

# Consolidated Financial Results

First quarter for the year ending March 31, 2016

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## 1Q for the Year Ending March 2016

- Net sales increased 18% Y/Y to 56.5 billion yen.
  - Super high-end product sales increased mainly driven by demand for smartphone.
  - Sales composition ratio of super high-end products increased to 43%, compared with 29% in 1Q FYE March 2015.
  
- Operating income increased 5.6 billion yen Y/Y to 5.0 billion yen.
  - Profitability increased considerably for capacitors, ferrite and applied products, and integrated modules & devices.

## Earnings Forecast for the Year Ending March 2016

- There is no change in full-year forecast.
  - Demand for capacitors, inductors, and RF devices for smartphones is expected to expand through the second and third quarters.

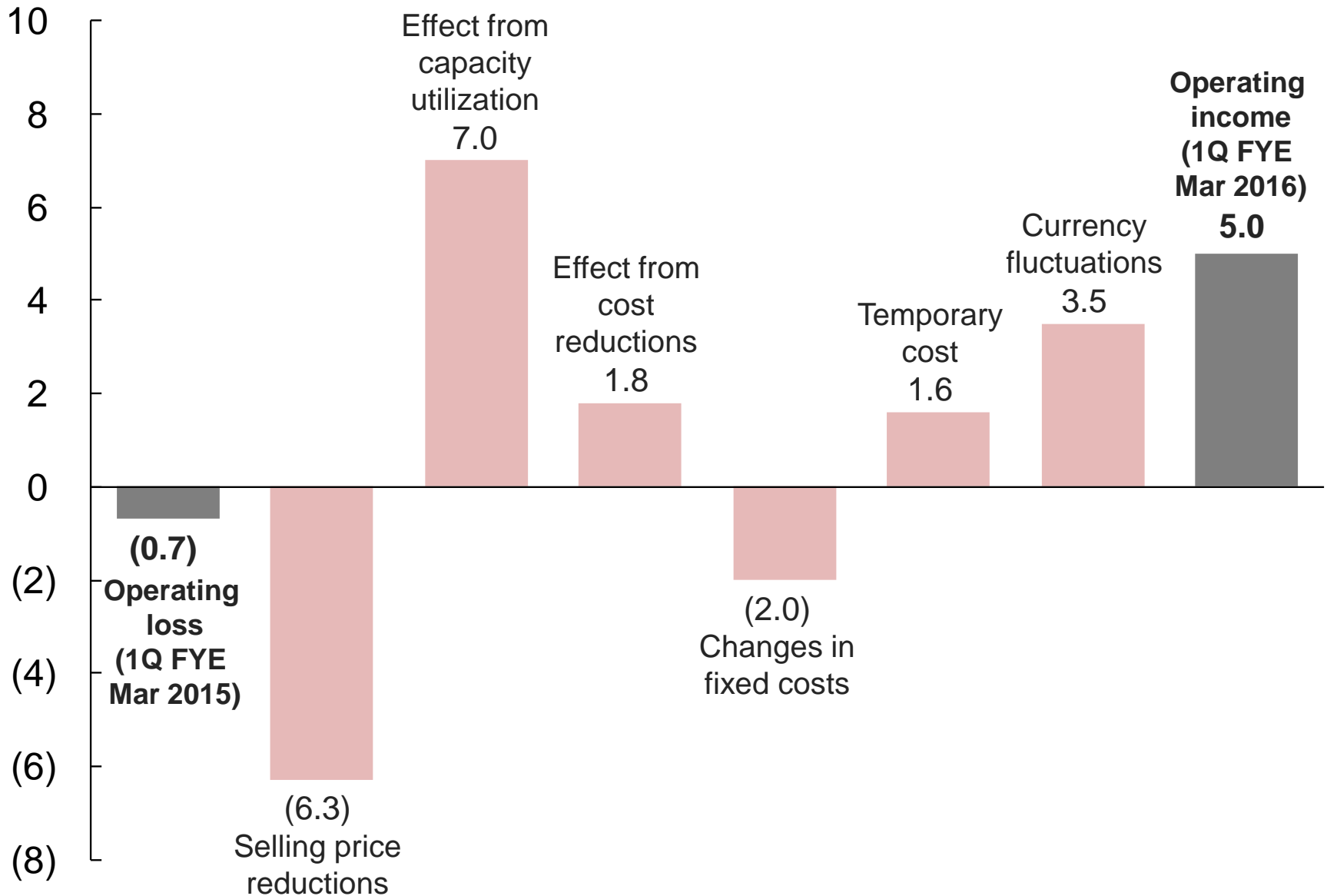
# 1Q- Consolidated Financial Results (Y/Y)

¥ in millions	FYE Mar 31, 2015	FYE Mar 31, 2016	Change Y/Y	
	1Q (01 Apr 2014 – 30 Jun 2014)	1Q (01 Apr 2015 – 30 Jun 2015)	Amount	%
Net sales	48,107	56,518	8,411	17.5
Operating income (loss)	(651)	5,037	5,688	—
Ordinary income (loss)	(585)	5,052	5,637	—
Net income (loss) attributable to owners of parent company	(1,100)	3,058	4,158	—
Yen to USD average exchange rate	102.23 yen	120.24 yen	18.01 yen depreciated	

- Impact of exchange rate fluctuation: + 6.9 billion yen on net sales and +3.5 billion yen on operating income.  
(including the impact of currencies other than US dollars)

# 1Q - Factors driving Operating Income (Y/Y)

(¥ in billion)



# 1Q - Financial Results by Product Segment (Y/Y)

¥ in millions	FYE Mar 31, 2015 1Q	FYE Mar 31, 2016 1Q	Change Y/Y	
			Amount	%
Capacitors	24,382	28,427	4,044	16.6
Ferrite and applied products	8,635	10,634	1,998	23.1
Integrated modules & devices	10,885	14,153	3,267	30.0
Others	4,203	3,302	(900)	(21.4)
<b>Total net sales</b>	<b>48,107</b>	<b>56,518</b>	<b>8,411</b>	<b>17.5</b>

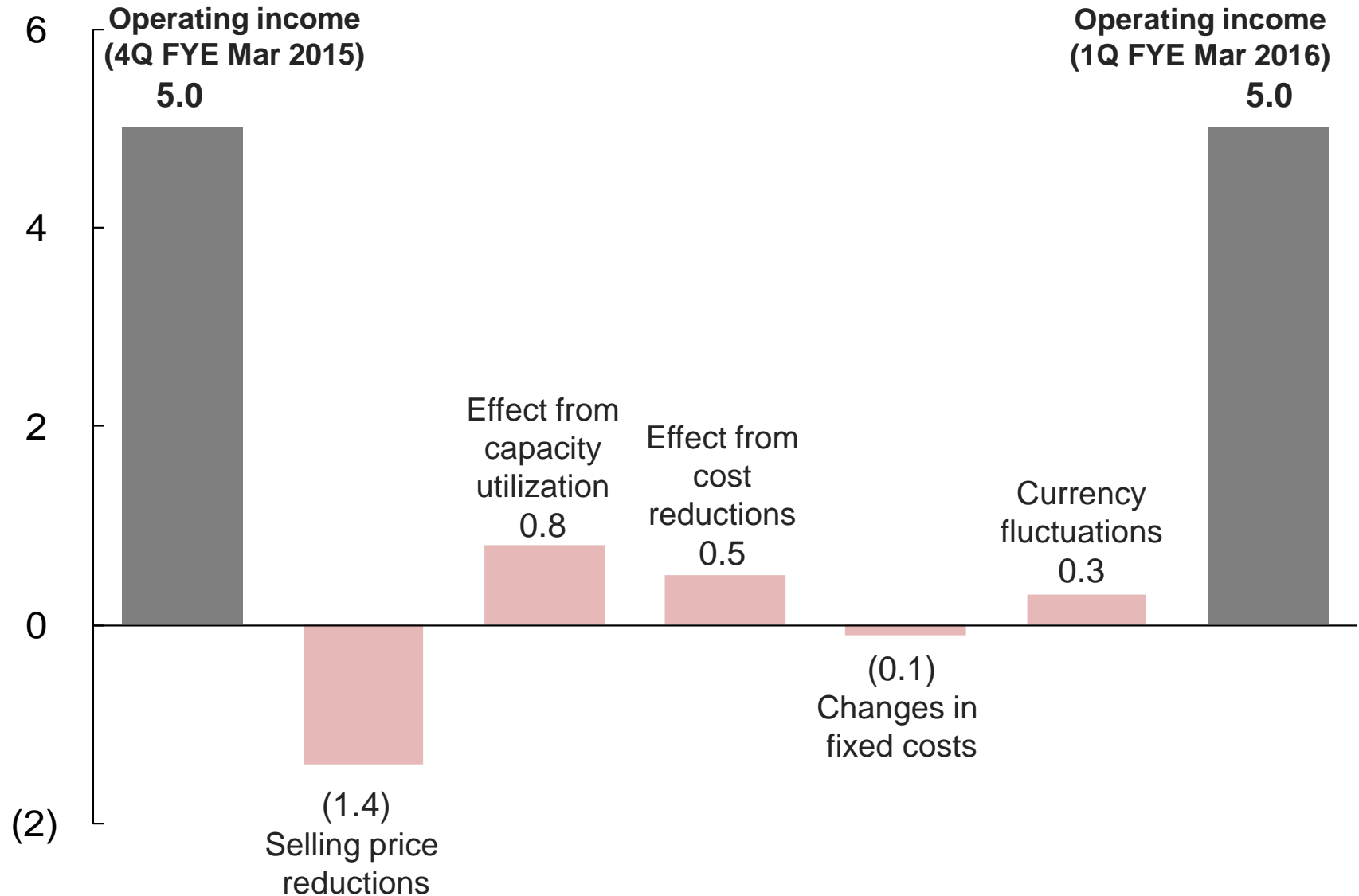
# 1Q- Consolidated Financial Results (Q/Q)

¥ in millions	FYE Mar 31, 2015	FYE Mar 31, 2016	Change Q/Q	
	4Q (01 Jan 2015 – 31 Mar 2015)	1Q (01 Apr 2015 – 30 Jun 2015)	Amount	%
Net sales	59,865	56,518	(3,347)	(5.6)
Operating income	4,976	5,037	60	1.2
Ordinary income	5,112	5,052	(60)	(1.2)
Net income attributable to owners of parent company	4,965	3,058	(1,907)	(38.4)
Yen to USD average exchange rate	118.78 yen	120.24 yen	1.46 yen depreciated	

- Impact of exchange rate fluctuation: + 0.5 billion yen on net sales and +0.3 billion yen on operating income. (including the impact of currencies other than US dollars)

# 1Q - Factors driving Operating Income (Q/Q)

(¥ in billion)



# 1Q - Financial Results by Product Segment (Q/Q)

¥ in millions	FYE Mar 31, 2015 4Q	FYE Mar 31, 2016 1Q	Change Q/Q	
			Amount	%
Capacitors	30,157	28,427	(1,730)	(5.7)
Ferrite and applied products	10,874	10,634	(239)	(2.2)
Integrated modules & devices	13,886	14,153	266	1.9
Others	4,947	3,302	(1,644)	(33.2)
<b>Total net sales</b>	<b>59,865</b>	<b>56,518</b>	<b>(3,347)</b>	<b>(5.6)</b>



# 1Q - Sales of Electronic Components by Market Sector

	FYE Mar 31, 2015		FYE Mar 31, 2016	Change in net sales	
	1Q	4Q	1Q	Y/Y	Q/Q
Consumer products	21%	17%	16%	(8)%	(4)%
Information equipment	19%	15%	14%	(8)%	(10)%
Communication equipment	35%	44%	46%	58%	0%
Automobiles/Industrial equipment	23%	22%	22%	17%	(6)%
Components/Others	2%	2%	2%	(5)%	1%

※TAIYO YUDEN estimate

# 1Q - Key Expenditure Figures (Q/Q)

¥ in millions	FYE Mar 31, 2015		FYE Mar 31, 2016	Change Y/Y		Change Q/Q	
	1Q	4Q	1Q	Amount	%	Amount	%
R&D expenses	2,015	2,154	2,178	162	8.1	24	1.1
Capital investment	4,029	5,464	6,202	2,173	53.9	738	13.5
Depreciation expenses	5,153	5,923	5,493	339	6.6	(430)	(7.3)

# Forecast of Consolidated Performance

¥ in millions	FYE Mar 31, 2015 Actual results (01 Apr 2014 – 31 Mar 2015)	FYE Mar 31, 2016		Change Y/Y (Full year)	
		1H (01 Apr 2015 - 30 Sep 2015)	Full year (01 Apr 2015 – 31 Mar 2016)	Amount	%
Net sales	227,095	120,000	244,000	16,905	7.4
Operating income	13,153	10,000	19,000	5,847	44.5
Ordinary income	15,653	10,000	19,000	3,347	21.4
Net income attributable to owners of parent company	10,919	6,500	12,000	1,081	9.9

- There is no change in forecasts.
- Exchange rate assumption:  
An average exchange rate will be US\$1: ¥118 for the year ending March 31, 2016.

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## **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**