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(Securities Code: 6976)

June 3, 2026

(Electronic provision measures start date: May 28, 2026)

To Those Shareholders with Voting Rights:

Katsuya Sase
Representative Director, President and
Chief Executive Officer
TAIYO YUDEN CO., LTD.
2-7-19, Kyobashi, Chuo-Ku, Tokyo, Japan

NOTICE OF CONVOCATION OF THE 85TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are cordially notified of the 85th Ordinary General Meeting of Shareholders of TAIYO YUDEN CO., LTD. (the “Company”).

If you are unable to attend the meeting, you may exercise your voting rights via the Internet or in writing (by mail). Please review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights so that your vote will arrive by **5:00 p.m., June 25, 2026 (Thursday)**.

Date and Time: 2:00 p.m., June 26, 2026 (Friday) (Reception desk opens at 1:30 p.m.)

Place: JP Tower Hall & Conference (KITTE 4th Floor) Hall, 2-7-2 Marunouchi, Chiyoda-ku, Tokyo, Japan

Agenda of the Meeting

Matters to be reported

Details of the Business Report, the Consolidated Financial Statements and the Non-Consolidated Financial Statements for the 85th Fiscal Term (from April 1, 2025 to March 31, 2026), and results of the audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Committee

Matters to be resolved

Proposal No. 1: Dividends of Surplus

Proposal No. 2: Election of Six (6) Directors (Excluding Directors who are Audit & Supervisory Committee Members)

Proposal No. 3: Election of Three (3) Directors who are Audit & Supervisory Committee Members

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal No. 1: Dividends of Surplus

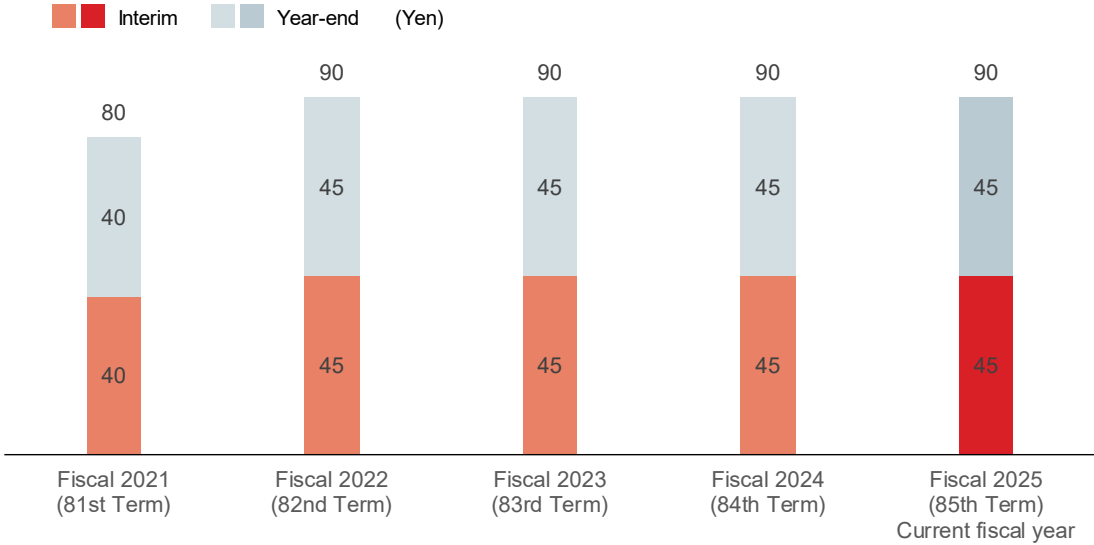
The Company has set “Responsibility to provide returns to shareholders” as part of its management philosophy and believes that dividends come first in returning profits to shareholders. The Company seeks to increase corporate value driven by both economic value and social value and has adopted a basic policy of working to steadily increase dividends by increasing profit per share. In addition, the Company aims to achieve a dividend payout ratio of 30% and a dividend on equity (DOE) ratio of 3.5%. The Company will return profits through dividends, based on a comprehensive consideration of these indicators, business performance, and maintenance of a sound financial position.

It is proposed that the year-end dividend for the fiscal year under review be ¥45 per share based on this policy. As a result, the annual dividend including the interim dividend will be ¥90, with a dividend payout ratio of 76.0% and a dividend on equity (DOE) ratio of 3.8%.

Year-end dividend

- 1. Type of dividend property:
Cash
- 2. Matters regarding the allocation of dividend property to shareholders and its total amount:
¥45 per share (common stock of the Company)
Total amount: ¥5,627,275,830
- 3. Effective date for dividends of surplus:
June 29, 2026

[Reference] Dividend per share



Proposal No. 2: Election of Six (6) Directors (Excluding Directors who are Audit & Supervisory Committee Members)

The terms of office of all of the six (6) Directors (excluding Directors who are Audit & Supervisory Committee Members; the same applies hereinafter in this proposal) will expire at the conclusion of this General Meeting of Shareholders. Therefore, the Company hereby requests that six (6) Directors be elected.

The content of this proposal had been deliberated at the voluntary Nomination Committee chaired by an Independent Outside Director. Based on the Committee's opinions, this proposal has been made.

In addition, although this proposal was reviewed by the Audit & Supervisory Committee, no opinion that should be expressed was given.

The candidates for Director are as follows:

Candidate No.	Name		Positions and responsibilities at the Company	Attendance at meetings of the Board of Directors	Term of office
1	Katsuya Sase	Reappointment Male	Representative Director, President and Chief Executive Officer	100% (15/15 times)	10 years
2	Tomomitsu Fukuda	Reappointment Male	Director, Senior Executive Operating Officer, In charge of Management Planning Headquarters	100% (15/15 times)	5 years
3	Toshiyuki Watanabe	Reappointment Male	Director, Executive Operating Officer, In charge of Sales Headquarters	100% (15/15 times)	2 years
4	Masashi Hiraiwa	Reappointment Outside Independent Male	Outside Director	100% (15/15 times)	10 years
5	Seiichi Koike	Reappointment Outside Independent Male	Outside Director	100% (15/15 times)	8 years
6	Emiko Hamada	Reappointment Outside Independent Female	Outside Director	100% (15/15 times)	7 years

Notes: 1. Positions and responsibilities at the Company are as of the date of this Meeting.

2. Terms of office shown are as of the conclusion of this Meeting.

1 Katsuya Sase

(Date of birth: January 12, 1964)

Attendance at meetings of the Board of Directors	Term of office	Number of Company shares held
100%	10 years	55,806 shares



Career summary, positions and responsibilities at the Company

April 1986	Joined the Company
June 2013	Operating Officer of the Company
April 2015	Senior Operating Officer of the Company
April 2016	Executive Operating Officer of the Company
June 2016	Director and Executive Operating Officer of the Company
June 2018	Director and Senior Executive Operating Officer of the Company
June 2023	Representative Director, President and Chief Executive Officer of the Company (to the present)

Reappointment

Reasons for appointment of candidate for Director

Mr. Katsuya Sase has abundant experience and a good track record through engaging, since joining the Company, in operations in various areas such as the engineering and business divisions and leading the capacitors business, which is the Company's principal business. He has been in charge of the execution of business as Representative Director, President and Chief Executive Officer of the Company since 2023 and is responsible for general management towards the sustainable growth and medium- to long-term enhancement of corporate value of the Group. For these reasons, Mr. Sase was reappointed as a candidate for Director, expected to properly execute such duties as the making of important managerial decisions and supervision of business execution as Director.

2 Tomomitsu Fukuda

(Date of birth: November 26, 1964)

Attendance at meetings of the Board of Directors	Term of office	Number of Company shares held
100%	5 years	32,908 shares



Career summary, positions and responsibilities at the Company

April 1990	Joined the Company
June 2013	Operating Officer of the Company
April 2016	Senior Operating Officer of the Company
June 2021	Director and Senior Operating Officer of the Company
June 2022	Director and Executive Operating Officer of the Company
June 2025	Director and Senior Executive Operating Officer, in charge of Management Planning Headquarters of the Company Chief of Management Planning Headquarters of the Company (to the present)

Reappointment

Reasons for appointment of candidate for Director

Mr. Tomomitsu Fukuda has abundant experience and a good track record through engaging, since joining the Company, in various areas such as corporate management and planning where he led several M&A projects and serving as the head of a regional headquarter subsidiary in Greater China Area. He presently oversees the management planning division, as Director, Senior Executive Operating Officer and is working on the enhancement of corporate value by developing the Group's management strategies, promoting risk management, and strengthening governance. For these reasons, Mr. Fukuda was reappointed as a candidate for Director, expected to properly execute such duties as the making of important managerial decisions and supervision of business execution as Director.

3 Toshiyuki Watanabe

(Date of birth: April 25, 1962)

Attendance at meetings of the Board of Directors	Term of office	Number of Company shares held
100%	2 years	24,671 shares



Career summary, positions and responsibilities at the Company

April 1985	Joined the Company
April 2007	President of TAIYO YUDEN (SINGAPORE) PTE. LTD.
April 2013	General Manager of the Management Department, Integrated Module & Device Business Headquarters of the Company
April 2016	Operating Officer of the Company
January 2019	President of KOREA TAIYO YUDEN CO., LTD.
June 2021	Senior Operating Officer of the Company
June 2024	Director and Senior Operating Officer of the Company
June 2025	Director and Executive Operating Officer, in charge of Sales Headquarters of the Company Chief of Sales Headquarters of the Company (to the present)

Reappointment

Reasons for appointment of candidate for Director

Since joining the Company, Mr. Toshiyuki Watanabe has served at the Sales Department and has a wealth of experience and a good track record such as from his position in charge of overseas sales offices. He is currently in charge of the Sales Department as a Director, Executive Operating Officer, and has been tasked with the formulation of the Group's sales strategies as well as working on the enhancement of the marketing and sales promotion functions. For these reasons, Mr. Watanabe was reappointed as a candidate for Director, expected to properly execute such duties as the making of important managerial decisions and supervision of business execution as Director.

4 Masashi Hiraiwa

(Date of birth: December 4, 1952)

Attendance at meetings of the Board of Directors	Term of office	Number of officer positions concurrently held at listed companies	Number of Company shares held
100%	10 years	0	0 shares



Career summary, positions and responsibilities at the Company

April 1981	Registered as attorney (to the present)
April 1981	Joined OHHARA LAW OFFICE (to the present)
August 2005	Supervisor of LCP, Inc. (retired in March 2013)
October 2012	Supervisor of Japan Logistics Fund, Inc. (retired in May 2015)
June 2016	Outside Director of the Company (to the present)
April 2024	Director of SAZABY LEAGUE, Ltd. (retired in March 2026)

Significant concurrent positions

Attorney of OHHARA LAW OFFICE

Reappointment

Outside

Independent

Reasons for appointment of candidate for Outside Director and expected roles

Mr. Masashi Hiraiwa has served as an officer or in a similar position at investment corporations, possesses abundant experience and high-level expertise as an attorney specializing in corporate legal affairs, and provides proposals for the execution of business as well as managerial supervision based on his experience as Director at other companies. He has demonstrated a high sense of ethics by offering constructive opinions and organizing points of discussion or debate from an objective perspective, and fulfilling the monitoring function over the Company's overall management such as governance and legal compliance including internal control, at meetings of the Company's Board of Directors. For these reasons, it was judged that he would be able to fulfill his duties as Outside Director who supervises business execution. Therefore, he was reappointed as a candidate for Outside Director.

Independence of the candidate

The Company has designated Mr. Masashi Hiraiwa as an independent officer as prescribed by the Tokyo Stock Exchange. If his appointment is approved, we plan to continue his designation as an independent officer.

5 **Seiichi Koike**
(Date of birth: January 3, 1956)

Attendance at meetings of the Board of Directors	Term of office	Number of officer positions concurrently held at listed companies	Number of Company shares held
100%	8 years	0	0 shares



Reappointment
Outside
Independent

Career summary, positions and responsibilities at the Company

April 1980	Joined Toyo Kogyo Co., Ltd. (Currently Mazda Motor Corporation)
March 1982	Joined Honda R&D Co., Ltd.
April 2004	General Manager of Automobile R&D Center Brazil of Honda R&D Co., Ltd.
April 2008	Executive Officer and General Manager of Development Engineering Headquarters of Honda Foundry Co., Ltd.
June 2011	Director of Honda Foundry Co., Ltd. (retired in June 2013)
June 2012	Director of Metts Corporation (retired in June 2013)
June 2013	Audit & Supervisory Board Member of Metts Corporation (retired in June 2016)
June 2013	Audit & Supervisory Board Member of Honda Foundry Co., Ltd. (retired in June 2017)
June 2018	Outside Director of the Company (to the present)
April 2019	Outside Audit & Supervisory Board Member of Pixie Dust Technologies, Inc. (to the present)

Significant concurrent positions

There is no significant concurrent position.

Reasons for appointment of candidate for Outside Director and expected roles

Mr. Seiichi Koike has engaged in material development for automotive components and research and development related to production technology at an automotive maker over many years, and possesses wide-ranging expertise in relation to the automotive electronics business. In addition, he provides valuable advice and suggestions regarding overall management, such as his wide-ranging expertise from an investor's perspective to be reflected in the management of the Company, utilizing his abundant experience, including corporate management in the automotive components industry and strengthening governance systems as an Audit & Supervisory Board Member. For these reasons, it was judged that he would be able to fulfill his duties as Outside Director who supervises business execution. Therefore, he was reappointed as a candidate for Outside Director.

Independence of the candidate

The Company has designated Mr. Seiichi Koike as an independent officer as prescribed by the Tokyo Stock Exchange. If his appointment is approved, we plan to continue his designation as an independent officer.

6 Emiko Hamada
(Date of birth: November 23, 1958)

Attendance at meetings of the Board of Directors	Term of office	Number of officer positions concurrently held at listed companies	Number of Company shares held
100%	7 years	1	1,000 shares



Reappointment
Outside
Independent

Career summary, positions and responsibilities at the Company

April 1984	Joined the Company
December 2001	General Manager of R Technology Department, Overall Technology & Quality Assurance Management, Technology Group of the Company
September 2003	Chief Researcher of Basic Research and Development Department, Research Institute, Technology Group of the Company
April 2007	Left the Company
November 2008	Associate Professor of Center for Social Contribution and Collaboration of Nagoya Institute of Technology
April 2011	Professor (Techno-Business Administration) of Graduate School at Center for Social Contribution and Collaboration of Nagoya Institute of Technology
April 2012	Professor of Center for Research on Assistive Technology for Building a New Community of Nagoya Institute of Technology
May 2015	Third Sector Program Officer of Adaptable and Seamless Technology transfer Program through target-driven R&D of Japan Science and Technology Agency
August 2016	Visiting Professor of Nagoya University
June 2017	Outside Director of NGK INSULATORS, LTD. (Currently NGK Corporation) (to the present)
June 2019	Outside Director of the Company (to the present)
September 2024	Trustee, Nagoya City University (to the present)

Significant concurrent positions

Outside Director of NGK Corporation

Reasons for appointment of candidate for Outside Director and expected roles

While Ms. Emiko Hamada was employed by the Company, she engaged in the development and commercialization of CD-R and DVD-R. After she left the Company, she conducted research activities for many years as a university professor mainly focusing on industry-academia-government collaboration projects. In addition, she provides suggestions of business execution and management supervision from her experience as an Outside Director at another company. For these reasons, it was judged that she would be able to fulfill her duties as Outside Director who supervises business execution. Therefore, she was reappointed as a candidate for Outside Director.

Although Ms. Hamada has not been involved in corporate management in ways other than being an outside officer, it was judged for the above-mentioned reasons that she would be able to appropriately execute the duties of Outside Director.

Independence of the candidate

The Company has designated Ms. Emiko Hamada as an independent officer as prescribed by the Tokyo Stock Exchange. If her appointment is approved, we plan to continue her designation as an independent officer. Although Ms. Hamada worked for the Company from April 1984 to April 2007 as a business operator, there has been no transaction to be noted between Ms. Hamada and the Company, and no special interests currently exist between her and the Company.

Notes: 1. No special interests exist between the Company and each candidate.

2. Mr. Masashi Hiraiwa, Mr. Seiichi Koike, and Ms. Emiko Hamada are candidates for Outside Director as stipulated in Article 2, paragraph (3), item (vii) of the Regulation for Enforcement of the Companies Act.

3. Mr. Masashi Hiraiwa and Mr. Seiichi Koike do not fall under any of the following facts:

1) the candidate was a business operator of the Company or any of its subsidiaries in the past; 2) the candidate is currently or was in the past ten (10) years a business operator or an officer of a business concern that has specific relations with the Company; 3) the candidate is going to receive or has received in the past two (2) years a considerable amount of cash and/or other assets from the Company or such business concern; or 4) the candidate is a spouse, a relative within the third (3rd) degree of kinship of a business operator or an officer of the Company or such business concern, or any other equivalent person.

4. Ms. Emiko Hamada does not fall under any of the following facts:

1) the candidate is currently or was in the past ten (10) years a business operator or an officer of a business concern that has specific relations with the Company; 2) the candidate is going to receive or has received in the past two (2)

years a considerable amount of cash and/or other assets from the Company or such business concern; or 3) the candidate is a spouse, a relative within the third (3rd) degree of kinship of a business operator or an officer of the Company or such business concern, or any other equivalent person.

5. While there are business transactions between NGK Corporation, for which Ms. Emiko Hamada serves as an Outside Director and the Company Group relating to the purchase of ceramic products, etc., as the size of these transactions is less than 0.1% of the Company's consolidated net sales, they are not considered significant enough to have an impact on her independence as an Outside Director.
6. Ms. Emiko Hamada's legal name registered in the family register is Emiko Kato.
7. In accordance with Article 427, paragraph (1) of the Companies Act, an agreement to limit any liability for damages prescribed in the provision of Article 423, paragraph (1) of the said Act is in force between the Company and each Outside Director, and the limit on liability for damages under the said agreement is set at the minimum liability amount provided in Article 425, paragraph (1) of the Companies Act. If the reappointment of Mr. Masashi Hiraiwa, Mr. Seiichi Koike, and Ms. Emiko Hamada is approved, the Company plans to continue the said agreement.
8. The Company has entered into an officers' liability insurance contract prescribed in Article 430-3, paragraph (1) of the Companies Act with an insurance company. The insurance contract is to reimburse any costs, such as compensation for damage and litigation costs, incurred by the insured persons in relation to a claim for damages brought against them based on an act (including nonfeasance) engaged by them while acting in the capacity of an officer of the Company, and the Company bears the full amount of insurance expenses on behalf of the insured persons. Each candidate will be included among the insured persons under this insurance contract. The Company plans to renew the insurance contract under the same terms and conditions that are currently in force.

Proposal No. 3: Election of Three (3) Directors who are Audit & Supervisory Committee Members

The terms of office of all three Directors who are Audit & Supervisory Committee Members will expire upon the conclusion of this General Meeting of Shareholders. Accordingly, we request the election of three Directors who are Audit & Supervisory Committee Members.

The content of this proposal had been deliberated at the voluntary Nomination Committee chaired by an Independent Outside Director. Based on the Committee's opinions, this proposal has been made. This proposal has also been consented by the Audit & Supervisory Committee.

The candidates for Directors who are Audit & Supervisory Committee Members are as follows:

Candidate No.	Name		Positions and responsibilities at the Company	Attendance at meetings of the Board of Directors	Attendance at meetings of the Audit & Supervisory Committee	Term of office
1	Iwao Fujikawa	New appointment Male	Senior Operating Officer, in charge of Internal Audit Office	—	—	—
2	Tomomi Fujita	Reappointment Outside Independent Female	Outside Director, Audit & Supervisory Committee Member	100% (15/15 times)	100% (20/20 times)	7 years
3	Tomoko Tsunoda	Reappointment Outside Independent Female	Outside Director, Audit & Supervisory Committee Member	100% (15/15 times)	100% (20/20 times)	2 years

Notes: 1. Positions and responsibilities above are as of the date of this Meeting.

2. Terms of office shown are as of the conclusion of this Meeting.

3. Ms. Tomomi Fujita's tenure as Outside Director will be two years upon the conclusion of this Meeting, and her cumulative tenure including her time as Outside Audit & Supervisory Board Member will be seven years.

1 Iwao Fujikawa

(Date of birth: April 12, 1964)

Attendance at meetings of the Board of Directors	Term of office	Number of Company shares held
—	—	10,922 shares



Career summary, positions and responsibilities at the Company

April 1988	Joined the Company
April 2004	General Manager of Intellectual Property Department, Research Institute, Technology Group of the Company
April 2018	General Manager of Human Resources Department, Management Planning Headquarters of the Company
July 2019	Operating Officer of the Company
June 2025	Senior Operating Officer of the Company
April 2026	Senior Operating Officer, in charge of Internal Audit Office of the Company (to the present)

New appointment

Reasons for appointment of candidate for Director who is an Audit & Supervisory Committee Member

Since joining the Company, Mr. Iwao Fujikawa has long been affiliated with the Intellectual Property Department, engaging in the protection and utilization of technological assets, and has also served as the head of the Human Resources Department, General Affairs Department, the Legal Department, and the Internal Audit Office, promoting stronger compliance and risk management, and has abundant experience and a good track record. For these reasons, it was judged that he would be able to play an appropriate role in providing suggestions for the execution of business and strengthening the management oversight function. Therefore, he was newly appointed as a candidate for Director who is an Audit & Supervisory Committee Member.

Tomomi Fujita

(Date of birth: November 4, 1980)

2

Attendance at meetings of the Board of Directors	Term of office	Number of officer positions concurrently held at listed companies	Number of Company shares held
100%	7 years (Cumulative tenure including time as Outside Audit & Supervisory Board Member)	1	0 shares



Reappointment
Outside
Independent

Career summary, positions and responsibilities at the Company

October 2004	Registered as attorney (to the present)
October 2004	Associate of Kitahama Partners
January 2012	Partner of Kitahama Partners (left the firm in March 2016)
April 2016	Partner of Innoventier (to the present)
June 2019	Outside Audit & Supervisory Board Member of the Company
June 2019	Outside Director (Audit & Supervisory Committee Member) of TAKUMA CO., LTD. (to the present)
February 2020	Vice President of Licensing Executives Society Japan
April 2022	Visiting Professor of KYOTO UNIVERSITY LAW SCHOOL
June 2023	Registered as an attorney in the State of California, United States of America (to the present)
April 2024	Outside Audit & Supervisory Board Member of STYLEM TAKISADA-OSAKA CO., LTD. (to the present)
June 2024	Outside Director and Audit & Supervisory Committee Member of the Company (to the present)
February 2026	President-Elect of Licensing Executives Society Japan (to the present)

Significant concurrent positions

Partner of Innoventier
Outside Director (Audit & Supervisory Committee Member) of TAKUMA CO., LTD.
President-Elect of Licensing Executives Society Japan

Reasons for appointment of candidate for Outside Director who is an Audit & Supervisory Committee Member and expected roles

Ms. Tomomi Fujita has abundant experience as an attorney and thorough knowledge of legal affairs in general and corporate legal affairs in particular, contributes to ensuring the appropriateness of the decisions of the Board of Directors based on her strong expertise and insight as a Director who is an Audit & Supervisory Committee Member of the Company, and makes use of her legal knowledge and experience to audit the execution of business in general. For these reasons, it was judged that she would be able to play an appropriate role in providing suggestions for the execution of business and strengthening the management oversight function from a neutral and objective position based on her expertise. Therefore, she was reappointed as a candidate for Outside Director who is an Audit & Supervisory Committee Member.

Although Ms. Fujita has not been involved in corporate management in ways other than being an outside officer, it was judged for the above-mentioned reasons that she would be able to appropriately execute the duties of Outside Director who is an Audit & Supervisory Committee Member.

Independence of the candidate

The Company has designated Ms. Tomomi Fujita as an independent officer as prescribed by the Tokyo Stock Exchange. If her appointment is approved, we plan to continue her designation as an independent officer.

3 Tomoko Tsunoda

(Date of birth: April 9, 1971)

Attendance at meetings of the Board of Directors	Term of office	Number of officer positions concurrently held at listed companies	Number of Company shares held
100%	2 years	1	0 shares



Reappointment
Outside
Independent

Career summary, positions and responsibilities at the Company

October 2001	Joined Tohmatsu & Co. (Currently Deloitte Touche Tohmatsu LLC)
October 2006	Established a personal accounting office
December 2007	Registered as a certified public accountant (to the present)
October 2008	Joined the Advisory Business Division of Deloitte Touche Tohmatsu LLC (Currently Deloitte Tohmatsu LLC) (left the firm in January 2014)
February 2014	Established Tomoko Tsunoda Certified Public Accountant Office; Representative (to the present)
June 2018	Outside Director of Housecom Corporation (retired in March 2025)
August 2018	Representative Director of Lumiere Ltd. (to the present)
June 2021	Outside Audit & Supervisory Board Member of KATITAS Co., Ltd. (to the present)
June 2024	Outside Director and Audit & Supervisory Committee Member of the Company (to the present)

Significant concurrent positions

Representative of Tomoko Tsunoda Certified Public Accountant Office
Representative Director of Lumiere Ltd.
Outside Audit & Supervisory Board Member of KATITAS Co., Ltd.

Reasons for appointment of candidate for Outside Director who is an Audit & Supervisory Committee Member and expected roles

As a certified public accountant, Ms. Tomoko Tsunoda has abundant experience and expertise in corporate accounting, as well as knowledge as a manager and experience as an Outside Director and Outside Audit & Supervisory Board Member at other companies. For these reasons, it was judged that she would be able to play an appropriate role in providing suggestions for the execution of business and strengthening the management oversight function from a neutral and objective position based on her expertise. Therefore, she was reappointed as a candidate for Outside Director who is an Audit & Supervisory Committee Member.

Independence of the candidate

The Company has designated Ms. Tomoko Tsunoda as an independent officer as prescribed by the Tokyo Stock Exchange. If her appointment is approved, we plan to continue her designation as an independent officer.

Notes: 1. No special interests exist between the Company and each candidate.

- Ms. Tomomi Fujita and Ms. Tomoko Tsunoda are candidates for Outside Directors as stipulated in Article 2, paragraph (3), item (vii) of the Regulation for Enforcement of the Companies Act.
- Neither Ms. Tomomi Fujita nor Ms. Tomoko Tsunoda fall under any of the following facts:
 - the candidate was a business operator of the Company or any of its subsidiaries in the past; 2) the candidate is currently or was in the past ten (10) years a business operator or an officer of a business concern that has specific relations with the Company; 3) the candidate is going to receive or has received in the past two (2) years a considerable amount of cash and/or other assets from the Company or such business concern; or 4) the candidate is a spouse, a relative within the third (3rd) degree of kinship of a business operator or an officer of the Company or such business concern, or any other equivalent person.
- Ms. Tomomi Fujita's legal name registered in the family register is Tomomi Okada.
- In accordance with Article 427, paragraph (1) of the Companies Act, an agreement to limit any liability for damages prescribed in the provision of Article 423, paragraph (1) of the said Act is in force between the Company and Ms. Tomomi Fujita and Ms. Tomoko Tsunoda, and the limit on liability for damages under the said agreement is set at the minimum liability amount provided in Article 425, paragraph (1) of the Companies Act. If their appointment is approved, the Company plans to continue the said agreement. If the appointment of Mr. Iwao Fujikawa is approved, the Company plans to enter into a new agreement of the same nature with him.
- The Company has entered into an officers' liability insurance contract prescribed in Article 430-3, paragraph (1) of the Companies Act with an insurance company. The insurance contract is to reimburse any costs, such as compensation for damage and litigation costs, incurred by the insured persons in relation to a claim for damages brought against them based on an act (including nonfeasance) engaged by them while acting in the capacity of an officer of the Company, and the Company bears the full amount of insurance expenses on behalf of the insured

persons. Each candidate will be included among the insured persons under this insurance contract. The Company plans to renew the insurance contract under the same terms and conditions that are currently in force.

[Reference] Skills Matrix and Composition Following this General Meeting of Shareholders

■ Skills Matrix

The main areas of expertise and experience of the Board of Directors are as follows:

●Chairperson ○Member

Name	Main areas of expertise and experience							Nomination Committee	Remuneration Committee
	Corporate management	Technology/ R&D	Sales/ Marketing	International experience	Finance/ Accounting	Legal	ESG/ Sustainability		
Katsuya Sase	●	●	●				●	○	○
Tomomitsu Fukuda	●			●	●		●		
Toshiyuki Watanabe	●		●	●					
Masashi Hiraiwa Outside Independent				●		●		●	○
Seiichi Koike Outside Independent	●	●		●				○	●
Emiko Hamada Outside Independent		●	●				●	○	○
Iwao Fujikawa (Full-time Audit & Supervisory Committee Member)						●	●		
Tomomi Fujita (Audit & Supervisory Committee Member) Outside Independent						●	●		
Tomoko Tsunoda (Audit & Supervisory Committee Member) Outside Independent	●				●		●		

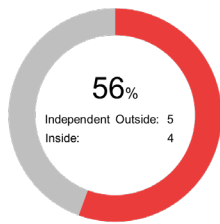
Notes: 1. Note that the table above does not necessarily show all experience and knowledge that the Directors have.

2. The Full-time Audit & Supervisory Committee Member is scheduled to be selected at the Audit & Supervisory Committee meeting following this General Meeting of Shareholders.

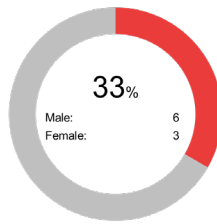
Name of Skill	Reason for Selection of Skill
Corporate management	To formulate and execute management strategies and supervise management to enhance our corporate value sustainably.
Technology / R&D	To create high-value electronic components, focusing on high-end and highly reliable products, and secure market dominance.
Sales / Marketing	To formulate and implement appropriate strategies with the aim of adapting to the diverse and rapidly changing business environment.
International experience	To appropriately supervise the formulation and execution of strategies and business operations in our globally active Group, where a high percentage of sales comes from overseas markets.
Finance / Accounting	To develop financial strategies and capital policies that align with management strategies and to carry out IR activities, taking into account demands from capital markets.
Legal	To ensure compliance with applicable laws and corporate ethics, to meet the trust of all stakeholders, and to build and implement a system that enables healthy, proper, and efficient business execution.
ESG / Sustainability	To recognize that ESG factors can present both opportunities and risks for management and to contribute to creating a sustainable society by addressing social issues through business activities.

Composition of the Board of Directors

Ratio of Independent Outside Directors

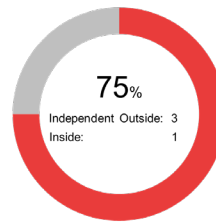


Ratio of Female Directors



**Composition of the
Nomination Committee/Remuneration Committee**

Ratio of Independent Outside Directors



[Reference] Corporate Governance (as of March 31, 2026)

Corporate Governance <https://www.yuden.co.jp/en/ir/governance/>

1. Basic views on corporate governance

The TAIYO YUDEN Group (the “Group”) is committed to corporate social responsibilities and the mission of management to develop businesses on an ongoing basis while fulfilling sociality, public interest and public nature of the Group from a global viewpoint to put into practice and realize “Mission,” “Management philosophy” and “Vision.”

With an emphasis on transparency and fairness of corporate management, the Company is making efforts to enhance corporate governance under the supervision of the Board of Directors, including the development of structures and mechanisms that enable timely and appropriate information disclosure, thorough compliance, and speedy decision making and execution of duties.

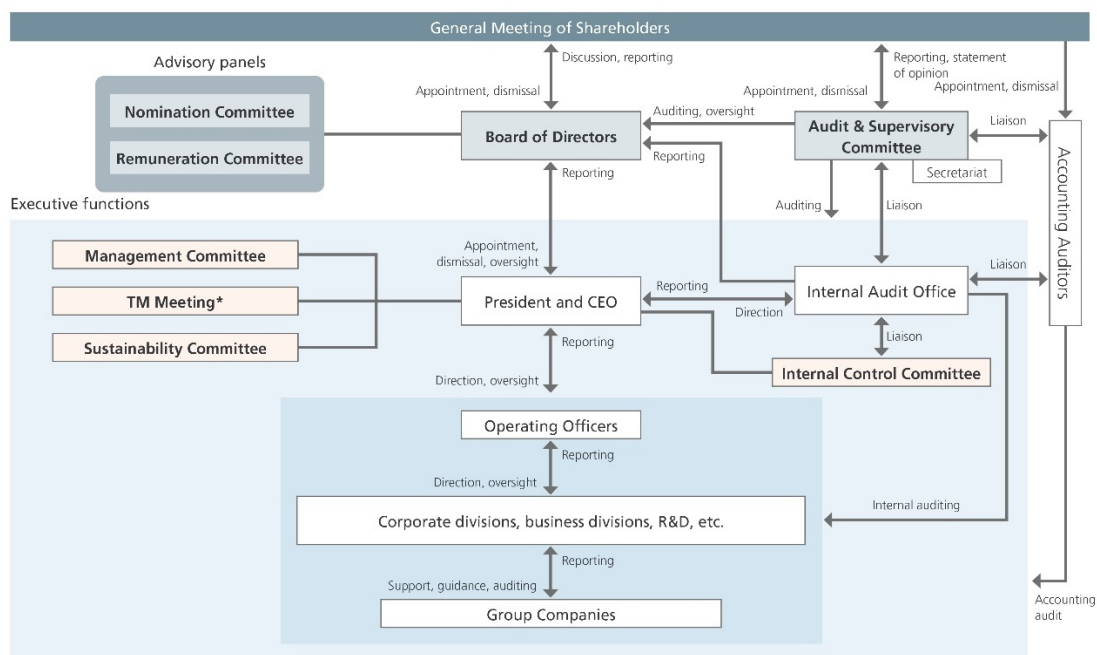
2. Corporate governance structure

The Company has adopted the Company with Audit & Supervisory Committee structure in order to strengthen strategy formulation and its supervisory function, while at the same time raising the agility of business execution. The Company intends to promote the delegation of authority to Executive Directors in relation to decisions on important matters of business execution, and to expedite and streamline such decisions, while strengthening the supervisory function by granting Directors who are Audit & Supervisory Committee Members the right to vote at meetings of the Board of Directors. In these ways, the Company aims to strengthen and enhance its corporate governance structure and internal control system, thereby further improving corporate value.

Furthermore, the Company has voluntarily established a Nomination Committee and Remuneration Committee in order to strengthen the fairness, transparency, and objectivity with regard to the nomination and remuneration of Directors, and to ensure the independence and accountability of functions of the Board of Directors.

In addition, to clarify management responsibilities during a given fiscal year and increase shareholders’ confidence, the term of Directors who are not Audit & Supervisory Committee Members is one (1) year.

Governance Structure



*TM Meeting: Abbreviation of Top Management Meeting, which is a meeting body to discuss matters concerning personnel and organization

Board of Directors

The Board of Directors, presided over by the Representative Director, President and Chief Executive Officer, consists of nine members, including five Outside Directors. The Board formulates legal matters, management strategies and other basic policies, receives reports on matters delegated to executive directors, and supervises the execution of business operations. The Board also maintains an internal control system to promote compliance and manage risks.

Audit & Supervisory Committee

The Audit & Supervisory Committee, presided over by an Outside Director, consists of a total of three members, including two Outside Directors. The Directors who are Audit & Supervisory Committee Members attend the Nomination Committee, the Remuneration Committee and other important internal meetings while also working closely with the Accounting Auditors, the Internal Audit Office, and the Audit & Supervisory Board Members of Group companies to ensure highly effective auditing.

Nomination Committee

The Nomination Committee, presided over by an Outside Director, consists of all the Outside Directors who are not Audit & Supervisory Committee Members, along with the Representative Director, President and Chief Executive Officer. For auditing purposes, one member appointed by the Audit & Supervisory Committee attends the meetings. The Committee deliberates on the nomination (including reappointment) of Director candidates, the appointment and dismissal of the President and Chief Executive Officer, and disciplinary matters, and it then reports its findings to the Board of Directors.

Remuneration Committee

The Remuneration Committee, presided over by an Outside Director, consists of all the Outside Directors who are not Audit & Supervisory Committee Members, along with the Representative Director, President and Chief Executive Officer. For auditing purposes, one member appointed by the Audit & Supervisory Committee attends the meetings. The Committee deliberates on remuneration plans for Directors and Operating Officers as well as the contents of remuneration paid to each Director, and it then reports the deliberation results to the Board of Directors.

Management Committee

The Management Committee, presided over by the President and Chief Executive Officer, is composed of all Operating Officers. Non-executive Directors attend the meetings as observers. The Committee deliberates on the Group's policy matters, such as basic policy on business, sales strategies and investments, and it then resolves matters delegated by the Board of Directors.

TM (Top Management) Meeting

The TM Meeting, presided over by the President and Chief Executive Officer, is composed of Operating Officers who are Directors and Operating Officers who are Chiefs of Headquarters. For auditing purposes, one member appointed by the Audit & Supervisory Committee attends the meetings. The Meeting deliberates on matters concerning personnel, organization and remuneration of the Group, and it then resolves matters delegated by the Board of Directors.

Internal Control Committee

The Internal Control Committee, presided over by the President and Chief Executive Officer, is composed of Operating Officers who are Directors. Directors who are not Committee members, Operating Officers who are Chiefs of Headquarters, and the head of the Internal Audit Office attend the

meetings as observers. Based on the “Basic Policy Concerning the Internal Control System Development,” the Committee works to improve the internal control system on an ongoing basis and examines and evaluates the design and the operating effectiveness of the system to report the evaluation results to the Board of Directors.

Sustainability Committee

The Sustainability Committee, presided over by the President and Chief Executive Officer, consists of the Operating Officers who are Chiefs of Headquarters and the Operating Officer in charge of sustainability. In addition, Directors who are not members attend the meetings as observers. The Committee deliberates on the setting of materiality (key issues) for the Company, the sharing of such issues, and measures to resolve them and reports the deliberation results to the Board of Directors.

3. Status of activities of the Board of Directors

Matters to be submitted to the Board of Directors are determined in the Regulations of the Board of Directors, and are appropriately deliberated and resolved. The Board of Directors regularly deliberates on, among others, matters submitted and reported from the Management Committee and the TM Meeting, management reports by Executive Directors, reports from Executive Directors and Operating Officers for their areas of responsibility, and the issues identified in the evaluation of the effectiveness of the Board of Directors.

Main Deliberation Topics (Fiscal 2025)

Board of Directors 15 meetings held	Governance	<ul style="list-style-type: none"> • Appointment of candidate Directors • Establishment of the Shareholding Guidelines for Directors • Conducting an evaluation of the effectiveness of the Board of Directors and determining countermeasures for issues
	Management strategy	<ul style="list-style-type: none"> • Deliberation on and approval of the Medium-Term Management Plan • Approval of business plan and confirmation of progress
	Sustainability	<ul style="list-style-type: none"> • Deliberations on the report from the Sustainability Committee • Deliberations on human capital

4. Status of activities of advisory panels

To strengthen transparency and objectivity in the appointment and remunerations of Directors, we have established voluntary Nomination and Remuneration Committees. The majority of both committees are Independent Outside Directors (excluding Audit & Supervisory Committee Members).

Main Deliberation Topics (Fiscal 2025)

Nomination Committee 5 meetings held	<ul style="list-style-type: none"> • Deliberation on the skills matrix for Directors • Deliberation on the succession plan for the President and Chief Executive Officer • Deliberation on Director candidates
Remuneration Committee 11 meetings held	<ul style="list-style-type: none"> • Deliberation regarding content of remuneration of individual Directors and Operating Officers. • Deliberation on the General Meeting of Shareholders’ proposal relating to measures for transferring unexercised share acquisition rights into restricted stock • Review of the remuneration plan for directors in connection with the Medium-Term Management Plan

5. Evaluation of the effectiveness of the Board of Directors (Fiscal 2025)

The Company conducts the evaluation of the effectiveness of the Board of Directors annually to improve the effectiveness of the Board of Directors and enhance its corporate value. In addition to revising the evaluation items and questionnaire content, based on the suggestions of an external evaluation agency, we had the external evaluation agency be in charge of the administration from the distribution of the questionnaire and the aggregation of answers to the analysis of results in order to increase the objectivity and transparency of the evaluation process. The evaluation process and results are as follows.

(1) Evaluation process

- i) Consider the evaluation methods and questionnaire content, based on the suggestions and advice of the external evaluation agency, and report to the Board of Directors.
- ii) The external evaluation agency conducts an (anonymous) questionnaire to evaluate the effectiveness of all Directors.
- iii) The external evaluation agency compiles and analyzes the results of the questionnaire described in ii) above, extracts issues and opinions that may require discussion, and reports them.
- iv) Evaluation meetings were conducted by all Directors based on the results of the questionnaire in iii) above.
- v) Discussed opinions and issues that come up in the evaluation meetings by the Board of Directors, and determined any issues to be addressed.

(2) Evaluation (Questionnaire) items

- i) Composition and operation of the Board of Directors
- ii) Management strategy and management plan
- iii) Corporate ethics and risk management
- iv) Supervision of nomination and remuneration
- v) Dialogue with shareholders, etc.

(3) Evaluation by external organization

The questionnaire found that more than 90% of the items received positive evaluations, and the Company was highly praised for working seriously on the evaluation of the effectiveness of the Board of Directors with the aim of further enhancing its corporate value.

(4) Progress on issues from the previous fiscal year

Issue i) “Discussion on investments in human capital that are linked to the management strategy”

Regular reports to the Board of Directors are required regarding the status of initiatives and investments related to human capital, and the Board of Directors supervises the progress and implementation status of such initiatives.

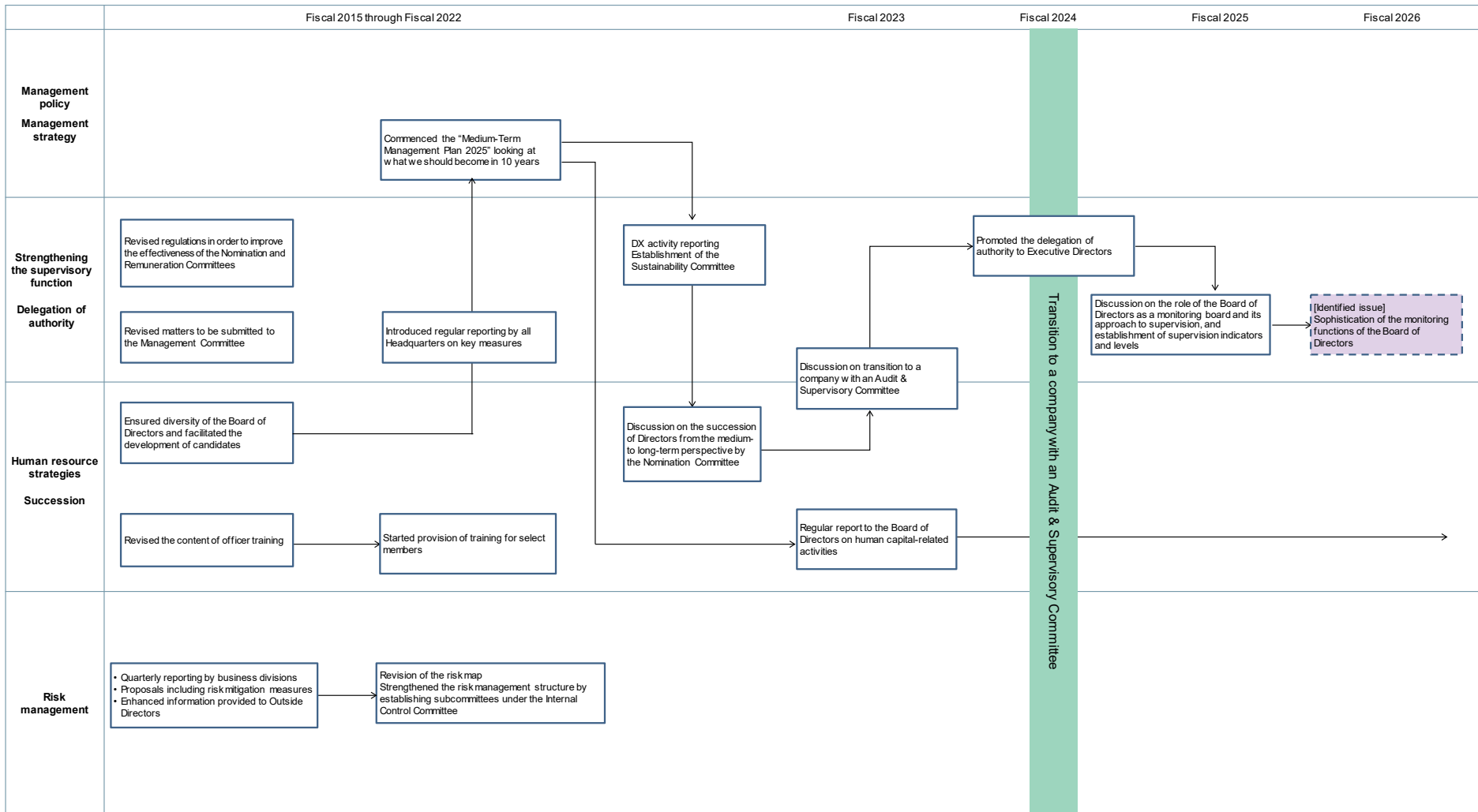
Issue ii) “Discussion on the role of the Board of Directors as a monitoring board and the role of each Director”

The Board of Directors discussed the appropriate role and oversight approach for a Board of Directors oriented toward a monitoring board function. Building on this, the Board of Directors has established the metrics and benchmarks to be monitored and is applying them to the management of progress under the Medium-Term Management Plan.

(5) Issues to be addressed

The Company’s Board of Directors has established the metrics and benchmarks to be monitored by the Board of Directors and is implementing oversight (monitoring) based on these. By continuing to address this issue, the Company has identified the achievement of “Sophistication of the monitoring functions of the Board of Directors” as an issue to be addressed going forward. The Company will endeavor to maintain and enhance the effectiveness of the Board of Directors by continuing to address this issue.

Past initiatives implemented based on the evaluation of the effectiveness of the Board of Directors



BUSINESS REPORT

(April 1, 2025 to March 31, 2026)

1. Current Status of the TAIYO YUDEN Group

(1) Review of operations and results

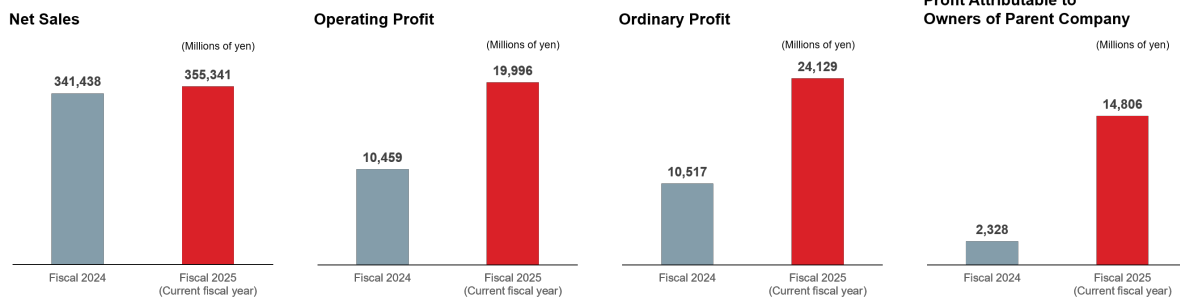
In regard to the business environment surrounding the Group this period (from April 1, 2025 to March 31, 2026), although there were signs of weakness in some regions, the global economy continued to show signs of a moderate recovery. As for the future, it will be necessary to closely monitor the situation in the Middle East, fluctuations in financial and capital markets, and trade policies in individual countries, including tariff measures.

The Group aims to increase the percentage of sales in the focus markets, such as automotive and IT infrastructure/industrial equipment, toward medium- to long-term growth. 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 inductors to establish them as a second pillar and build a well-balanced business structure. We also plan 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 current fiscal year totaled ¥355,341 million, which is an increase of 4.1% compared to the previous fiscal year. Operating profit was ¥19,996 million, an increase of 91.2% compared to the previous fiscal year. Ordinary profit was ¥24,129 million, an increase of 129.4% compared to the previous fiscal year, due to the recording of foreign exchange gains of ¥4,759 million as non-operating income, among other factors. Profit attributable to owners of parent was ¥14,806 million, an increase of 535.9% compared to the previous fiscal year, due to the recording of an impairment loss of ¥2,130 million and business restructuring expenses of ¥1,455 million as extraordinary losses, among other factors. Net sales and profit at each level increased mainly due to an increase in sales for automotive and IT infrastructure/industrial equipment.

The average foreign currency exchange rate for the fiscal year under review was US\$1: ¥149.99. This is an appreciation of ¥2.62 as compared to the average realized in the previous fiscal year of US\$1: ¥152.61.

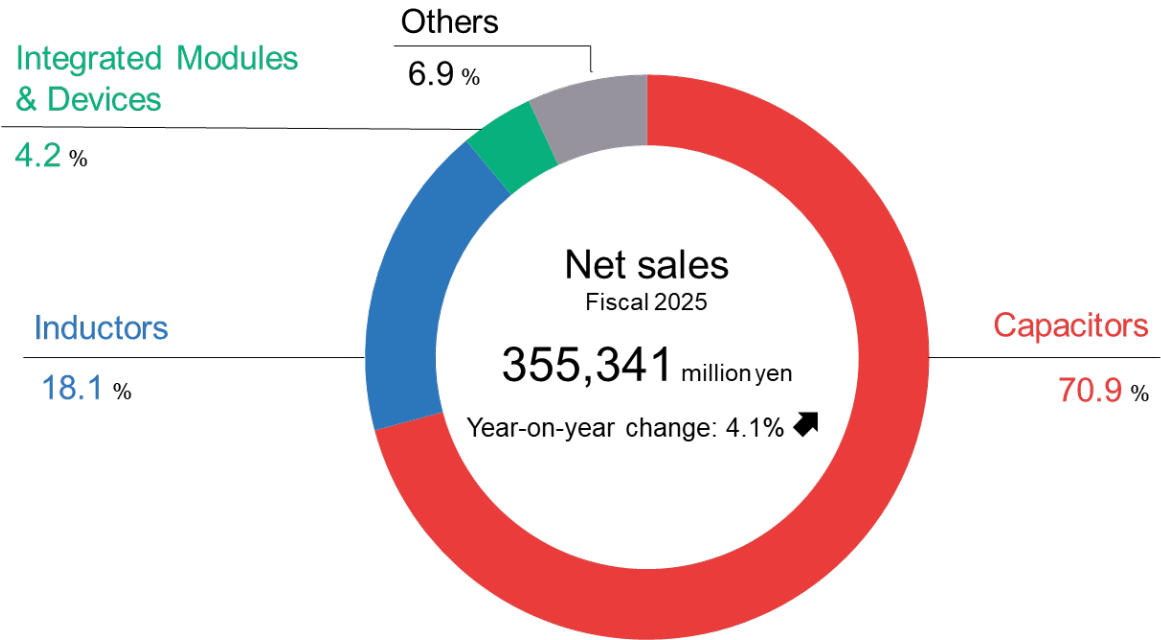
Financial results of the Group



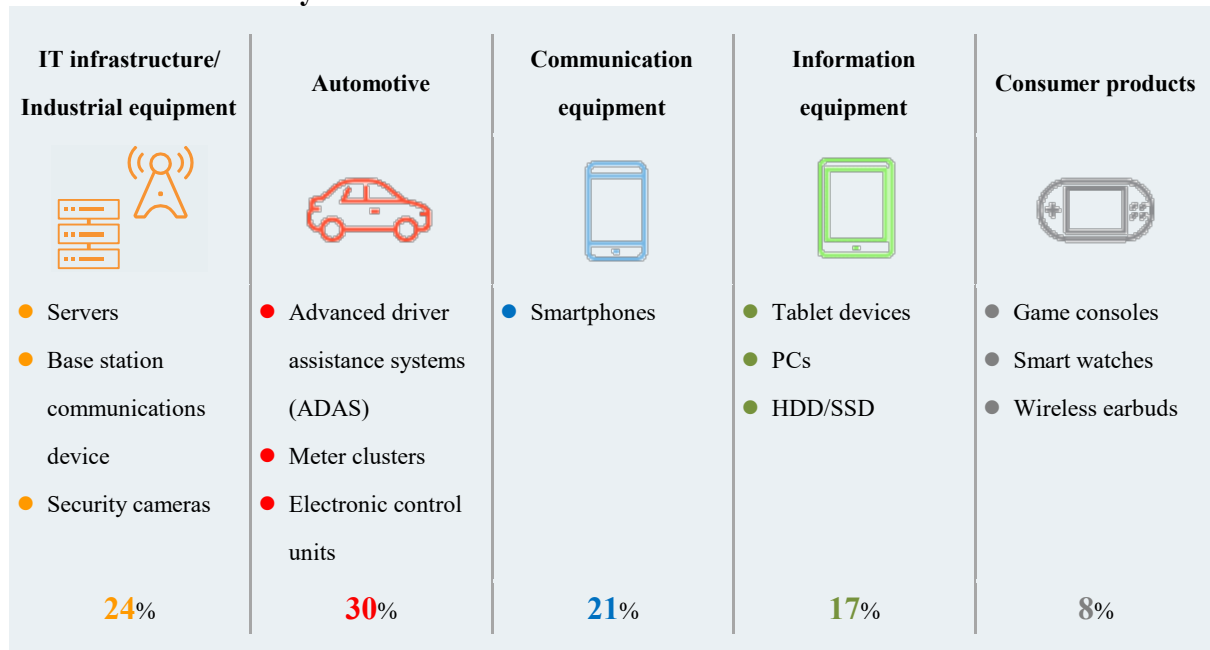
(2) Principal business activities (as of March 31, 2026)

Consolidated Sales by Product

Breakdown of consolidated sales by product



Breakdown of sales by area of use

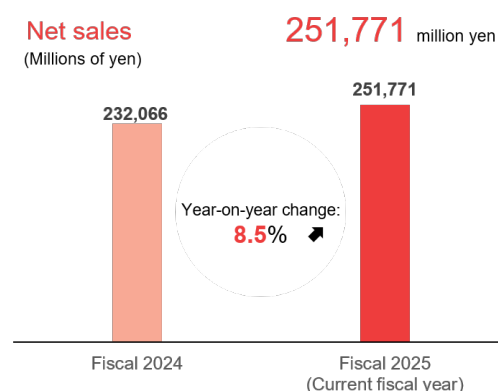


Capacitors

Main products

- Multilayer ceramic capacitors

Net sales totaled ¥251,771 million, which is an increase of 8.5% compared to the previous fiscal year. This was due to a year-on-year increase in sales for automotive and IT infrastructure/industrial equipment.

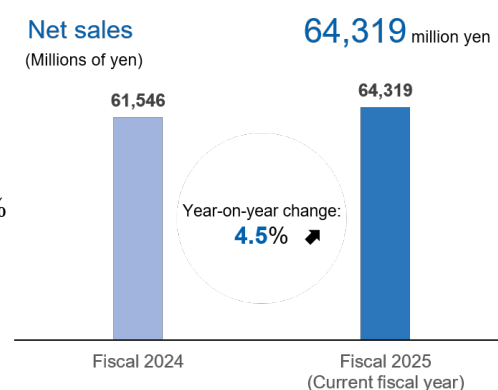


Inductors

Main products

- Wire-wound inductors
- Multilayer inductors

Net sales totaled ¥64,319 million, which is an increase of 4.5% compared to the previous fiscal year. This was due to a year-on-year increase in sales for consumer products and information equipment.

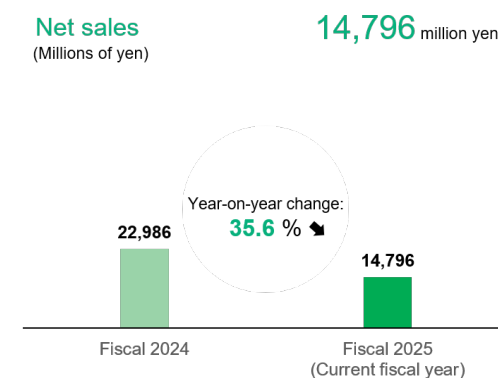


Integrated Modules & Devices

Main products

- Communications devices (FBAR/SAW)
- Circuit modules

Net sales totaled ¥14,796 million, which is a decrease of 35.6% compared to the previous fiscal year. This was due to a year-on-year decrease in sales for communications devices (FBAR/SAW) and circuit modules.

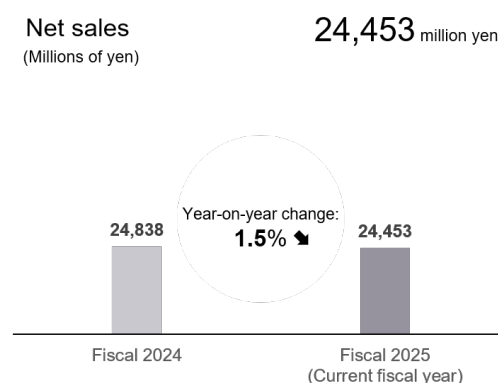


Others

Main products

- Aluminum electrolytic capacitors

Net sales totaled ¥24,453 million, which is a decrease of 1.5% compared to the previous fiscal year. This was due to a year-on-year decrease in sales for aluminum electrolytic capacitors.



(3) Summary of assets and profit or loss

Business terms	Fiscal 2021 (81st Term)	Fiscal 2022 (82nd Term)	Fiscal 2023 (83rd Term)	Fiscal 2024 (84th Term)	Fiscal 2025 (85th Term) (current fiscal year)
Net sales (Millions of yen)	349,636	319,504	322,647	341,438	355,341
Operating profit (Millions of yen)	68,218	31,980	9,079	10,459	19,996
Operating margin (%)	19.5	10.0	2.8	3.1	5.6
Ordinary profit (Millions of yen)	72,191	34,832	13,757	10,517	24,129
Profit attributable to owners of parent (Millions of yen)	54,361	23,216	8,317	2,328	14,806
Comprehensive income (Millions of yen)	69,260	28,654	22,773	218	36,464
Total assets (Millions of yen)	474,522	503,462	579,686	573,188	615,536
Net assets (Millions of yen)	300,286	318,478	330,098	319,171	344,412
Basic earnings per share (Yen)	433.46	186.32	66.75	18.67	118.49
Net assets per share (Yen)	2,403.20	2,548.15	2,640.98	2,552.94	2,754.19
Equity ratio (%)	63.1	63.1	56.8	55.6	56.0
ROE (%)	20.0	7.5	2.6	0.7	4.5
Price-earnings ratio (Times)	12.8	23.8	54.3	132.1	31.2
Dividend payout ratio (%)	18.5	48.3	134.8	482.1	76.0
DOE (%)	3.7	3.8	3.7	3.8	3.8
Total return ratio (%)	27.6	48.3	134.8	482.1	76.0
Cash flows from operating activities (Millions of yen)	67,315	39,460	51,104	33,941	58,117
Cash flows from investing activities (Millions of yen)	(50,622)	(60,438)	(82,793)	(63,527)	(25,695)
Cash flows from financing activities (Millions of yen)	(14,711)	14,485	37,647	3,048	(6,828)
Cash and cash equivalents at end of period (Millions of yen)	88,609	84,124	94,940	67,543	98,073
Research and development expenses (Millions of yen)	13,099	12,678	13,696	15,042	14,474
Capital investment (Millions of yen)	34,023	50,489	92,201	64,158	40,416
Depreciation (Millions of yen)	31,287	34,903	39,391	46,258	49,148

(4) Capital investment, financing and major creditors

i) Capital investment

Capital investment during the fiscal year under review amounted to approximately ¥40,416 million at the acceptance and inspection. Major investments were made to enhance production capacity for multilayer ceramic capacitors for automotive applications, as well as IT infrastructure/industrial equipment such as AI servers.

ii) Financing

Financing from external sources as of the end of the fiscal year under review consisted of ¥11,193 million in short-term borrowings, ¥24,002 million in current portion of long-term borrowings, ¥50,813 million in convertible-bond-type bonds with share acquisition rights, and ¥85,204 million in long-term borrowings. In principle, borrowings are procured within Japan at fixed interest rates. In addition, for the purpose of financial stability, a commitment line of ¥30,000 million effective for three (3) years has been established. However, the Company had not used the line as of March 31, 2026.

iii) Major creditors (as of March 31, 2026)

Creditor	Loan outstanding (Millions of yen)
Sumitomo Mitsui Banking Corporation	46,317
MUFG Bank, Ltd.	20,598
The Iyo Bank, Ltd.	20,498
Mizuho Bank, Ltd.	19,978
The Gunma Bank, Ltd.	8,000

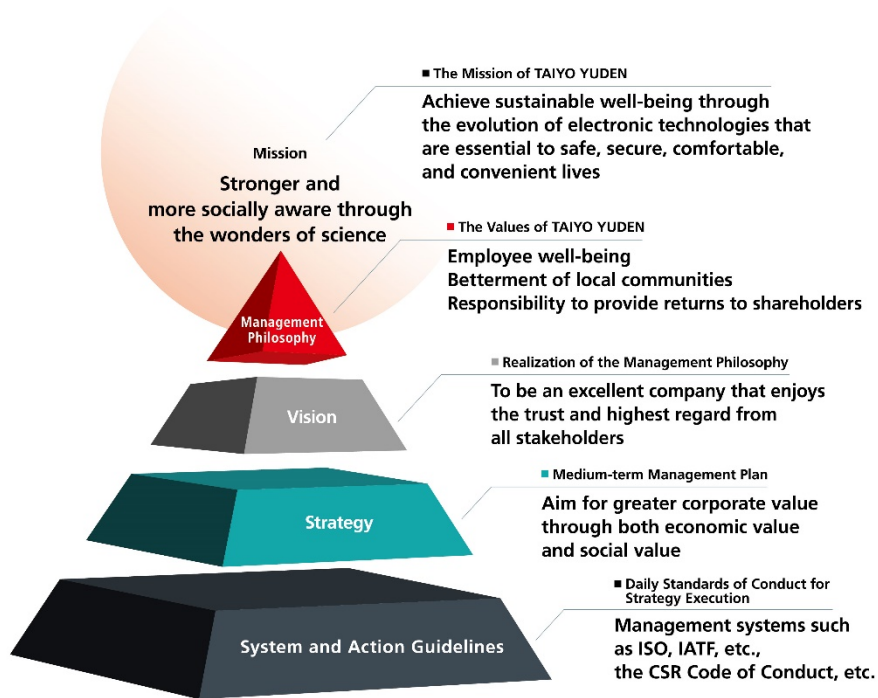
(5) Acquisitions or disposal of the stock, equity interests, or share acquisition rights of other companies

Not applicable

[Reference] Policy on shareholdings (as of March 31, 2026)

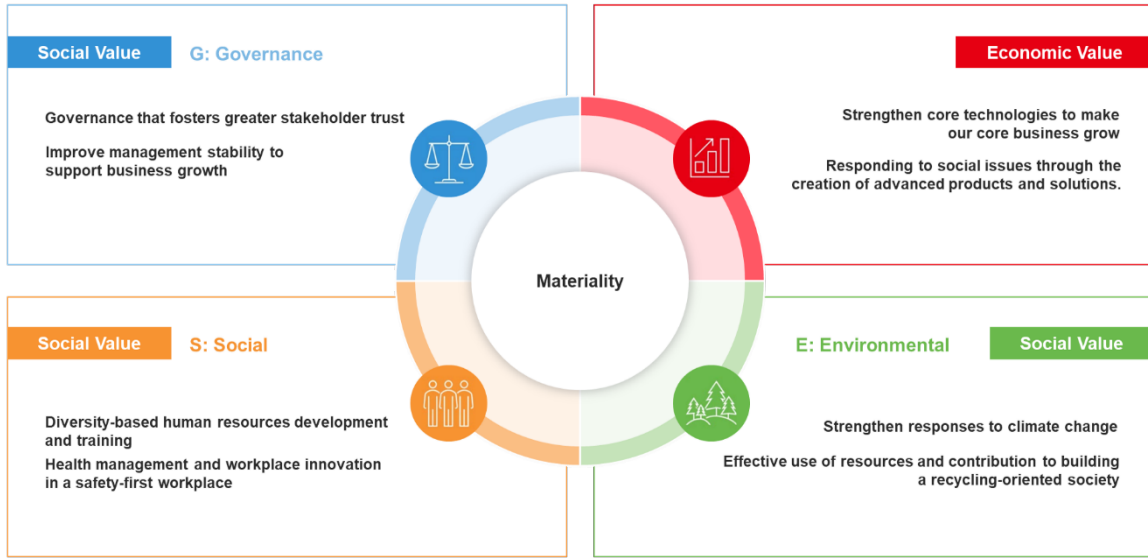
The Company sold all of its policy shareholdings (listed shares) in Fiscal 2021 (81st Term), and as of March 31, 2026, holds no policy shareholdings (listed shares).

[Reference] The aims of the TAIYO YUDEN Group



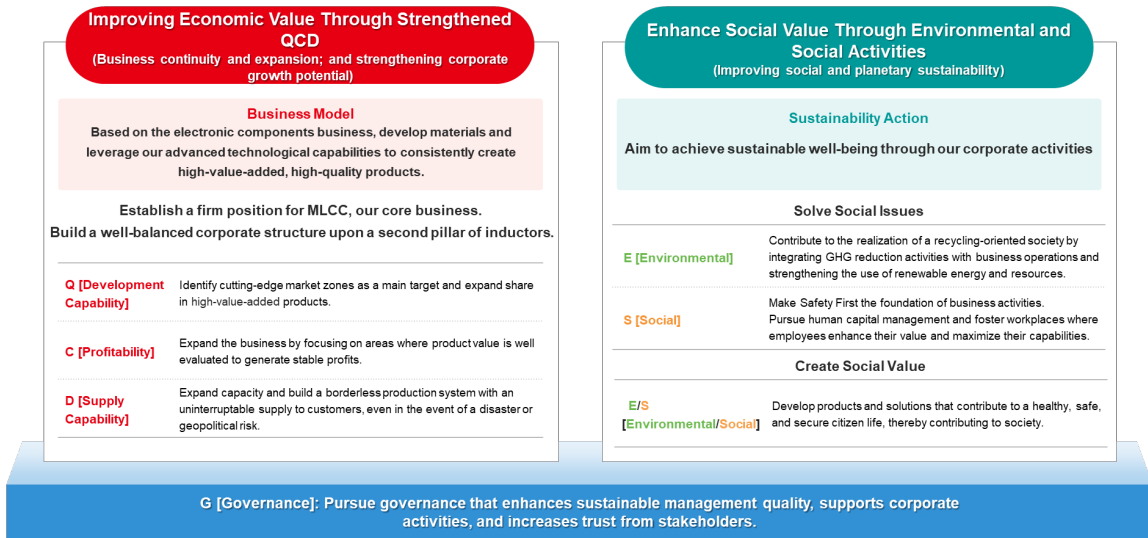
[Reference] Medium-Term Management Plan 2030

Materiality



Basic Guidelines

Enhance corporate value by focusing on economic and social value, positioning ourselves as a significant electronic component manufacturer



MLCC: multilayer ceramic capacitors

Key Performance Indicators of Medium-Term Management Plan 2030

Economic Value

Indicator	Target for FY2030
Net sales	¥480 billion
Operating margin	15%
ROE	15%
ROIC	10%

Exchange rate assumption: US\$1 = ¥140

Social Value

	Indicator	Target
Environmental	Carbon Neutrality	Achieve by FY2050 (Scope 1+2)
	Renewable energy adoption rate	100% by FY2040
	GHG Scope 1 + 2 emissions	42% reduction by FY2030 (compared to FY2020)
	GHG Scope 3 emissions *1	25% reduction by FY2030 (compared to FY2021)
Social	No. of serious occupational accidents	Zero (FY2026 - FY2030)
	HR Well-Being Index *2	Improve 10% or higher by FY2030

*1 Scope 3 reduction targets cover categories 1 and 3

*2 The indicator set by TAIYO YUDEN that visualizes the growth levels of both employees and the organization, which are the sources of corporate value.

(6) Issues to address

From a medium- to long-term perspective, the Group expects that demand for electronic components will expand in the automotive and IT infrastructure/industrial equipment markets, which will require higher levels of performance, quality, and reliability than ever before. In particular, in the market for AI servers, there will be demand for a large number of cutting-edge electronic components that are smaller and have superior performance as devices become more sophisticated and electronic components are packaged and mounted at increasingly higher densities.

In response to these markets, the Group is quickly developing cutting-edge products with a strong competitive advantage that can contribute to the technological evolution of devices. We have positioned automotive and IT infrastructure/industrial equipment as the focus markets, and we are striving to promote sales of high-performance, high-reliability products. We will also continue to make investments essential for future growth, such as increasing production capacity in Japan and overseas to ensure a stable supply. In addition, we will strive to improve our manufacturing capabilities, build a decentralized production system, and improve production efficiency through the use of AI and other technologies.

At the same time, the increasingly uncertain international situation, the occurrence of large-scale natural disasters, and rising prices, etc., have brought about rapid and wide-ranging changes in the state of society and the business environment. In particular, intensified turmoil in the international situation or a significant decline in the global economy could have effects, such as a slump in demand for electronic components, higher purchasing prices due to surging resource prices, and higher logistics costs due to soaring crude oil prices and changes in air and maritime transportation routes. The Group will continue to collect information from multiple perspectives and work closely with customers, suppliers, and other parties to minimize the impact.

The Group will continue aiming to enhance its corporate value by increasing its economic value and, at the same time, increasing its social value by meeting the demands and expectations of its stakeholders. Under the Medium-Term Management Plan 2030, the Company has set materiality (key issues) and is accelerating its efforts to enhance social value, with numerical targets including GHG (greenhouse gas) emission reductions in response to climate change and an HR Well-Being Index for developing human resources that can contribute to productivity and corporate value enhancement.

(7) Status of principal subsidiaries (as of March 31, 2026)

i) Principal subsidiaries

Name	Location	Share capital	Percentage of equity participation of the Company (%)	Principal business
TAIWAN TAIYO YUDEN CO., LTD.	Taiwan	NT\$333 million	100.0	Sale of Electronic Components
KOREA TAIYO YUDEN CO., LTD.	South Korea	10,000 million WON	100.0	Sale of Electronic Components
KOREA KYONG NAM TAIYO YUDEN CO., LTD.	South Korea	61,884 million WON	100.0	Production of Electronic Components
HONG KONG TAIYO YUDEN CO., LTD.	Hong Kong	HK\$20,400 thousand	100.0	Sale of Electronic Components
TAIYO YUDEN (GUANGDONG) CO., LTD.	China	US\$85,550 thousand	100.0 (9.3)	Production of Electronic Components
TAIYO YUDEN (SHANGHAI) TRADING CO., LTD.	China	US\$557 thousand	100.0 (10.2)	Sale of Electronic Components
TAIYO YUDEN (CHANGZHOU) CO., LTD.	China	US\$200,000 thousand	100.0 (12.5)	Production of Electronic Components
TAIYO YUDEN (SINGAPORE) PTE. LTD.	Singapore	S\$18,555 thousand	100.0	Sale of Electronic Components
TAIYO YUDEN (PHILIPPINES), INC.	The Philippines	P.P.490 million	100.0	Production of Electronic Components
TAIYO YUDEN (SARAWAK) SDN. BHD.	Malaysia	MYR100 million	100.0	Production of Electronic Components
TAIYO YUDEN (U.S.A.) INC.	U.S.A.	US\$3,154 thousand	100.0	Sale of Electronic Components
TAIYO YUDEN EUROPE GmbH	Germany	EUR 1,000 thousand	100.0	Sale of Electronic Components
NIIGATA TAIYO YUDEN CO., LTD.	Niigata	¥1,000 million	100.0	Production of Electronic Components
TAIYO YUDEN CHEMICAL TECHNOLOGY CO., LTD.	Gunma	¥100 million	100.0	Production and Sale of Electronic Components
FUKUSHIMA TAIYO YUDEN CO., LTD.	Fukushima	¥100 million	100.0	Production of Electronic Components
WAKAYAMA TAIYO YUDEN CO., LTD.	Wakayama	¥100 million	100.0	Production of Electronic Components
TAIYO YUDEN Mobile Technology Co., Ltd.	Tokyo	¥100 million	100.0	Production of Electronic Components
ELNA CO., LTD.	Tokyo	¥100 million	100.0	Development, Production and Sale of Electronic Components

- Notes: 1. Figures in parentheses shown under “Percentage of equity participation of the Company” are the percentage of indirect ownership.
2. The Company has 29 consolidated subsidiaries including 18 companies listed in “Status of principal subsidiaries” above and 1 associate not accounted for by the equity method.
3. The consolidated business performance in the fiscal year under review is as described in the above “(1) Review of operations and results.”
4. TAIYO YUDEN TECHNO SOLUTIONS CO., LTD. was dissolved on August 29, 2025, and the liquidation was completed on February 27, 2026.

ii) Specified wholly owned subsidiaries

Not applicable

(8) Principal offices and plants (as of March 31, 2026)

i) Principal business locations of the Company

Site type	Office/Plant name	Location
Headquarters	Head Office	Chuo-ku, Tokyo
	Takasaki Global Center	Takasaki-shi, Gunma
Sales offices	Sendai	Sendai-shi, Miyagi
	Metropolitan	Chuo-ku, Tokyo
	Gunma	Takasaki-shi, Gunma
	Nagoya	Nagoya-shi, Aichi
	Osaka	Osaka-shi, Osaka
	Fukuoka	Fukuoka-shi, Fukuoka
Manufacturing Bases	Haruna Plant	Takasaki-shi, Gunma
	Nakanojo Plant	Agatsuma-gun, Gunma
	Tamamura Plant	Sawa-gun, Gunma
	Yawatabara Plant	Takasaki-shi, Gunma
Development Bases	R&D Center	Takasaki-shi, Gunma
	Shin-Kawasaki Center SOLairoLab	Kawasaki-shi, Kanagawa

ii) Principal business locations of subsidiaries

Described on page 30, “(7) Status of principal subsidiaries.”

(9) Employees (as of March 31, 2026)

i) Employees of the TAIYO YUDEN Group

Number of employees	Increase (decrease) from the previous fiscal year
20,604	Decrease of 175 persons

- Notes: 1. The number of employees is the number currently at work.
2. The average annual number of temporary employees has been omitted because the proportion of temporary employees to the total number of employees is less than 10%.
3. As the Group has a single business segment (electronic components business), the number of employees by segment is not shown.

ii) Employees of the Company

Number of employees	Increase (decrease) from the previous fiscal year	Average age	Average years of service
2,803 (374)	Decrease of 125 (increase of 60)	41.5 years old	16.4 years

- Notes: 1. The number of employees is the number currently at work.
2. The average annual number of temporary employees is shown separately in parentheses.
3. Temporary employees include re-employed staff, contract employees, and part-time workers, and exclude dispatched workers.
4. As the Group has a single business segment (electronic components business), the number of employees by segment is not shown.

(10) Other important matters concerning the current status of the TAIYO YUDEN Group

Not applicable

2. Shares of the Company (as of March 31, 2026)

- (1) Total number of shares authorized to be issued: 300,000,000 shares
- (2) Total number of shares issued: 130,218,481 shares (including 5,167,907 shares of treasury shares)
- (3) Number of shareholders: 35,876
- (4) Major shareholders (Top 10)

	Name	Number of shares held (shares)	Shareholding ratio (%)
1	The Master Trust Bank of Japan, Ltd. (Trust Account)	34,073,500	27.2
2	Custody Bank of Japan, Ltd. (Trust Account)	21,586,700	17.2
3	STATE STREET BANK AND TRUST COMPANY 505301	4,213,444	3.3
4	The Iyo Bank, Ltd.	2,000,100	1.5
5	Sato Fund for Orphans from Traffic Accidents	1,916,640	1.5
6	STATE STREET BANK AND TRUST COMPANY 505001	1,849,817	1.4
7	JP MORGAN CHASE BANK 385781	1,812,945	1.4
8	Barclays Securities Japan Limited	1,770,300	1.4
9	Nippon Life Insurance Company	1,666,450	1.3
10	HSBC HONG KONG-TREASURY SERVICES A/C ASIAN EQUITIES DERIVATIVES	1,538,044	1.2

- Notes: 1. The Company holds 5,167,907 shares of treasury shares, but it is excluded from the above-mentioned major shareholders.
2. Shareholding ratio is calculated excluding the number of treasury shares.
3. Figures are rounded down to one decimal place.

- (5) Status of shares issued to the officers of the Company as a consideration for the execution of their duties during the fiscal year under review

The details of the share-based remuneration granted during the Current Fiscal Year are as follows.

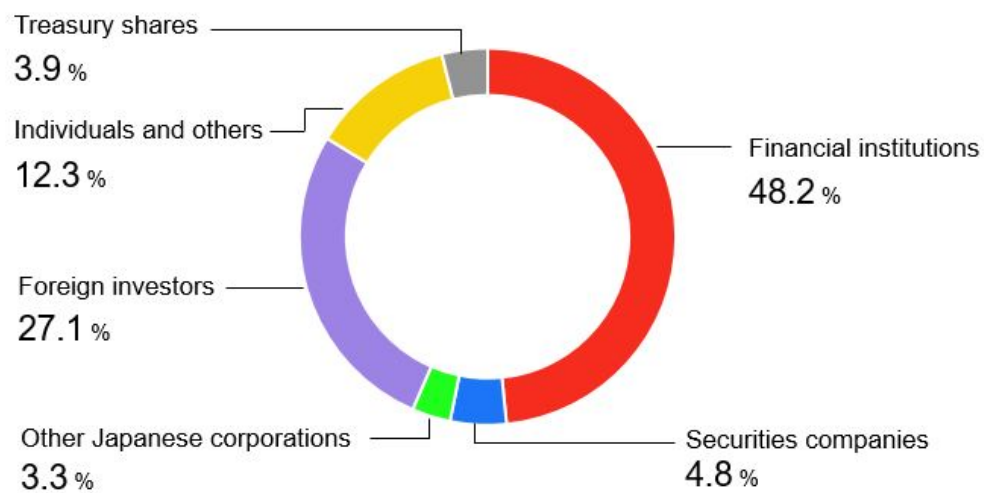
Officer classification	Number of shares	Number of members
Directors (excluding Directors who are Audit & Supervisory Committee Members and Non-executive Directors including Outside Directors)	92,964 shares	3

- Notes: 1. No shares were granted to Outside Directors or Directors who are Audit & Supervisory Committee Members.
2. The above shares represent the total of 10,464 shares of restricted stock granted as restricted stock remuneration by position and 82,500 shares of restricted stock granted as part of the transition measures to convert the unexercised share acquisition rights granted as stock compensation-type stock options into restricted stock, following the approval at the 84th Ordinary General Meeting of Shareholders held on June 27, 2025.
3. Details concerning restricted stock remuneration by position are as stated on page 38 “4. Corporate Officers, (6) Remuneration, etc. of Directors.”

- (6) Other important matters concerning shares of the Company

Not applicable

Distribution of shares by shareholder type



Note: Figures are rounded down to one decimal place.

3. Status of Share Acquisition Rights, etc.

- (1) Status, at the end of the fiscal year under review, of share acquisition rights held by Directors of the Company delivered as a consideration for the execution of their duties

Not applicable

- (2) Status of the share acquisition rights delivered to Operating Officers and employees during the fiscal year under review

Not applicable

- (3) Other important matters concerning the share acquisition rights

- i) Measures for transferring unexercised share acquisition rights granted as stock compensation-type stock options to Directors (excluding Directors who are Audit & Supervisory Committee Members and Non-executive Directors including Outside Directors) into restricted stock

At the 83rd Ordinary General Meeting of Shareholders held on June 27, 2024, the Company abolished the stock compensation-type stock option plan and introduced the restricted stock remuneration plan. Furthermore, at the 84th Ordinary General Meeting of Shareholders held on June 27, 2025, the Company obtained approval to allot an equivalent number of shares of restricted stock to Directors (excluding Directors who are Audit & Supervisory Committee Members and Non-executive Directors including Outside Directors) in exchange for their forfeiture of the unexercised share acquisition rights that had been allotted as stock compensation-type stock options prior to the introduction of the restricted stock remuneration plan. Similar transition measures have also been implemented for the Company's Operating Officers.

- ii) Share acquisition rights attached to euro-yen convertible-bond-type bonds with share acquisition rights due 2030

The issuance of euro-yen convertible-bond-type bonds with share acquisition rights due 2030 was resolved at the Company's meeting of the Board of Directors held on October 4, 2023.

Name	Euro-yen convertible-bond-type bonds with share acquisition rights due 2030
Date of resolution for issuance	October 4, 2023
Total number of share acquisition rights	5,000 units
Class, description and number of shares to be issued or transferred upon exercise of share acquisition rights	The class and description of shares to be issued or transferred upon exercise of share acquisition rights shall be common stock of the Company (number of shares per share unit: 100 shares), and the number of shares of the common stock of the Company to be issued by the Company upon the exercise thereof shall be the number calculated by dividing the total nominal amount of the bonds related to the exercise request by the conversion price stated below.
Paid-in amount of share acquisition rights	No payment of money is needed in exchange for the allocation of share acquisition rights.
Description of assets contributed upon the exercise of share acquisition rights	Upon the exercise of each unit of the share acquisition rights, the bonds related to the relevant share acquisition rights shall be contributed, and the value of these bonds shall be the same amount as their nominal amount.
Conversion price	¥4,360
Exercise period of share acquisition rights	From November 6, 2023 (inclusive) to the close of bank business hours (local time of the place receiving exercise request) on October 4, 2030 (inclusive)
Requirement for the exercise of share acquisition rights	Each unit of the share acquisition rights may not be partially exercised.

4. Corporate Officers (as of March 31, 2026)

(1) Name of Directors, etc.

Name	Position and responsibilities	Significant concurrent positions
Katsuya Sase	Representative Director, President and Chief Executive Officer	–
Tomomitsu Fukuda	Director, Senior Executive Operating Officer, in charge of Management Planning Headquarters	–
Toshiyuki Watanabe	Director, Executive Operating Officer, in charge of Sales Headquarters	–
Masashi Hiraiwa	Outside Director	Attorney of OHHARA LAW OFFICE Director of SAZABY LEAGUE, Ltd.
Seiichi Koike	Outside Director	–
Emiko Hamada	Outside Director	Outside Director of NGK INSULATORS, LTD.
Toshimitsu Honda	Director (Full-time Audit & Supervisory Committee Member)	–
Tomomi Fujita	Outside Director, Audit & Supervisory Committee Member	Partner of Innoventier Outside Director, Audit & Supervisory Committee Member, of TAKUMA CO., LTD. President-Elect of Licensing Executives Society Japan
Tomoko Tsunoda	Outside Director, Audit & Supervisory Committee Member	Representative of Tomoko Tsunoda Certified Public Accountant Office Representative Director of Lumiere Ltd. Outside Audit & Supervisory Board Member of KATITAS Co., Ltd.

- Notes: 1. Directors Masashi Hiraiwa, Seiichi Koike, and Emiko Hamada, as well as Directors who are Audit & Supervisory Committee Members Tomomi Fujita and Tomoko Tsunoda are Outside Directors stipulated in Article 2, item (xv), of the Companies Act and registered as Independent Officers with the Tokyo Stock Exchange.
2. Director Masashi Hiraiwa and Director who is an Audit & Supervisory Committee Member Tomomi Fujita are attorneys.
3. Director who is an Audit & Supervisory Committee Member Tomoko Tsunoda has a certified public accountant qualification and has substantial knowledge in finance and accounting.
4. Toshimitsu Honda has been appointed as a Full-time Audit & Supervisory Committee Member in order to collect information by attending important internal meetings and to strengthen the audit and supervisory functions of the Audit & Supervisory Committee through close collaboration with the Internal Audit department, etc.
5. Among companies where significant concurrent positions are held by Outside Directors, those that have business relationships with the Company are as follows.
- The Company has a business relationship with NGK INSULATORS, LTD., where Director Emiko Hamada has a significant concurrent position, concerning the purchase of ceramic products. However, the size of these transactions is less than 0.1% of the consolidated net sales of the Company.
6. NGK INSULATORS, LTD. changed its trade name to NGK Corporation effective April 1, 2026.
7. Changes of Directors during the fiscal year under review are as follows:
- Director Shoichi Tosaka retired upon the expiry of his term at the conclusion of the 84th Ordinary General Meeting of Shareholders held on June 27, 2025.
8. The position of a Director has been changed during the fiscal year under review as follows:
- Director Tomomitsu Fukuda changed his position from Director, Executive Operating Officer to Director, Senior Executive Operating Officer as of June 27, 2025.
 - Director Toshiyuki Watanabe changed his position from Director, Senior Operating Officer to Director, Executive Operating Officer as of June 27, 2025.
9. Director Masashi Hiraiwa retired from his position as Director of SAZABY LEAGUE, Ltd. on March 31, 2026.

(2) Summary of contents of liability limitation agreements

Pursuant to the provisions of Article 427, paragraph (1), of the Companies Act, the Company has established in its Articles of Incorporation the right to enter into agreements with Directors (excluding those who are Executive Directors) which limit the liability of such Directors for damages described in Article 423, paragraph (1), of the said Act.

The parties to the agreement and the outline of the agreement are provided below.

Parties concerned	Overview of agreement
Outside Director Masashi Hiraiwa Outside Director Seiichi Koike Outside Director Emiko Hamada Director, Audit & Supervisory Committee Member Toshimitsu Honda Outside Director, Audit & Supervisory Committee Member Tomomi Fujita Outside Director, Audit & Supervisory Committee Member Tomoko Tsunoda	The Director shall be liable to the Company for damages caused in relation to a failure to perform his or her duty up to the minimum amount prescribed in the provision of Article 425, paragraph (1) of the Companies Act, as long as the Director performs his or her duty in good faith and without gross negligence.

(3) Summary of contents of indemnity agreements

Not applicable

(4) Summary of contents of officers' liability insurance contract

The Company has entered into an officers' liability insurance contract prescribed in Article 430-3, paragraph (1) of the Companies Act with an insurance company, under which Directors, Audit & Supervisory Board Members, Operating Officers and others of the Company and its subsidiaries are insured persons. The Company and its subsidiaries bear the full amount insurance expenses on behalf of the insured persons.

This insurance contract is designed to reimburse any compensation for damage and litigation costs incurred by the insured persons who have assumed liability for damages based on an act engaged by them in their business. However, the contract is subject to certain exemptions from liability to prevent the appropriateness of the execution of duties by the insured persons from being impaired. For example, any such damage as described above will not be reimbursed if it has arisen from an act engaged by an insured person while he or she knew that it was a violation of laws and/or regulations.

(5) Outside Directors

- i) Relationship between the Company and other organizations where significant concurrent positions are held

As described above in "(1) Name of Directors, etc."

- ii) Kinship with an executive or an officer of the Company or its specially designated companies

Not applicable

iii) Main activities of Outside Directors in the fiscal year under review

Classification, Name	Attendance (number of meetings attended / number of meetings held)			Main activities and outline of duties executed in relation to roles expected
	Board of Directors	Audit & Supervisory Committee	Nomination Committee / Remuneration Committee	
Director Masashi Hiraiwa	100% (15/15)	—	Nomination 100% (5/5) Remuneration 100% (11/11)	At meetings of the Board of Directors, he provides valuable advice and suggestions on overall management, including internal controls, the governance framework, and compliance with laws and regulations, primarily from his professional perspective as an attorney. In conjunction with changes to the institutional design of the Board of Directors, he has expressed opinions aligned with effective governance practices and has fulfilled his management supervision with a strong sense of ethics, playing an appropriate role in ensuring the validity and appropriateness of decision-making. He also serves as Chairperson of the Nomination Committee and as a member of the Remuneration Committee, bearing the supervisory function in the process of selecting corporate officer candidates of the Company and determining the remuneration for directors (and other officers) from an objective and impartial standpoint.
Director Seiichi Koike	100% (15/15)	—	Nomination 100% (5/5) Remuneration 100% (11/11)	At meetings of the Board of Directors, he provides valuable advice and suggestions regarding overall management, such as reflecting his wide-ranging expertise from an investor's perspective, in the management of the Company, primarily based on his experience in corporate management in the automotive components industry and as an Audit & Supervisory Board Member. He plays an appropriate role in ensuring the validity and appropriateness of decision-making by offering opinions on business execution from the perspective of enhancing medium- to long-term profitability as well as pursuing progress in terms of technology and quality. He also serves as Chairperson of the Remuneration Committee and as a member of the Nomination Committee, bearing the supervisory function in the process of selecting corporate officer candidates of the Company and determining the remuneration for directors (and other officers) from an objective and impartial standpoint.

Classification, Name	Attendance (number of meetings attended / number of meetings held)			Main activities and outline of duties executed in relation to roles expected
	Board of Directors	Audit & Supervisory Committee	Nomination Committee / Remuneration Committee	
Director Emiko Hamada	100% (15/15)	–	Nomination 100% (5/5) Remuneration 100% (11/11)	At meetings of the Board of Directors, she provides suggestions of business execution and management supervision, primarily drawing on her experience in industry-academia-government collaborations and as an Outside Director at another company. She plays an appropriate role in ensuring the validity and appropriateness of decision-making by offering opinions on matters such as the use of human resources and the promotion of diversity and inclusion. She also serves as a member of the Nomination Committee and the Remuneration Committee, bearing the supervisory function in the process of selecting corporate officer candidates of the Company and determining the remuneration for directors (and other officers) from an objective and impartial standpoint.
Director, Audit & Supervisory Committee Member Tomomi Fujita	100% (15/15)	100% (20/20)	–	At meetings of the Board of Directors and the Audit & Supervisory Committee, she plays an appropriate role in ensuring the validity and appropriateness of decision-making as well as the effectiveness of audit and supervisory functions by providing valuable advice and suggestions on overall management, including governance systems and compliance, based on her professional expertise and deep insight as an attorney.
Director, Audit & Supervisory Committee Member Tomoko Tsunoda	100% (15/15)	100% (20/20)	–	At meetings of the Board of Directors and the Audit & Supervisory Committee, she plays an appropriate role in ensuring the validity and appropriateness of decision-making as well as the effectiveness of audit and supervisory functions by providing advice from an investor's perspective and suggestions on management strategy, based on her expertise as a certified public accountant and her extensive experience and insight as a business executive. In addition, she ensures the proper and effective operation of the Audit & Supervisory Committee in her role as Chairperson.

Note: One (1) Audit & Supervisory Committee Member, designated by the Audit & Supervisory Committee for audit purposes, attends meetings of both the Nomination Committee and the Remuneration Committee.

(6) Remuneration, etc. of Directors

At its meeting held on February 29, 2024, the Board of Directors of the Company passed a resolution on the policy to determine the contents of remuneration paid to each Director. The Board of Directors sought and received advice from the Remuneration Committee before passing this resolution.

i) Policy to determine the contents of remuneration paid to each Director

1. Basic policy

The remuneration plans for directors (and other officers) of the Company shall be designed to raise motivation for the achievement of the goals for the economic value and social value of the Medium-Term Management Plan in accordance with the following basic principles.

- (1) Remuneration plans shall emphasize the linkage with remuneration and the Group's sustainable growth and medium- to long-term corporate value, and be designed to share the same value with shareholders.
- (2) Remuneration shall be set at levels that can attract and retain excellent human resources with global perspective.
- (3) The process to determine remuneration shall be highly transparent and objective.

2. How to determine remuneration levels

Remuneration levels shall be determined by selecting a group of benchmark companies using objective remuneration for directors (and other officers) survey data provided by external expert organizations in order to ensure that they are sufficient to motivate the achievement of the goals of the Medium-Term Management Plan and to enable the Company to secure excellent human resources.

3. Remuneration structure by position

(1) Executive Directors

“Basic remuneration,” “performance-based bonuses” as incentive for the execution of business, and “stock remuneration” will be paid with the objective of encouraging management that emphasizes the continuing improvement of corporate value.

(2) Non-executive Directors who are not Audit & Supervisory Committee Members

In consideration of their position as independent from the execution of business, only basic remuneration will be paid.

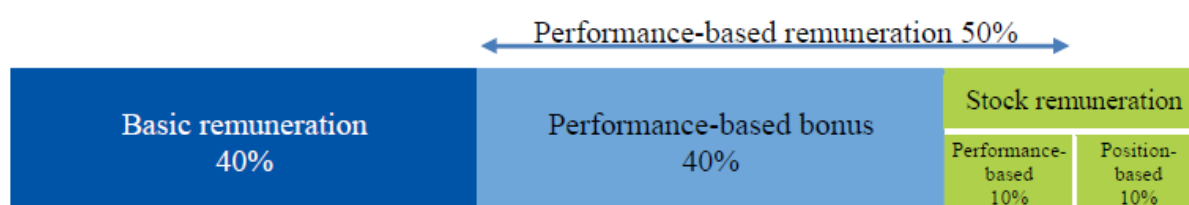
(3) Directors who are Audit & Supervisory Committee Members:

In consideration of their position as independent from the execution of business, only basic remuneration will be paid.

4. Composition of remuneration

Type of remuneration		Content, etc. of remuneration	Fixed / variable
Basic remuneration		Monthly cash in accordance with position and responsibilities	Fixed
Performance-based bonus		Cash to be paid at a fixed time each year in accordance with the consolidated performance for each fiscal year. Consolidated profit will be used as the relevant performance indicator to establish a clearer linkage between remuneration and factors contributing to the enhancement of corporate value and shareholder value. The standard amount of remuneration shall be designed to fluctuate based on the consolidated profit for the fiscal year under review in a manner that the ratio of basic remuneration to performance-based bonus is 1:1 when the goal of the Medium-Term Management Plan is achieved. The actual amount to be paid shall be determined by multiplying the standard amount to be paid by the co-efficient (75% to 125%) as calculated from the level of performance of the business the applicable officer is in charge of, the level of achievement of the social value goal in the Medium-Term Management Plan, and individual evaluation.	Variable
Stock remuneration	Restricted stock remuneration by position	On the condition of continuous service for the period set by the Company's Board of Directors, restricted stock will be issued in advance at a certain time each year in accordance with the standard amount set for each position. The restrictions shall be released upon the forfeiture of all and any positions as Director and Operating Officer of the Company.	Fixed
	Performance-based post-delivery restricted stock remuneration	Restricted stock as calculated in accordance with the level of achievement of the return on equity (ROE) in the Medium-Term Management Plan will be issued at the end of each fiscal year. The amount will vary within the range of 0% to 300% against the standard amount for each position, based on the level of achievement of consolidated ROE. The restrictions shall be released upon the forfeiture of all and any positions as Director and Operating Officer of the Company.	Variable

Composition of remuneration for Executive Directors (as per design)



* The designed value set under the assumption that the level of achievement of the Medium-Term Management Plan is 100%.

5. Process to determine remuneration

In order to ensure the transparency, objectivity and fairness of the process to determine remuneration for directors (and other officers), the Remuneration Committee, which is an advisory panel to the Board of Directors, deliberates and reports on matters pertaining to remuneration for Officers such as basic remuneration policy, plans, calculation methods, and specific remuneration content of individual Officers.

Within the limit of remuneration resolved at the General Meeting of Shareholders, specific remuneration of Directors is deliberated on an individual basis by the Remuneration Committee based on the amounts of remuneration calculated based on the relevant rules and regulations established by the Company and are determined by the Board of Directors based on the deliberation results of the Remuneration Committee.

It should be noted that remuneration for Directors who are Audit & Supervisory Committee Members shall be determined upon consultation with Directors who are Audit & Supervisory Committee Members.

- ii) Reason for which the Board of Directors determined that the contents of remuneration paid to each Director for the fiscal year under review were consistent with the determination policy

The Company determined the content of individual remuneration from diverse perspectives in accordance with the policy outlined above, taking into account the advice of the Remuneration Committee. For this reason, the Company determined that the contents of remuneration paid to each Director were consistent with the policy outlined above.

- iii) Matters concerning the resolution of the General Meeting of Shareholders on remuneration

Relevant officers	Type of remuneration	Outline of the relevant resolution	Date of resolution by General Meeting of Shareholders	Number of relevant officers
Directors (excluding Directors who are Audit & Supervisory Committee Members):	Cash	¥500 million or less per year (including ¥40 million or less to Outside Directors)	83rd Ordinary General Meeting of Shareholders held on June 27, 2024	7 (including 3 Outside Directors)
Directors who are Audit & Supervisory Committee Members:	Cash	¥8 million or less per month	83rd Ordinary General Meeting of Shareholders held on June 27, 2024	3 (including 2 Outside Directors)
Directors (excluding Directors who are Audit & Supervisory Committee Members and Non-executive Directors including Outside Directors)	Stock remuneration	Restricted stock remuneration by position <ul style="list-style-type: none"> • ¥50 million or less per year • Up to 12,500 shares of the common stock of the Company 	83rd Ordinary General Meeting of Shareholders held on June 27, 2024	3
		Performance-based post-delivery restricted stock remuneration <ul style="list-style-type: none"> • ¥150 million or less per year • Up to 37,500 shares of the common stock of the Company 		

Note: At the 84th Ordinary General Meeting of Shareholders held on June 27, 2025, the Company passed a resolution to establish, as measures for transferring unexercised share acquisition rights granted as stock compensation-type stock options into restricted stock for Directors (excluding Directors who are Audit & Supervisory Committee Members and Non-executive Directors including Outside Directors) who were reappointed at the 84th Ordinary General Meeting of Shareholders, a separate remuneration plan for the 85th fiscal year only, distinct from the remuneration framework approved at the 83rd Ordinary General Meeting of Shareholders, with a maximum annual amount of ¥300 million. The number of Directors (excluding Directors who are Audit & Supervisory Committee Members and Non-executive Directors including Outside Directors) at the conclusion of the said Ordinary General Meeting of Shareholders was three.

iv) Total remuneration, etc. paid to Directors for the fiscal year under review

Business terms	Total amount of remuneration		Basic remuneration		Performance-based bonus		Restricted stock remuneration			
							by position		Performance-based post-delivery issuance type	
	Number of persons	Total (Millions of yen)	Number of persons	Total (Millions of yen)	Number of persons	Total (Millions of yen)	Number of persons	Total (Millions of yen)	Number of persons	Total (Millions of yen)
Director (Of which Outside Directors)	7 (3)	222 (38)	7 (3)	166 (38)	3 (-)	29 (-)	3 (-)	26 (-)	3 (-)	0 (-)
Directors who are Audit & Supervisory Committee Members: (Of which Outside Directors)	3 (2)	50 (25)	3 (2)	50 (25)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Total	10	273	10	217	3	29	3	26	3	0

Notes: 1. The “Number of persons” refers to the number of persons subject to remuneration for the fiscal year under review, not the number of persons in office.

2. Figures are rounded down to the nearest million yen.

3. Following the approval at the 84th Ordinary General Meeting of Shareholders held on June 27, 2025, as measures for transferring unexercised share acquisition rights granted as stock compensation-type stock options to Directors (excluding Directors who are Audit & Supervisory Committee Members and Non-executive Directors including Outside Directors) into restricted stock, an equivalent number of shares of restricted stock has been allotted in exchange for the forfeiture of the unexercised share acquisition rights that had been allotted as stock compensation-type stock options prior to the introduction of the restricted stock remuneration plan. Note that the table above does not include the remuneration amount of ¥208 million equivalent to the 82,500 shares of restricted stock granted on July 19, 2025, as part of these transition measures.

(v) Calculation method for performance-based remuneration with the current fiscal year as the evaluation period, and the results of the evaluation indicators

1) Performance-based bonus

Consolidated profit will be used as the relevant performance indicator to establish a clearer linkage between remuneration and factors contributing to the enhancement of corporate value and shareholder value. The standard amount of remuneration shall be designed to fluctuate based on the consolidated profit for the fiscal year under review in a manner that the ratio of basic remuneration to performance-based bonus is 1:1 when the goal of the Medium-Term Management Plan is achieved. The actual amount to be paid shall be determined by multiplying the standard amount to be paid by the co-efficient (75% to 125%) as calculated from the level of performance of the business the applicable officer is in charge of, the level of achievement of the social value goal in the Medium-Term Management Plan, and individual evaluation.

The results of the evaluation indicators for the performance-based bonus with the current fiscal year as the evaluation period are as shown below.

Evaluation indicator	Results
Consolidated profit	¥14,806 million
GHG emissions reduction rate (compared with FY2020)	27.6% reduction
Accident frequency rate*1	0.10
Work engagement*2	2.28

*1 Number of victims requiring one or more days off due to workplace accident per 1 million labor hours

*2 Represents the state of mind of employees regarding work, which is measured on a four-point scale for employees

2) Performance-based post-delivery restricted stock remuneration

The amount is calculated in accordance with the level of achievement of the return on equity (ROE) in the Medium-Term Management Plan. The amount fluctuates within the range of 0% to 300% of the standard amount set for each position.

The results of the evaluation indicators for the performance-based post-delivery issuance type remuneration with the current fiscal year as the evaluation period are as shown below.

Evaluation indicator	Results
ROE	4.5%

(7) Other important matters concerning Corporate Officers

Not applicable

5. Accounting Auditors

(1) Name of Accounting Auditors

KPMG AZSA LLC

(2) Amount of remuneration paid or payable to Accounting Auditors for the fiscal year under review

Business terms	Amount of remuneration (Millions of yen)
i) Remuneration payable to the Accounting Auditors by the Company	90
ii) Total amount of money or other property benefits payable to the Accounting Auditor by the Company and its subsidiaries	121

Notes: 1. The Audit Contract between the Company and the Accounting Auditors does not separate the remuneration for audit under the Companies Act from the remuneration for audit under the Financial Instruments and Exchange Act. Accordingly, the amount of i) described above represents the total amount of these remunerations.

2. Certified public accountants or auditing firms other than KPMG AZSA LLC are in charge of auditing the principal foreign subsidiaries of the Company.

3. In addition to amounts stated above, the amount of remuneration payable to the Accounting Auditors by the Company includes ¥11 million as an amount of additional remuneration related to the previous fiscal year.

(3) Reasons for the accord of the Audit & Supervisory Committee regarding the amount of remuneration paid or payable to Accounting Auditors

The Audit & Supervisory Committee has given an accord, which is described in Article 399 of the Companies Act, as a result of studying whether the amount of remuneration for the audit paid or payable to Accounting Auditors is at a reasonable level in view of the corporate scale, complexity and risks of the Company.

(4) Non-audit services

The Company has paid consideration to KPMG AZSA LLC for its advice and guidance on responding to the Corporate Sustainability Reporting Directive (CSRD), which is among the services other than those prescribed in Article 2, paragraph (1) of the Certified Public Accountants Act (non-audit services).

(5) Policy for determining the dismissal or non-reappointment of Accounting Auditors

If the Audit & Supervisory Committee determines that the Accounting Auditor has become applicable under any of the items set forth in Article 340, paragraph (1) of the Companies Act, the Accounting Auditor shall be dismissed based on the consent of all Audit & Supervisory Committee Members. In addition, if it can be recognized that the Accounting Auditor has become unable to properly perform its duties, the Audit & Supervisory Committee shall decide on the content of proposals to be submitted to a General Meeting of Shareholders regarding the dismissal or non-reappointment of the Accounting Auditor.

(6) Matters concerning existing suspension of business

Not applicable

(7) Matters concerning suspensions of business over the last two (2) years that the Company deems should be included in the Business Report

Not applicable

(8) Summary of contents of liability limitation agreements

Not applicable

(9) Summary of contents of indemnity agreements

Not applicable

(10) Matters concerning names of Accounting Auditors who resigned or were dismissed during the fiscal year under review

Not applicable

6. Summary of the Resolution for the Systems for Ensuring Appropriate Business Operations and Status of Their Operation

A summary of the resolution made at a meeting of the Board of Directors for systems for the Company to ensure appropriate business operations and the status of their operation are as follows.

Basic Policy Concerning the Internal Control System Development

1. System for ensuring that Directors and employees of the Company and its subsidiaries perform their duties in accordance with laws, regulations and the Articles of Incorporation of said subsidiary
 - (1) As part of its social responsibilities and in order to comply with all laws and regulations governing the execution of business, the Company's Articles of Incorporation, various rules and regulations, international agreements, and ethical norms, the Group shall establish the "CSR Charter (TAIYO YUDEN Group's Charter on Social Responsibility)," formulate the "CSR Code of Conduct" as specific guidelines for behavior under this charter, and operate internal controls to ensure thorough compliance with said charter and code.
 - (2) An Internal Control Committee shall be established as a system to promote the Group's compliance activities. The committee shall designate a responsible person for each of the items set forth in the "TAIYO YUDEN Group CSR Code of Conduct" and conduct compliance activities on an ongoing basis in accordance with the compliance management system.
 - (3) In order to detect and resolve issues such as violations of laws, regulations, or internal regulations at an early stage, the Group shall establish a whistleblower system that enables reports to be made directly through both internal and external channels, and also establish a framework to ensure whistleblowers shall not be unfavorably treated.
 - (4) Multiple independent Outside Directors shall be appointed to raise the objectiveness, neutrality, and transparency of the function for supervising the execution of business by the Board of Directors, which supervises the execution of duties by each Director and verifies compliance with laws, regulations and the Articles of Incorporation.
 - (5) An internal control system shall be established and operated to ensure the appropriateness and trustworthiness of financial reporting.
 - (6) Corporate information concerning the Group shall be disclosed fairly and appropriately.
 - (7) The Group shall take a firm and uncompromising stance on an organizational basis against anti-social forces or groups.
2. System for the storage and management of information with regard to the execution of duties by Directors of the Group
 - (1) Minutes of important meetings of the Board of Directors and other bodies, as well as approval documents made by each Director based on rules for approval and information concerning the execution of duties by Directors shall be recorded in the form of documents or electromagnetic media and stored appropriately in accordance with laws, regulations, and internal rules.
 - (2) In accordance with internal rules, Directors of the Company shall ensure that documents or electromagnetic media containing said information are always available for viewing.
 - (3) The Company shall prevent any leaks or illicit usage of information by establishing a system for the appropriate storage and management of said information and by informing and educating Group officers and employees through the provision of materials on information security.
3. Rules for managing risks of loss of the Group and other systems
 - (1) An Internal Control Committee shall be established as a system to promote the Group's risk management activities. The committee shall designate a responsible person for each risk category. Risk management activities, which consist of risk identification, evaluation of risk

levels, decision and execution of risk countermeasures and monitoring/review of the status of implemented countermeasures, shall be continuously performed as per the Group risk management system.

- (2) The Company shall establish “Group Business Continuity Regulation” to anticipate the effects on business activities that could result from the occurrence of risks, including natural disasters, and to determine the possible formation of an emergency task force depending on the scale of expected adverse effects and take preventive measures in advance during normal circumstances. In case a business continuity problem arises, the Company shall establish a BCP (Business Continuity Plan) and take Group-wide countermeasures to enable the early resumption of business activities.

4. System for ensuring the duties of Directors of the Group are efficiently performed

- (1) The Company shall adopt an Operating Officers system with the aim of making management more efficient by delegating authority for business execution to Operating Officers and separating management decision making and supervisory functions from business execution functions.
- (2) The Board of Directors shall determine important matters such as basic policies concerning management, including the Group’s internal control system, and business strategy, and it shall supervise the appointment and dismissal of Operating Officers, as well as the execution of business by said officers.
- (3) In order to make decision making and the execution of business by Directors more efficient, the Company shall establish a collegial body comprising Operating Officers to deliberate on important matters regarding the execution of business operations and personnel affairs.
- (4) In order to ensure appropriate decision making by Directors, the Company shall formulate and implement internal regulations concerning the responsibilities and jurisdiction of each organization and position.
- (5) In regard to the execution of business at subsidiaries, “Group Management Rules” which clarify the jurisdiction and decision-making process of subsidiaries shall be established with the aim of making Group management more transparent and efficient.

5. System for ensuring appropriate business operations within the TAIYO YUDEN Group

- (1) The status of the business executed at subsidiaries shall be reported as per the “Group Management Rules” to encourage the sharing of information with relevant departments of the Company.
- (2) The Company shall strive to understand the management circumstances of its subsidiaries by dispatching some of its employees to serve as Directors and Audit & Supervisory Board Members of the relevant subsidiaries.
- (3) The Internal Audit Office of the Company monitors whether business operations of subsidiaries are conducted appropriately and efficiently from an independent standpoint. The monitoring results shall be provided appropriately as feedback to the relevant subsidiaries and to the Representative Director of the Company. The Internal Audit Office shall also cooperate with the Audit & Supervisory Committee of the Company.

6. Matters regarding Directors and employees appointed to support the operation of the Audit & Supervisory Committee of the Company, matters regarding the independence of said Directors and employees from Directors (excluding Directors who are Audit & Supervisory Committee Members), and matters to ensure the effectiveness of directions given to said Directors and employees

- (1) The Company shall establish the Audit & Supervisory Committee Secretariat to support the operation of the Audit & Supervisory Committee. It shall appoint employees to support the operation of the Audit & Supervisory Committee and ensure that said employees receive the

authority required to carry out investigations, a framework for cooperating with each department is in place, and other such matters.

- (2) Human resources and organizational decisions concerning employees appointed to support the operation of the Audit & Supervisory Committee shall require the consent of the Audit & Supervisory Committee and said employees shall carry out duties under the direction of the Audit & Supervisory Committee.

7. System for reporting to the Audit & Supervisory Committee of the Company

- (1) Directors and employees of the Group, if any of them recognize a fact that violates any laws, regulations, the Articles of Incorporation and/or internal regulations, or a considerably improper fact that could be such a violating fact, or a fact that is feared to cause significant damage to the Company, shall immediately report thereof to the Audit & Supervisory Committee.
- (2) A whistleblower system shall be established that enables officers and employees of the Group to report directly to the Audit & Supervisory Committee. The status of this system shall be regularly reported to the Audit & Supervisory Committee.
- (3) A framework shall be established to ensure whistleblowers using said system are not unfavorably treated.

8. Other systems for ensuring effective auditing by the Audit & Supervisory Committee of the Company

- (1) The Company shall create a system that allows Audit & Supervisory Committee Members to participate in important meetings on managerial matters and audit the decision making of Directors, as well as the execution of duties by Directors.
- (2) The Company shall create a system that allows the Audit & Supervisory Committee to collect information in a timely manner that is necessary for its audits through communication with Directors and employees, and also request, as necessary, reports therefrom regarding the execution of their duties and inspect the relevant documents.
- (3) The Company shall create a system that allows the Audit & Supervisory Committee to periodically exchange information with the Internal Audit Office, and take close cooperation therewith.
- (4) The Company shall create a system that allows the Audit & Supervisory Committee to periodically, or on an as-needed basis, exchange information with the Accounting Auditor, and request reporting therefrom, as necessary.
- (5) Directors who are not Audit & Supervisory Committee Members shall strive to exchange information with the Audit & Supervisory Committee.
- (6) The Company shall pay for expenses that derive from the execution of duties by the Audit & Supervisory Committee except in cases where it is recognized that such expenses are not necessary for the execution of duties by the Audit & Supervisory Committee.

Summary of the status of operation

1. Compliance and risk management

The Compliance Subcommittee and the Risk Management Subcommittee have been established under the Internal Control Committee, which is chaired by the Representative Director, President and Chief Executive Officer, in order to oversee and promote compliance and risk management activities across the entire Group. For compliance, a responsible operating officer for each item of the “CSR Code of Conduct” is assigned to conduct cross-Group rule development, maintenance, education, and monitoring. Furthermore, the Group’s risk management is based on control activities by the business unit organizations, with each department at the head office providing support in education, standardization, and monitoring.

2. Execution of duties by Directors

In conjunction with the transition to a company with Audit & Supervisory Committee, authority has been delegated from the Board of Directors to the Executive Directors. In addition, an Operating Officers system has been established in order to clarify the roles of supervision and business execution. Based on the management policies and strategies determined by the Board of Directors, matters deliberated at the Management Committee and TM (Top Management) Meeting are executed by the responsible operating officers under the direction of the Representative Director, President and Chief Executive Officer. Important information related to the execution of duties of directors is properly stored and managed in written or electronic form in accordance with applicable laws and meeting rules.

3. Internal control of subsidiaries

Decision-making at subsidiaries and reports to the parent company are carried out in a standardized manner based on the "Group Management Rules." In regard to compliance and risk management, an Internal Control Committee has been established at each subsidiary, and these committees are overseen by various related collegial bodies and organizations. In addition, the internal control department at the head office conducts educational and monitoring activities for all subsidiaries within a framework of group-wide centralized control.

4. Internal auditing

The Internal Audit Office is an organization for which independence has been ensured and that conducts legal compliance as well as risk-based internal audits throughout the organizations within the Group. Through these activities, the Internal Audit Office verifies whether the operations of the Group are being properly conducted and monitors the development and operational status of the necessary systems for this. Internal audit activities are conducted in coordination with an accounting corporation and the Audit & Supervisory Committee. The results of internal audits are reported to the Representative Director, President and Chief Executive Officer, the Board of Directors, as well as the Audit & Supervisory Committee.

5. Audit & Supervisory Committee

In addition to attending important meetings related to management and the internal control system, Audit & Supervisory Committee Members may view and verify the content of important meeting materials and other information necessary for auditing the execution of duties of Directors. In addition, they collect information by attending meetings of the Audit & Supervisory Board Members' Liaison Committee, which is composed of subsidiary Audit & Supervisory Board Members, exchanging opinions with Directors, and conducting interviews with employees. Furthermore, the Audit & Supervisory Committee regularly and as necessary exchanges opinions with the Accounting Auditors and the Internal Audit Office, endeavoring to enhance the effectiveness of each respective audit.

In order to assist the Audit & Supervisory Committee in the performance of its duties, the Company has established an Audit & Supervisory Committee Secretariat and has assigned dedicated staff members who have been granted the necessary investigative authority. These staff members perform their duties based on the direction and supervision of the Audit & Supervisory Committee, and personnel and organizational matters relating to such staff members are subject to the consent of the Audit & Supervisory Committee.

Under the group-wide whistleblower system, a mechanism is in place that allows for direct reporting to the Audit & Supervisory Committee. In addition, no disadvantageous treatment is given to whistleblowers. The status of whistleblowing is reported to both the Internal Control Committee and the Audit & Supervisory Committee.

7. Basic Policy on the Control over the Company

(1) Basic policy

The shares of the Company are in principle freely tradable, and are traded freely and actively on markets by numerous investors. Therefore, the Company believes that the persons to control decision-making over the financial and business policies of the Company should be decided through free trading in the shares of the Company, and that the final decision as to whether to accept a purchase offer for shares in a volume that will enable the purchaser to control decision-making over the financial and business policies of the Company should be made based on the free will of all shareholders.

Meanwhile, the Company believes that persons who control decision-making over the financial and business policies of the Company must be able to maintain trust relationships among various stakeholders such as shareholders, and protect and enhance the corporate value of the Company and the common interests of the shareholders over the mid-to-long term.

Therefore, the Company believes that persons who make inappropriate large-scale purchase offers or perform similar actions that may harm the corporate value of the Company or common interests of the shareholders are not suited to control decision-making over the financial and business policies of the Company. In the case that such persons make large-scale purchase offers of the Company's stock, the Company will try to disclose information in a proper and timely manner and take actions which are appropriate at that point in time, aiming at ensuring and improving the common interests of the shareholders.

(2) Efforts to realize the basic policy

The Company believes that ensuring management is practiced from the shareholders' perspective by consistently executing the Mid-Term Management Plan and strengthening corporate governance will protect and enhance the Company's value and the common interests of shareholders. Thus, the Company is implementing the efforts listed in the Business Report attached to the Notice of Convocation of the 85th Ordinary General Meeting of Shareholders.

(3) Judgments and reasoning of the Board of Directors of the Company for specific initiatives

Each initiative described in (2) above is in line with the corporate values of the Company and the common interests of its shareholders, in accordance with the basic policy described in (1) above, and is not intended to maintain the position of Corporate Officers of the Company.

Consolidated Financial Statements

CONSOLIDATED BALANCE SHEET

(Millions of yen)

Account item	85th Fiscal Term (as of March 31, 2026)	(Reference) 84th Fiscal Term (as of March 31, 2025)
Assets		
Current assets	318,295	279,284
Cash and deposits	100,072	78,166
Notes and accounts receivable - trade	86,366	80,549
Merchandise and finished goods	35,121	31,161
Work in process	57,908	53,620
Raw materials and supplies	32,806	25,245
Other	6,415	10,868
Allowance for doubtful accounts	(394)	(327)
Non-current assets	297,240	293,904
Property, plant and equipment	289,967	286,837
Buildings and structures	210,344	189,452
Machinery, equipment and vehicles	480,965	440,279
Tools, furniture and fixtures	53,669	45,633
Land	18,295	16,525
Construction in progress	19,649	32,133
Accumulated depreciation	(492,956)	(437,185)
Intangible assets	1,790	1,907
Other	1,790	1,907
Investments and other assets	5,482	5,159
Investment securities	20	20
Retirement benefit asset	70	26
Deferred tax assets	3,944	3,742
Other	1,530	1,451
Allowance for doubtful accounts	(84)	(82)
Total Assets	615,536	573,188

(Millions of yen)

Account item	85th Fiscal Term (as of March 31, 2026)	(Reference) 84th Fiscal Term (as of March 31, 2025)
Liabilities		
Current liabilities	93,750	79,645
Notes and accounts payable - trade	26,477	27,157
Short-term borrowings	11,193	4,200
Current portion of long-term borrowings	24,002	15,502
Accounts payable - other	9,932	14,035
Income taxes payable	2,468	2,086
Provision for bonuses	4,253	4,029
Provision for bonuses for directors (and other officers)	29	4
Other	15,392	12,629
Non-current liabilities	177,373	174,372
Convertible-bond-type bonds with share acquisition rights	50,813	50,991
Long-term borrowings	85,204	93,707
Deferred tax liabilities	8,942	8,338
Provision for retirement benefits for directors (and other officers)	35	49
Retirement benefit liability	7,787	7,229
Other	24,590	14,055
Total Liabilities	271,123	254,017
Net assets		
Shareholders' equity	296,717	292,399
Share capital	33,575	33,575
Capital surplus	49,960	49,969
Retained earnings	225,578	222,012
Treasury shares	(12,396)	(13,157)
Accumulated other comprehensive income	47,695	26,036
Deferred gains or losses on hedges	(45)	(8)
Foreign currency translation adjustment	47,796	26,291
Remeasurements of defined benefit plans	(55)	(246)
Share acquisition rights	-	734
Total Net Assets	344,412	319,171
Total Liabilities and Net Assets	615,536	573,188

CONSOLIDATED STATEMENT OF INCOME

(Millions of yen)

Account item	85th Fiscal Term (from April 1, 2025 to March 31, 2026)		(Reference) 84th Fiscal Term (from April 1, 2024 to March 31, 2025)	
Net sales		355,341		341,438
Cost of sales		273,412		269,867
Gross profit		81,928		71,570
Selling, general and administrative expenses		61,932		61,110
Operating profit		19,996		10,459
Non-operating income				
Interest income	1,126		1,551	
Dividend income	0		0	
Foreign exchange gains	4,759		-	
Subsidy income	495		360	
Other	804	7,185	313	2,225
Non-operating expenses				
Interest expenses	1,859		891	
Foreign exchange losses	-		819	
Depreciation of inactive non-current assets	525		297	
Compensation expenses	431		87	
Other	236	3,053	70	2,167
Ordinary profit		24,129		10,517
Extraordinary income				
Gain on sale of non-current assets	319		24	
Gain on sale of investment securities	-		504	
Profit on transition of Directors' compensation plan	64		-	
Gain on reversal of Anti-monopoly Act related loss	-		68	
Other	-	384	1	598
Extraordinary losses				
Loss on sale and retirement of non-current assets	861		477	
Impairment losses	2,130		16	
Business restructuring expenses	1,455		324	
Loss on disaster	-		157	
Anti-monopoly Act related loss	-		1,687	
Other	0	4,447	86	2,750
Profit before income taxes		20,066		8,365
Income taxes - current	5,059		5,548	
Income taxes - deferred	200	5,260	488	6,037
Profit		14,806		2,328
Profit attributable to owners of parent		14,806		2,328

Non-Consolidated Financial Statements

BALANCE SHEET

(Millions of yen)

Account item	85th Fiscal Term (as of March 31, 2026)	(Reference) 84th Fiscal Term (as of March 31, 2025)
Assets		
Current assets	159,959	138,433
Cash and deposits	36,617	13,609
Notes receivable - trade	286	428
Accounts receivable - trade	65,050	61,182
Merchandise and finished goods	4,879	4,091
Work in process	14,344	10,865
Raw materials and supplies	4,668	3,883
Prepaid expenses	992	796
Short-term loans receivable from subsidiaries and associates	4,509	10,912
Accounts receivable - other	24,694	27,262
Consumption taxes refund receivable	3,542	4,292
Other	374	1,108
Non-current assets	233,751	247,810
Property, plant and equipment	58,880	59,142
Buildings	20,829	14,357
Structures	1,046	1,101
Machinery and equipment	24,182	21,068
Vehicles	74	126
Tools, furniture and fixtures	3,349	3,720
Land	4,501	4,485
Construction in progress	4,897	14,282
Intangible assets	1,196	1,272
Patent right	1	1
Software	1,061	1,039
Other	134	231
Investments and other assets	173,673	187,394
Investment securities	0	0
Shares of subsidiaries and associates	62,049	63,870
Long-term loans receivable from employees	7	10
Long-term loans receivable from subsidiaries and associates	117,909	124,438
Distressed receivables	0	0
Long-term prepaid expenses	98	181
Deferred tax assets	1,901	2,427
Other	588	540
Allowance for doubtful accounts	(8,882)	(4,075)
Total Assets	393,711	386,243

(Millions of yen)

Account item	85th Fiscal Term (as of March 31, 2026)	(Reference) 84th Fiscal Term (as of March 31, 2025)
Liabilities		
Current liabilities	102,081	84,553
Accounts payable - trade	43,667	42,530
Electronically recorded obligations	2,759	4,760
Short-term borrowings	11,193	4,200
Current portion of long-term borrowings	24,002	15,502
Lease liabilities	389	118
Accounts payable - other	7,779	7,495
Accrued expenses	4,982	4,248
Income taxes payable	592	323
Deposits received	2,637	2,120
Provision for bonuses	1,920	1,653
Provision for bonuses for directors (and other officers)	29	4
Other	2,128	1,595
Non-current liabilities	143,162	145,524
Convertible-bond-type bonds with share acquisition rights	50,813	50,991
Long-term borrowings	85,204	93,707
Lease liabilities	6,159	323
Other	984	502
Total Liabilities	245,243	230,077
Net assets		
Shareholders' equity	148,513	155,439
Share capital	33,575	33,575
Capital surplus	52,076	52,085
Legal capital surplus	51,468	51,468
Other capital surplus	607	617
Retained earnings	75,258	82,936
Legal retained earnings	2,947	2,947
Other retained earnings	72,310	79,988
Reserve for tax purpose reduction entry of non-current assets	1,296	1,298
Retained earnings brought forward	71,014	78,690
Treasury shares	(12,396)	(13,157)
Valuation and translation adjustments	(45)	(8)
Deferred gains or losses on hedges	(45)	(8)
Share acquisition rights	-	734
Total Net Assets	148,467	156,165
Total Liabilities and Net Assets	393,711	386,243

STATEMENT OF INCOME

(Millions of yen)

Account item	85th Fiscal Term (from April 1, 2025 to March 31, 2026)		(Reference) 84th Fiscal Term (from April 1, 2024 to March 31, 2025)	
Net sales		323,867		308,341
Cost of sales		286,193		283,179
Gross profit		37,673		25,162
Selling, general and administrative expenses		36,286		35,027
Operating profit (loss)		1,386		(9,864)
Non-operating income				
Interest income	2,297		2,302	
Dividend income	8,320		15,168	
Foreign exchange gains	2,352		-	
Other	152	13,123	270	17,741
Non-operating expenses				
Interest expenses	1,274		607	
Foreign exchange losses	-		2,369	
Compensation expenses	18		33	
Depreciation of inactive non-current assets	278		7	
Provision of allowance for doubtful accounts	4,806		2,200	
Other	107	6,485	121	5,339
Ordinary profit		8,024		2,537
Extraordinary income				
Gain on sale of non-current assets	53		4	
Profit on transition of Directors' compensation plan	64	118	-	4
Extraordinary losses				
Loss on sale and retirement of non-current assets	474		108	
Impairment losses	0		9	
Loss on valuation of shares of subsidiaries and associates	1,500		2,021	
Other	111	2,087	84	2,224
Profit before income taxes		6,055		317
Income taxes - current	1,949		581	
Income taxes - deferred	543	2,493	(45)	535
Profit (loss)		3,562		(218)

Audit Report

Certified Copy of the Independent Auditor's Report Concerning Consolidated Financial Statements

Independent Auditor's Report

May 13, 2026

The Board of Directors of
TAIYO YUDEN CO., LTD.

KPMG AZSA LLC
Tokyo Office, Japan

Naoki Matsumoto, CPA
Designated Limited Liability Partner, Engagement Partner

Hiromasa Niinaya, CPA
Designated Limited Liability Partner, Engagement Partner

Opinion

We have audited the Consolidated Financial Statements, which comprise the consolidated balance sheet, consolidated statement of income, consolidated statement of changes in equity, and notes to the Consolidated Financial Statements of TAIYO YUDEN CO., LTD. (the "Company") and its consolidated subsidiaries (collectively referred to as the "Group") for the fiscal term from April 1, 2025 to March 31, 2026 in accordance with Article 444, paragraph (4) of the Companies Act.

In our opinion, the Consolidated Financial Statements referred to above present fairly, in all material respects, the consolidated financial position and the results of operations of the Group for the period, for which the Consolidated Financial Statements were prepared, in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements in Japan (including those applicable to audits of financial statements of entities of high public interest), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Other information provided by the Company consists of Business Report and its supplementary schedules. Management is responsible for the preparation and disclosure of other information. Audit & Supervisory Committee is responsible for overseeing the Directors' performance of their duties in the design, implementation and maintenance of the Company's reporting process of other information.

The scope of our opinion on Consolidated Financial Statements does not include other information, and accordingly, we do not express any opinion on other information.

Our responsibilities in the audit of the Consolidated Financial Statements are to read through other information, and in its process, to examine whether there is any significant difference between other information and information contained in the Consolidated Financial Statements and/or the knowledge obtained by us in the course of the audit and to pay attention to whether there is any sign of material error in other information other than such significant differences.

If we determine that there is a material error in other information based on the audit work that we have conducted, we are required to report that fact.

There is no particular fact that we should report concerning other information.

Responsibilities of Management and Audit & Supervisory Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the Consolidated Financial Statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of Consolidated Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, management is responsible for assessing whether it is appropriate to prepare the Consolidated Financial Statements based on the premise of a going concern, and disclosing, as applicable, matters related to a going concern in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Committee is responsible for overseeing the Directors' performance of their duties including the design, implementation and maintenance of the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, based on the audit carried out by the auditors, and to issue an auditor's report that includes our opinion from an independent standpoint. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements and others, whether due to fraud or error, design and perform audit procedures responsive to those risks, for which the selection and application of audit procedures is at the discretion of the auditor, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances when conducting risk assessments, while the objective of the Consolidated Financial Statements audit is not to express an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the methods of application thereof, as well as the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of preparing Consolidated Financial Statements and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to express our opinion with exclusions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the Consolidated Financial Statements are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and conduct the audit on the Consolidated Financial Statements to obtain sufficient and appropriate audit evidence regarding the financial information of the entities and its consolidated subsidiaries, which forms the basis for expressing an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and inspection of the Consolidated Financial Statements audit. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Committee regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit, and any other matters required by auditing standards.

We also provide Audit & Supervisory Committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards if measures have been taken to eliminate impediments or to reduce impediments to an acceptable level.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Group which are required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Certified Copy of the Independent Auditor's Report Concerning Non-Consolidated Financial Statements

Independent Auditor's Report

May 13, 2026

The Board of Directors of
TAIYO YUDEN CO., LTD.

KPMG AZSA LLC
Tokyo Office, Japan

Naoki Matsumoto, CPA
Designated Limited Liability Partner, Engagement Partner

Hiromasa Niinaya, CPA
Designated Limited Liability Partner, Engagement Partner

Opinion

We have audited the Non-Consolidated Financial Statements, which comprise the non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of changes in equity and notes to the Non-Consolidated Financial Statements, and the supplementary schedules (hereinafter the "Non-Consolidated Financial Statements and others") of TAIYO YUDEN CO., LTD. (the "Company") as at March 31, 2026 and for the 85th fiscal term from April 1, 2025 to March 31, 2026 in accordance with Article 436, paragraph (2), item (i) of the Companies Act.

In our opinion, the Non-Consolidated Financial Statements and others referred to above present fairly, in all material respects, the status of property, and profits and losses for the period, for which the Non-Consolidated Financial Statements and others were prepared, in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Non-Consolidated Financial Statements and Others section of our report. We are independent of the Company in accordance with the ethical requirements in Japan (including those applicable to audits of financial statements of entities of high public interest), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Other information provided by the Company consists of Business Report and its supplementary schedules. Management is responsible for the preparation and disclosure of other information. Audit & Supervisory Committee is responsible for overseeing the Directors' performance of their duties in the design, implementation and maintenance of the Company's reporting process of other information.

The scope of our opinion on Non-Consolidated Financial Statements and others does not include other information, and accordingly, we do not express any opinion on other information.

Our responsibilities in the audit of Non-Consolidated Financial Statements and others are to read through other information and in its process, to examine whether there is any significant difference between other information and information contained in the Non-Consolidated Financial Statements and others and/or the knowledge obtained by us in the course of audit and to pay attention to whether there is any sign of material error in other information other than such significant differences.

If we determine that there is a material error in other information based on the audit work that we have conducted, we are required to report that fact.

There is no particular fact that we should report concerning other information.

Responsibilities of Management and Audit & Supervisory Committee for the Non-Consolidated Financial Statements and Others

Management is responsible for the preparation and fair presentation of the Non-Consolidated Financial Statements and others in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of Non-Consolidated Financial Statements and others that are free from material misstatement, whether due to fraud or error.

In preparing the Non-Consolidated Financial Statements and others, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Audit & Supervisory Committee is responsible for overseeing the Directors' performance of their duties including the design, implementation and maintenance of the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Non-Consolidated Financial Statements and Others

Our objectives are to obtain reasonable assurance about whether the Non-Consolidated Financial Statements and others as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion from an independent standpoint. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Non-Consolidated Financial Statements and others.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Non-Consolidated Financial Statements and others, whether due to fraud or error, design and perform audit procedures responsive to those risks, for which the selection and application of audit procedures is at the discretion of the auditor, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances when conducting risk assessments, while the objective of the Non-Consolidated Financial Statements audit is not to express an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the methods of application thereof, as well as the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of preparing Non-Consolidated Financial Statements and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Non-Consolidated Financial Statements and others or, if such disclosures are inadequate, to express our opinion with exclusions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the Non-Consolidated Financial Statements and others are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the Non-Consolidated Financial Statements and others, including the disclosures, and whether the Non-Consolidated Financial Statements and others represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Audit & Supervisory Committee regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit, and any other matters required by auditing standards.

We also provide Audit & Supervisory Committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other

matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards if measures have been taken to eliminate impediments or to reduce impediments to an acceptable level.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which are required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Report of the Audit & Supervisory Committee

Audit Report

The Audit & Supervisory Committee audited the execution of duties by the Directors for the 85th fiscal term from April 1, 2025 to March 31, 2026. The method and results are reported below.

1. Audit method and content

The Audit & Supervisory Committee received regular reports from Directors and employees regarding resolutions of the Board of Directors related to the matters prescribed in Article 399-13, Paragraph 1, items (i), (b) and (c) of the Companies Act and the construction and operation of the system (internal control system) established based on the resolutions of the Board of Directors; the Committee requested further explanations as necessary, expressed opinions, and conducted the audit using the methods described below.

- i) In accordance with the audit policy and division of duties prescribed by the Audit & Supervisory Committee, and in coordination with the Company's Internal Control Department, the Committee attended important meetings, received reports from Directors and employees regarding the execution of their duties, requested further explanations as necessary, inspected important decision-making documents, and conducted an examination of the status of operations and assets at the Company's head office and primary business locations. Audit & Supervisory Board Members also engaged in communication and information sharing with the Directors and Audit & Supervisory Board Members of subsidiaries, and received business reports from subsidiaries as necessary.
- ii) Based on the status of discussions at the Board of Directors and other bodies, the Audit & Supervisory Committee reviewed the content of the basic policy outlined in Article 118, item (iii)(a) of the Regulation for Enforcement of the Companies Act, and the initiatives under item (iii)(b) of the same article of the Regulation for Enforcement of the Companies Act, as stated in the business report.
- iii) Audit & Supervisory Board Members monitored and verified that Accounting Auditors maintained independence and conducted the audits appropriately. Each Audit & Supervisory Board Member received reports of the status of the execution of duties from Accounting Auditors and requested further explanation as necessary. In addition, we were informed of the arrangement of the "System for ensuring that duties are performed appropriately" (the matters stated in each of the items of Article 131 of the Corporate Calculation Regulations), as per the "Standards for the Quality Control of Audits" (Business Accounting Council) from the Accounting Auditor and requested explanations as necessary.

In accordance with the procedures mentioned above, we inspected the Business Report, its supplementary schedules, the Non-Consolidated Financial Statements (non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of changes in equity and notes to the Non-Consolidated Financial Statements) and the supplementary schedules, as well as the Consolidated Financial Statements (consolidated balance sheet, consolidated statement of income, consolidated statement of changes in equity and notes to the Consolidated Financial Statements) for the year ended on March 31, 2026.

2. Results of audit

(1) Results of audit of Business Report

- i) The Business Report and supplementary schedules present fairly the current condition of the Company in conformity with related laws, regulations, and the Company's Articles of Incorporation;
- ii) Regarding the execution of duties by Directors, no instances of misconduct or material matters in violation of laws, regulations, nor the Company's Articles of Incorporation were found;
- iii) Resolutions of the Board of Directors regarding the internal control system are fair and reasonable. There are no matters to be pointed out about the execution of duties by Directors regarding the internal control system; and
- iv) The basic policies on those who control the decision-making of the Company's financial and business policies, as stated in the Business Report, is considered appropriate. The initiatives of Article 118, item

(iii)(b) of the Regulation for Enforcement of the Companies Act, as stated in the Business Report, are in line with the basic policy and do not harm the common interests of our shareholders, nor are they intended to maintain the positions of our corporate officers.

(2) Results of audit of Non-Consolidated Financial Statements and supplementary schedules

The auditing methods and results of the Accounting Auditor, KPMG AZSA LLC, are fair and reasonable.

(3) Results of audit of Consolidated Financial Statements

The auditing methods and results of the Accounting Auditor, KPMG AZSA LLC, are fair and reasonable.

May 15, 2026

The Audit & Supervisory Committee of TAIYO YUDEN CO., LTD.

Toshimitsu Honda (Seal)
Audit & Supervisory Committee Member (Full-time)

Tomomi Fujita (Seal)
Audit & Supervisory Committee Member

Tomoko Tsunoda (Seal)
Audit & Supervisory Committee Member

Note: Audit & Supervisory Committee Members Tomomi Fujita and Tomoko Tsunoda are Outside Directors as defined in Article 2, item (xv) and Article 331, Paragraph 6 of the Companies Act.