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November 7, 2024

## Consolidated Financial Results for the Six Months Ended September 30, 2024 (Under Japanese GAAP)

Company name: TAIYO YUDEN CO., LTD.  
Listing: Tokyo Stock Exchange  
Securities code: 6976  
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Scheduled date to file semi-annual securities report: November 14, 2024  
Scheduled date to commence dividend payments: December 2, 2024  
Preparation of supplementary material on financial results: Yes  
Holding of financial results briefing: Yes (for institutional investors and investment analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated financial results for the six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

#### (1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended								
September 30, 2024	167,856	8.0	7,576	253.5	6,759	7.5	3,567	4.9
September 30, 2023	155,427	(7.5)	2,143	(92.8)	6,287	(82.3)	3,400	(86.3)

Note: Comprehensive income For the six months ended September 30, 2024: ¥2,926 million [(81.0)%]  
For the six months ended September 30, 2023: ¥15,379 million [(57.3)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended		
September 30, 2024	28.61	25.66
September 30, 2023	27.29	27.20

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of				
September 30, 2024	590,995	327,492	55.3	2,619.65
March 31, 2024	579,686	330,098	56.8	2,640.98

Reference: Equity  
As of September 30, 2024: ¥326,757 million  
As of March 31, 2024: ¥329,137 million

## 2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	-	45.00	-	45.00	90.00
Fiscal year ending March 31, 2025	-	45.00			
Fiscal year ending March 31, 2025 (Forecast)			-	45.00	90.00

Note: Revisions to the forecast of cash dividends most recently announced: None

## 3. Forecasts of operating results for the period from April 1, 2024 to March 31, 2025

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2025	330,000	2.3	7,600	(16.3)	6,000	(56.4)	0	(100.0)	-

Note: Revisions to the forecast of operating results most recently announced: Yes

\* **Notes**

- (1) Significant changes in the scope of consolidation during the period: None  
Newly included: -  
Excluded: -
- (2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
  - (ii) Changes in accounting policies due to other reasons: None
  - (iii) Changes in accounting estimates: None
  - (iv) Restatement: None

Note: For details, please see “2. Semi-annual consolidated financial statements, (4) Notes on Consolidated Financial Statements (Notes Concerning Changes in Accounting Policy)” on page 9 of the attached materials.

- (4) Number of issued shares (common shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2024	130,218,481 shares
As of March 31, 2024	130,218,481 shares

- (ii) Number of treasury shares at the end of the period

As of September 30, 2024	5,485,288 shares
As of March 31, 2024	5,591,392 shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2024	124,672,529 shares
Six months ended September 30, 2023	124,616,304 shares

- \* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.
- \* 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.
- \* TAIYO YUDEN will post the financial supplementary data on its web-site.

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## 1. Qualitative Information on Semi-annual Financial Statements and Other

### (1) Consolidated Operating Results

During the six-month period ended September 30, 2024 (April 1, 2024 – September 30, 2024), the business environment surrounding the TAIYO YUDEN Group (“the Group”) experienced a continued trend of recovery in the global economy. As for the future, although the recovery is expected to continue, it will be necessary to monitor the international situation, including interest rate levels in Europe and the United States, the sluggish real estate market in China, and events in the Middle East, as well as fluctuations in financial and capital markets.

The Group is aiming to increase the proportion of sales in focus markets, primarily automotive and IT infrastructure/industrial equipment, to 50% to achieve the targets set out in medium-term management plan 2025 (fiscal year ended March 31, 2022 to fiscal year ending March 31, 2026). Moreover, the Group will produce high value-added electronic components with a focus on high-end and high reliability products to achieve further growth in multilayer ceramic capacitors, the Group’s core business, in addition to strengthening inductor and communication device products to establish them as core businesses. We also plan capital investment of ¥300.0 billion over five years to continuously expand capacity to meet increase in demand as well as to implement proactive initiatives in the areas of environmental measures and upgrading of IT.

Consolidated net sales for the six-month period ended September 30, 2024 totaled ¥167,856 million, which is an increase of 8.0% compared to the corresponding period of the previous fiscal year. Operating profit was ¥7,576 million, an increase of 253.5%. Ordinary profit was ¥6,759 million, which is an increase of 7.5% compared to the corresponding period of the previous fiscal year, mainly due to foreign exchange losses of ¥1,758 million. Profit attributable to owners of parent was ¥3,567 million, which is an increase of 4.9% compared to the corresponding period of the previous fiscal year. This amount included ¥1,687 million of Anti-monopoly Act related loss. Net sales as well as operating profit, ordinary profit, and profit attributable to owners of parent increased due to a recovery from inventory adjustments, primarily in information equipment and IT infrastructure/industrial equipment, and the impact of depreciation in the yen.

The average foreign currency exchange rate for the six-month period ended September 30, 2024 was US\$1: ¥153.65. This is a depreciation of ¥14.95 as compared to the average realized in the corresponding period of the previous fiscal year of US\$1: ¥138.70.

### Net Sales by Product Classification

#### [Capacitors]

The capacitor product classification is comprised of multilayer ceramic capacitors.

For the six months ended September 30, 2024, product sales mainly for use in information equipment, automobiles and IT infrastructure/industrial equipment increased year over year. This resulted in a 14.5% increase in sales for this product classification year over year to ¥113,470 million.

#### [Inductors]

This product classification is comprised of various inductors including wire-wound inductors and multilayer inductors.

In the six months ended September 30, 2024, product sales mainly for use in consumer products, information equipment were higher as compared to the corresponding period of the previous fiscal year. As a result, net sales totaled ¥28,974 million, which is an increase of 8.4% compared to the corresponding period of the previous fiscal year.

#### [Integrated Modules & Devices]

This product classification is comprised of FBAR/SAW devices for communications, circuit modules, etc.

For the six months ended September 30, 2024, sales of FBAR/SAW devices for communications and circuit modules decreased year over year. This resulted in a 24.4% decrease in sales for this product classification year over year to ¥12,485 million.

#### [Others]

For this product classification, the Group manufactures and sells aluminum electrolytic capacitors, etc.

For the six months ended September 30, 2024, sales of aluminum electrolytic capacitors decreased year over year. This resulted in a 1.4% decrease in sales for this product classification year over year to ¥12,925 million.

## (2) Consolidated Financial Conditions

### ① Assets, Liabilities and Net Assets

Total assets as of September 30, 2024 increased ¥11,308 million to ¥590,995 million compared with the end of the previous fiscal year. Current assets increased ¥2,673 million. This increase in current assets was mainly due to the increase in work in process of ¥5,267 million, merchandise and finished goods of ¥4,723 million, raw materials and supplies of ¥1,371 million, and the decrease in notes and accounts receivable - trade of ¥4,979 million, and cash and deposits of ¥3,944 million. Non-current assets increased ¥8,635 million owing to the upswing in property, plant and equipment of ¥10,786 million and the decrease of investments and other assets of ¥2,178 million.

Total liabilities as of September 30, 2024 were ¥263,502 million, an increase of ¥13,915 million as compared to the balance at March 31, 2024. This was mainly due to the increase in long-term borrowings of ¥14,492 million.

Net assets as of September 30, 2024 decreased ¥2,606 million. The main factors were a decrease in retained earnings of ¥2,040 million due to profit attributable to owners of parent of ¥3,567 million and dividends of surplus of ¥5,608 million, in addition to a decrease of ¥478 million in valuation difference on available-for-sale securities.

### ② Cash Flows

Net cash provided by operating activities for the six-months period ended September 30, 2024 was ¥16,835 million, a decrease of 26.0% compared with the corresponding period of the previous fiscal year. The contributing factors are; depreciation of ¥21,926 million; increase in inventories of ¥11,721 million; profit before income taxes of ¥5,265 million; decrease in trade receivables of ¥2,491 million; income taxes of ¥2,336 million and Anti-monopoly Act related loss of ¥1,687 million.

Net cash used in investing activities for the six-months period ended September 30, 2024 totaled ¥32,059 million, a decrease of 28.6% compared with the corresponding period of the previous fiscal year. The largest cash outflow was ¥31,206 million paid for purchase of non-current assets.

Net cash provided by financing activities for the six-months period ended September 30, 2024 totaled ¥9,450 million, a decrease of 50.1% compared with the corresponding period of the previous fiscal year. The main factors are proceeds from long term borrowings of ¥25,000 million, repayments of long-term borrowings of ¥9,259 million, and dividends paid of ¥5,599 million.

As a result of the aforementioned activities, cash and cash equivalent as of September 30, 2024 decreased ¥6,762 million from the end of the previous fiscal year, to ¥88,177 million.

## (3) Forecasts of Consolidated Operating Results

Consolidated operating results forecasts for the year ending March 31, 2025 have been revised as follows (year over year).

	Year ending March 31, 2025		
Net sales	330,000	million yen	( 2.3% increase)
Operating profit	7,600	million yen	( 16.3% decrease)
Ordinary profit	6,000	million yen	( 56.4% decrease)
Profit attributable to owners of parent	0	million yen	(100.0% decrease)

Based on the financial results for the six-month period ended September 30, 2024, future demand forecasts, and other factors, the Company has revised the full-year consolidated financial results forecasts released as of May 8, 2024 for the fiscal year ending March 31, 2025.

From the third quarter onward, we anticipate that the demand environment for electronic components will deteriorate more than initially expected. This is due to forecasts, which include sluggish demand for products for use in communication equipment, primarily high-end Chinese smartphone models, and a slow recovery in demand for products for use in automobiles and IT infrastructure/industrial equipment.

The forecast is based on an average foreign currency exchange rate from the third quarter of the fiscal year onward of US\$1: ¥145.

### \*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. Semi-annual Consolidated Financial Statements

### (1) Semi-annual Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	102,783	98,838
Notes and accounts receivable - trade	81,199	76,219
Merchandise and finished goods	33,287	38,010
Work in process	44,993	50,260
Raw materials and supplies	24,056	25,427
Other	11,205	11,446
Allowance for doubtful accounts	(305)	(310)
Total current assets	297,219	299,892
Non-current assets		
Property, plant and equipment		
Buildings and structures	172,862	181,543
Machinery, equipment and vehicles	408,458	429,870
Tools, furniture and fixtures	43,569	43,760
Land	16,171	16,560
Construction in progress	39,100	36,991
Accumulated depreciation	(406,606)	(424,384)
Total property, plant and equipment	273,556	284,342
Intangible assets		
Other	1,807	1,835
Total intangible assets	1,807	1,835
Investments and other assets		
Investment securities	1,342	20
Other	5,861	4,990
Allowance for doubtful accounts	(100)	(87)
Total investments and other assets	7,102	4,923
Total non-current assets	282,466	291,102
Total assets	579,686	590,995

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	29,745	31,203
Short-term borrowings	4,200	4,200
Current portion of long-term borrowings	9,255	10,504
Income taxes payable	2,182	1,728
Provision for bonuses	5,056	5,472
Provision for bonuses for directors (and other officers)	17	3
Other	35,323	33,622
Total current liabilities	85,780	86,734
Non-current liabilities		
Convertible-bond-type bonds with share acquisition rights	51,170	51,080
Long-term borrowings	84,219	98,711
Provision for retirement benefits for directors (and other officers)	48	51
Retirement benefit liability	6,994	7,162
Other	21,373	19,761
Total non-current liabilities	163,806	176,768
Total liabilities	249,587	263,502
<b>Net assets</b>		
Shareholders' equity		
Share capital	33,575	33,575
Capital surplus	49,922	49,969
Retained earnings	230,905	228,864
Treasury shares	(13,411)	(13,157)
Total shareholders' equity	300,990	299,251
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	478	-
Deferred gains or losses on hedges	(32)	7
Foreign currency translation adjustment	27,861	27,636
Remeasurements of defined benefit plans	(161)	(137)
Total accumulated other comprehensive income	28,146	27,506
Share acquisition rights	961	734
Total net assets	330,098	327,492
Total liabilities and net assets	579,686	590,995



(2) Semi-annual Consolidated Statements of Operations and Semi-annual Consolidated Statements of Comprehensive Income  
(Semi-annual Consolidated Statements of Operations)  
(Six months ended September 30, 2024)

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Net sales	155,427	167,856
Cost of sales	125,483	130,490
Gross profit	29,943	37,366
Selling, general and administrative expenses	27,800	29,789
Operating profit	2,143	7,576
Non-operating income		
Interest income	600	898
Dividend income	55	0
Foreign exchange gains	4,008	-
Subsidy income	487	480
Other	220	208
Total non-operating income	5,373	1,587
Non-operating expenses		
Interest expenses	324	405
Foreign exchange losses	-	1,758
Depreciation of inactive non-current assets	50	149
Compensation expenses	804	29
Other	49	62
Total non-operating expenses	1,229	2,404
Ordinary profit	6,287	6,759
Extraordinary income		
Gain on sale of non-current assets	20	15
Gain on sale of investment securities	164	508
Gain on sale of golf club membership	67	-
Other	-	1
Total extraordinary income	251	526
Extraordinary losses		
Loss on sale and retirement of non-current assets	305	162
Impairment losses	-	511
Loss on disaster	-	※1 157
Anti-monopoly Act related loss	-	※2 1,687
Other	1	-
Total extraordinary losses	307	2,019
Profit before income taxes	6,231	5,265
Income taxes - current	2,661	3,127
Income taxes - deferred	169	(1,429)
Total income taxes	2,831	1,698
Profit	3,400	3,567
Profit attributable to owners of parent	3,400	3,567

(Semi-annual Consolidated Statements of Comprehensive Income)  
(Six months ended September 30, 2024)

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Profit	3,400	3,567
Other comprehensive income		
Valuation difference on available-for-sale securities	(34)	(478)
Deferred gains or losses on hedges	(32)	39
Foreign currency translation adjustment	12,000	(225)
Remeasurements of defined benefit plans, net of tax	46	23
Total other comprehensive income	11,979	(640)
Comprehensive income	15,379	2,926
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	15,379	2,926

## (3) Semi-annual Consolidated Statements of Cash Flows

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
<b>Cash flows from operating activities</b>		
Profit before income taxes	6,231	5,265
Depreciation	18,270	21,926
Impairment losses	-	11
Loss on disaster	-	157
Anti-monopoly Act related loss	-	1,687
Increase (decrease) in allowance for doubtful accounts	40	6
Increase (decrease) in provision for bonuses	241	403
Increase (decrease) in provision for bonuses for directors (and other officers)	(51)	(13)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	3	4
Interest and dividend income	(656)	(898)
Interest expenses	324	405
Loss (gain) on sale and retirement of non-current assets	285	147
Loss (gain) on sale of investment securities	(164)	(508)
Subsidy income	(264)	(332)
Decrease (increase) in trade receivables	(6,301)	2,491
Decrease (increase) in inventories	6,978	(11,721)
Increase (decrease) in trade payables	2,774	1,357
Other, net	(8,881)	(1,544)
Subtotal	18,832	18,845
Interest and dividends received	659	839
Interest paid	(226)	(337)
Payments associated with disaster loss	-	(175)
Income taxes refund (paid)	3,480	(2,336)
Net cash provided by (used in) operating activities	22,746	16,835
<b>Cash flows from investing activities</b>		
Purchase of non-current assets	(43,279)	(31,206)
Proceeds from sale of non-current assets	36	28
Decrease (increase) in time deposits	(2,641)	(3,106)
Proceeds from sale of investment securities	164	1,357
Proceeds from subsidy income	510	432
Other, net	282	435
Net cash provided by (used in) investing activities	(44,927)	(32,059)
<b>Cash flows from financing activities</b>		
Proceeds from long-term borrowings	42,708	25,000
Repayments of long-term borrowings	(17,715)	(9,259)
Purchase of treasury shares	(0)	(0)
Dividends paid	(5,599)	(5,599)
Repayments of lease liabilities	(444)	(660)
Other, net	0	(29)
Net cash provided by (used in) financing activities	18,948	9,450
Effect of exchange rate change on cash and cash equivalents	3,808	(988)
Net increase (decrease) in cash and cash equivalents	575	(6,762)
Cash and cash equivalents at beginning of period	84,124	94,940
Cash and cash equivalents at end of period	84,700	88,177

(4) Notes on Semi-annual Consolidated Financial Statements

(Notes on Premise of Going Concern)

No relevant items to report.

(Notes in Case of Significant Changes to Shareholders' Equity)

No relevant items to report.

(Notes Concerning Changes in Accounting Policy)

(Application of Revised Accounting Standard for Current Income Taxes, etc.)

The Company applied the Revised Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, October 28, 2022) from the beginning of the first quarter of the fiscal year ending March 31, 2025. This change in accounting policy has an immaterial impact on semi-annual consolidated financial statements for the six-month period ended September 30, 2024.

(Notes on Consolidated Statements of Operations)

※1 Loss on disaster

Our subsidiary NIIGATA TAIYO YUDEN CO., LTD. (Joetsu-shi, Niigata) suffered damage due to the impact of "the 2024 Noto Peninsula Earthquake" that happened in January 1, 2024. The amount of losses due to these disasters is recorded as "Loss on disaster."

※2 Loss related to Anti-monopoly Act

The Company recorded the legal settlement and other costs related to a class action lawsuit resulting from Anti-monopoly Act violations concerning transactions involving aluminum electrolytic capacitors and other products at its subsidiary ELNA CO., LTD.

(Notes on Segment Information)

[Segment information]

As the Group has a single business segment, publication of segment information has been omitted.

3. Supplementary Information

(1) Net Sales by Product Classification

Product classification	Six months ended September 30, 2023 (From April 1, 2023 To September 30, 2023)		Six months ended September 30, 2024 (From April 1, 2024 To September 30, 2024)		Increase/ (Decrease)	
	Amount (¥ in million)	Share (%)	Amount (¥ in million)	Share (%)	Amount (¥ in million)	Share (%)
Capacitors	99,084	63.7	113,470	67.6	14,386	14.5
Inductors	26,724	17.2	28,974	17.3	2,250	8.4
Integrated modules & devices	16,509	10.6	12,485	7.4	(4,023)	(24.4)
Others	13,109	8.4	12,925	7.7	(183)	(1.4)
Total	155,427	100.0	167,856	100.0	12,429	8.0