

# Earnings Release Conference

Third quarter for the year ending March 31, 2026

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Chief of Management Planning Headquarters  
February 6, 2026

## Financial Summary

### Consolidated 3Q for the Year Ending March 2026

- Net sales were ¥88.5 billion, exceeding the forecast published in November. Sales were down 5% Q/Q, mainly because some front-loaded demand was included in capacitor sales up until 2Q.
- Operating profit was ¥7.5 billion, up 27% Q/Q, exceeding the forecast published in November, due to the reductions in fixed costs and currency fluctuations from the yen depreciation.

### Consolidated Earnings Forecast for the Year Ending March 2026

- The financial results forecasts published in November have been revised upward.
- The earnings forecasts are for net sales of ¥354.0 billion, up 4% Y/Y, and operating profit of ¥21.0 billion, up 101% Y/Y.
- In communication device business, additional structural reform measures are implemented. Business restructuring expenses of ¥1.0 billion are expected to be recorded in 4Q. As a result, profit attributable to owners of parent is project to be ¥13.0 billion, up 458% Y/Y.

### Consolidated 3Q for the Year Ending March 2026

Net sales were ¥88.5 billion and exceeded the forecast published in November, but was a 5% decrease from the previous quarter.

The decrease was mainly in sales of capacitors as it is thought that some front-loaded demand was included in sales up until the second quarter.

Operating profit was ¥7.5 billion, exceeding the forecast published in November. Profit increased 27% Q/Q, mainly due to reductions in fixed costs and the depreciation of the yen.

### Consolidated Earnings Forecast for the Year Ending March 2026

Based on the results up to the third quarter and future demand forecasts, the full year earnings forecasts published in November have been revised upward.

The earnings forecasts project net sales of ¥354.0 billion, up 4% Y/Y, and operating profit of ¥21.0 billion, up 101% Y/Y.

TAIYO YUDEN is implementing structural reform to improve profitability in the communication device business. The Group expects to incur ¥1.0 billion in business restructuring expenses as an extraordinary loss in the fourth quarter due to the implementation of additional measures.

As a result, profit attributable to owners of parent is projected to be ¥13.0 billion, up 458% Y/Y.

# Consolidated Financial Results

Third quarter for the year ending March 31, 2026

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### 3Q – Consolidated Financial Results (Q/Q)

¥ in million	FYE Mar 31, 2026 2Q (01 Jul 2025 –30 Sep 2025)		FYE Mar 31, 2026 3Q (01 Oct 2025 –31 Dec 2025)		Change Q/Q	
Net sales	92,813	100.0%	88,515	100.0%	(4,297)	(4.6)%
Operating profit	5,881	6.3%	7,494	8.5%	1,613	27.4%
Ordinary profit	7,849	8.5%	11,694	13.2%	3,844	49.0%
Profit attributable to owners of parent	6,416	6.9%	7,086	8.0%	669	10.4%
Yen/USD average exchange rate	146.33 yen		151.50 yen		5.17 yen depreciated	
Impact of exchange rate fluctuation	+2.4 billion yen on net sales, +1.4 billion yen on operating profit *Including the impact of currencies other than US dollars					
R&D expenses	3,600		3,519		(80)	(2.2)%
Capital investment	8,667		12,095		3,428	39.5%
Depreciation expenses	12,054		12,521		466	3.9%

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As previously noted, the financial results for the third quarter of the fiscal year ending March 2026 recorded net sales of ¥88.5 billion, and operating profit of ¥7.5 billion. Since the yen depreciated significantly from the US\$1:¥148 level at the end of September to the US\$1:¥156 level at the end of December, we recorded a foreign exchange gains of ¥5.0 billion as non-operating income, resulting in an ordinary profit of ¥11.7 billion. Profit attributable to owners of parent was ¥7.1 billion.

The average exchange rate during the period was US\$1:¥151 level, a depreciation of ¥5 Q/Q.

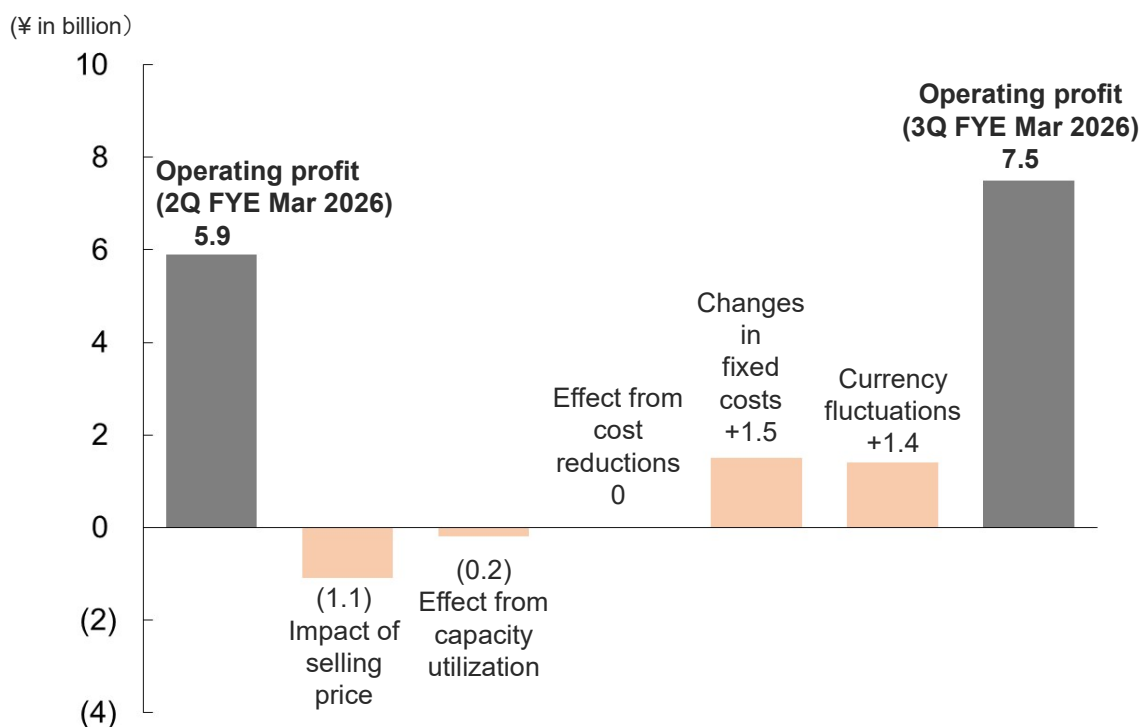
The impact from this was an increase of ¥2.4 billion in net sales and ¥1.4 billion in operating profit.

R&D expenses were ¥3.5 billion largely in line with the previous quarter.

Capital investment was ¥12.1 billion, up ¥3.4 billion from the previous quarter.

Depreciation expenses were ¥12.5 billion, up ¥0.5 billion from the previous quarter.

### 3Q – Factors behind Operating Profit (Q/Q)



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The main factors for increase in operating profit Q/Q were the ¥1.5 billion reduction in fixed costs, primarily personnel expenses and electricity expenses, as well as the ¥1.4 billion impact due to currency fluctuations.

Meanwhile, the ¥1.1 billion decrease in selling prices was a factor for decrease in profit. As in the first half, the rate of price decreases when comparing the same products continued at a more moderate pace than initially expected.

The ¥(0.2) billion in effect of capacity utilization due to the decline in sales volume was also a factor that pushed down operating profit.

The effect from capacity utilization includes the impact of improvement in product mix, in addition to changes in sales volume and changes in inventory.

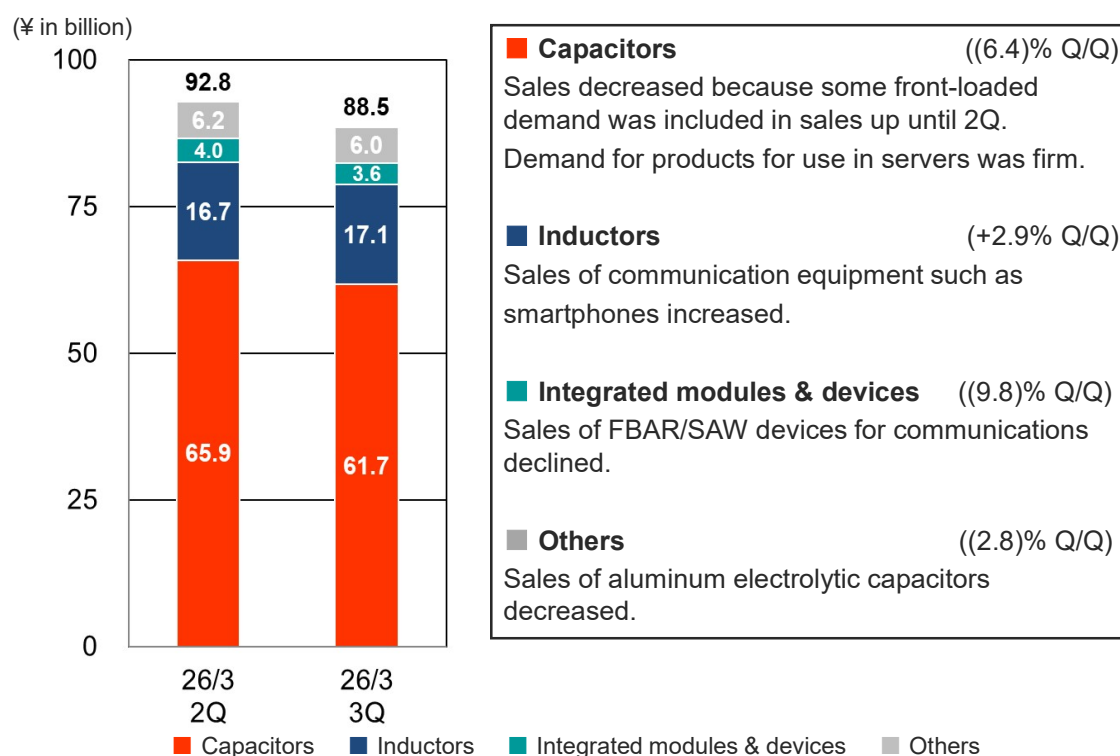
Company-wide inventory as of December 31, 2025 increased ¥3.5 billion from September 30, 2025 on the actual basis excluding the portion with no effect on operating profit, such as the impact of exchange rates.

As a result, operating profit was ¥7.5 billion, an increase of ¥1.6 billion Q/Q.

### 3Q – Financial Results by Product Classification (Q/Q)

¥ in million	FYE Mar 31, 2026 2Q		FYE Mar 31, 2026 3Q		Change Q/Q	
Capacitors	65,908	71.0%	61,702	69.7%	(4,205)	(6.4)%
Inductors	16,652	17.9%	17,132	19.4%	479	2.9%
Integrated modules & devices	4,031	4.3%	3,635	4.1%	(395)	(9.8)%
Others	6,220	6.7%	6,044	6.8%	(175)	(2.8)%
Total net sales	92,813	100.0%	88,515	100.0%	(4,297)	(4.6)%

## 3Q – Financial Results by Product Classification (Q/Q)



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Net sales of capacitors were ¥61.7 billion.

Although demand for products for use in servers was firm, sales decreased 6% from the previous quarter because some front-loaded demand was included in sales up until the second quarter.

Capacity utilization for capacitors was around approximately 85% in the third quarter.

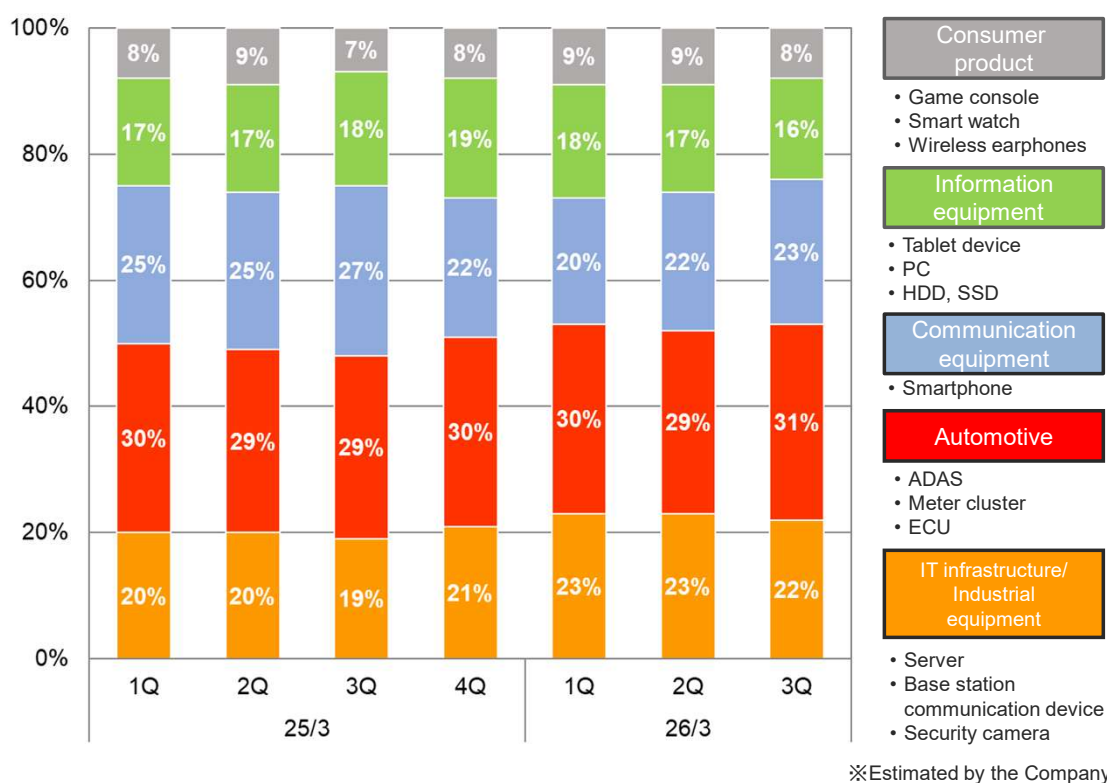
Net sales of inductors were ¥17.1 billion, up 3% Q/Q.

Sales of communication equipment, such as smartphones that were in their peak demand season, increased.

Sales of integrated modules & devices declined 10% Q/Q due to lower sales of communication devices.

Net sales of others were down 3% Q/Q, due to lower sales of aluminum electrolytic capacitors.

## Sales by Market Sector



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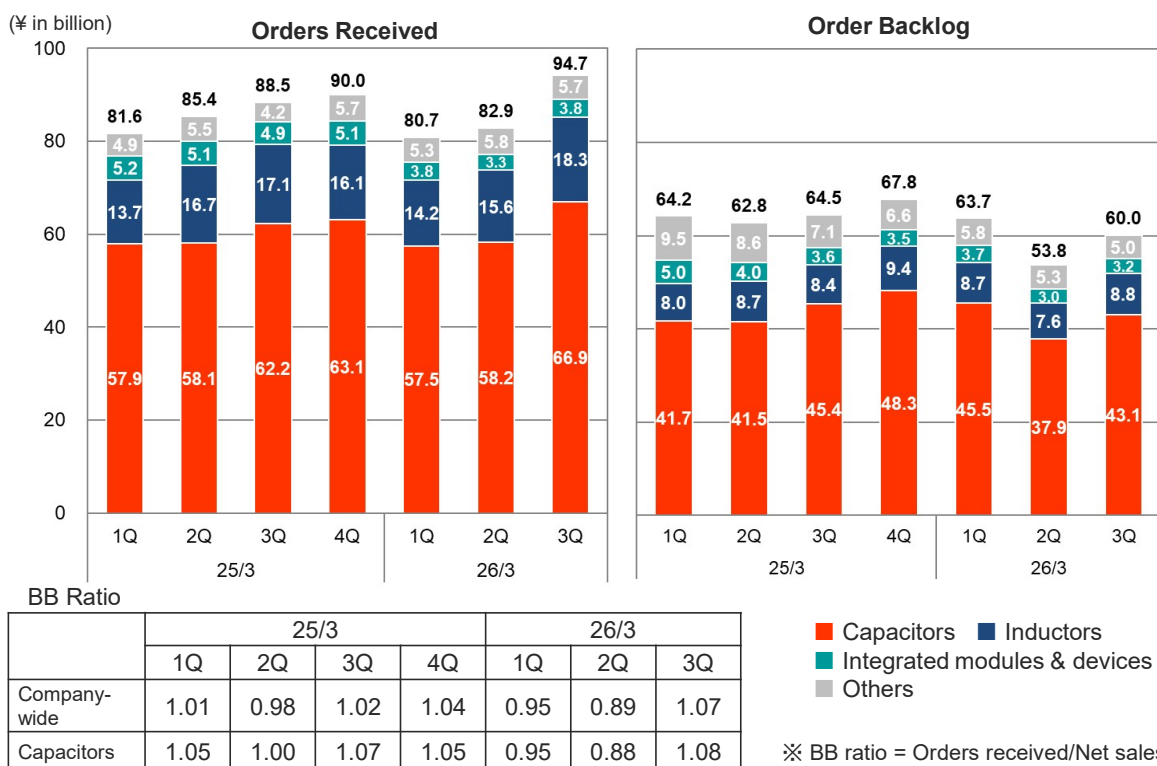
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Composition of sales for use in automotive increased by 2 percentage points to 31%. Other than that, there were no major changes in the composition of sales, as sales for IT infrastructure/industrial equipment was 22%, sales for communication equipment were 23%, sales for information equipment were 16%, and sales for consumer product were 8%.



## Orders Received and Order Backlog



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Orders received for capacitors in the third quarter were significantly higher than in the previous quarter, up 15% to ¥66.9 billion. Orders received for all TAIYO YUDEN products were also up 14% Q/Q to ¥94.7 billion. The book-to-bill (BB) ratio, representing the ratio of orders received to net sales, rose significantly to 1.08 for capacitors and 1.07 for all TAIYO YUDEN products, as orders substantially exceeded sales for both.

As a result, the order backlog increased from the end of the previous quarter for both capacitors and all TAIYO YUDEN products.

# Forecast of Consolidated Performance

for the year ending March 31, 2026

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## Consolidated Earnings Forecast for FYE March 2026

¥ in million	FYE Mar 31, 2025		FYE Mar 31, 2026 Forecast of November 6		FYE Mar 31, 2026 Forecast of February 6		Change			
							Y/Y		vs Previous forecast	
Net sales	341,438	100.0%	347,500	100.0%	354,000	100.0%	12,562	3.7%	6,500	1.9%
Operating profit	10,459	3.1%	18,000	5.2%	21,000	5.9%	10,541	100.8%	3,000	16.7%
Ordinary profit	10,517	3.1%	15,000	4.3%	22,000	6.2%	11,483	109.2%	7,000	46.7%
Profit attributable to owners of parent	2,328	0.7%	9,000	2.6%	13,000	3.7%	10,672	458.4%	4,000	44.4%
Yen/USD average exchange rate	152.61 yen		147.13 yen		149.75 yen		2.86 yen appreciated		2.62 yen depreciated	
Impact of exchange rate fluctuation	Change Y/Y: (4.2) billion yen on net sales, (4.1) billion yen on operating profit Change vs previous forecast: +5.6 billion yen on net sales, +3.0 billion yen on operating profit *Including the impact of currencies other than US dollars									
R&D expenses	15,042		15,500		15,500		458	3.0%	0	0.0%
Capital investment	64,158		46,000		46,000		(18,158)	(28.3)%	0	0.0%
Depreciation expenses	46,258		48,000		48,000		1,742	3.8%	0	0.0%

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As mentioned at the beginning of the presentation, the financial results forecasts published in November have been revised upward.

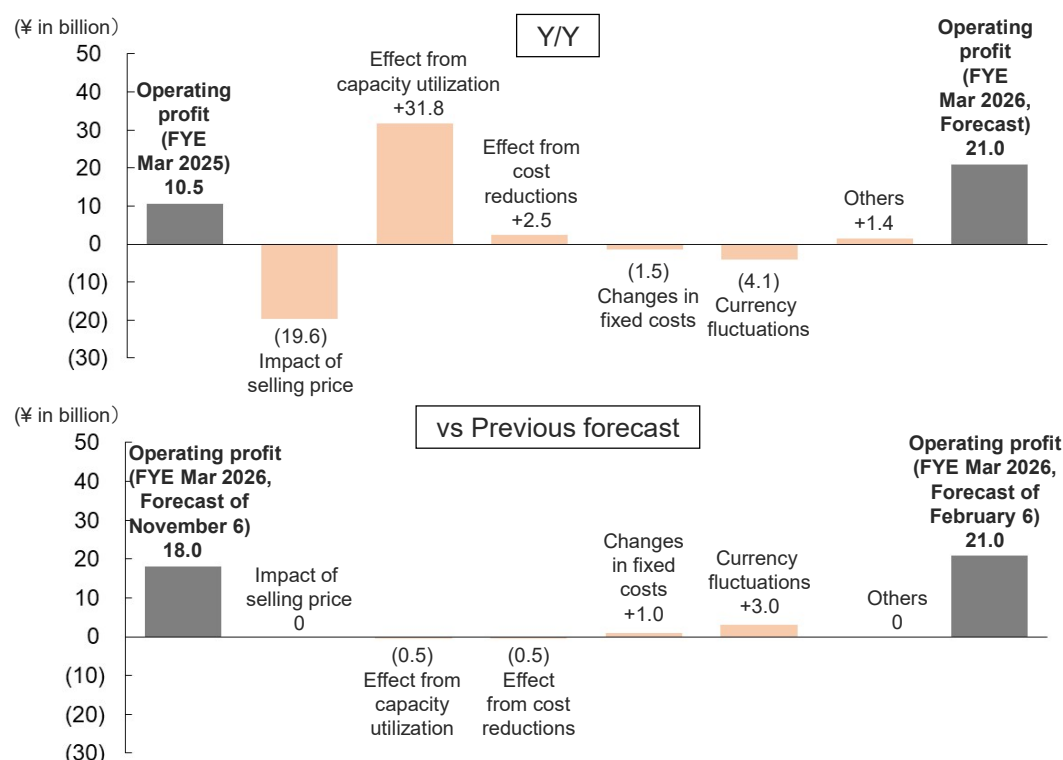
The revised financial results forecasts are for net sales of ¥354.0 billion, operating profit of ¥21.0 billion, ordinary profit of ¥22.0 billion, and profit attributable to owners of parent of ¥13.0 billion, with Y/Y growth expected for both sales and profit.

The main reason for revising the financial results forecasts is currency fluctuations. In addition to increases in net sales and operating profit due to the depreciation of the yen, we expect to record foreign exchange gains as non-operating income. As a result, we believe that ordinary profit will increase significantly compared to the previous forecast. The average exchange rate during the fiscal year is at the US\$1:¥149 level with an assumed rate of ¥154 as of March 31, 2026.

TAIYO YUDEN will implement additional business restructuring in the fourth quarter and expects an extraordinary loss of ¥1.0 billion as business restructuring expenses.

R&D expenses, capital investment, and depreciation expenses have not been revised from the previous forecast.

## Forecast of Factors behind Operating Profit for FYE March 2026



The factors for Y/Y increase and decrease in the operating profit forecast are shown in the graph above.

Factors for increase in profit, including the capacity utilization effect and the effect from cost reductions, outweigh factors for decrease in profit, including decline in selling prices, currency fluctuations, and increases in fixed costs, which is expected to increase operating profit by ¥10.5 billion.

Please see the graph below for the changes from the previous forecast of November.

The reasons for the upward revision of the financial results forecasts are the impact of exchange rates and the curbing of fixed costs.

The effect from capacity utilization was ¥0.5 billion lower due to a reduction in communication device inventory, and the effect from cost reductions was ¥0.5 billion lower due to an increase in material costs.

By product classification, profitability is declining somewhat for communication devices and other products but improving for capacitors.

## Forecast by Product Classification for FYE March 2026

¥ in million	FYE Mar 31, 2025		FYE Mar 31, 2026 Forecast of November 6		FYE Mar 31, 2026 Forecast of February 6		Change			
							Y/Y		vs Previous forecast	
Capacitors	232,066	68.0%	248,000	71.4%	251,500	71.0%	19,434	8.4%	3,500	1.4%
Inductors	61,546	18.0%	60,300	17.4%	63,500	17.9%	1,954	3.2%	3,200	5.3%
Integrated modules & devices	22,986	6.7%	14,800	4.3%	14,500	4.1%	(8,486)	(36.9)%	(300)	(2.0)%
Others	24,838	7.3%	24,400	7.0%	24,500	6.9%	(338)	(1.4)%	100	0.4%
Total net sales	341,438	100.0%	347,500	100.0%	354,000	100.0%	12,562	3.7%	6,500	1.9%

The forecast by product classification is as shown in the table.

We lowered the forecast for sales of integrated modules & devices from the previous forecast as they are significantly impacted by sluggish demand for high-end Chinese smartphone models, but we increased the forecast sales amount for capacitors, inductors, and other components. As a result, total sales are forecast to increase by 4% Y/Y. As a result, total sales are forecast to increase by 4% Y/Y.

## 4Q – Forecast by Product Classification

¥ in million	FYE Mar 31, 2026 3Q	FYE Mar 31, 2026 4Q Forecast (Q/Q)
Capacitors	61,702	+3%
Inductors	17,132	(13)%
Integrated modules & devices	3,635	(11)%
Others	6,044	±0%
Total net sales	88,515	(1)%
Yen/USD average exchange rate	151.50 yen	(Assumption) 155.00 yen

The forecast by product classification in the fourth quarter is as shown in the table.

Sales of capacitors are expected to increase 3% Q/Q despite a decrease in sales of products for use in communication equipment, primarily smartphones, due to growth in sales of products for use in IT infrastructure/industrial equipment such as servers.

On the other hand, sales of inductors, which are more affected by seasonal fluctuations in smartphone demand, are expected to decline 13% Q/Q.

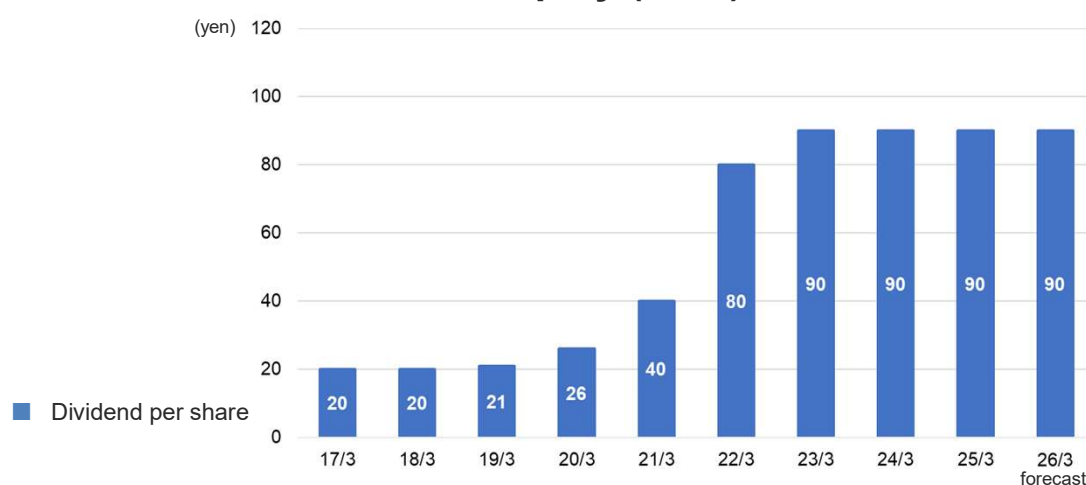
Sales of integrated modules & devices are expected to fall 11%, and sales of others are expected to be at the same level as in the third quarter.

As a result, total net sales are forecast to decrease by 1% Q/Q.

The assumed exchange rate for the fourth quarter is US\$1:¥155.

## Shareholder Return Policy

**Aiming to achieve a dividend payout ratio of 30% and a Dividend on Equity (DOE) ratio of 3.5%**



Dividend payout ratio (%)	43.4	14.4	11.1	18.2	17.5	18.5	48.3	134.8	482.1	86.6
Dividend on equity (DOE) ratio (%)	1.5	1.4	1.3	1.6	2.1	3.3	3.5	3.4	3.5	3.3
Total return ratio (%)	43.4	14.4	24.0	40.3	17.5	27.6	48.3	134.8	482.1	—
Amount of treasury stock (¥ in billion)	0	0	30	40	0	50	0	0	0	—

With no change to the initial dividend forecast, we plan to pay an annual dividend of ¥90 per share in FYE March 2026.

We will continue working to realize stable dividend growth through an increase in profit per share, using a dividend payout ratio of 30% and a DOE of 3.5% as our indicators for shareholder returns.

## Supplementary Information

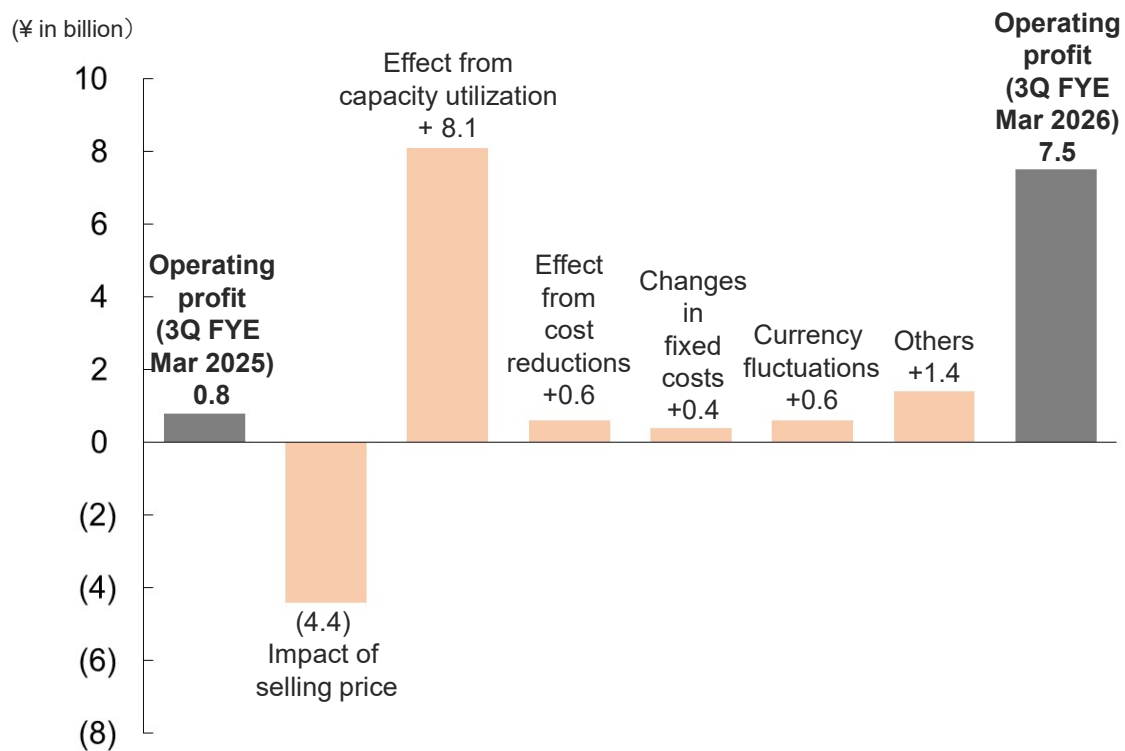
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### 3Q – Consolidated Financial Results (Y/Y)

¥ in million	FYE Mar 31, 2025 3Q		FYE Mar 31, 2026 3Q		Change Y/Y	
Net sales	86,868	100.0%	88,515	100.0%	1,646	1.9%
Operating profit	825	1.0%	7,494	8.5%	6,669	807.6%
Ordinary profit	6,925	8.0%	11,694	13.2%	4,768	68.9%
Profit attributable to owners of parent	4,598	5.3%	7,086	8.0%	2,487	54.1%
Yen/USD average exchange rate	149.04 yen		151.50 yen		2.46 yen depreciated	
Impact of exchange rate fluctuation	+1.1 billion yen on net sales, +0.6 billion yen on operating profit *Including the impact of currencies other than US dollars					
R&D expenses	3,775		3,519		(255)	(6.8)%
Capital investment	16,329		12,095		(4,233)	(25.9)%
Depreciation expenses	11,899		12,521		621	5.2%

### 3Q – Factors behind Operating Profit (Y/Y)



### 3Q – Financial Results by Product Classification (Y/Y)

¥ in million	FYE Mar 31, 2025 3Q		FYE Mar 31, 2026 3Q		Change Y/Y	
Capacitors	58,317	67.1%	61,702	69.7%	3,385	5.8%
Inductors	17,471	20.1%	17,132	19.4%	(339)	(1.9)%
Integrated modules & devices	5,363	6.2%	3,635	4.1%	(1,728)	(32.2)%
Others	5,714	6.6%	6,044	6.8%	329	5.8%
Total net sales	86,868	100.0%	88,515	100.0%	1,646	1.9%

## 3Q – Financial Results by Product Classification (Y/Y)

(¥ in billion)



### Capacitors

(+5.8 % Y/Y)

Sales increased for use in automotive and IT infrastructure/industrial equipment such as AI servers, while sales for information equipment and communication equipment declined.

### Inductors

((1.9)% Y/Y)

Sales increased for consumer products and IT infrastructure/industrial equipment; however, sales declined for communication equipment.

### Integrated modules & devices

((32.2)% Y/Y)

Circuit module sales declined significantly due to business selection and concentration. FBAR/SAW devices for communications also decreased.

### Others

(+5.8 % Y/Y)

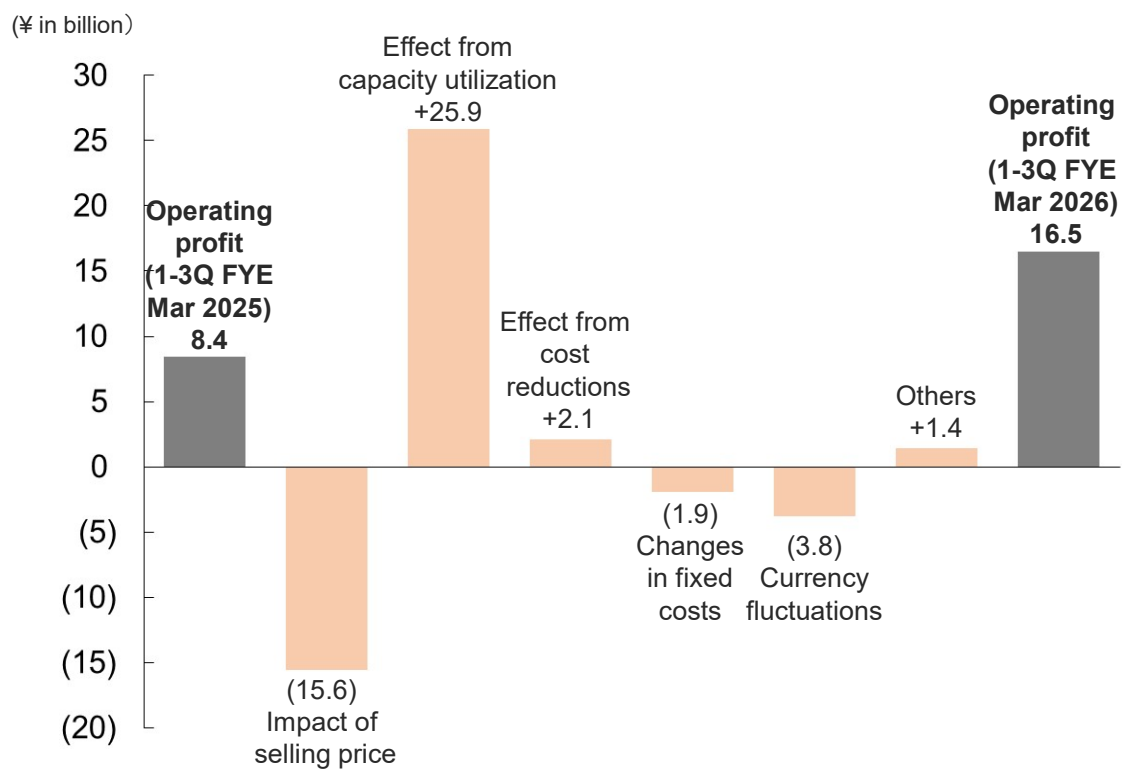
Sales of aluminum electrolytic capacitors increased.

Capacitors Inductors Integrated modules & devices Others

## 1-3Q – Consolidated Financial Results (Y/Y)

¥ in million	FYE Mar 31, 2025 1-3Q		FYE Mar 31, 2026 1-3Q		Change Y/Y	
Net sales	254,724	100.0%	266,139	100.0%	11,414	4.5%
Operating profit	8,402	3.3%	16,519	6.2%	8,116	96.6%
Ordinary profit	13,685	5.4%	19,800	7.4%	6,115	44.7%
Profit attributable to owners of parent	8,166	3.2%	12,626	4.7%	4,460	54.6%
Yen/USD average exchange rate	152.11 yen		148.00 yen		4.11 yen appreciated	
Impact of exchange rate fluctuation	(5.6) billion yen on net sales, (3.8) billion yen on operating profit *Including the impact of currencies other than US dollars					
R&D expenses	11,103		10,706		(397)	(3.6)%
Capital investment	46,410		31,694		(14,716)	(31.7)%
Depreciation expenses	33,825		36,008		2,182	6.5%

## 1-3Q – Factors behind Operating Profit (Y/Y)



## 1-3Q – Financial Results by Product Classification (Y/Y)

¥ in million	FYE Mar 31, 2025 1-3Q		FYE Mar 31, 2026 1-3Q		Change Y/Y	
Capacitors	171,788	67.4%	187,809	70.6%	16,020	9.3%
Inductors	46,446	18.2%	48,624	18.3%	2,178	4.7%
Integrated modules & devices	17,849	7.0%	11,276	4.2%	(6,573)	(36.8)%
Others	18,640	7.3%	18,429	6.9%	(211)	(1.1)%
Total net sales	254,724	100.0%	266,139	100.0%	11,414	4.5%

## 1-3Q – Financial Results by Product Classification (Y/Y)

(¥ in billion)



### Capacitors

(+9.3% Y/Y)

Sales increased, mainly for use in automotive and IT infrastructure/industrial equipment such as AI servers. Sales of information equipment and communication equipment decreased.

### Inductors

(+4.7% Y/Y)

Sales increased mainly for use in consumer products and information equipment including memory modules.

### Integrated modules & devices

((36.8)% Y/Y)

Circuit module sales declined significantly due to business selection and concentration. FBAR/SAW devices for communications also decreased.

### Others

((1.1)% Y/Y)

Sales of aluminum electrolytic capacitors decreased.

Capacitors Inductors Integrated modules & devices Others

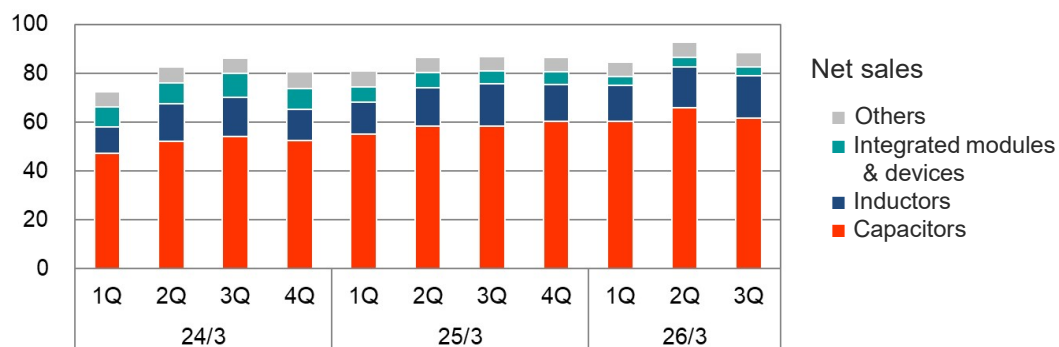


## Consolidated Earnings Trends (Quarterly)

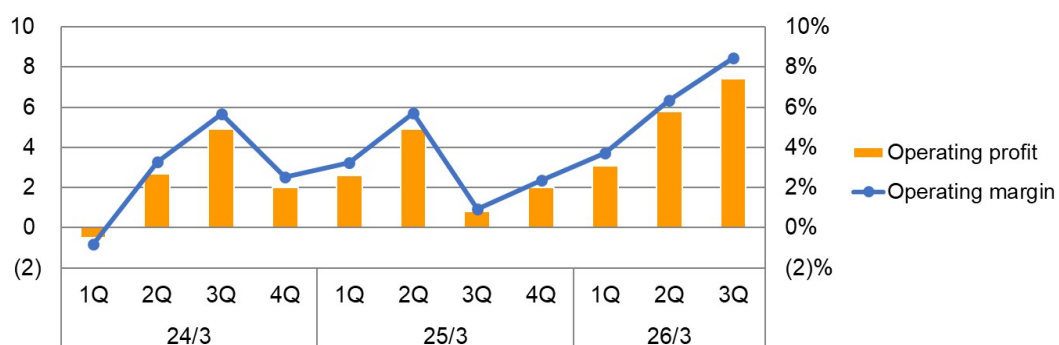
¥ in million	FYE Mar 31, 2024				FYE Mar 31, 2025				FYE Mar 31, 2026		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Net sales	72,612	82,814	86,386	80,834	81,138	86,718	86,868	86,713	84,810	92,813	88,515
Capacitors	47,133	51,950	54,190	52,554	55,192	58,278	58,317	60,277	60,197	65,908	61,702
Inductors	10,976	15,748	16,196	12,645	13,011	15,963	17,471	15,100	14,839	16,652	17,132
Integrated modules & devices	8,182	8,326	9,641	8,784	6,388	6,097	5,363	5,137	3,608	4,031	3,635
Others	6,320	6,789	6,358	6,849	6,546	6,379	5,714	6,197	6,164	6,220	6,044
Operating profit	(577)	2,721	4,900	2,036	2,630	4,945	825	2,057	3,142	5,881	7,494
Ordinary profit	1,159	5,127	1,169	6,301	8,377	(1,617)	6,925	(3,167)	256	7,849	11,694
Profit attributable to owners of parent	903	2,497	276	4,641	6,309	(2,741)	4,598	(5,837)	(876)	6,416	7,086
Yen/USD average exchange rate	134.93 yen	142.47 yen	149.10 yen	146.76 yen	153.15 yen	154.14 yen	149.04 yen	154.11 yen	146.18 yen	146.33 yen	151.50 yen

## Consolidated Earnings Trends (Quarterly)

(¥ in billion)



(¥ in billion)



## Consolidated Financial Position

¥ in million	As of March 31, 2025	As of December 31, 2025	Change
Cash and deposits	78,166	88,552	10,386
Total assets	573,188	608,581	35,392
Interest-bearing liabilities	164,401	171,022	6,621
Total liabilities	254,017	269,569	15,551
Total net assets	319,171	339,012	19,841
Equity-to-asset ratio	55.6%	55.7%	—
Net cash	(86,235)	(82,470)	3,764
D/E ratio	0.52	0.50	—

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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.

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