TAIYO YUDEN

Earnings Release Conference

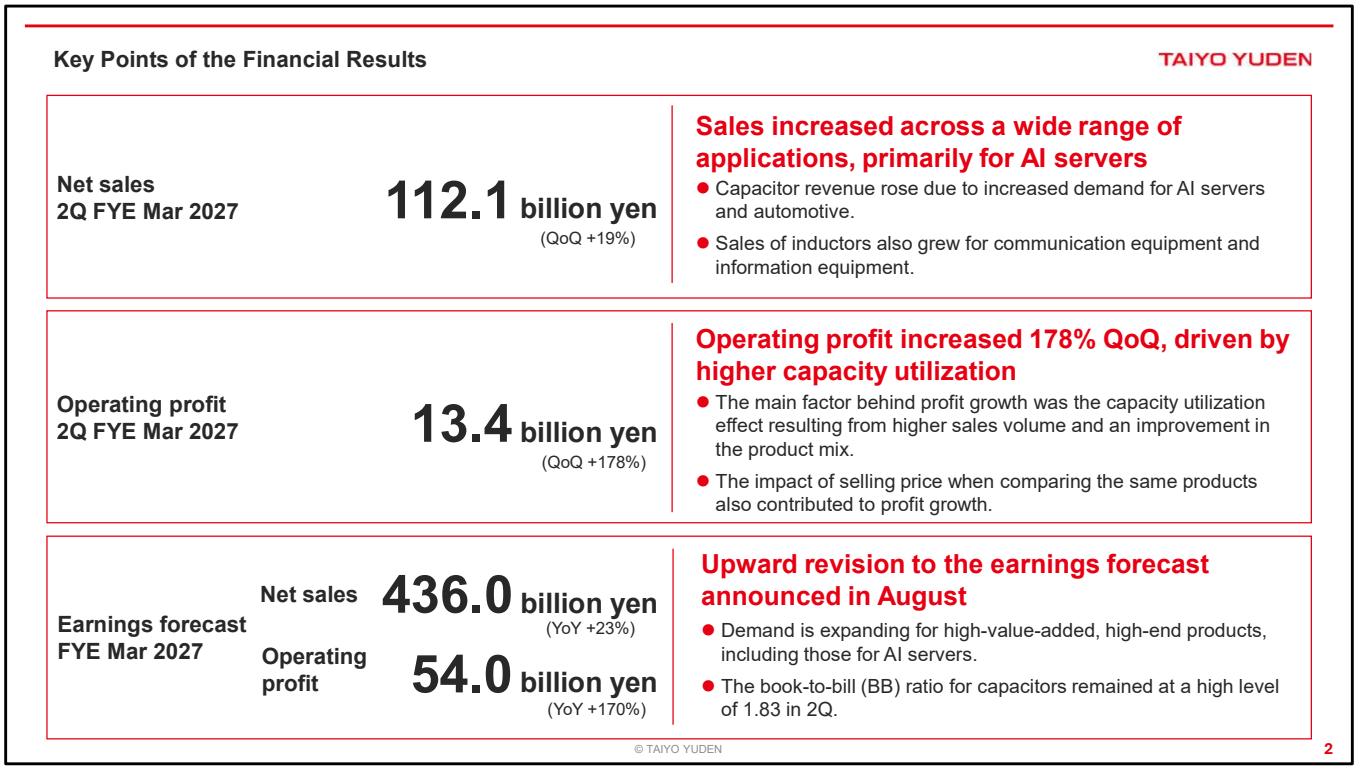
for Second Quarter of Fiscal Year Ending March 2027

TAIYO YUDEN CO., LTD.
Tomomitsu Fukuda
Director, Senior Executive Operating Officer

November 5, 2026

This is Fukuda from TAIYO YUDEN.

Now, I would like to walk you through our financial results for 2Q of the fiscal year ending March 2027.



For 2Q FYE March 2027, sales increased across a wide range of applications, primarily for AI servers. Sales were up 19% QoQ, and operating profit rose 178%, meaning that both were higher than the forecasts announced in August.
The main factor behind profit growth was the capacity utilization effect due to higher sales volume and an improvement in the product mix resulting from an increase in high-value-added products.
In addition, the impact of selling prices for the same products also contributed to profit growth.

We have revised upward the earnings forecast announced in August.
In the latest earnings forecasts, we project significant sales and profit growth with net sales up 23% YoY and operating profit up 170% YoY.
The book-to-bill (BB) ratio for capacitors in 2Q was 1.83, indicating the continuation of powerful demand, and high-value-added, high-end products for use in AI servers, in particular, are expected to drive TAIYO YUDEN's earnings growth going forward.

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Summary of Consolidated Results

for Second Quarter of Fiscal Year Ending March 2027

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Summary of Consolidated Results for Second Quarter of Fiscal Year Ending March 2027

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- Sales increased, mainly driven by capacitors and inductors. Revenue rose 19%, and operating profit was up 178% QoQ.
- The impact of currency fluctuations was increases of ¥8.7 billion in net sales and ¥5.1 billion in operating profit YoY. The impact was increases of ¥1.2 billion in net sales and ¥0.9 billion in operating profit QoQ.

(¥ in million)	FYE Mar 2026 2Q	FYE Mar 2027 1Q	FYE Mar 2027 2Q	YoY Change	YoY Change (%)	QoQ Change	QoQ Change (%)
Net sales	92,813	93,897	112,136	19,323	20.8	18,238	19.4
Operating profit	5,881	4,818	13,378	7,496	127.5	8,560	177.7
Operating margin	6.3%	5.1%	11.9%	5.6%pt	-	6.8%pt	-
Ordinary profit	7,849	4,263	11,642	3,793	48.3	7,379	173.1
Profit attributable to owners of parent	6,416	2,504	5,631	(785)	(12.2)	3,126	124.8
Yen/USD average exchange rate	146.33 yen	158.80 yen	160.71 yen	14.38 yen	-	1.91 yen	-
R&D expenses	3,600	3,401	3,365	(235)	(6.5)	(36)	(1.1)
Capital investment	8,667	7,083	6,333	(2,334)	(26.9)	(750)	(10.6)
Depreciation expenses	12,054	11,914	12,072	17	0.1	157	1.3

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Net sales were ¥112.1 billion, operating profit was ¥13.4 billion.

The exchange rate as of the end of September was at the US$1:¥157 level, an appreciation in the yen compared to the US$1: ¥162 level at the end of June. Consequently, TAIYO YUDEN recorded foreign exchange losses of ¥1.7 billion as non-operating expenses, resulting in ordinary profit of ¥11.6 billion.

Profit attributable to owners of parent was ¥5.6 billion partly due to the recording of extraordinary losses, including a ¥2.8 billion provision for anticipated losses associated with litigation at an overseas subsidiary.

The average exchange rate during the quarter was US$1:¥160 level, a depreciation of approximately ¥2 QoQ.
This had a positive impact of ¥1.2 billion on net sales and ¥0.9 billion on operating profit.

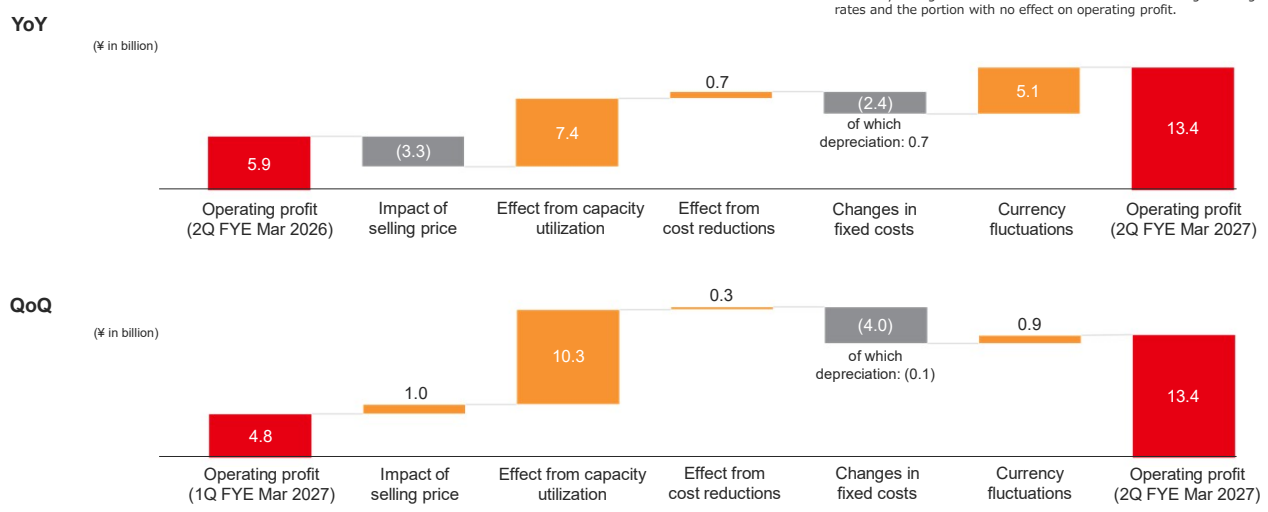
R&D expenses, capital investment, and depreciation expenses are all in line with plan.

Factors behind Operating Profit for Second Quarter of Fiscal Year Ending March 2027

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- The effect from capacity utilization was an increase of ¥10.3 billion QoQ. Operating profit increased due to higher sales volume and improvements in the product mix. Inventory* decreased by ¥1.2 billion from the previous quarter-end.
- QoQ price fluctuations when comparing the same products shifted to a factor for increase in profit and boosted operating profit by ¥1.0 billion.

* Inventory changes are shown on the actual basis excluding exchange rates and the portion with no effect on operating profit.



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Let me explain the factors behind the operating profit variance compared to the previous quarter. Please refer to the lower graph.

The main factor for the increase in profit was a ¥10.3 billion effect from capacity utilization.
Higher sales volume and an improvement in the product mix resulting from an increase in high-value-added products contributed to profit growth.
As of August, we planned an approximately ¥1.0 billion buildup in inventory. However, sales were higher than expected, so inventory fell by ¥1.2 billion from the end of the previous quarter.

Impact of selling price contributed to an increase of ¥1.0 billion in operating profit.
The pace of price declines for the same products had been gradually moderating through the first quarter, and prices turned upward in the second quarter.
In addition to moderation of downward pressure on prices due to tight supply and demand, we are implementing price revisions, mainly for items affected by the surge in raw material prices and low profit items.

Other factors contributing to the profit increase were a ¥0.3 billion effect from cost reductions and a positive impact of ¥0.9 billion from currency fluctuations.

On the other hand, the ¥4.0 billion rise in fixed costs resulting from an increase in production and capacity expansion was a factor for decrease in profit.

As a result, operating profit increased by ¥8.6 billion QoQ to ¥13.4 billion.

Financial Results by Product Classification for Second Quarter of Fiscal Year Ending March 2027

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- Net sales of capacitors increased 21% QoQ, with growth across all applications, including IT infrastructure/industrial equipment, such as AI servers, and automotive.
- Net sales of inductors also increased 18% QoQ, with growth across all application areas. In particular, sales were strong for products for use in communication equipment, such as smartphones, and information equipment, such as memory modules.
- The others segment increased 12% QoQ, driven by higher sales of aluminum electrolytic capacitors and communication devices.

(¥ in million)	FYE Mar 2026 2Q	FYE Mar 2027 1Q	FYE Mar 2027 2Q	YoY Change	YoY Change (%)	QoQ Change	QoQ Change (%)
Net sales	92,813	93,897	112,136	19,323	20.8	18,238	19.4
Capacitors	65,908	69,022	83,314	17,405	26.4	14,291	20.7
Inductors	16,652	15,934	18,820	2,167	13.0	2,885	18.1
Others	10,251	8,941	10,002	(249)	(2.4)	1,061	11.9

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Net sales of capacitors were ¥83.3 billion, up 21% QoQ.
Sales increased across all application areas, including automotive, communication equipment, information equipment, and consumer products in addition to IT infrastructure/industrial equipment, which includes AI servers.

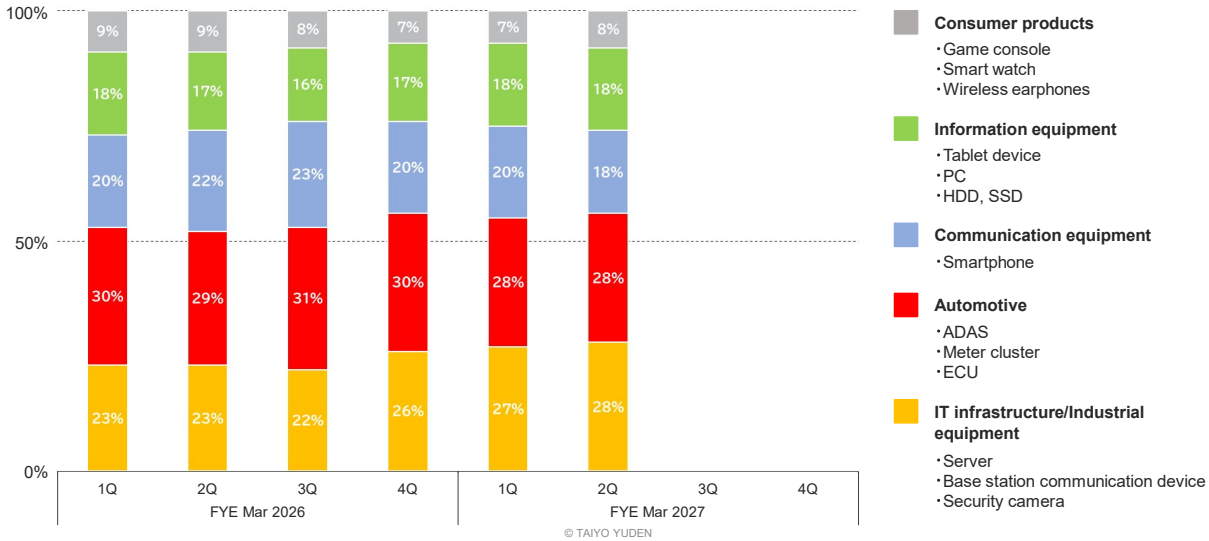
As with capacitors, net sales of inductors increased across all application areas to ¥18.8 billion, up 18% QoQ.
In particular, communication equipment such as high-end smartphones and information equipment, particularly memory modules, drove sales growth.

Moreover, sales of others were ¥10.0 billion, up 12% QoQ.
Sales of aluminum electrolytic capacitors and communication devices both increased.

Sales by Application

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- Sales increased QoQ for all applications.
- For IT infrastructure/industrial equipment, capacitors used in AI servers drove sales growth.
- The combined composition of sales for use in IT infrastructure/industrial equipment and automotive, which TAIYO YUDEN is focusing on, was 56%, remaining at a high level.



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In 2Q, sales were higher than in 1Q for all applications.

In particular, composition of sales for use in IT infrastructure/industrial equipment, a focus market, increased to 28% because the strong demand growth for capacitors for use in AI servers continued. Moreover, composition of sales for automotive use, which is also a focus market, was 28%, so the combined composition of sales for use in these two markets was 56%, remaining at a high level.

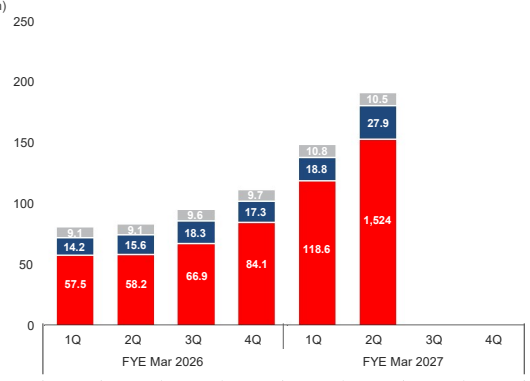
Composition of sales was 18% for use in both communication equipment and information equipment and 8% for use in consumer products.

Orders Received and Order Backlog

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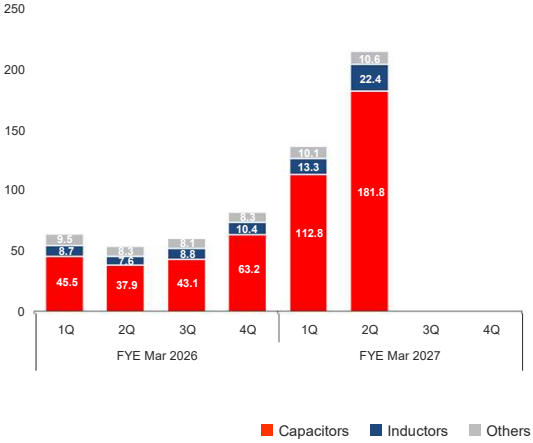
- Orders received for capacitors significantly expanded by 28% QoQ. Due to this, there was also a sharp increase in the order backlog, up 61%.
- Orders for capacitors increased, primarily for IT infrastructure/industrial equipment, including AI servers, and information equipment, including memory modules.
- The book-to-bill (BB) ratio rose to 1.70 for all TAIYO YUDEN products and 1.83 for capacitors. Strong demand continues, with orders exceeding net sales for the fourth consecutive quarter.

Orders Received
(¥ in billion)



	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
BB ratio (Company wide)	0.95	0.89	1.07	1.25	1.58	1.70		
BB ratio (Capacitors)	0.95	0.88	1.08	1.31	1.72	1.83		

Order Backlog
(¥ in billion)



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Orders received for capacitors increased 28% QoQ and the order backlog was up 61%, signaling the continuation of significant growth.
Strong growth in orders was centered on products for use in IT infrastructure/industrial equipment, including AI servers, and for use in information equipment, particularly memory modules.
In addition to demand growth centered on AI servers, orders with long lead times are increasing.

The book-to-bill (BB) ratio representing the ratio of orders received to net sales remained significantly above 1, at 1.70 for all TAIYO YUDEN products and 1.83 for capacitors, reflecting continued strong demand.

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Forecast of Consolidated Performance

for Fiscal Year Ending March 2027

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Background to the Revision of the Consolidated Earnings Forecast and Outlook for FYE March 2027 TAIYO YUDEN

Demand

- With higher performance of the semiconductors used in AI servers, unit counts of multilayer ceramic capacitors and power inductors are increasing and their performance specifications are being improved.
- Orders received for products for use in information equipment, such as memory modules, were also strong and the capacitor BB ratio in 2Q reached 1.83, signaling robust demand.

Sales

- In the second half, in addition to capacitors, sales of high-value-added inductors for use in AI servers will also increase, accelerating the improvement in the product mix.
- In the second half, TAIYO YUDEN expects selling prices to rise compared to the first half (when comparing the same products). In addition to moderation of the downward pressure on prices due to tight supply and demand, we are implementing price revisions, mainly for items affected by the surge in raw material prices and low-profit items.

Capital Investment under the Medium-Term Management Plan 2030

- To capture demand opportunities arising from the growth of AI-related markets, the Company will bring forward its original investment plan by two years.
- We plan to increase production capacity for capacitors used in AI servers to more than twice this fiscal year's level next fiscal year.

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The upward revision to our earnings forecast reflects the following factors.

As the semiconductors used in AI servers become more advanced, the number of multilayer ceramic capacitors and power inductors used per server is increasing, and demand is shifting toward higher-end products to address challenges such as increased power consumption and heat generation. We expect robust demand for these components to continue.

As mentioned earlier, the book-to-bill (BB) ratio of capacitors stood at a high level of 1.83 in 2Q, pointing to strong business growth ahead.

As a large number of high-end products, TAIYO YUDEN's area of strength, are used in AI servers, it is forecast that the product mix will improve further in the future.
We also expect that selling prices when comparing the same products will continue to rise in the second half as they did in 2Q.

Next, I will explain the outlook for capital investment going forward.
It has been six months since the launch of TAIYO YUDEN's Medium-Term Management Plan 2030, and we have decided to implement our investment plan two years ahead of schedule.
Growth in the AI-related market has proceeded at a pace that far exceeds the demand forecasts made when the plan was formulated.
We will continue to concentrate investment on resolving bottlenecks in items for use in AI servers next fiscal year, and we expect to more than double capacity for capacitors for use in AI servers compared to the current fiscal year by doing this.
Accelerating the expansion of production capacity for cutting-edge products will contribute to technological advances and market growth in the AI-related sector.

Consolidated Earnings Forecast for Fiscal Year Ending March 2027

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- The earnings forecast announced in August has been revised upward, reflecting factors including expanding demand for high-value-added, high-end products, such as those for AI servers, and the impact of selling prices.
- FX sensitivity indicates that a ¥1 fluctuation against the US dollar impacts net sales by ¥1.9 billion and operating profit by ¥0.9 billion.

(¥ in million)	FYE Mar 2026 Actual	FYE Mar 2027 Prev. Forecast	FYE Mar 2027 Forecast	YoY Change	YoY Change (%)	vs Previous forecast Change	vs Previous forecast Change (%)
Net sales	355,341	424,000	436,000	80,659	22.7	12,000	2.8
Operating profit	19,996	45,000	54,000	34,004	170.0	9,000	20.0
Operating margin	5.6%	10.6%	12.4%	6.8%pt	-	1.8%pt	-
Ordinary profit	24,129	42,000	50,000	25,871	107.2	8,000	19.0
Profit attributable to owners of parent	14,806	29,000	35,000	20,194	136.4	6,000	20.7
Yen/USD average exchange rate	149.99 yen	159.70 yen	157.88 yen	7.89 yen	-	(1.82) yen	-
R&D expenses	14,474	15,000	15,000	526	3.6	0	0.0
Capital investment	40,416	42,000	42,000	1,584	3.9	0	0.0
Depreciation expenses	49,148	50,000	50,000	852	1.7	0	0.0

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The FY2027 consolidated earnings forecast calls for net sales of ¥436.0 billion, operating profit of ¥54.0 billion, ordinary profit of ¥50.0 billion, and profit attributable to owners of parent of ¥35.0 billion, with substantial YoY growth expected in both net sales and profit.

The capital investment forecast was revised upward in August and remains unchanged this time.

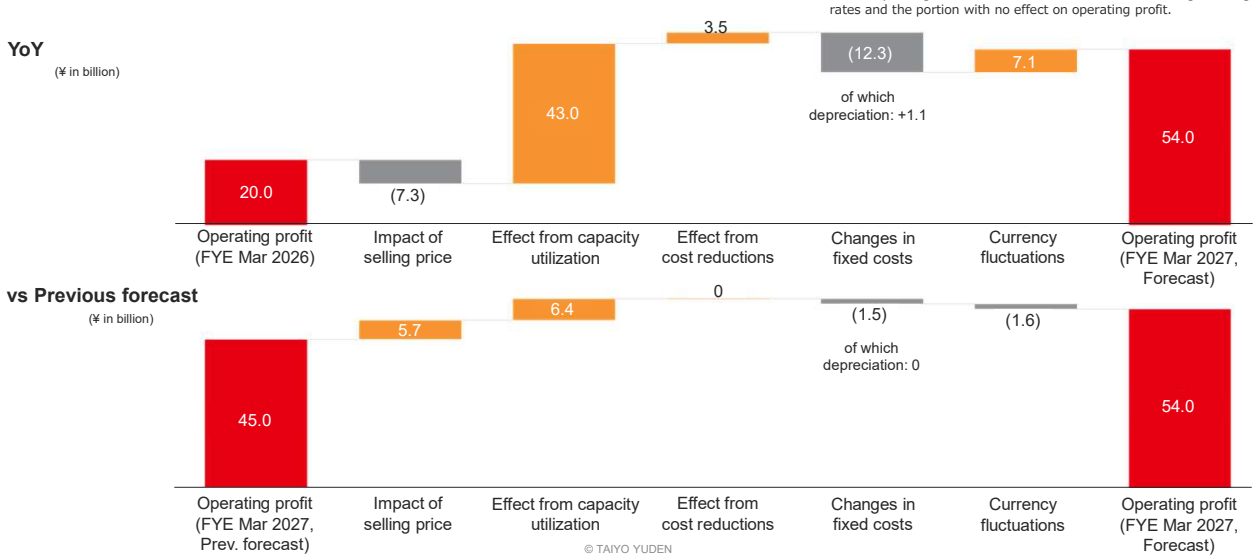
The forecast exchange rate for 3Q onward is US$1:¥156.

Forecast of Factors behind Operating Profit for Fiscal Year Ending March 2027

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- YoY: The capacity utilization effect because of higher sales volume and improvements in the product mix will contribute significantly to increase in profit. Inventories* at fiscal year-end are expected to decrease by ¥1.0 billion from the end of the previous fiscal year.
- Vs. Previous forecast: The pace of price decreases for the same products is expected to moderate further.

* Inventory changes are shown on the actual basis excluding exchange rates and the portion with no effect on operating profit.



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The upper chart shows the factors behind the year-on-year change in operating profit.
Capacity utilization is expected to contribute ¥43.0 billion to operating profit, driven by higher sales volume and an improved product mix.
Foreign exchange fluctuations and cost reductions are also expected to contribute ¥7.1 billion and ¥3.5 billion, respectively, to operating profit.

For the changes from the previous forecast, please refer to the lower chart.
The main drivers of the upward revision are a ¥6.4 billion benefit from capacity utilization and a ¥5.7 billion improvement in the impact of selling price.
As these factors offset the factors for decrease in profit, including the effect of appreciation of the yen and the increase in related costs in conjunction with higher production, we have revised operating profit up by ¥9.0 billion from the previous forecast.

Inventories at fiscal year-end are expected to be ¥1.0 billion lower than at the end of the previous fiscal year. The previous forecast called for a ¥3.0 billion increase, but higher shipments are now expected to reduce inventories.

Forecast by Product Classification for Fiscal Year Ending March 2027

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- Projected YoY revenue growth: +29% for capacitors and +16% for inductors. Sales forecasts for capacitors and inductors have been revised upward, mainly for applications in IT infrastructure/industrial equipment and information equipment.
- Shipments of new inductor products for AI servers have started ahead of schedule, and sales growth for inductors is expected to accelerate further next fiscal year.

(¥ in million)	FYE Mar 2026 Actual	FYE Mar 2027 Prev. Forecast	FYE Mar 2027 Forecast	YoY Change	YoY Change (%)	vs Previous forecast Change	vs Previous forecast Change (%)
Net sales	355,341	424,000	436,000	80,659	22.7	12,000	2.8
Capacitors	251,771	316,500	324,500	72,729	28.9	8,000	2.5
Inductors	64,319	71,500	74,500	10,181	15.8	3,000	4.2
Others	39,249	36,000	37,000	(2,249)	(5.7)	1,000	2.8

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Our sales forecasts for all product categories have been revised upward from the previous forecast. For both capacitors and inductors, we have raised our forecasts mainly for products used in IT infrastructure/industrial equipment and information equipment.
The forecast year-on-year sales growth rates are 29% for capacitors and 16% for inductors.

For inductors, shipments of new products for AI servers began ahead of schedule this fiscal year, and sales are gradually increasing. We expect further growth next fiscal year.

Forecast for Third Quarter of Fiscal Year Ending March 2027

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- TAIYO YUDEN expects sales of capacitors and inductors to increase for applications including IT infrastructure/Industrial equipment.
- Inventory* as of December 31, 2026 is expected to be around the same as the level as of September 30, 2026.

* Inventory changes are shown on the actual basis excluding exchange rates and the portion with no effect on operating profit.

(¥ in million)	2Q FYE Mar 2027 Actual	3Q FYE Mar 2027 Forecast of Change Rate
Net sales	112,136	±0%～+4%
Capacitors	83,314	+1%～+5%
Inductors	18,820	+1%～+5%
Others	10,002	(12)%～(8)%
Yen/USD average exchange rate	160.71 yen	156.00 yen

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The forecast for 3Q is for consolidated net sales to be flat to 4% higher than in 2Q.

We expect sales of capacitors and inductors to increase, mainly for IT infrastructure/industrial equipment.
On the other hand, sales of both aluminum electrolytic capacitors and communication devices in the others segment are expected to decrease.

Inventories at December 31 are expected to remain at roughly the same level as at September 30.

Lastly, I will explain the memorandum of understanding (MOU) on a business alliance with TDK Corporation.
As announced on September 29, TAIYO YUDEN and TDK Corporation entered into an MOU to begin exploring a comprehensive business alliance centered on the joint development of advanced electronic components, including cutting-edge MLCCs and inductors for AI data centers and physical AI, and encompassing cooperation in manufacturing and procurement.
Further details will be provided once they have been finalized.

Appendix

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Shareholder Return Policy

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- We will strive for responsible shareholder returns with a basic policy of 30% payout ratio and 3.5% DOE.
- We will maintain the forecast dividend per share (DPS) of ¥90 for the fiscal year ending March 31, 2027, with the payout ratio at 34.5% and DOE at 3.7%.

FYE Mar 2027
Dividend Per Share (Forecast)

90 yen

		FYE Mar 2022	FYE Mar 2023	FYE Mar 2024	FYE Mar 2025	FYE Mar 2026	FYE Mar 2027 Forecast
DPS	(yen)	80	90	90	90	90	90
Payout ratio	(%)	18.5	48.3	134.8	482.1	76.0	34.5
DOE	(%)	3.7	3.8	3.7	3.8	3.8	3.7
Repurchase of treasury stock	(¥ in billion)	5.0	0	0	0	0	-

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Summary of Consolidated Results for 1-2Q of Fiscal Year Ending March 2027

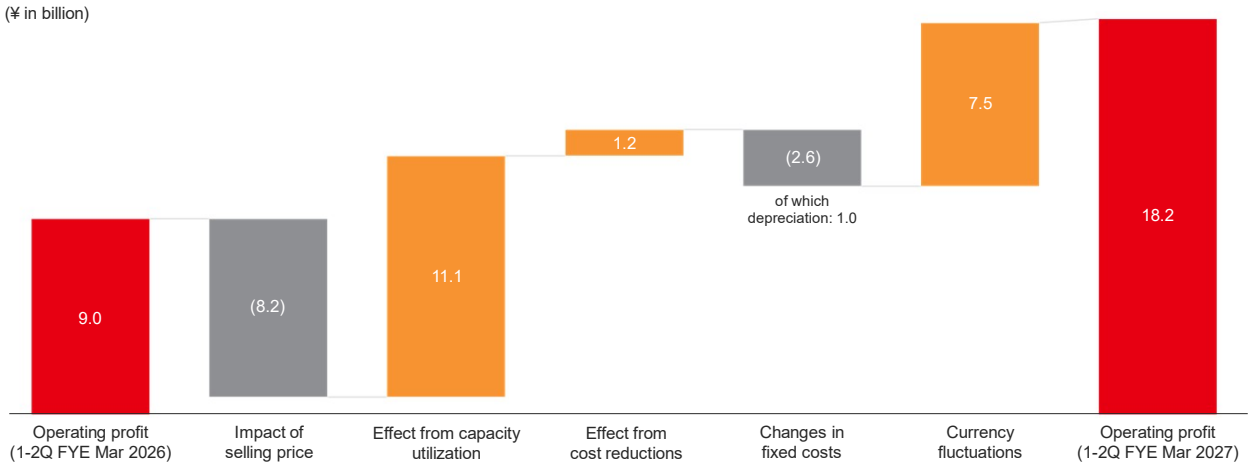
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(¥ in million)	FYE Mar 2026 1-2Q	FYE Mar 2027 1-2Q	YoY Change	YoY Change (%)
Net sales	177,624	206,034	28,410	16.0
Operating profit	9,024	18,196	9,172	101.6
Operating margin	5.1%	8.8%	3.7%pt	-
Ordinary profit	8,106	15,906	7,800	96.2
Profit attributable to owners of parent	5,540	8,135	2,595	46.8
Yen/USD average exchange rate	146.26 yen	159.76 yen	13.50 yen	-
R&D expenses	7,186	6,766	(419)	(5.8)%
Capital investment	19,598	13,417	(6,180)	(31.5)%
Depreciation expenses	23,487	23,986	499	2.1%

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Factors behind Operating Profit for 1-2Q of Fiscal Year Ending March 2027

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Financial Results by Product Classification for 1-2Q of Fiscal Year Ending March 2027

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(¥ in million)	FYE Mar 2026 1-2Q	FYE Mar 2027 1-2Q	YoY Change	YoY Change (%)
Net sales	177,624	206,034	28,410	16.0
Capacitors	126,106	152,336	26,230	20.8
Inductors	31,492	34,754	3,262	10.4
Others	20,024	18,943	(1,081)	(5.4)

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Condensed Statements of Operations

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(¥ in million)	FYE Mar 2022	FYE Mar 2023	FYE Mar 2024	FYE Mar 2025	FYE Mar 31, 2026
Net sales	349,636	319,504	322,647	341,438	355,341
(YoY)	16.2%	(8.6)%	1.0%	5.8%	4.1%
Capacitors	230,383	208,115	205,829	232,066	251,771
(YoY)	18.0%	(9.7)%	(1.1)%	12.7%	8.5%
Inductors	48,925	52,866	55,566	61,546	64,319
(YoY)	17.7%	8.1%	5.1%	10.8%	4.5%
Others	70,327	58,522	61,251	47,825	39,249
(YoY)	9.6%	(16.8)%	4.7%	(21.9)%	(17.9)%
Gross profit	124,981	87,419	65,456	71,570	81,928
Gross profit margin	35.7%	27.4%	20.3%	21.0%	23.1%
SG&A	56,763	55,438	56,376	61,110	61,932
SG&A ratio	16.2%	17.4%	17.5%	17.9%	17.4%
Operating profit	68,218	31,980	9,079	10,459	19,996
Operating margin	19.5%	10.0%	2.8%	3.1%	5.6%
(YoY)	67.3%	(53.1)%	(71.6)%	15.2%	91.2%
Ordinary profit	72,191	34,832	13,757	10,517	24,129
Profit attributable to owners of parent	54,361	23,216	8,317	2,328	14,806
Profit attributable to owners of parent margin	15.5%	7.3%	2.6%	0.7%	4.2%
(YoY)	90.0%	(57.3)%	(64.2)%	(72.0)%	535.9%
ROE	20.0%	7.5%	2.6%	0.7%	4.5%
ROA	16.4%	7.1%	2.5%	1.8%	4.1%
ROIC	15.7%	5.9%	1.9%	0.5%	3.0%
Yen/USD average exchange rate	111.56 yen	134.20 yen	143.32 yen	152.61 yen	149.99 yen

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Condensed Quarterly Statements of Operations

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	FYE Mar 2025				FYE Mar 2026				FYE Mar 2027	
(¥ in million)	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Net sales	81,138	86,718	86,868	86,713	84,810	92,813	88,515	89,201	93,897	112,136
(YoY)	11.7%	4.7%	0.6%	7.3%	4.5%	7.0%	1.9%	2.9%	10.7%	20.8%
(QoQ)	0.4%	6.9%	0.2%	(0.2)%	(2.2)%	9.4%	(4.6)%	0.8%	5.3%	19.4%
Capacitors	55,192	58,278	58,317	60,277	60,197	65,908	61,702	63,962	69,022	83,314
(YoY)	17.1%	12.2%	7.6%	14.7%	9.1%	13.1%	5.8%	6.1%	14.7%	26.4%
(QoQ)	5.0%	5.6%	0.1%	3.4%	(0.1)%	9.5%	(6.4)%	3.7%	7.9%	20.7%
Inductors	13,011	15,963	17,471	15,100	14,839	16,652	17,132	15,694	15,934	18,820
(YoY)	18.5%	1.4%	7.9%	19.4%	14.1%	4.3%	(1.9)%	3.9%	7.4%	13.0%
(QoQ)	2.9%	22.7%	9.5%	(13.6)%	(1.7)%	12.2%	2.9%	(8.4)%	1.5%	18.1%
Others	12,934	12,476	11,078	11,335	9,773	10,251	9,680	9,544	8,941	10,002
(YoY)	(10.8)%	(17.5)%	(30.8)%	(27.5)%	(24.4)%	(17.8)%	(12.6)%	(15.8)%	(8.5)%	(2.4)%
(QoQ)	(17.3)%	(3.5)%	(11.2)%	2.3%	(13.8)%	4.9%	(5.6)%	(1.4)%	(6.3)%	11.9%
Gross profit	17,482	19,884	16,342	17,861	18,184	21,472	22,955	19,317	21,395	30,948
Gross profit margin	21.5%	22.9%	18.8%	20.6%	21.4%	23.1%	25.9%	21.7%	22.8%	27.6%
SG&A	14,851	14,938	15,516	15,804	15,042	15,590	15,460	15,839	16,577	17,570
SG&A ratio	18.3%	17.2%	17.9%	18.2%	17.7%	16.8%	17.5%	17.8%	17.7%	15.7%
Operating profit	2,630	4,945	825	2,057	3,142	5,881	7,494	3,477	4,818	13,378
Operating margin	3.2%	5.7%	1.0%	2.4%	3.7%	6.3%	8.5%	3.9%	5.1%	11.9%
(YoY)	-	81.7%	(83.1)%	1.0%	19.4%	18.9%	807.6%	69.0%	53.3%	127.5%
(QoQ)	29.2%	88.0%	(83.3)%	149.1%	52.7%	87.2%	27.4%	(53.6)%	38.6%	177.7%
Ordinary profit	8,377	(1,617)	6,925	(3,167)	256	7,849	11,694	4,328	4,263	11,642
Profit attributable to owners of parent	6,309	(2,741)	4,598	(5,837)	(876)	6,416	7,086	2,179	2,504	5,631
Profit attributable to owners of parent margin	7.8%	(3.2)%	5.3%	(6.7)%	(1.0)%	6.9%	8.0%	2.4%	2.7%	5.0%
(YoY)	598.6%	-	-	-	-	-	54.1%	-	-	(12.2)%
(QoQ)	35.9%	-	-	-	-	-	10.4%	(69.2)%	14.9%	124.8%
Yen/USD average exchange rate	153.15 yen	154.14 yen	149.04 yen	154.11 yen	146.18 yen	146.33 yen	151.50 yen	155.95 yen	158.80 yen	160.71 yen

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Condensed Balance Sheets and Statements of Cash Flows

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(¥ in million)	Mar. 31, 2022	Mar. 31, 2023	Mar. 31, 2024	Mar. 31, 2025	Mar. 31, 2026	Sep. 30, 2026
Total assets	474,522	503,462	579,686	573,188	615,536	633,672
Cash and deposits	92,570	87,197	102,783	78,166	100,072	113,986
Notes and accounts receivable - trade	86,585	70,372	81,199	80,549	86,366	96,773
Inventories	96,781	104,815	102,336	110,027	125,836	127,698
Property, plant and equipment	184,936	220,590	273,556	286,837	289,967	277,925
Total liabilities	174,235	184,984	249,587	254,017	271,123	250,425
Notes and accounts payable - trade	32,828	23,012	29,745	27,157	26,477	26,230
Interest-bearing liabilities	72,985	98,936	148,845	164,401	171,213	135,218
Total net assets	300,286	318,478	330,098	319,171	344,412	383,247
Equity-to-asset ratio	63.1%	63.1%	56.8%	55.6%	56.0%	60.5%
Net cash	19,585	(11,738)	(46,062)	(86,235)	(71,140)	(21,231)
D/E ratio	0.24	0.31	0.45	0.52	0.50	0.35

(¥ in million)	FYE Mar 2022	FYE Mar 2023	FYE Mar 2024	FYE Mar 2025	FYE Mar 2026	FYE Mar 2027 1-2Q
Free cash flow	16,693	(20,977)	(31,689)	(29,586)	32,421	20,159
Cash flows from operating activities	67,315	39,460	51,104	33,941	58,117	31,989
Cash flows from investing activities	(50,622)	(60,438)	(82,793)	(63,527)	(25,695)	(11,829)
Cash flows from financing activities	(14,711)	14,485	37,647	3,048	(6,828)	(6,798)

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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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