

For immediate release

Revision of Full-Year Forecast of Financial Results

TOKYO, February 8, 2021 — TAIYO YUDEN CO., LTD. hereby announces that the full-year consolidated financial results forecast for the fiscal year ending March 31, 2021 (April 1, 2020 to March 31, 2021) published on November 9, 2020 is revised as shown below.

1. Consolidated Results for the Year Ending March 31, 2021 (April 1, 2020 – March 31, 2021)

Unit: Millions of yen

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent company	Net income per share [Yen]
Previous forecast (A)	284,000	34,000	33,000	22,000	175.27
Revised forecast (B)	295,000	38,000	37,000	24,500	195.19
Net change (B–A)	11,000	4,000	4,000	2,500	
Net change	3.9%	11.8%	12.1%	11.4%	
(Reference) Year ended March 31, 2020	282,329	37,176	35,165	18,022	143.04

2. Rationale for Revision of Forecast

During the consolidated cumulative third quarter of the fiscal year ending March 31, 2021 (the nine-month period ended December 31, 2020), signs of a gradual recovery were seen in the global economy, which had faced extremely challenging conditions in the first quarter (the three-month period ended June 30, 2020) with economic activity restricted due to the impact of the COVID-19 global pandemic. In this environment, demand for electronic components was higher than expected due to such factors as the increase in working from home and at-home learning using electronic devices, increase in sales of components for use in smartphone production, and a recovery in automobile production. The Company upwardly revised the full-year financial results forecast based on the results for the consolidated cumulative third quarter of the fiscal year ending March 31, 2021, future demand forecasts, and other factors.

During the first quarter, there were constraints on operations at production subsidiaries in the Philippines and Malaysia due to the impact of COVID-19, but these subsidiaries returned to normal operations in the second quarter, and we have assumed that they will continue to operate as normal in the fourth quarter. The forecast is based on an average foreign currency exchange rate of US\$1:¥103.

Despite the continuing uncertainty due to the impact of COVID-19, we have assumed there will be no significant changes to the trend of increasing demand for electronic components over the medium term. We expect that demand for large, high reliability components will increase alongside advancing use of electronics and electronic components and enhancements in performance for automobile and information infrastructure, such as base station communication devices and data centers. These are our focus markets. Moreover, there are ongoing

enhancements in functionality and performance of communication equipment, such as 5G smartphones, and we believe there will be an increase in cutting edge products that require advanced technical capabilities. The Company will continue to make the essential investment to prepare for this demand and for achieving future growth. Meanwhile, we will continue working to create a more resilient distributed production system and to improve production efficiency utilizing AI and other means as measures to address risks going forward.

Disclaimer concerning Forecasts of Results:

The aforementioned forecasts of results are based on information available as of the date of this news release. As a result, information included in this document may include uncertain factors, and actual results may differ materially from forecasts due to a variety of factors.