

Consolidated Financial Results

Year ended March 31, 2015

Katsushige Nakano
Chief of Management Planning Headquarters

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Financial Summary

FYE March 2015

- Net sales increased 9% Y/Y to 227.1 billion yen.
 - Super high-end product sales increased mainly driven by demand for smartphone.
 - Sales composition ratio of super high-end products increased to 37%, compared with 28% in FYE March 2014.
- Operating income increased 16% Y/Y to 13.2 billion yen.
 - Temporary costs related to the consolidation of sites and disposal of inventory assets that had been placed on hold for some time, etc.

Earnings Forecast for FYE March 2016

- Our goal is 244.0 billion yen in net sales, up 7% Y/Y, and 19.0 billion yen in operating income, up 45% Y/Y.
- We will conduct aggressive capital investment to meet strong demand.
 - Focused on super high-end products for capacitors, inductors and RF devices
- We intend to increase the annual dividend per share to 15 yen (interim dividend: 5 yen, year-end dividend: 10 yen).
 - Annual dividend for FYE Mar 2015: 10 yen

Summary of Consolidated Results (Y/Y)

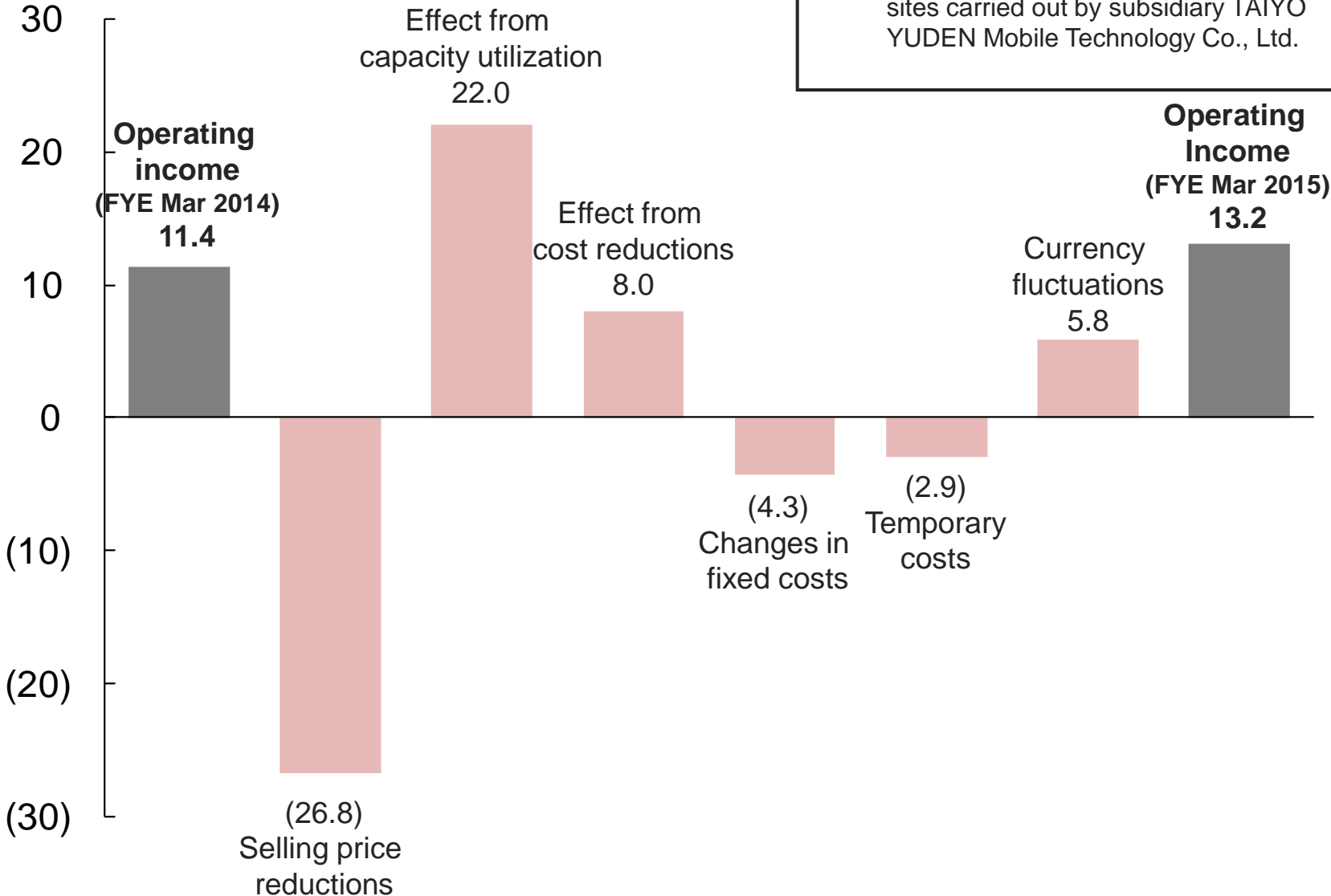
¥ in million	Year ended March 31, 2014 (01 Apr 2013 – 31 Mar 2014)	Year ended March 31, 2015 (01 Apr 2014 – 31 Mar 2015)	Growth Y/Y	
			Amount	%
Net sales	208,222	227,095	18,872	9.1
Operating income	11,358	13,153	1,794	15.8
Ordinary income	12,192	15,653	3,461	28.4
Net income	6,989	10,919	3,929	56.2

Sales for communication equipment was strong and its sales composition ratio increased to 42%.

Factors driving Operating Income in FYE March 2015

(¥ in billion)

•Temporary costs
 Costs associated with the consolidation of sites carried out by subsidiary TAIYO YUDEN Mobile Technology Co., Ltd.



Net Sales by Product (Y/Y)

¥ in million	Year ended March 31, 2014 (01 Apr 2013 – 31 Mar 2014)	Year ended March 31, 2015 (01 Apr 2014 – 31 Mar 2015)	Growth Y/Y	
			Amount	%
Capacitors	104,233	112,903	8,670	8.3
Ferrite and applied products	34,745	41,834	7,088	20.4
Integrated modules & devices	42,375	49,510	7,134	16.8
Other electronic components	5,284	4,278	(1,006)	(19.0)
Optical media products	14,232	12,859	(1,373)	(9.6)
Others	7,349	5,708	(1,640)	(22.3)
Total net sales	208,222	227,095	18,872	9.1

Key Expenditure Figures (Y/Y)

¥ in million	Year ended	Year ended	Change Y/Y	
	March 31, 2014 (01 Apr 2013 – 31 Mar 2014)	March 31, 2015 (01 Apr 2014 – 31 Mar 2015)	Amount	%
R&D expenses	7,353	8,237	884	12.0
Capital investment	19,126	18,773	(352)	(1.8)
Depreciation expenses	20,750	21,813	1,062	5.1

Number of Employees

Consolidated	16,435	18,262	1,827	—
Non-consolidated	2,572	2,577	5	—

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 billion	Year ended	Year ended	Fluctuation	Impact on Net sales on Operating income
	March 31, 2014 (01 Apr 2013 – 31 Mar 2014)	March 31, 2015 (01 Apr 2014 – 31 Mar 2015)		
Average	99.61 yen	108.42 yen	8.81 yen depreciated	+14.8 +5.8
Last day	102.88 yen	120.15 yen	17.27 yen depreciated	—

Summary of Consolidated Results (Q/Q)

¥ in million	Year ended March 31, 2015				Growth Q/Q	
	1Q (01 Apr 2014 – 30 Jun 2014)	2Q (01 Jul 2014 – 30 Sep 2014)	3Q (01 Oct 2014 – 31 Dec 2014)	4Q (01 Jan 2015 – 31 Mar 2015)	Amount	%
Net sales	48,107	57,077	62,045	59,865	(2,179)	(3.5)
Operating income (loss)	(651)	3,120	5,707	4,976	(731)	(12.8)
Ordinary income (loss)	(585)	4,113	7,013	5,112	(1,900)	(27.1)
Net income (loss)	(1,100)	1,827	5,227	4,965	(262)	(5.0)

Net Sales by Product (Q/Q)

¥ in million	Year ended March 31, 2015				Growth Q/Q	
	1Q	2Q	3Q	4Q	Amount	%
Capacitors	24,026	27,716	31,369	29,791	(1,577)	(5.0)
Ferrite and applied products	8,611	10,448	11,927	10,846	(1,081)	(9.1)
Integrated modules & devices	9,760	13,483	12,829	13,437	608	4.7
Other electronic components	1,157	1,016	1,098	1,007	(90)	(8.2)
Optical media products	2,960	2,969	3,494	3,436	(57)	(1.6)
Others	1,591	1,444	1,328	1,346	18	1.4
Total net sales	48,107	57,077	62,045	59,865	(2,179)	(3.5)

Forecast of Consolidated Performance

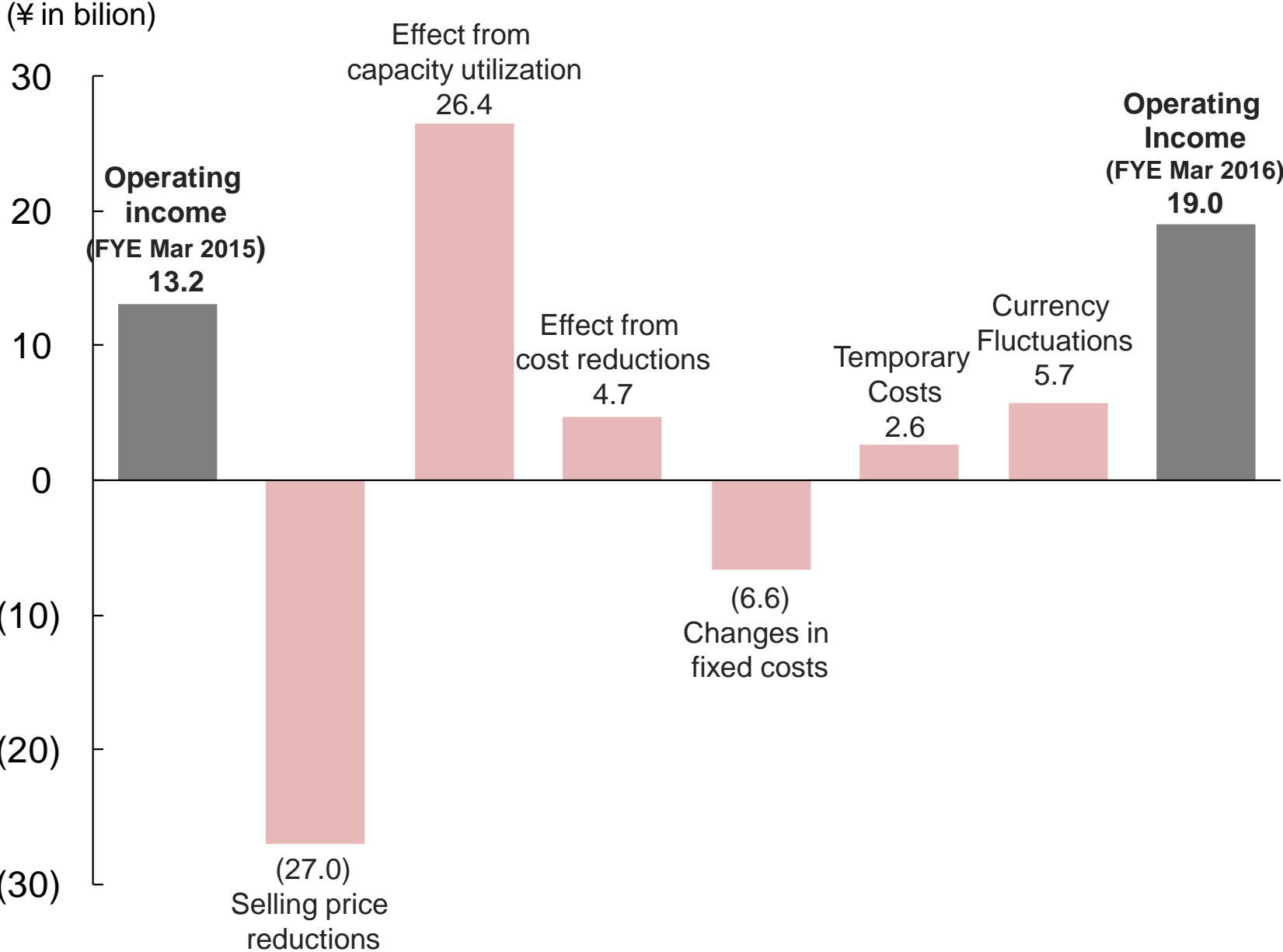
for the year ending March 31, 2016

Full-Year Forecast

¥ in million	Year ended March 31, 2015 (01 Apr 2014 – 31 Mar 2015)	Year ending March 31, 2016 (01 Apr 2015 – 31 Mar 2016) FORECAST	Change	
			Amount	%
Net sales	227,095	244,000	16,905	7.4
Operating income	13,153	19,000	5,847	44.5
Ordinary income	15,653	19,000	3,347	21.4
Net income	10,919	12,000	1,081	9.9

Exchange rate assumption: An average exchange rate of US\$1: ¥118 for the year ending March 31, 2016.

Factors behind Operating Income in FYE March 2016



Full-Year Forecast by Product

¥ in million	Year ended March 31, 2015 (01 Apr 2014 – 31 Mar 2015)	Year ending March 31, 2016 (01 Apr 2015 – 31 Mar 2016) FORECAST	Growth Y/Y	
			Amount	%
Capacitors	114,363	125,000	10,637	9.3
Ferrite and applied products	41,948	48,000	6,052	14.4
Integrated modules & devices	52,797	59,000	6,203	11.7
Others	17,986	12,000	(5,986)	(33.3)
Total Net Sales	227,095	244,000	16,905	7.4

Key Expenditure Figures

¥ in million	Year ended March 31, 2015 (01 Apr 2014 – 31 Mar 2015)	Year ending March 31, 2016 (01 Apr 2015 – 31 Mar 2016) FORECAST	Increase/ (Decrease)	
			Amount	%
R&D expenses	8,237	9,000	763	9.3
Capital investment	18,773	40,000	21,227	113.1
Depreciation expenses	21,813	25,000	3,187	14.6

We will conduct aggressive capital investment focused on super high-end products for capacitors, inductors and RF devices in order to meet strong demand.

Supplementary Information

Sales of Electronic Components by Market Sector

	Year ended March 31, 2014 <small>(01 Apr 2013 – 31 Mar 2014)</small>	Year ended March 31, 2015 <small>(01 Apr 2014 – 31 Mar 2015)</small>	Y/Y Increase/ (Decrease)
Consumer products	22%	19%	(4)%
Information equipment	20%	16%	(5)%
Communication equipment	35%	42%	35%
Automobiles/ Industrial equipment	19%	21%	22%
Components/ Others	4%	2%	(48)%
Total electronic components	100%	100%	12%

*TAIYO YUDEN estimate

Half-Year Consolidated Revenue and Earnings Forecast

¥ in million	Year ended March 31, 2015		Year ending March 31, 2016 FORECAST	
	1H (01 Apr 2014– 30 Sep 2014)	2H (01 Oct 2014– 31 Mar 2015)	1H (01 Apr 2015– 30 Sep 2015)	2H (01 Oct 2015– 31 Mar 2016)
Net sales	105,184	121,910	120,000	124,000
Operating income	2,468	10,684	10,000	9,000
Ordinary income	3,527	12,126	10,000	9,000
Net income	726	10,192	6,500	5,500

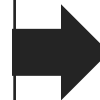
Half-Year Forecast by Product

¥ in million	Year ended March 31, 2015		Year ending March 31, 2016 FORECAST	
	1H (01 Apr 2014– 30 Sep 2014)	2H (01 Oct 2014– 31 Mar 2015)	1H (01 Apr 2015– 30 Sep 2015)	2H (01 Oct 2015– 31 Mar 2016)
Capacitors	52,471	61,892	62,500	62,500
Ferrite and applied products	19,116	22,832	23,500	24,500
Integrated modules & devices	25,301	27,496	28,500	30,500
Others	8,296	9,690	5,500	6,500
Total net sales	105,184	121,910	120,000	124,000

Change in Product Classification

Effective from the year ending March 2016

Former Product Classification	Main Products
Capacitors	Multilayer ceramic capacitors
Ferrite and applied products	Wire-wound inductors, Multilayer chip inductors
Integrated modules & devices	SAW/FBAR device for mobile communications, Circuit modules (for power supply, high frequency), Embedded-parts multilayer wiring substrates
Other electronic components	Energy devices, Varistors
Optical media products	CD-R, DVD-R, BD-R
Others	Mounting of print circuit boards done at a subsidiary company and others



New Product Classification	Main Products
Capacitors	Multilayer ceramic capacitors, Varistors
Ferrite and applied products	Wire-wound inductors, Multilayer chip inductors
Integrated modules & devices	SAW/FBAR device for mobile communications, Circuit modules (for power supply, high frequency), Embedded-parts multilayer wiring substrates, Mounting of print circuit boards done at a subsidiary company
Others	Energy devices, CD-R, DVD-R, BD-R, and others

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