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August 5, 2026

Consolidated Financial Results for the Three Months Ended June 30, 2026 (Under Japanese GAAP)

Company name: TAIYO YUDEN CO., LTD.
Listing: Tokyo Stock Exchange
Securities code: 6976
URL: https://www.yuden.co.jp/en/
Representative: Katsuya Sase, Representative Director, President and Chief Executive Officer
Inquiries: Tomomitsu Fukuda, Director, Senior Executive Operating Officer, Chief of Management Planning Headquarters
Telephone: +81-3-6757-8310
Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for institutional investors and investment analysts)

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

1. Consolidated financial results for the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	93,897	10.7	4,818	53.3	4,263	1,560.4	2,504	-
June 30, 2025	84,810	4.5	3,142	19.4	256	(96.9)	(876)	-

Note: Comprehensive income For the three months ended June 30, 2026: ¥6,431 million [1,460.3%]
For the three months ended June 30, 2025: ¥412 million [(97.6)%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	19.82	18.16
June 30, 2025	(7.02)	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
June 30, 2026	616,863	368,259	59.7	2,827.24
March 31, 2026	615,536	344,412	56.0	2,754.19

Reference: Equity
As of June 30, 2026: ¥368,259 million
As of March 31, 2026: ¥344,412 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	-	45.00	-	45.00	90.00
Fiscal year ending March 31, 2027	-				
Fiscal year ending March 31, 2027 (Forecast)		45.00	-	45.00	90.00

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

3. Forecasts of operating results for the period from April 1, 2026 to March 31, 2027

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2027	424,000	19.3	45,000	125.0	42,000	74.1	29,000	95.9	219.03

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

* **Notes**

(1) Significant changes in the scope of consolidation during the period: None
Newly included: -
Excluded: -

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement
 (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 (ii) Changes in accounting policies due to other reasons: None
 (iii) Changes in accounting estimates: None
 (iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of June 30, 2026	135,422,595 shares
As of March 31, 2026	130,218,481 shares

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

As of June 30, 2026	5,168,217 shares
As of March 31, 2026	5,167,907 shares

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

Three months ended June 30, 2026	126,375,553 shares
Three months ended June 30, 2025	124,733,046 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Forecasts of operating results include a number of assumptions based on information currently available and certain premises which were judged to be rational. Please note that these forecasts may significantly differ from actual results with various factors.

* TAIYO YUDEN will post the financial supplementary data on its web-site.

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1. Qualitative Information Concerning Financial Statements and Other

(1) Consolidated Operating Results

During the three-month period ended June 30, 2026 (April 1, 2026 to June 30, 2026), the business environment surrounding the TAIYO YUDEN Group ("the Group") experienced a continued trend of moderate recovery in the global economy despite weaknesses in some regions. As for the future, it will be necessary to monitor the situation in the Middle East, fluctuations in financial and capital market, and other factors.

The Group is aiming to increase the proportion of sales in focus markets, primarily automotive and IT infrastructure/industrial equipment to realize growth over the medium to long term. The Group will also produce high-value-added electronic components with a focus on high-end and high-reliability products. In addition to achieving further growth in multilayer ceramic capacitors, the Group's core business, the Group will also strengthen its inductor business to establish it as a second pillar and build a well-balanced business structure. Moreover, we are continuously expanding our capacity to meet increasing demand.

Consolidated net sales for the three-month period ended June 30, 2026 totaled ¥93,897 million, which is an increase of 10.7% compared to the corresponding period of the previous fiscal year. Operating profit was ¥4,818 million, an increase of 53.3% compared to the corresponding period of the previous fiscal year. Ordinary profit was ¥4,263 million, an increase of 1,560.4% compared to the corresponding period of the previous fiscal year. Profit attributable to owners of parent was ¥2,504 million, compared to a loss attributable to owners of parent of ¥876 million in the same period of the previous fiscal year. Net sales, operating profit, ordinary profit, and profit attributable to owners of parent all increased primarily due to higher sales in IT infrastructure/industrial equipment, as well as the impact of foreign exchange.

The average foreign currency exchange rate for the three-month period ended June 30, 2026 was US$1: ¥158.8. This is a depreciation of ¥12.62 as compared to the average realized in the corresponding period of the previous fiscal year of US$1: ¥146.18.

Net Sales by Product Classification

Starting from the three-month period ended June 30, 2026, the former product classification of "Integrated Modules & Devices" is included in the "Others" product classification due to a decline in quantitative materiality.

[Capacitors]

The capacitor product classification is comprised of multilayer ceramic capacitors, etc.

For the three-month period ended June 30, 2026, product sales for use in information equipment, communication equipment, and IT infrastructure/industrial equipment increased year over year. This resulted in a 14.7% increase in sales for this product classification year over year to ¥69,022 million.

[Inductors]

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

In the three-month period ended June 30, 2026, product sales used in communication equipment, automobiles, and IT infrastructure/industrial equipment were higher year over year. As a result, net sales totaled ¥15,934 million, which is an increase of 7.4% compared to the corresponding period of the previous fiscal year.

[Others]

This product classification is comprised of aluminum electrolytic capacitors and communications devices, etc.

For the three-month period ended June 30, 2026, sales of communications devices decreased year over year. This resulted in an 8.5% decrease in sales for this product classification year over year to ¥8,941 million.

(2) Consolidated Financial Conditions

Total assets as of June 30, 2026 increased ¥1,327 million to ¥616,863 million compared with the end of the previous fiscal year. Current assets increased ¥6,931 million. This increase in current assets was mainly due to the increase in notes and accounts receivable – trade of ¥3,558 million, merchandise and finished goods of ¥1,858 million, raw materials and supplies of ¥1,393 million, and the decrease in cash and deposits of ¥1,539 million. Non-current assets decreased by ¥5,604 million, primarily due to a decrease of ¥5,452 million in property, plant and equipment.

Total liabilities as of June 30, 2026 were ¥248,603 million, a decrease of ¥22,519 million as compared to the balance at March 31, 2026. This was mainly due to the decrease in convertible-bond-type bonds with share acquisition rights of ¥23,083 million, long-term borrowings of ¥12,202 million, and the increase in current portion of long-term borrowings of ¥12,199 million.

Net assets as of June 30, 2026 increased ¥23,847 million. This was mainly due to an increase in capital stock resulting from the issuance of new shares caused by the partial exercise of convertible bonds with stock acquisition rights of ¥11,522 million, capital surplus of ¥11,522 million, foreign currency translation adjustment due to foreign exchange effects, including the depreciation of the yen of ¥3,938 million, and a net decrease of ¥3,122 million in retained earnings, reflecting quarterly net income attributable to owners of the parent of ¥2,504 million and dividend payments of ¥5,627 million.

(3) Forecasts of Consolidated Operating Results

Consolidated operating results forecasts for the year ending March 31, 2027 have been revised as follows (year over year).

	Year ending March 31, 2027
Net sales	424,000 million yen (19.3% increase)
Operating profit	45,000 million yen (125.0% increase)
Ordinary profit	42,000 million yen (74.1% increase)
Profit attributable to owners of parent	29,000 million yen (95.9% increase)

Based on the financial results for the three-month period ended June 30, 2026, future demand forecasts, and other factors, TAIYO YUDEN CO., LTD. (“the Company”) has revised the full-year consolidated financial results forecasts released as of May 8, 2026 for the fiscal year ending March 31, 2027.

Due to the expanding demand for IT infrastructure/industrial equipment, as well as the impact of selling prices, yen depreciation, and other factors, the Company has revised the full-year financial results forecasts for the fiscal year ending March 31, 2027 as shown above.

The forecast is based on an average foreign currency exchange rate from the second quarter of the fiscal year onward of US$1: ¥160.

*Disclaimer concerning forecasts of operating results: The aforementioned forecasts of results are based on information available as of the date of this report. As a result, forecast information contained in this document may include potential risk and uncertainties. Accordingly, actual results may differ materially from forecasts due to a variety of factors.

2. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	100,072	98,533
Notes and accounts receivable - trade	86,366	89,924
Merchandise and finished goods	35,121	36,980
Work in process	57,908	57,193
Raw materials and supplies	32,806	34,200
Other	6,415	8,775
Allowance for doubtful accounts	(394)	(379)
Total current assets	318,295	325,227
Non-current assets		
Property, plant and equipment		
Buildings and structures	210,344	211,589
Machinery, equipment and vehicles	480,965	487,818
Tools, furniture and fixtures	53,669	54,652
Land	18,295	17,944
Construction in progress	19,649	17,300
Accumulated depreciation	(492,956)	(504,791)
Total property, plant and equipment	289,967	284,515
Intangible assets		
Other	1,790	1,740
Total intangible assets	1,790	1,740
Investments and other assets		
Investment securities	20	20
Other	5,546	5,444
Allowance for doubtful accounts	(84)	(84)
Total investments and other assets	5,482	5,380
Total non-current assets	297,240	291,635
Total assets	615,536	616,863

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	26,477	26,658
Short-term borrowings	11,193	11,367
Current portion of long-term borrowings	24,002	36,201
Income taxes payable	2,468	2,067
Provision for bonuses	4,253	2,726
Provision for bonuses for directors (and other officers)	29	10
Other	25,325	27,333
Total current liabilities	93,750	106,365
Non-current liabilities		
Convertible-bond-type bonds with share acquisition rights	50,813	27,729
Long-term borrowings	85,204	73,001
Provision for retirement benefits for directors (and other officers)	35	37
Retirement benefit liability	7,787	7,989
Other	33,532	33,479
Total non-current liabilities	177,373	142,238
Total liabilities	271,123	248,603
Net assets		
Shareholders' equity		
Share capital	33,575	45,097
Capital surplus	49,960	61,483
Retained earnings	225,578	222,455
Treasury shares	(12,396)	(12,399)
Total shareholders' equity	296,717	316,637
Accumulated other comprehensive income		
Deferred gains or losses on hedges	(45)	(62)
Foreign currency translation adjustment	47,796	51,735
Remeasurements of defined benefit plans	(55)	(50)
Total accumulated other comprehensive income	47,695	51,622
Total net assets	344,412	368,259
Total liabilities and net assets	615,536	616,863

(2) Consolidated Statements of Operations and Consolidated Statements of Comprehensive Income

(Consolidated Statements of Operations)

(Three months ended June 30, 2026)

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Net sales	84,810	93,897
Cost of sales	66,626	72,502
Gross profit	18,184	21,395
Selling, general and administrative expenses	15,042	16,577
Operating profit	3,142	4,818
Non-operating income		
Interest income	298	254
Dividend income	0	0
Foreign exchange gains	-	268
Subsidy income	61	99
Other	108	79
Total non-operating income	468	701
Non-operating expenses		
Interest expenses	265	521
Foreign exchange losses	2,981	-
Share issuance costs	-	160
Depreciation of inactive non-current assets	89	107
Compensation expenses	4	11
Loss on lease contracts	-	436
Other	12	18
Total non-operating expenses	3,353	1,256
Ordinary profit	256	4,263
Extraordinary income		
Gain on sale of non-current assets	228	3
Profit on transition of Directors' compensation plan	64	-
Total extraordinary income	293	3
Extraordinary losses		
Loss on sale and retirement of non-current assets	43	492
Business restructuring expenses	432	-
Total extraordinary losses	476	492
Profit before income taxes	73	3,774
Income taxes - current	1,905	1,290
Income taxes - deferred	(955)	(20)
Total income taxes	949	1,270
Profit (loss)	(876)	2,504
Profit (loss) attributable to owners of parent	(876)	2,504

(Consolidated Statements of Comprehensive Income)

(Three months ended June 30, 2026)

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Profit (loss)	(876)	2,504
Other comprehensive income		
Deferred gains or losses on hedges	(0)	(17)
Foreign currency translation adjustment	1,376	3,938
Remeasurements of defined benefit plans, net of tax	(86)	5
Total other comprehensive income	1,288	3,927
Comprehensive income	412	6,431
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	412	6,431

(3) Notes on Consolidated Financial Statements

(Notes on Premise of Going Concern)

No relevant items to report.

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

During the three-month period ended June 30, 2026, capital stock increased by ¥11,522 million and capital reserve increased by ¥11,522 million due to the issuance of new shares resulting from the exercise of a portion of stock acquisition rights attached to Euro-yen denominated convertible bonds with stock acquisition rights due 2030. As a result, as of June 30, 2026, capital stock stood at ¥45,097 million and capital surplus stood at ¥61,483 million.

(Notes on Consolidated Balance Sheets)

Contingent liabilities

At an overseas subsidiary, an employee lawsuit concerning compensation has been filed, and negotiations are being conducted, including regarding the validity of the claims made. As a result, since it is currently difficult to reasonably estimate the financial impact, this has not been reflected in the consolidated financial statements.

(Notes on Consolidated Statements of Cash Flows)

The Company has not prepared quarterly consolidated statements of cash flows for the three-month period ended June 30, 2026. Depreciation for the three-month period ended June 30, 2026 (including amortization relating to intangible fixed assets) is as follows.

(Millions of yen)

	Three months ended June 30, 2025 (From April 1, 2025 To June 30, 2025)	Three months ended June 30, 2026 (From April 1, 2026 To June 30, 2026)
Depreciation	11,432	11,914

(Notes on Segment Information)

[Segment information]

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

(Notes on Significant Subsequent Events)

(Exercise of convertible bonds with stock acquisition rights)

With regard to the Euro-yen denominated convertible bonds with stock acquisition rights due 2030, which the Company issued on October 20, 2023, new shares were issued following the conversion of a portion of these bonds through the exercise of stock acquisition rights during the period from the day after the end of the three-month period ended June 30, 2026 through July 31, 2026. An overview is provided below.

(1) Number of stock acquisition rights exercised	934
(2) Face value of converted bonds	¥9,340 million
(3) Increase in capital stock	¥4,741 million
(4) Increase in capital reserve	¥4,741 million
(5) Class and number of shares issued	Common stock 2,142 thousand shares

3. Supplementary Information

(1) Net Sales by Product Classification

Product classification	Three months ended June 30, 2025 (From April 1, 2025 To June 30, 2025)		Three months ended June 30, 2026 (From April 1, 2026 To June 30, 2026)		Increase/ (Decrease)	
	Amount (¥ in million)	Share (%)	Amount (¥ in million)	Share (%)	Amount (¥ in million)	%
Capacitors	60,197	71.0	69,022	73.5	8,824	14.7
Inductors	14,839	17.5	15,934	17.0	1,094	7.4
Others	9,773	11.5	8,941	9.5	(832)	(8.5)
Total	84,810	100.0	93,897	100.0	9,086	10.7

*Starting from the three-month period ended June 30, 2026, the former product classification of "Integrated Modules & Devices" is included in the "Others" product classification due to a decline in quantitative materiality. In conjunction with this change, ¥3,608 million included in Integrated Modules & Devices in the three-month period ended June 30, 2025 has been reclassified and included in Others.