Taiyo Yuden to Acquire All Shares of Shoei Electronics

Taiyo Yuden has decided to acquire all shares of Shoei Electronics Co., Ltd., currently a 100% subsidiary of Shoei Co., Ltd., to make it a consolidated subsidiary of Taiyo Yuden.

Taiyo Yuden has been studying the idea of using its technology base in its main product, multilayer ceramic capacitors, to push new development in the energy devices industry, and views this acquisition as a foothold toward future expansion of its business.

1. Reasons for Acquisition of Shares
   Taiyo Yuden is engaged in product development for its main product, multilayer ceramic capacitors, with a view toward achieving further size reductions and increases in capacitance values. At the same time, the company has also been studying the possibility of entering new business opportunities in the energy devices industry, including the product development of electrochemical capacitors that covers farad-order or higher capacitance values.
   The company being acquired, Shoei Electronics, possesses development and production technology for PAS capacitors, a type of electrochemical capacitor, and Taiyo Yuden expects that this will become a foothold for new development in the energy devices industry. Taiyo Yuden plans to merge its various technological advantages with the PAS capacitor development and production technology held by Shoei Electronics to accelerate and strengthen its efforts in the energy devices industry.

2. Summary of Subsidiary Establishment
   1) Company name: Shoei Electronics Co., Ltd.
   2) President: Chikashi Abe
   3) Address: 587-3, Sumiyoshi, Ueda-shi, Nagano-ken, Japan
   4) Date established: October 1982
   5) Main operations: Manufacture and sale of electronics communication equipment and parts
   6) Sales: 2,756 million yen for the year ending December 2005

3. Current Share Owner
   1) Company name: Shoei Co., Ltd.
   2) President: Kenji Watanabe
   3) Address: 1-2-1, Kanda Nishiki-cho, Chiyoda-ku, Tokyo, Japan
   4) Main operations: Real estate, securities investment, and electronic equipment and parts

4. Acquisition Price
   Based on a third-party assessment using the DCF method, the total value was set at 2,250 million yen.

5. Acquisition Date
   March 1, 2007 (planned)