
Optical media products		3,429	3,813	383	11.2
Others		2,033	1,795	(237)	(11.7)
Optical media and others		5,462	5,608	146	2.7
Total Net Sales		53,801	52,791	(1,010)	(1.9)

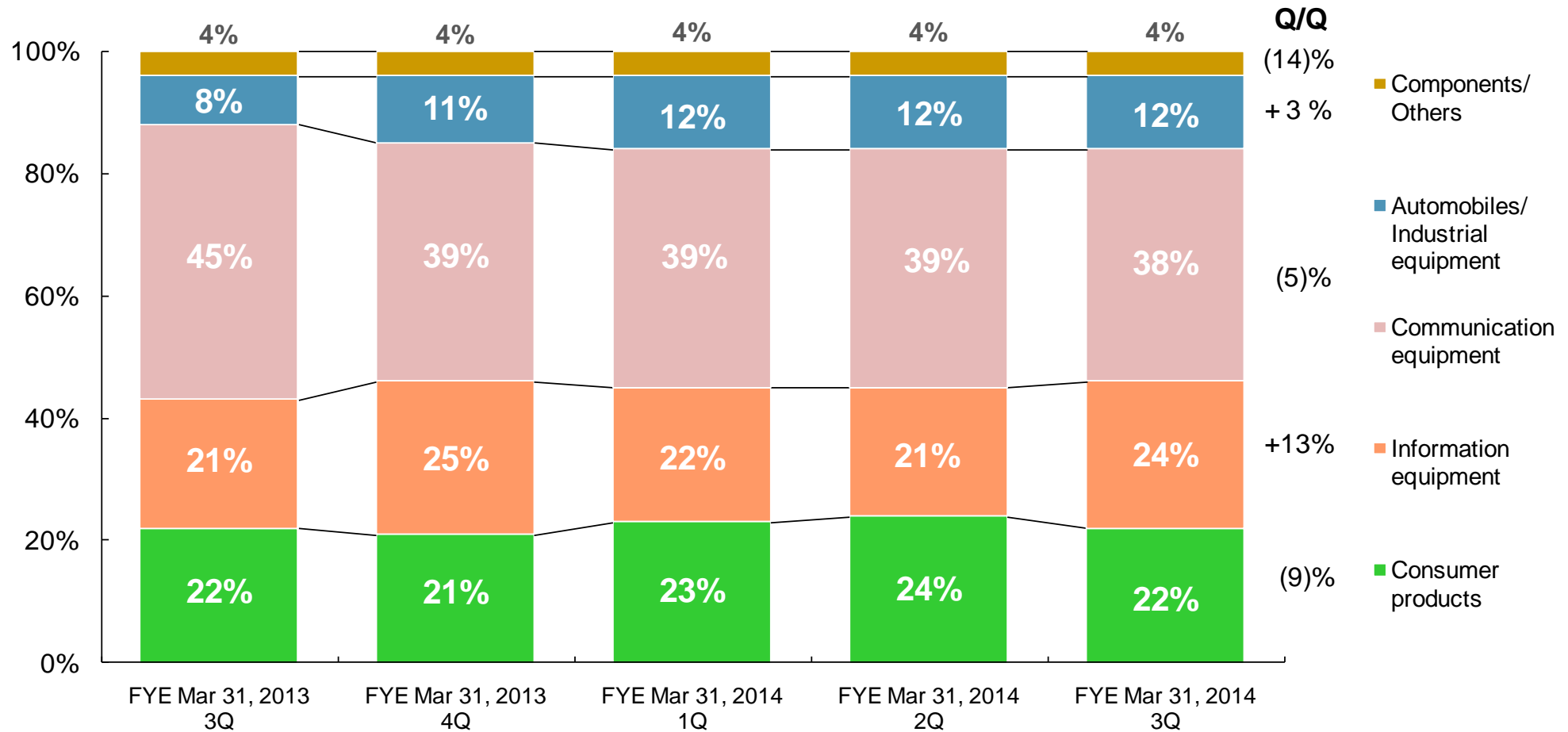
Electronic components		3,831	1,677	(2,153)	(56.2)
Optical media and others		82	58	(24)	(29.3)
Total Operating Income		3,913	1,736	(2,177)	(55.6)

3Q - Factors driving Operating Income (Q/Q)



3Q - Sales of Electronic Components by Market Sector

The information equipment sector had an increase in sales with higher demand for tablet devices.



3Q - Key Expenditure Figures (Q/Q)

¥ in millions	FYE Mar 31, 2014		Change Q/Q	
	2Q	3Q	Amount	%
R&D expenses	1,773	1,827	53	3.0
Capital investment	4,117	6,007	1,889	45.9
Depreciation expenses	5,028	5,235	206	4.1

Number of Employees

Consolidated	16,613	16,060	(553)	—
Non-consolidated	2,650	2,581	(69)	—

Full-Year Forecast

The Company has not changed the full-year financial forecast previously published.

¥ in millions	FYE Mar 31, 2013 (01 Apr 2012 – 31 Mar 2013) Actual	FYE Mar 31, 2014 (01 Apr 2013 – 31 Mar 2014) Forecast as of Nov 11, 2013	Change Y/Y	
			Amount	%
Net sales	192,903	210,000	17,097	8.9
Operating income	4,850	14,000	9,150	188.6
Ordinary income	7,118	14,000	6,882	96.7
Net income	1,867	9,000	7,133	382.0

Exchange rate assumption:

The average exchange rate will be US\$1: ¥98 for the second half of the fiscal year ending March 31, 2014.

Full-Year Forecast by Product Segment

The Company has not changed the full-year financial forecast previously published.

¥ in millions	FYE Mar 31, 2013 (01 Apr 2012 – 31 Mar 2013) Actual	FYE Mar 31, 2014 (01 Apr 2013 – 31 Mar 2014) Forecast as of Nov 11, 2013	Change Y/Y	
			Amount	%
Capacitors	89,852	104,500	14,648	16.3
Ferrite and applied products	28,490	36,000	7,510	26.4
Integrated modules & devices	47,804	43,000	(4,804)	(10.1)
Other electronic components	4,778	5,000	222	4.6
Electronic components	170,925	188,500	17,575	10.3
Optical media products	15,412	13,500	(1,912)	(12.4)
Others	6,565	8,000	1,435	21.8
Optical media and others	21,978	21,500	(478)	(2.2)
Total	192,903	210,000	17,097	8.9

Note: The change in accounting policy is applied retroactively. As a result, the results of the fiscal year ended March 31, 2013 differ from past presentation.

Forward-looking statements

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