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

Consolidated Results for the Year Ended March 31, 2015 (April 1, 2014 – March 31, 2015)

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

Overview of Operating Results

Item	Year ended March 31, 2014		Year ended March 31, 2015		Increase/(Decrease)	
	Amount	Share [%]	Amount	Share [%]	Amount	[%]
Net sales	208,222	100.0	227,095	100.0	18,872	9.1
Operating income	11,358	5.5	13,153	5.8	1,794	15.8
Ordinary income	12,192	5.9	15,653	6.9	3,461	28.4
Income before income taxes and minority interests	10,152	4.9	14,915	6.6	4,762	46.9
Net income	6,989	3.4	10,919	4.8	3,929	56.2
Comprehensive income	13,897	-	23,421	-	9,523	68.5
Net income per share [Yen]		59.38		92.74		
Diluted net income per share [Yen]		58.09		85.51		
R&D expenses		7,353		8,237		884 12.0
Capital investment		19,126		18,773		(352) (1.8)
Depreciation and amortization		20,750		21,813		1,062 5.1

Notes: Share data is computed as a ratio of net sales.

	As of March 31, 2014	As of March 31, 2015	Increase/(Decrease)	
			Amount	[%]
Total assets	247,596	265,454	17,857	7.2
Net assets	128,556	150,856	22,300	17.3
Equity ratio	51.8%	56.7%	4.9pt	-
Net assets per share [Yen]	1,090.26	1,278.07	187.81	17.2

Net Sales by Product Segment

Product segment	Year ended March 31, 2014		Year ended March 31, 2015		Increase/(Decrease)	
	Amount	Share [%]	Amount	Share [%]	Amount	[%]
Capacitors	104,233	50.1	112,903	49.7	8,670	8.3
Ferrite and applied products	34,745	16.7	41,834	18.4	7,088	20.4
Integrated modules & devices	42,375	20.3	49,510	21.8	7,134	16.8
Other electronic components	5,284	2.5	4,278	1.9	(1,006)	(19.0)
Optical media products	14,232	6.9	12,859	5.7	(1,373)	(9.6)
Others	7,349	3.5	5,708	2.5	(1,640)	(22.3)
Total	208,222	100.0	227,095	100.0	18,872	9.1

Consolidated Results for the year ended March 31, 2015

May 11, 2015

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

1. Consolidated financial results for the period from April 1, 2014 to March 31, 2015

(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	%
Year ended March 31, 2015	227,095	9.1	13,153	15.8	15,653	28.4	10,919	56.2
Year ended March 31, 2014	208,222	7.9	11,358	134.2	12,192	71.3	6,989	274.3

Note: Comprehensive income ended on March 31, 2015 23,421 million yen ; 68.5% ended on March 31, 2014 13,897 million yen ; 13.8%

	Net income per share	Diluted net income per share	Return on equity	Ordinary income on total assets	Operating income on net sales
	Yen	Yen	%	%	%
Year ended March 31, 2015	92.74	85.51	7.8	6.1	5.8
Year ended March 31, 2014	59.38	58.09	5.7	5.1	5.5

(Reference) Equity in earnings of affiliates
Year ended March 31, 2015 7 million yen Year ended March 31, 2014 24 million yen

(2) Financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2015	265,454	150,856	56.7	1,278.07
As of March 31, 2014	247,596	128,556	51.8	1,090.26

(Reference) Shareholder's equity As of March 31, 2015 150,489 million yen As of March 31, 2014 128,375 million yen

(3) Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2015	24,896	(20,964)	(21,249)	41,476
Year ended March 31, 2014	29,724	(18,947)	8,404	54,611

2. Dividend information

	Cash dividends per share					Total annual dividend	Dividend payout ratio	Dividend on net assets
	First	Second	Third	Year	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2014	-	5.00	-	5.00	10.00	1,177	16.8	1.0
Year ended March 31, 2015	-	5.00	-	5.00	10.00	1,177	10.8	0.8
Year ending March 31, 2016 (Forecast)	-	5.00	-	10.00	15.00		14.7	

3. Forecasts of operating results for the period from April 1, 2015 to March 31, 2016

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

	Net sales		Operating income		Ordinary income		Net income attributable to owner of the parent company		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2015	120,000	14.1	10,000	305.0	10,000	183.5	6,500	794.4	55.20
Year ending March 31, 2016	244,000	7.4	19,000	44.5	19,000	21.4	12,000	9.9	101.91

4. Note

(1) Changes in principal subsidiaries during year ended March 31, 2015: No

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

a. Changes in accounting policies due to the revision of accounting standards: No

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

c. Changes in accounting estimates: No

d. Restatement: No

(3) Number of common shares outstanding :

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

As of March 31, 2015	120,481,395 shares	As of March 31, 2014	120,481,395 shares
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b. Number of treasury stock:

As of March 31, 2015	2,734,253 shares	As of March 31, 2014	2,733,602 shares
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c. Average number of common shares outstanding:

Fiscal Year ended March 31, 2015	117,747,471 shares	Fiscal Year ended March 31, 2014	117,710,712 shares
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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 annual audit 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.

Table of contents

1.	Analysis of Operating Results and Financial Condition	1
(1)	Analysis of Operating Results	1
(2)	Analysis of Financial Condition	4
(3)	Basic Policy on Profit Distribution and Current/Subsequent Fiscal Year Dividend	6
2.	Management Policy	7
(1)	Basic Management Policy of the Company	7
(2)	Medium- to Long-term Management Strategy of the Company and Target Management Indicators	7
(3)	Challenges that Must be Addressed by the Companies	8
3.	Basic Approach to Selection of Accounting Standard	10
4.	Consolidated Financial Statements	11
(1)	Consolidated Balance Sheets	11
(2)	Consolidated Statements of Operations and Consolidated Statements of Comprehensive Income	13
	(Consolidated Statements of Operations)	13
	(Consolidated Statements of Comprehensive Income)	14
(3)	Consolidated Statements of Changes in Net Assets	15
(4)	Consolidated Statements of Cash Flows	17
(5)	Notes to Consolidated Financial Statements	19
	(Notes on Premise of Going Concern)	19
	(Basis of Presentation of Consolidated Financial Statements)	19
	(Segment Information)	20
	(Per Share Information)	23
	(Significant Subsequent Events)	24
5.	Other	24
(1)	Production, Orders and Sales Results	24

1. Analysis of Operating Results and Financial Condition

(1) Analysis of Operating Results

1. Operating Results for the Year Ended March 31, 2015

Economy and Market Conditions

During the year ended March 31, 2015 (April 1, 2014 to March 31, 2015), the business environment surrounding the Group exhibited a recovery trend in line with that of the world economy. This recovery was led by the economy of major developed nations such as the United States and European countries, and was offset by slower economic growth in other regions.

Company Actions Planned to Offset These Conditions

TAIYO YUDEN Group continues to implement measures that balance a growth strategy and structural reforms with an emphasis on improving profitability. The Companies' growth strategy calls for an increase in sales of their highly competitive super high-end products that support key growth applications for devices such as smartphones. In July 2014, the Company's subsidiary TAIYO YUDEN Mobile Technology Co., Ltd. relocates its head office to Ome, Tokyo and increased its production capacity of RF devices. Meanwhile, NIIGATA TAIYO YUDEN CO., LTD., a capacitor manufacturer, is planned to complete construction on a new plant in December 2015. In addition, the Companies have endeavored to diversify and expand sales channels, to strengthen system solution proposal capabilities, and to promote sales of high reliability products, positioning electrical components used in automobiles, industrial equipment, healthcare, and environmental energy as focus markets. A key structural reform initiative is the focus on improving the break-even point, which includes managing net profits using a "mini company system" and continually enhancing the Company's structure.

Overview of Business Performance

Consolidated net sales for the year ended March 31, 2015 totaled ¥227,095 million, which is an increase of 9.1% compared to the previous fiscal year.

Operating income was ¥13,153 million, an increase of 15.8%, an ordinary income was ¥15,653 million, an increase of 28.4%, and a net income was ¥10,919 million, a decrease of 56.2% compared to the previous fiscal year.

Exchange Rate

The average foreign currency exchange rate for the year ended March 31, 2015 was US\$1: ¥108.42. This is a depreciation of ¥8.81 as compared to the average realized in the previous fiscal year of US\$1: ¥99.61.

Net Sales by Product Segment

Capacitors

The capacitor product segment is comprised of multilayer ceramic capacitors. For the year ended March 31, 2015, capacitor sales for consumer products, i.e. TVs, information equipment, i.e. PCs, communication equipment, which focused on smartphones, and automobiles/industrial equipment increased year over year. In total, sales for this product segment increased 8.3% year over year to ¥112,903 million.

Ferrite and Applied Products

This product segment is comprised of various inductors including metal power inductor “MCOIL™”, wire-wound inductors and multilayer chip inductors. In the year ended March 31, 2015, sales increased by 20.4% to ¥41,834 million as compared to the previous fiscal year. Product sales for consumer products were lower as compared to the corresponding period of the previous fiscal year. This was offset by an increase in sales for information equipment, communication equipment and automobiles/industrial equipment.

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 year ended March 31, 2015, sales for power supply modules and high frequency modules decreased year over year and sales for SAW/FBAR devices for mobile communications increased year over year. This resulted in a 16.8% increase in total sales for this product segment year over year to ¥49,510

million.

Other Electronic Components

This segment is mainly made up of energy devices. For the year ended March 31, 2015, sales decreased 19.0% to ¥4,278 million as compared to the previous fiscal year.

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 year ended March 31, 2015 fell to ¥12,859 million, which is 9.6% lower as compared with the previous fiscal year.

Others

Sales in this segment are primarily generated from our product mounting business done by a subsidiary company. For the year ended March 31, 2015, sales in this segment decreased 22.3% year over year to ¥5,708 million.

2. Outlook for the Year Ending March 31, 2016

Consolidated operating results forecasts for the year ending March 31, 2016 are as follows.

(Billions of yen unless otherwise stated)

Item \ Period	Six months ending September 30, 2015		Year ending March 31, 2016	
	Amount	YoY (%)	Amount	YoY (%)
Net sales	120.0	14.1	244.0	7.4
Operating income	10.0	305.0	19.0	44.5
Ordinary income	10.0	183.5	19.0	21.4
Net income attributable to the owner of parents company	6.5	794.4	12.0	9.9

The market environment for the year ending March 31, 2016 indicates that further advancements in functionality and market expansion and growth for equipment, such as smartphones, will drive the adoption of the Companies' high value added super high-end product lineup. In order to capture this increased demand, the Companies will reinforce their production system for capacitors, inductors and SAW/FBAR devices for mobile communications,

and aim to increase sales of these products. The Companies have positioned the industrial equipment and automotive segments as key target markets for which we will further build our product lineup and take steps to expand their sales system.

Forecasts are based on an estimated average foreign currency exchange rate of US1:¥118 for the year ending March 31, 2016.

Disclaimer concerning forecasts of operating results:

The aforementioned forecasts of results are based on information available as of the date of this report. As a result, forecast information contained in this document may include potential risk and uncertainties. Accordingly, actual results may differ materially from forecasts due to a variety of factors.

(2) Analysis of Financial Condition

Cash Flows

(Millions of yen)

	Year ended March 31, 2014	Year ended March 31, 2015	Increase (Decrease)
Cash flows from operating activities	29,724	24,896	(4,827)
Cash flows from investing activities	(18,947)	(20,964)	(2,017)
Cash flows from financing activities	8,404	(21,249)	(29,653)
Effect of exchange rate changes on cash and cash equivalents	2,165	4,182	2,017
Net increase (decrease) in cash and cash equivalents	21,346	(13,135)	(34,481)
Cash and cash equivalents at beginning of the year	33,280	54,611	21,331
Increase (decrease) in cash and cash and cash equivalents resulting from change in scope of consolidation	(15)	0	15
Cash and cash equivalents at end of the year	54,611	41,476	(13,135)

Operating activities

Net cash provided by operating activities for the year ended March 31, 2015 was ¥24,896 million, a decrease of 16.2% compared with the previous fiscal year. The contributing factors are; income before income taxes and minority interests of ¥14,915 million; depreciation and amortization of ¥21,813 million; increase in trade receivables of ¥6,372 million; and increase in inventories of ¥4,137 million.

Investing activities

Net cash used in investing activities for the year ended March 31, 2015 totaled ¥20,964 million, an increase of 10.6% compared with the previous fiscal year. The largest cash outflow was ¥18,780 million paid for purchases of property, plant and equipment and ¥2,749 million for purchases of investment securities.

Financing activities

Net cash used in financing activities for the year ended March 31, 2015 totaled ¥21,249 million, compared with net cash provided in financing activities of ¥8,404 million for the previous fiscal year. This was primarily attributed to repayments of long-term borrowings of ¥12,494 million and redemption of bonds of ¥8,000 million.

As a result of the aforementioned activities, cash and cash equivalent as of March 31, 2015 decreased ¥13,135 million from the end of the previous fiscal year, to ¥41,476 million.

Reference: Trends in Cash Flow-Related indicators

	Fiscal 2011	Fiscal 2012	Fiscal 2013	Fiscal 2014	Fiscal 2015
Equity ratio (%)	57.4	49.9	51.1	51.8	56.7
Equity ratio (%) (Market capitalization basis)	59.3	49.7	61.9	60.5	77.7
Cash flow to interest-bearing liabilities (years)	1.9	10.8	3.3	2.5	2.2
Interest coverage ratio (times)	51.5	13.7	34.3	49.1	55.7

Equity ratio = Shareholders' equity / Total assets

Equity ratio (Market capitalization basis) = Market capitalization / Total assets

Cash flow to interest-bearing liabilities = Interest-bearing liabilities / Cash flow
Interest coverage ratio = Cash flow / Interest expenditure

Notes:

1. All indicators have been calculated from consolidated financial figures.
2. Market capitalization is calculated based on the number of shares issued and outstanding less treasury stock.
3. Cash flow refers to cash flows from operating activities as shown on the consolidated statements of cash flows.
4. Interest-bearing liabilities comprise all debt on which interest is paid in the liabilities section of the consolidated balance sheets as well as noninterest-bearing convertible bonds with stock acquisition rights. Interest expenditure represents interest paid as shown on the consolidated statements of cash flows.

(3) Basic Policy on Profit Distribution and Current/Subsequent Fiscal Year Dividend

The Company recognizes that returning profits to shareholders is one of management's most important tasks, and as such, the Company's total return ratio(*) target has been set at 30%, including purchase of treasury stock. However, the Company is currently in a phase where it must build a stable and sustainable earnings structure and an improved financial structure. Based on this strategy, the Company will plan to pay annual dividends of 10 yen per share (interim dividend of 5 yen, year-end dividend of 5 yen).

(*)[Payment of cash dividends + purchase of treasury stock] / net income

For future consideration, the Company plans on increasing its annual dividend per share once it has completed building a stable and sustainable earnings structure as well as improving financial standing and a positive net cash. Based on this strategy, the Company plans to pay dividends of 15 yen per share (interim dividend of 5 yen, year-end dividend of 10 yen) for the year ending March 31, 2016.

The Company has stipulated that an interim dividend can be offered based on a resolution by our Board of Directors and has established a basic policy to

offer two dividends per annum in the form of an interim dividend and year-end dividend. The interim dividend is resolved by the Company's Board of Directors. The year-end dividend is resolved at the general shareholders' meeting.

2. Management Policy

(1) Basic Management Policy of the Company

The Companies' management philosophy focuses on three principles: 1) employee well-being, 2) betterment of local communities, and 3) responsibility to provide returns to shareholders. Management recognizes that its mission and the social responsibility of the Company is to continually develop its businesses while serving society and public interests globally and in the communities we serve.

We aspire to be a company that can satisfy the diverse needs of our many stakeholders and be a trusted partner to those stakeholders. The Companies have established a system that can deliver the technology and products required by their customers to meet their demand per the time constraints set while also meeting the stringent quality requirements and maintaining a competitive position in the market. Our creed is "customer-first" and we continually pursue product and business development that fully responds to the needs of the customers we serve.

(2) Medium- to Long-term Management Strategy of the Company and Target Management Indicators

TAIYO YUDEN Group continues to push forward with measures to improve profitability. These measures are balanced structural improvements and growth strategies. As part of its growth strategies, the Companies will market their highly competitive super high-end products that satisfy customer needs for use in key growing markets, such as equipment, which includes smartphones and tablet devices. And, as part of their efforts to enhance corporate value, the Companies will also increase sales in key target markets, such as industrial equipment, automotive, healthcare and environmental energy as part of its efforts to enhance corporate value.

The Companies are also undertaking continued efforts to improve their profitability and financial stability as well as enhance efficient use of their assets. Target management indicators focus on cash flow management and include positive net cash for the year ending March 31, 2016 at an early stage. Our consolidated return on equity target is to exceed 10%.

(3) Challenges that Must be Addressed by the Companies

At present, the Companies are implementing the following measures for each product category as part of our effort to improve our profitability and the financial position of the Companies.

1. Capacitors

The Companies will launch ultra small/low profile multilayer ceramic capacitors for high-growth devices like smartphones. And, the Companies will strengthen their technology position and introduce cutting edge super high-end products for the sizes required as part of our efforts to develop a production system that meets growing demand for super high-end capacitor types. Additionally, the Companies are working to expand the lineup of high quality and highly reliable products for the key target markets in automobiles, industrial equipment, healthcare, and environmental energy.

The Companies will seek to promote expansion in the multilayer ceramic capacitor market by actively introducing new products with high-value 100 μ F and greater characteristics for the electrolytic capacitor market, with the goal to achieve further growth within the segment. And, as part of our efforts to achieve greater efficiencies as it relates to our production systems, the Companies will seek to maximize the utilization of their overseas sites by accelerating production of high-end products at those overseas locations, though until now they have manufactured super high-end products in Japan only. The Companies will also build a production system to meet expanding demand for equipment for growing devices, such as smartphones, and focus market, such as automobiles.

2. Ferrite and applied products

The Companies will further expand their super high-end product line-up for multilayer chip inductors and wire-wound inductors that meet the needs of our customers and the market we serve. To this end, the Companies will undertake product development for super high-end power inductors “MCOIL™,” that use new metallic materials capable of conducting even higher currents of electricity in a much smaller case sizes. The Companies will also enhance their line-up of super compact products for high frequency multilayer high-Q chip inductors and ultra small multilayer chip inductors. As with capacitors, the Companies are working to develop a production system that is more efficient and maximizes the utilization of their overseas production sites. The Companies will also build a production system to meet expanding demand for equipment for growing devices, such as smartphones, and focus market, such as automobiles.

3. Integrated modules & devices

The Companies will further develop their presence in the high frequency business sector focusing on SAW/FBAR technologies. They will actively launch super high-end products that use their proprietary developed embedded-parts multilayer wiring substrate “EOMIN™,” and strengthen the power supply business, including regeneration systems for energy markets.

The Companies are endeavoring to build a production system that addresses the increased demand and usage of SAW/FBAR devices for mobile communications in conjunction with the the increases in technology advancements in LTE, the main platform for next-generation telecommunications.

4. Other electronic components

For the energy device segment, the Companies are working to develop applications that support cutting edge technology in the energy sector that will expand sales in this market. The Companies continue to carry out marketing and promotion activities for large lithium ion capacitors mainly for markets demanding high reliability. In order to accelerate these activities, the Company concluded a capital and business alliance with ELNA Co., Ltd.

in November 2014 to promote cooperation in terms of co-developing, producing and jointly procuring materials. Going forward, the Company will strive to enhance its competitiveness and business.

3. Basic Approach to Selection of Accounting Standard

TAIYO YUDEN Group uses Generally Accepted Accounting Principles in Japan (Japan GAAP) for the preparation of its consolidated financial statements in view of comparability for the period covered by the consolidated financial statements and inter-company comparability.

The Group's policy is to proceed with consideration into the application of International Financial Reporting Standards taking into account a trend of circumstances inside and outside Japan.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2014	As of March 31, 2015
ASSETS		
Current assets:		
Cash and deposits	59,250	46,709
Trade notes and accounts receivable	43,012	55,773
Merchandise and finished products	14,179	15,564
Work in process	13,457	16,014
Raw materials and supplies	9,927	12,555
Deferred tax assets	460	1,179
Other	3,793	7,455
Allowance for doubtful receivables	(322)	(281)
Total current assets	143,759	154,971
Fixed assets:		
Property, plant and equipment:		
Buildings and structures	70,723	73,929
Machinery and equipment	226,115	240,195
Tools, furniture and fixtures	20,257	21,569
Land	7,697	8,635
Construction in progress	4,481	8,123
Accumulated depreciation	(234,877)	(254,745)
Net property, plant and equipment	94,397	97,708
Intangible fixed assets:		
Goodwill	600	-
Other	811	715
Total intangible fixed assets	1,412	715
Investments and other assets:		
Investment securities	4,859	9,071
Net defined benefit asset	11	22
Deferred tax assets	906	927
Other	2,576	2,398
Allowance for doubtful receivables	(325)	(360)
Total investments and other assets	8,027	12,058
Total fixed assets	103,837	110,482
Total assets	247,596	265,454

(Millions of yen)

	As of March 31, 2014	As of March 31, 2015
LIABILITIES		
Current liabilities:		
Trade notes and accounts payable	18,597	23,899
Current portion of bonds payable	8,000	-
Current portion of convertible bonds with stock acquisition rights	365	-
Short-term borrowings	10,623	12,366
Current portion of long-term borrowings	12,472	5,269
Accrued amounts payable	6,430	11,435
Income taxes payable	1,159	1,708
Deferred tax liabilities	695	788
Accrued bonuses for employees	2,746	3,249
Accrued bonuses for directors and corporate auditors	74	109
Other	7,226	7,892
Total current liabilities	68,392	66,719
Long-term liabilities:		
Convertible bonds with stock acquisition rights	20,096	20,082
Long-term borrowings	21,861	16,569
Deferred tax liabilities	5,144	6,290
Accrued retirement benefits for directors and corporate auditors	117	129
Net defined benefit liability	1,936	2,872
Other	1,491	1,934
Total long-term liabilities	50,647	47,878
Total liabilities	119,040	114,597
NET ASSETS		
Shareholders' equity:		
Common stock	23,557	23,557
Capital surplus	41,495	41,495
Retained earnings	73,597	83,339
Treasury stock	(3,412)	(3,413)
Total shareholders' equity	135,236	144,978
Accumulated other comprehensive income		
Net unrealized holding gains on securities	979	2,125
Deferred gains (losses) on hedges	(31)	7
Foreign currency translation adjustments	(7,774)	3,774
Post retirement benefit liability adjustments of foreign subsidiaries	(34)	(396)
Total accumulated other comprehensive income	(6,860)	5,511
Stock acquisition rights	170	227
Minority interests	9	139
Total net assets	128,556	150,856
Total liabilities and net assets	247,596	265,454

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

(Millions of yen)

	Year ended March 31, 2014	Year ended March 31, 2015
Net sales	208,222	227,095
Cost of sales	160,640	174,347
Gross profit	47,582	52,748
Selling, general and administrative expenses	36,223	39,595
Operating income	11,358	13,153
Non-operating income:		
Interest income	278	334
Dividend income	80	84
Equity in earnings of affiliate	24	7
Gain on foreign exchange	1,321	2,134
Subsidy income	181	787
Life insurance dividends income	77	70
Other	239	386
Total non-operating income	2,203	3,805
Non-operating expenses:		
Interest expense	510	324
Interest on bonds	73	61
Compensation expenses	155	201
Bond issuance cost	60	-
Depreciation of inactive noncurrent assets	398	343
Other	171	373
Total non-operating expenses	1,369	1,304
Ordinary income	12,192	15,653
Extraordinary gains:		
Gain on sales of property, plant and equipment	23	34
Gain on transfer of business	-	102
Other	0	2
Total extraordinary gains	24	139
Extraordinary losses:		
Loss on disposal and sales of property, plant and equipment	281	460
Impairment loss	622	94
Loss on evaluation of investment securities	134	1
Business structure improvement expenses	862	320
Other	162	0
Total extraordinary losses	2,064	878
Income before income taxes and minority interests	10,152	14,915
Income taxes - current	2,495	3,520
Income taxes - deferred	679	359
Total income taxes	3,175	3,880
Income before minority interests	6,977	11,035
Minority interests in income (loss)	(12)	115
Net income	6,989	10,919

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Year ended March 31, 2014	Year ended March 31, 2015
Income before minority interests	6,977	11,035
Other comprehensive income		
Net unrealized holding gains on securities	417	1,146
Deferred gains (losses) on hedges	(46)	39
Foreign currency translation adjustments	6,571	11,563
Post retirement benefit liability adjustments of foreign subsidiaries	(22)	(362)
Total other comprehensive income	6,920	12,386
Comprehensive income	13,897	23,421
(Breakdown)		
Comprehensive income attributable to shareholders	13,910	23,291
Comprehensive income (loss) attributable to minority interest	(12)	129

(3) Consolidated Statements of Changes in Net Assets

Prior fiscal year (April 1, 2013 - March 31, 2014)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the year	23,557	41,484	67,803	(3,564)	129,280
Changes of items during the year					
Dividends from surplus			(1,176)		(1,176)
Net income			6,989		6,989
Purchase of treasury stock				(3)	(3)
Disposal of treasury stock		11		154	165
Changes in scope of consolidation			(18)		(18)
Net change of items other than shareholders' equity during the period					
Total changes of items during the year	-	11	5,793	151	5,969
Balance at the end of the year	23,557	41,495	73,597	(3,412)	135,236

	Accumulated other comprehensive income					Stock acquisition rights	Minority interests	Total net assets
	Net unrealized holding gains on securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Post retirement benefit liability adjustments of foreign subsidiaries	Accumulated other comprehensive income			
Balance at the beginning of the year	562	14	(14,346)	(11)	(13,781)	274	40	115,814
Changes of items during the year								
Dividends from surplus								(1,176)
Net income								6,989
Purchase of treasury stock								(3)
Disposal of treasury stock								165
Changes in scope of consolidation								(18)
Net change of items other than shareholders' equity during the period	417	(46)	6,571	(22)	6,920	(103)	(31)	6,785
Total changes of items during the year	417	(46)	6,571	(22)	6,920	(103)	(31)	12,741
Balance at the end of the year	979	(31)	(7,774)	(34)	(6,860)	170	9	128,556

Current fiscal year (April 1, 2014 - March 31, 2015)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the year	23,557	41,495	73,597	(3,412)	135,236
Changes of items during the year					
Dividends from surplus			(1,177)		(1,177)
Net income			10,919		10,919
Purchase of treasury stock				(0)	(0)
Net change of items other than shareholders' equity during the period					
Total changes of items during the year	-	-	9,742	(0)	9,741
Balance at the end of the year	23,557	41,495	83,339	(3,413)	144,978

	Accumulated other comprehensive income					Stock acquisition rights	Minority interests	Total net assets
	Net unrealized holding gains on securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Post retirement benefit liability adjustments of foreign subsidiaries	Accumulated other comprehensive income			
Balance at the beginning of the year	979	(31)	(7,774)	(34)	(6,860)	170	9	128,556
Changes of items during the year								
Dividends from surplus								(1,177)
Net income								10,919
Purchase of treasury stock								(0)
Net change of items other than shareholders' equity during the period	1,146	39	11,548	(362)	12,372	56	129	12,558
Total changes of items during the year	1,146	39	11,548	(362)	12,372	56	129	22,300
Balance at the end of the year	2,125	7	3,774	(396)	5,511	227	139	150,856

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Year ended March 31, 2014	Year ended March 31, 2015
Operating activities:		
Income before income taxes and minority interests	10,152	14,915
Depreciation and amortization	20,750	21,813
Impairment loss	622	94
Business structure improvement expense	862	320
Loss (gain) on transfer of business	-	(102)
Amortization of goodwill	600	600
Amortization of negative goodwill	(10)	-
Increase (decrease) in allowance for doubtful receivables	88	(36)
Increase (decrease) in accrued bonuses for employees	(247)	487
Increase (decrease) in accrued bonuses for directors and corporate auditors	(0)	34
Increase (decrease) in accrued retirement benefits for directors and corporate auditors	(10)	9
Interest and dividend income	(359)	(419)
Interest expense	510	324
Interest on bonds	73	61
Equity in earnings of affiliate	(24)	(7)
(Gain) loss on disposal and sales of property, plant and equipment	258	426
Subsidy income	-	(691)
(Gain) Loss on evaluation of investment securities	134	1
(Increase) decrease in trade receivables	2,082	(6,372)
(Increase) decrease in inventories	(108)	(4,137)
Increase (decrease) in trade payables	(1,970)	63
Other	(220)	575
Subtotal	33,184	27,966
Interest and dividends received	344	424
Interest paid	(605)	(447)
Payment of business structure improvement expense	(862)	(118)
Income taxes (paid) refunded	(2,336)	(2,928)
Net cash provided by operating activities	29,724	24,896
Investing activities:		
Purchases of property, plant and equipment	(16,875)	(18,780)
Proceeds from sales of property, plant and equipment	74	75
Purchases of investment securities	(37)	(2,749)
(Increase) decrease in time deposits	(2,223)	35
Proceeds from sales of investment securities	121	253
Proceeds from transfer of business	-	262
Receipt from subsidy income	-	691
Expenditure for other investment acquisition	-	(1,007)
Other	(6)	253
Net cash used in investing activities	(18,947)	(20,964)

	Year ended March 31, 2014	Year ended March 31, 2015
Financing activities:		
Net increase (decrease) in short-term borrowings	(9,903)	1,093
Proceeds from long-term borrowings	5,000	-
Repayments of long-term borrowings	(4,929)	(12,494)
Redemption of current portion of convertible bonds with acquisition rights	-	(365)
Redemption of convertible bonds	-	(8,000)
Proceeds from issuance of convertible bonds with acquisition rights	20,071	-
Purchases of treasury stock	(3)	(0)
Payments of cash dividends	(1,175)	(1,174)
Repayments of lease obligations	(655)	(308)
Other	0	-
Net cash provided by (used in) financing activities	8,404	(21,249)
Effect of exchange rate changes on cash and cash equivalents	2,165	4,182
Net increase (decrease) in cash and cash equivalents	21,346	(13,135)
Cash and cash equivalents at beginning of period	33,280	54,611
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	(15)	-
Cash and cash equivalents at end of period	54,611	41,476

(5) Notes to Consolidated Financial Statements

(Notes on Premise of Going Concern)

No relevant items to report.

(Basis of Presentation of Consolidated Financial Statements)

1. *Scope of consolidation*

The Company has 30 consolidated subsidiaries. Below is a list of the Company's primary subsidiaries.

TAIWAN TAIYO YUDEN CO., LTD.
KOREA TAIYO YUDEN CO., LTD.
TAIYO YUDEN (SINGAPORE) PTE. LTD.
HONG KONG TAIYO YUDEN CO., LTD.
TAIYO YUDEN (U.S.A.) INC.
TAIYO YUDEN (PHILIPPINES), INC.
TAIYO YUDEN (SARAWAK) SDN. BHD.
TAIYO YUDEN (GUANGDONG) CO., LTD.
KOREA KYONG NAM TAIYO YUDEN CO., LTD.
NIIGATA TAIYO YUDEN CO., LTD.
TAIYO YUDEN Mobile Technology Co., Ltd.

2. *Scope of equity method*

The Company holds one affiliated company accounting for under the equity method. There is one affiliate to which the equity method is not applied.

3. *Summary of significant accounting policies*

i Valuation standards and methods for important assets

Inventories

Merchandise and finished products: Historical cost basis using mainly the periodic average method. Note: the balance sheet value is calculated with inventory write-down based on decreased profitability.

Works in progress: Historical cost basis using the periodic average Method. Note: balance sheet value is calculated with inventory write-down based on decreased profitability.

Raw materials and supplies: Historical cost basis using the first-in first-out method. Note: balance sheet value calculated within inventory

write-down based on decreased profitability.

ii Depreciation and amortization

Property, plant and equipment (excluding lease assets)

The Company and its consolidated domestic subsidiaries primarily use the declining-balance method of depreciation. The straight-line method of depreciation is used for buildings (excluding accompanying facilities) acquired after April 1, 1998 by the Company and its consolidated domestic subsidiaries. In addition, the same standards as those methods defined in the Corporation Tax Act of Japan are used primarily for useful life and residual value.

The Company's consolidated overseas subsidiaries primarily use the straight-line method of depreciation.

(Segment Information)

1. *Segment information*

i. Overview of reportable segments

Reportable segments of the Companies are components of an entity about which separate financial information is available and such information is evaluated regularly by the Company's Board of Directors in deciding how to allocate resources and in assessing performance.

The Companies' business segments are categorized according to the nature of the business and reportable business segments are defined as *electronic components* and *optical media and others*.

The electronic components business segment consists of capacitors, ferrite and applied products, integrated modules & devices, and other electronic components. The optical media and others business segment consists primarily of optical media products and the mounting business of a subsidiary.

ii. Calculation for net sales, segment income or loss, assets and other items of reportable segments

Accounting treatment for reportable segments is the same as the treatment described in "Basis of Presentation of Consolidated Financial Statements."

- iii. Net sales, segment income or loss, assets and other items of reportable segments

Year ended March 31, 2014 (April 1, 2013 – March 31, 2014) and year ended March 31, 2015 (April 1, 2014 – March 31, 2015)

Reportable segments of the Companies are *electronic components* and *optical media and others*. However, the *optical media and others* segment is declining in significance as a proportion of the Companies' business and its materiality is also gradually declining in terms of information disclosure. Thus, publication of segment information has been omitted.

2. *Related information*

Year ended March 31, 2014 (April 1, 2013 – March 31, 2014)

- i. Information for each product and service

Information for each product and service has been omitted here because it is disclosed in "5. Other; (1) Production, Orders and Sales Results; 4.Sales Results."

- ii. Information for each region

a. Net sales (Millions of yen)

Japan	China	Other countries or regions	Total
36,885	70,821	100,516	208,222

Note: Net sales are grouped according to the country or region of the customer's business address.

b. Property, plant and equipment (Millions of yen)

Japan	China	Malaysia	Other countries or regions	Total
52,732	15,913	13,183	12,568	94,397

- iii Information for each main customer

Information for each main customer has been omitted because no customer accounts for more than 10% of net sales on the consolidated profit and loss statement.

Year ended March 31, 2015 (April 1, 2014 – March 31, 2015)

i. Information for each product and service

Information for each product and service has been omitted here because it is disclosed in “5. Other; (1) Production, Orders and Sales Results; 4.Sales Results.”

ii. Information for each region

a. Net sales (Millions of yen)

Japan	China	Other countries and regions	Total
32,038	90,595	104,460	227,095

Note:

1. Net sales are grouped according to the country or region of the customer’s business address.
2. In the year ended March 31, 2015, sales to Korea has little materiality. Thus, the reporting method for the relevant net sales was changed to include them in Other countries and regions. Figures for the year ended March 31, 2014 show classifications following this change.

b. Property, plant and equipment (Millions of yen)

Japan	China	Malaysia	Other countries and regions	Total
53,913	16,980	14,055	12,759	97,708

iii. Information for each main customer

Information for each main customer has been omitted because no customer accounts for more than 10% of net sales on the consolidated profit and loss statement.

3. *Fixed asset impairment losses for each reportable segment*

Year ended March 31, 2014 (April 1, 2013 – March 31, 2014) (Millions of yen)

	Electronic components	Optical media and others	Adjustments	Total
Impairment loss	121	500	-	622

Year ended March 31, 2015 (April 1, 2014 – March 31, 2015) (Millions of yen)

	Electronic components	Optical media and others	Adjustments	Total
Impairment loss	84	10	-	94

(Per Share Information)

	Year ended March 31, 2014 (April 1, 2013 – March 31, 2014)	Year ended March 31, 2015 (April 1, 2014 – March 31, 2015)
Net assets per share	1090.26	1,278.07
Net income per share	59.38	92.74
Diluted net income per share	58.09	85.51

Note: The following represents the basic data used for calculating net assets per share.

(Millions of yen unless otherwise stated)

	As of March 31, 2014	As of March 31, 2015
Total net assets	128,556	150,856
Deductions from Total net assets	180	366
(Stock acquisition rights)	(170)	(227)
(Minority interests)	(9)	(139)
Net assets at fiscal year-end related to common stock	128,375	150,489
Number of common stock at fiscal year-end used in the calculation of net assets per share (thousand shares)	117,747	117,747

Note: The following represents the basic data used for calculating net income per share.

(Millions of yen unless otherwise stated)

	Year ended March 31, 2014 (April 1, 2013 – March 31, 2014)	Year ended March 31, 2015 (April 1, 2014 – March 31, 2015)
Net income per share		
Net income	6,989	10,919
Amounts not allocated to Shareholders	-	-
Net income related to common stock	6,989	10,919
Average number of common stock outstanding in FY (thousand shares)	117,710	117,747
Diluted net income per share		
Adjustments to net income	(2)	(9)
Interest on bonds (net after deduction of taxes)	(2)	(9)
Increase in common stock (thousand shares)	2,570	9,844
Convertible bonds with acquisition rights (thousand shares)	2,416	9,666
Stock acquisition rights (thousand shares)	153	177
Outline of stock not included in diluted net income per share due to lack of dilutive effect	Euro-yen denominated convertible bonds with stock acquisition rights due 2014 (¥365 million)	-

(Significant Subsequent Events)

No relevant items to report.

5. Other**(1) Production, Orders and Sales Results****1. Production**

Product segment	Year ended March 31, 2014		Year ended March 31, 2015	
	Amount	[%]	Amount	[%]
Capacitors	105,468	56.0	114,573	53.8
Ferrite and applied products	35,887	19.0	43,600	20.5
Integrated modules & devices	27,639	14.7	39,270	18.4
Other electronic components	4,324	2.3	3,397	1.6
Optical media products	7,326	3.9	7,382	3.5
Others	7,664	4.1	4,813	2.3
Total	188,310	100.0	213,037	100.0

Note:

1. Amounts are based on average unit sales prices for the period.
2. The aforementioned amounts are exclusive of consumption and related taxes.

2. Orders

Product segment	Year ended March 31, 2014		Year ended March 31, 2015	
	Amount	[%]	Amount	[%]
Capacitors	105,457	50.3	116,139	49.2
Ferrite and applied products	35,030	16.7	43,029	18.2
Integrated modules & devices	42,583	20.3	54,064	22.9
Other electronic components	4,942	2.4	4,302	1.8
Optical media products	14,248	6.8	12,828	5.4
Others	7,349	3.5	5,708	2.4
Total	209,611	100.0	236,073	100.0

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

3. Order Backlog

Product segment	Year ended March 31, 2014		Year ended March 31, 2015	
	Amount	[%]	Amount	[%]
Capacitors	14,271	60.7	17,506	53.9
Ferrite and applied products	4,240	18.0	5,436	16.7
Integrated modules & devices	4,548	19.4	9,102	28.0
Other electronic components	310	1.3	334	1.0
Optical media products	143	0.6	112	0.3
Others	-	-	-	-
Total	23,514	100.0	32,492	100.0

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

4. Sales Results

Product segment	Year ended March 31, 2014		Year ended March 31, 2015	
	Amount	[%]	Amount	[%]
Capacitors	104,233	50.1	112,903	49.7
Ferrite and applied products	34,745	16.7	41,834	18.4
Integrated modules & devices	42,375	20.3	49,510	21.8
Other electronic components	5,284	2.5	4,278	1.9
Optical media products	14,232	6.9	12,859	5.7
Others	7,349	3.5	5,708	2.5
Total	208,222	100.0	227,095	100.0

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