

Earnings Release Conference

for Fiscal Year Ended March 31, 2026

TAIYO YUDEN CO., LTD.

Tomomitsu Fukuda

Director, Senior Executive Operating Officer

May 8, 2026

Net sales
FYE Mar 31, 2026

355.3 billion yen
(YoY +4%)

Sales of capacitors increased, driven primarily by demand for AI servers

- Capacitor revenue rose due to increased demand for AI servers and automobiles.
- Sales of inductors also grew for use in memory modules and other applications.

Operating profit
FYE Mar 31, 2026

20.0 billion yen
(YoY +91%)

Operating profit increased 91% YoY, driven by higher capacity utilization

- Higher sales volumes contributed to the improvement in capacity utilization.
- Price declines for the same products continued, but at a slower pace than in the prior fiscal year and initial outlook.

Earnings forecast
FYE Mar 31, 2027

Net sales

384.0 billion yen
(YoY +8%)

Operating profit

30.0 billion yen
(YoY +50%)

Revenue and profit growth driven by expanding demand for AI servers

- Net sales are expected to increase 8% YoY, and operating profit is planned to grow by 50% YoY.
- Demand growth continued for high value-added products used in AI servers and automobiles.

Summary of the Consolidated Results

for Fiscal Year Ended March 31, 2026

Summary of the Consolidated Results for Fiscal Year Ended March 31, 2026

TAIYO YUDEN

- Capacitor sales increased due to growth in demand for products used in AI servers and automobiles. Sales of inductors also increased, primarily for use in memory modules.
- The capacity utilization effect due to higher sales volume contributed to increase in profit. Price declines for the same products continued, but at a slower pace than in the prior fiscal year and initial outlook.
- The impact of currency fluctuations was decreases of ¥4.1 billion in net sales and ¥4.0 billion in operating profit. Cost increases due to appreciation of Asian currencies had a significant impact on operating profit.

(¥ in million)	FYE Mar 31, 2025 Full Year	FYE Mar 31, 2026 Full Year	YoY	
			Change	Change (%)
Net sales	341,438	355,341	13,903	4.1
Operating profit	10,459	19,996	9,536	91.2
Operating margin	3.1%	5.6%	2.5%pt	-
Ordinary profit	10,517	24,129	13,612	129.4
Profit attributable to owners of parent	2,328	14,806	12,477	535.9
Yen/USD average exchange rate	152.61 yen	149.99 yen	(2.62) yen	-
R&D expenses	15,042	14,474	(567)	(3.8)
Capital investment	64,158	40,416	(23,741)	(37.0)
Depreciation expenses	46,258	49,148	2,889	6.2

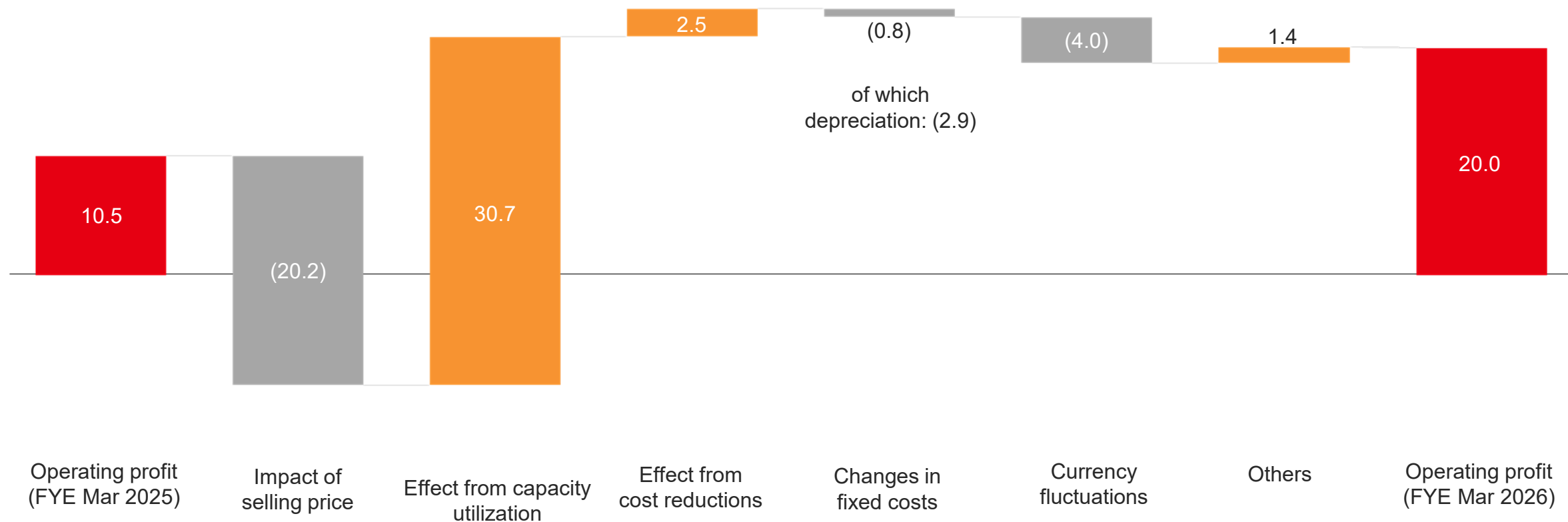
Factors behind Operating Profit for Fiscal Year Ended March 31, 2026

TAIYO YUDEN

- The capacity utilization effect due to higher sales volume contributed to increase in profit. Inventory* increased 4.5 billion yen.
- Price declines for the same products continued, but at a slower pace than in the prior fiscal year and initial outlook.

(¥ in billion)

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



Financial Results by Product Classification for Fiscal Year Ended March 31, 2026

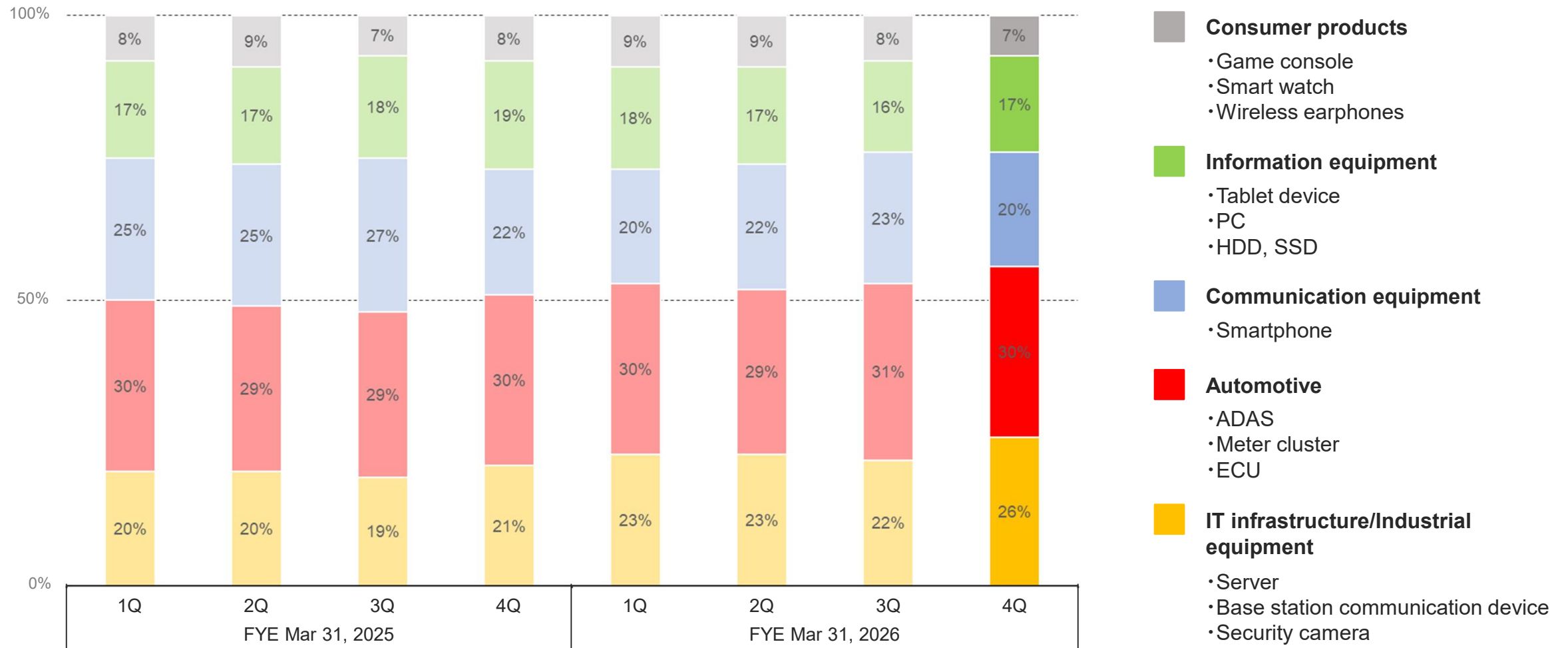
- Net sales of capacitors were up 9% YoY. Strong growth in demand continued for products used in AI servers, and there was also a steady increase in sales of products used in automobiles.
- Inductor sales were higher, up 5% YoY, as sales increased for use in memory modules and game consoles.
- In the integrated modules and devices classification, withdrawal and transfer of identified products was completed in the circuit module business. Net sales of communication devices declined owing to the impact of sluggish demand for use in Chinese smartphones. Structural reform was implemented.

(¥ in million)	FYE Mar 31, 2025 Full Year	FYE Mar 31, 2026 Full Year	YoY	
			Change	Change (%)
Net sales	341,438	355,341	13,903	4.1
Capacitors	232,066	251,771	19,705	8.5
Inductors	61,546	64,319	2,772	4.5
Integrated modules & devices	22,986	14,796	(8,190)	(35.6)
Others	24,838	24,453	(384)	(1.5)

Sales by Application

TAIYO YUDEN

- The combined composition of sales for use in IT infrastructure/industrial equipment and automotive, which TAIYO YUDEN is focusing on, increased to 56%.
- For IT infrastructure /industrial equipment, capacitors used in servers drove sales growth.
- For communication equipment, sales of inductors for use in smartphones decrease due to a seasonal decline in demand.

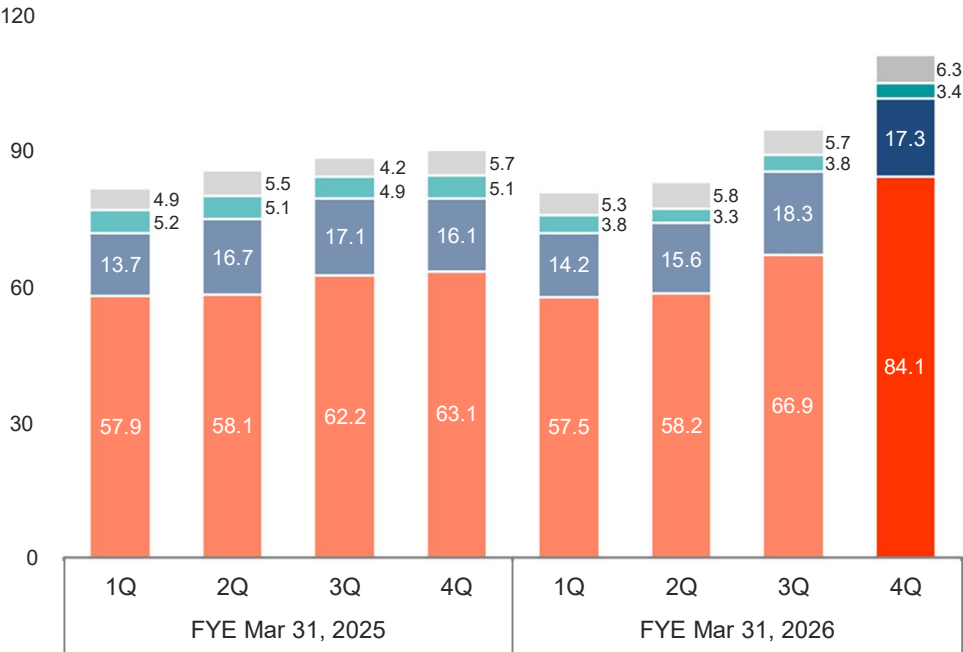


Orders Received and Order Backlog

- Orders received for capacitors in the 4Q were significantly higher than in the previous quarter, up 26%. Due to this, there was also a sharp increase in the order backlog.
- Orders for capacitors increased across a wide range of applications, including products used in IT infrastructure/industrial equipment, including AI servers, and products used in communication equipment, primarily smartphones.
- The book-to-bill (BB) ratio rose significantly to 1.25 for all TAIYO YUDEN products and 1.31 for capacitors. Strong demand continues.

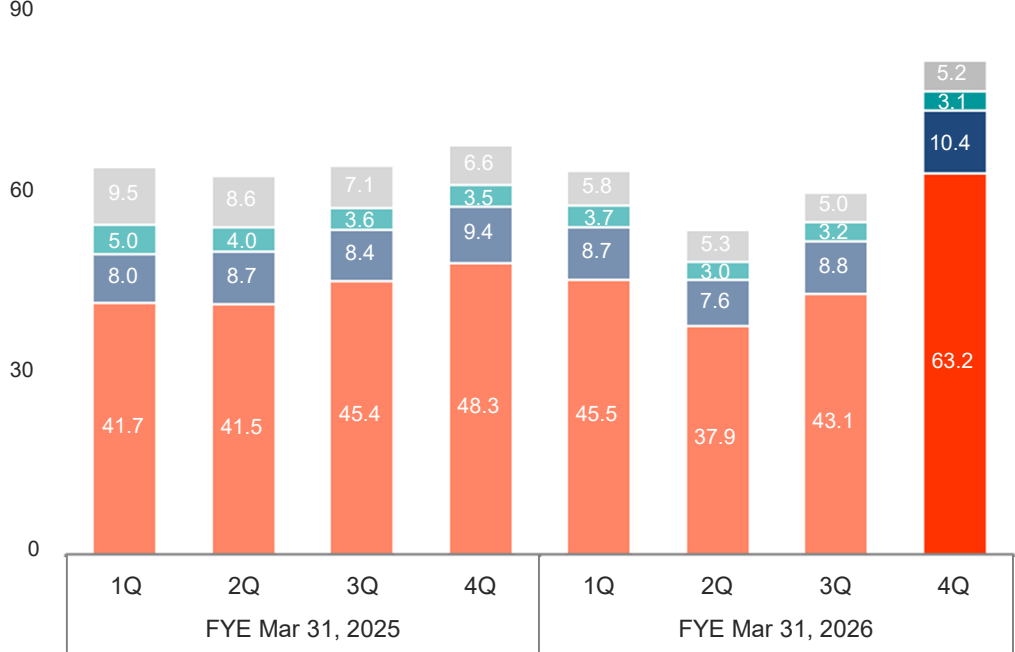
Orders Received

(¥ in billion)



Order Backlog

(¥ in billion)



BB ratio (Company wide)	1.01	0.98	1.02	1.04	0.95	0.89	1.07	1.25
BB ratio (Capacitors)	1.05	1.00	1.07	1.05	0.95	0.88	1.08	1.31

Capacitors Inductors Integrated modules & devices Others

Consolidated Earnings Forecast

for Fiscal Year Ending March 31, 2027

Demand

- Demand growth will continue for products used in AI servers because of the increasingly high capacity and greater number of multilayer ceramic capacitors used.
- Demand for electronic components in automobiles is expected to grow strongly because of the development of high-performance Advanced Driver Assistance Systems (ADAS) and xEVs.

Risks

- The soaring prices of resources due to the situation in the Middle East and rising raw material and component costs have been reflected in the earnings forecast.
- Although there are concerns about memory supply constraints and a decrease in demand due to price increases, the impact is expected to be limited in the high-end equipment segment, which is our main customer base. We consider that the impact on TAIYO YUDEN's earnings will be minimal and will keep a close watch on market trends.

Costs

- Expected increase in production-related costs compared to the previous fiscal year, driven by higher capacity.
- Communication device business-related costs will be reduced by the structural reforms implemented in the previous fiscal year.

Consolidated Earnings Forecast for Fiscal Year Ending March 31, 2027

TAIYO YUDEN

- Demand growth continued for high-value-added products used in AI servers and automobiles, and we project that sales and profit will grow.
- 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 31, 2026	FYE Mar 31, 2027	YoY	
	Actual	Forecast	Change	Change (%)
Net sales	355,341	384,000	28,659	8.1
Operating profit	19,996	30,000	10,004	50.0
Operating margin	5.6%	7.8%	2.2%pt	-
Ordinary profit	24,129	27,000	2,871	11.9
Profit attributable to owners of parent	14,806	18,000	3,194	21.6
Yen/USD average exchange rate	149.99 yen	150.00 yen	0.01 yen	-
R&D expenses	14,474	15,000	526	3.6
Capital investment	40,416	40,000	(416)	(1.0)
Depreciation expenses	49,148	48,000	(1,148)	(2.3)

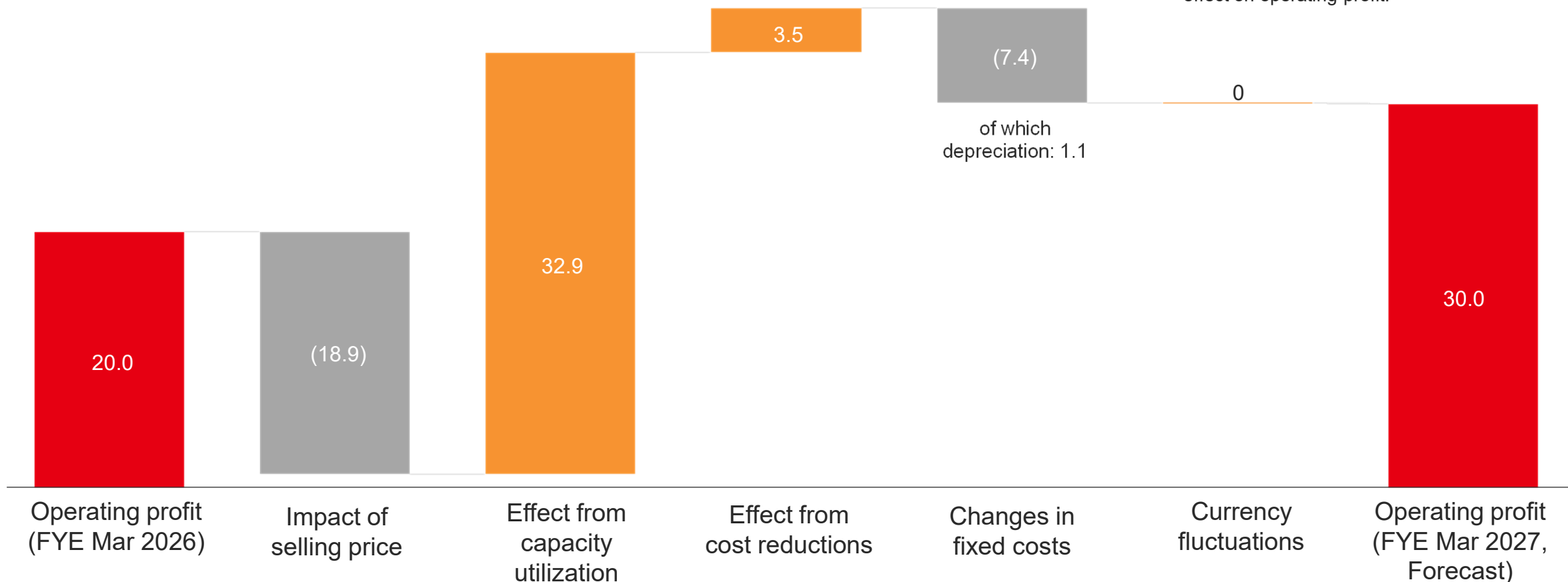
Forecast of Factors behind Operating Profit for Fiscal Year Ending March 2027

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- The capacity utilization effect because of higher sales volume and inventory will contribute significantly to increase in profit. We plan an ¥8.0 billion increase in inventory*.
- For some items affected by rising raw material prices, we have rolled out a pricing strategy that reflects the increases.

(¥ in billion)

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



Forecast by Product Classification for Fiscal Year Ending March 31, 2027

TAIYO YUDEN

- Capacitor sales are expected to increase by 12% YoY, primarily for products used in AI servers and automobiles, which TAIYO YUDEN is focusing on.
- Integrated modules & devices was combined into Others from FYE March 2027.
- In the Other product classification, sales of communication devices will decrease owing to the strategy of focusing on our core competencies in conjunction with structural reform, and we will aim to improve profitability.

(¥ in million)	FYE Mar 31, 2026 Actual	FYE Mar 31, 2027 Forecast	YoY	
			Change	Change (%)
Net sales	355,341	384,000	28,659	8.1
Capacitors	251,771	282,000	30,229	12.0
Inductors	64,319	65,000	681	1.1
Others	39,249	37,000	(2,249)	(5.7)

Forecast for Fiscal Year Ending March 31, 2027 1Q

TAIYO YUDEN

- For capacitors, an expansion in sales will continue mainly for use in IT infrastructure/Industrial equipment including servers.
- Sales of Others are expected to decrease owing to the strategy of focusing on our core competencies in conjunction with structural reform.
- An increase of ¥1.5 billion in inventories* is planned.

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

(¥ in million)	FYE Mar 31, 2026 4Q Actual	FYE Mar 31, 2027 1Q Forecast of Change Rate
Net sales	89,201	±0%—+4%
Capacitors	63,962	+3%—+7%
Inductors	15,694	(6)%—(2)%
Others	9,544	(12)%— (8)%
Yen/USD average exchange rate	155.95 yen	155.00 yen

Shareholder Return Policy

- 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 62.5% and DOE at 3.8%.

FYE Mar 31, 2027
Dividend Per Share (Forecast)

90 yen

		FYE Mar 31, 2022	FYE Mar 31, 2023	FYE Mar 31, 2024	FYE Mar 31, 2025	FYE Mar 31, 2026	FYE Mar 31, 2027 Forecast
DPS	(yen)	80	90	90	90	90	90
Payout ratio	(%)	18.5	48.3	134.8	482.1	76.0	62.5
DOE	(%)	3.7	3.8	3.7	3.8	3.8	3.8
Amount of treasury stock	(¥ in billion)	5.0	0	0	0	0	-

Appendix

Summary of the Consolidated Results for Fiscal Year Ended March 31, 2026 4Q

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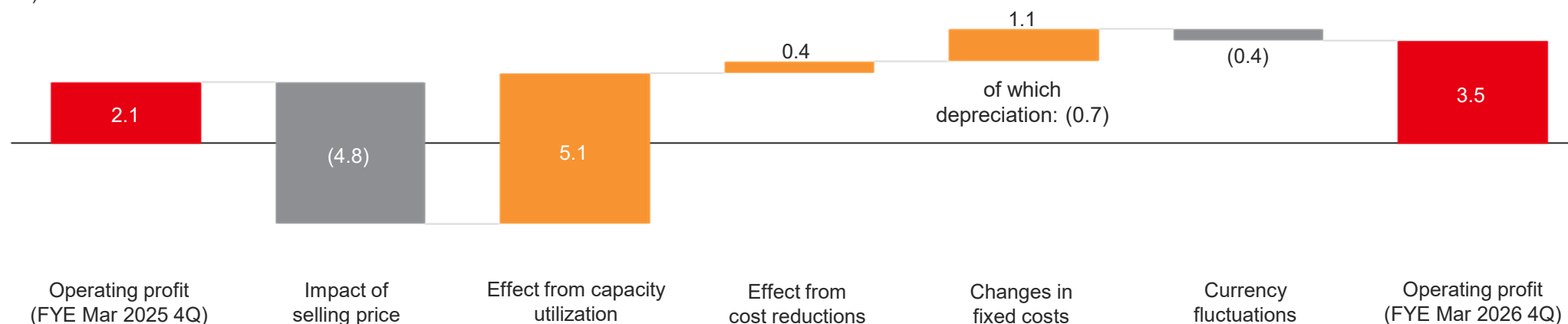
(¥ in million)	FYE Mar 31, 2025	FYE Mar 31, 2026	FYE Mar 31, 2026	YoY		QoQ	
	4Q	3Q	4Q	Change	Change (%)	Change	Change (%)
Net sales	86,713	88,515	89,201	2,488	2.9	686	0.8
Operating profit	2,057	7,494	3,477	1,419	69.0	(4,017)	(53.6)
Operating margin	2.4%	8.5%	3.9%	1.5%pt	-	(4.6)%pt	-
Ordinary profit	(3,167)	11,694	4,328	7,496	-	(7,365)	(63.0)
Profit attributable to owners of parent	(5,837)	7,086	2,179	8,017	-	(4,906)	(69.2)
Yen/USD average exchange rate	154.11 yen	151.50 yen	155.95 yen	1.84 yen	-	4.45 yen	-
R&D expenses	3,938	3,519	3,767	(170)	(4.3)	248	7.1%
Capital investment	17,747	12,095	8,722	(9,024)	(50.9)	(3,372)	(27.9)
Depreciation expenses	12,432	12,521	13,139	706	5.7	618	4.9

Factors behind Operating Profit for Fiscal Year Ended March 31, 2026 4Q

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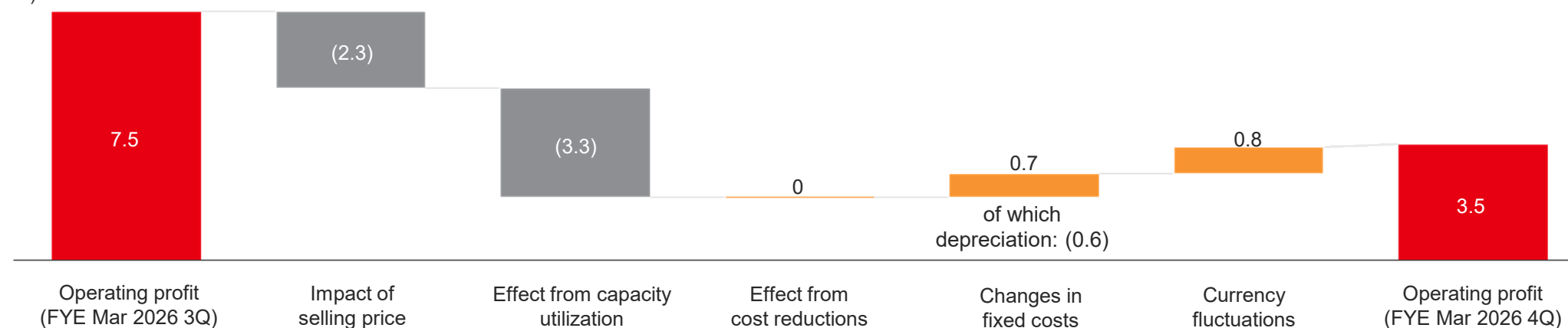
Year-on-Year

(¥ in billion)



Quarter-on-Quarter

(¥ in billion)



Financial Results by Product Classification for Fiscal Year Ended March 31, 2026 4Q

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(¥ in million)	FYE Mar 31, 2025	FYE Mar 31, 2026	FYE Mar 31, 2026	YoY		QoQ	
	4Q	3Q	4Q	Change	Change (%)	Change	Change (%)
Net sales	86,713	88,515	89,201	2,488	2.9	686	0.8
Capacitors	60,277	61,702	63,962	3,685	6.1	2,259	3.7
Inductors	15,100	17,132	15,694	594	3.9	(1,438)	(8.4)
Integrated modules & devices	5,137	3,635	3,520	(1,617)	(31.5)	(115)	(3.2)
Others	6,197	6,044	6,024	(173)	(2.8)	(19)	(0.3)

Condensed Statements of Operations

TAIYO YUDEN

(¥ in million)	FYE Mar 31, 2022	FYE Mar 31, 2023	FYE Mar 31, 2024	FYE Mar 31, 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

Condensed Quarterly Statements of Operations

TAIYO YUDEN

	FYE Mar 31, 2025				FYE Mar 31, 2026			
(¥ in million)	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Net sales	81,138	86,718	86,868	86,713	84,810	92,813	88,515	89,201
(YoY)	11.7%	4.7%	0.6%	7.3%	4.5%	7.0%	1.9%	2.9%
(QoQ)	0.4%	6.9%	0.2%	(0.2)%	(2.2)%	9.4%	(4.6)%	0.8%
Capacitors	55,192	58,278	58,317	60,277	60,197	65,908	61,702	63,962
(YoY)	17.1%	12.2%	7.6%	14.7%	9.1%	13.1%	5.8%	6.1%
(QoQ)	5.0%	5.6%	0.1%	3.4%	(0.1)%	9.5%	(6.4)%	3.7%
Inductors	13,011	15,963	17,471	15,100	14,839	16,652	17,132	15,694
(YoY)	18.5%	1.4%	7.9%	19.4%	14.1%	4.3%	(1.9)%	3.9%
(QoQ)	2.9%	22.7%	9.5%	(13.6)%	(1.7)%	12.2%	2.9%	(8.4)%
Others	12,934	12,476	11,078	11,335	9,773	10,251	9,680	9,544
(YoY)	(10.8)%	(17.5)%	(30.8)%	(27.5)%	(24.4)%	(17.8)%	(12.6)%	(15.8)%
(QoQ)	(17.3)%	(3.5)%	(11.2)%	2.3%	(13.8)%	4.9%	(5.6)%	(1.4)%
Gross profit	17,482	19,884	16,342	17,861	18,184	21,472	22,955	19,317
Gross profit margin	21.5%	22.9%	18.8%	20.6%	21.4%	23.1%	25.9%	21.7%
SG&A	14,851	14,938	15,516	15,804	15,042	15,590	15,460	15,839
SG&A ratio	18.3%	17.2%	17.9%	18.2%	17.7%	16.8%	17.5%	17.8%
Operating profit	2,630	4,945	825	2,057	3,142	5,881	7,494	3,477
Operating margin	3.2%	5.7%	1.0%	2.4%	3.7%	6.3%	8.5%	3.9%
(YoY)	-	81.7%	(83.1)%	1.0%	19.4%	18.9%	807.6%	69.0%
(QoQ)	29.2%	88.0%	(83.3)%	149.1%	52.7%	87.2%	27.4%	(53.6)%
Ordinary profit	8,377	(1,617)	6,925	(3,167)	256	7,849	11,694	4,328
Profit attributable to owners of parent	6,309	(2,741)	4,598	(5,837)	(876)	6,416	7,086	2,179
Profit attributable to owners of parent margin	7.8%	(3.2)%	5.3%	(6.7)%	(1.0)%	6.9%	8.0%	2.4%
(YoY)	598.6%	-	-	-	-	-	54.1%	-
(QoQ)	35.9%	-	-	-	-	-	10.4%	(69.2)%
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

Condensed Balance Sheets and Statements of Cash Flows

TAIYO YUDEN

(¥ in million)	FYE Mar 31, 2022	FYE Mar 31, 2023	FYE Mar 31, 2024	FYE Mar 31, 2025	FYE Mar 31, 2026
Total assets	474,522	503,462	579,686	573,188	615,536
Cash and deposits	92,570	87,197	102,783	78,166	100,072
Notes and accounts receivable - trade	86,585	70,372	81,199	80,549	86,366
Inventories	96,781	104,815	102,336	110,027	125,836
Property, plant and equipment	184,936	220,590	273,556	286,837	289,967
Total liabilities	174,235	184,984	249,587	254,017	271,123
Notes and accounts payable - trade	32,828	23,012	29,745	27,157	26,477
Interest-bearing liabilities	72,985	98,936	148,845	164,401	171,213
Total net assets	300,286	318,478	330,098	319,171	344,412
Free cash flow	16,693	(20,977)	(31,689)	(29,586)	32,421
Cash flows from operating activities	67,315	39,460	51,104	33,941	58,117
Cash flows from investing activities	(50,622)	(60,438)	(82,793)	(63,527)	(25,695)
Cash flows from financing activities	(14,711)	14,485	37,647	3,048	(6,828)
Equity-to-asset ratio	63.1%	63.1%	56.8%	55.6%	56.0%
Net cash	19,585	(11,738)	(46,062)	(86,235)	(71,140)
D/E ratio	0.24	0.31	0.45	0.52	0.50

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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