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May 8, 2026

Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under Japanese GAAP)

Company name: TAIYO YUDEN CO., LTD.
 Listing: Tokyo Stock Exchange
 Securities code: 6976
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 Scheduled date of annual general meeting of shareholders: June 26, 2026
 Scheduled date to commence dividend payments: June 29, 2026
 Scheduled date to file annual securities report: June 23, 2026
 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 fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	355,341	4.1	19,996	91.2	24,129	129.4	14,806	535.9
March 31, 2025	341,438	5.8	10,459	15.2	10,517	(23.6)	2,328	(72.0)

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥36,464 million [-%]
 For the fiscal year ended March 31, 2025: ¥218 million [(99.0)%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2026	118.49	107.55	4.5	4.1	5.6
March 31, 2025	18.67	16.13	0.7	1.8	3.1

Reference: Share of profit (loss) of entities accounted for using equity method
 For the fiscal year ended March 31, 2026: ¥- million
 For the fiscal year ended March 31, 2025: ¥- million

(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
March 31, 2026	615,536	344,412	56.0	2,754.19
March 31, 2025	573,188	319,171	55.6	2,552.94

Reference: Equity
 As of March 31, 2026: ¥344,412 million
 As of March 31, 2025: ¥318,436 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	58,117	(25,695)	(6,828)	98,073
March 31, 2025	33,941	(63,527)	3,048	67,543

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	-	45.00	-	45.00	90.00	11,225	482.1	3.5
Fiscal year ended March 31, 2026	-	45.00	-	45.00	90.00	11,240	76.0	3.4
Fiscal year ending March 31, 2027 (Forecast)	-	45.00	-	45.00	90.00		62.5	

Dividend on Equity (DOE) As of March 31, 2026: 3.8%
As of March 31, 2025: 3.8%

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	384,000	8.1	30,000	50.0	27,000	11.9	18,000	21.6	143.94

*** Notes**

(1) Significant changes in the scope of consolidation during the period: None

Newly included: -

Excluded: -

(2) 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

(3) Number of issued shares (common shares)

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

As of March 31, 2026	130,218,481 shares
As of March 31, 2025	130,218,481 shares

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

As of March 31, 2026	5,167,907 shares
As of March 31, 2025	5,485,415 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2026	124,952,897 shares
Fiscal year ended March 31, 2025	124,700,508 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	323,867	5.0	1,386	-	8,024	216.2	3,562	-
March 31, 2025	308,341	8.6	(9,864)	-	2,537	-	(218)	-

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2026	28.51	25.18
March 31, 2025	(1.75)	-

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2026	393,711	148,467	37.7	1,187.26
March 31, 2025	386,243	156,165	40.2	1,246.11

Reference: Equity

As of March 31, 2026: ¥148,467 million

As of March 31, 2025: ¥155,430 million

- * Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.
- * 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. Analysis of Operating Results and Financial Condition

(1) Analysis of Operating Results

① Operating Results for the Year Ended March 31, 2026

During the fiscal year ended March 31, 2026 (April 1, 2025 – March 31, 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 markets, as well as tariffs and other trade policies in individual countries.

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 continuously expand our capacity to meet the increasing demand, as well as to implement proactive initiatives in environmental measures and IT upgrades.

Consolidated net sales for the fiscal year ended March 31, 2026 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, mainly due to foreign exchange gains of ¥4,759 million as non-operating income. Profit attributable to owners of parent was ¥14,806 million, an increase of 535.9% compared to the previous fiscal year. This was due to factors such as recording impairment losses of ¥2,130 million and business restructuring expenses of ¥1,455 million as extraordinary losses. Net sales as well as operating profit, ordinary profit, and profit attributable to owners of parent increased due to higher sales mainly for use in automotive and IT infrastructure/industrial equipment.

The average foreign exchange rate for the fiscal year ended March 31, 2026 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.

Net Sales by Product Classification

[Capacitors]

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

For the year ended March 31, 2026, product sales mainly for use in automotive and IT infrastructure/industrial equipment increased year over year. This resulted in an 8.5% increase in sales for this product classification year over year to ¥251,771 million.

[Inductors]

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

For the year ended March 31, 2026, product sales mainly for use in consumer products and information equipment was higher as compared to the previous fiscal year. As a result, net sales totaled ¥64,319 million, which is an increase of 4.5% compared to the previous fiscal year.

[Integrated Modules & Devices]

This product classification is comprised of FBAR/SAW devices for communications, circuit modules, etc.

For the year ended March 31, 2026, sales of FBAR/SAW devices for communications and circuit modules decreased year over year. This resulted in a 35.6% decrease in sales for this product classification year over year to ¥14,796 million.

[Others]

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

For the year ended March 31, 2026, sales of aluminum electrolytic capacitors decreased year over year. This resulted in a 1.5% decrease in sales for this product classification year over year to ¥24,453 million.

② Analysis of Financial Condition

Assets, Liabilities and Net Assets

Assets

Total assets stood at ¥615,536 million as of March 31, 2026, up ¥42,347 million from the end of the previous fiscal year.

Current assets increased ¥39,011 million. This increase in current assets was mainly due to the increase in cash and deposits of ¥21,905 million, raw materials and supplies of ¥7,560 million, and notes and accounts receivable – trade of ¥5,817 million.

Non-current assets increased ¥3,336 million owing to the increase in property, plant and equipment of ¥3,130 million and investments and other assets of ¥322 million.

Liabilities

Total liabilities stood at ¥271,123 million as of March 31, 2026. This was ¥17,106 million higher than at the end of the previous fiscal year. This was mainly due to an increase in current portion of long-term borrowings of ¥8,499 million, short-term borrowings of ¥6,993 million, and a decrease in long-term borrowings of ¥8,502 million and accounts payable - other of ¥4,103 million.

Net Assets

Net assets stood at ¥344,412 million as of March 31, 2026, up ¥25,241 million from the end of the previous fiscal year. The main factors were an increase in retained earnings of ¥3,565 million due to profit attributable to owners of parent of ¥14,806 million and dividends of surplus of ¥11,240 million, in addition to an increase of ¥21,505 million in foreign currency translation adjustment due to the impact of exchange rates.

③ Cash Flows

Net cash provided by operating activities for the year ended March 31, 2026 was ¥58,117 million, an increase of 71.2% compared with the previous fiscal year. The contributing factors are: profit before income taxes of ¥20,066 million, depreciation of ¥49,148 million, increase in inventories of ¥9,556 million, and income taxes (paid) of ¥4,879 million.

Net cash used in investing activities for the year ended March 31, 2026 totaled ¥25,695 million, a decrease of 59.6% compared with the previous fiscal year. The largest cash outflow was ¥41,063 million paid for purchase of non-current assets.

Cash flow from financing activities for the year ended March 31, 2026 resulted in an outflow of ¥6,828 million (compared to an inflow of ¥3,048 million in the previous fiscal year). The main factors are payments of cash dividends of ¥11,224 million, and increase in short-term borrowings of ¥6,466 million.

As a result of the aforementioned activities, cash and cash equivalent as of March 31, 2026 increased ¥30,529 million from the end of the previous fiscal year, to ¥98,073 million.

Reference: Trends in Cash Flow-Related indicators

	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025
Equity-to-asset ratio (%)	63.1	63.1	56.8	55.6	56.0
Equity-to-asset ratio (%) (Market capitalization basis)	145.7	109.9	77.9	53.7	75.0
Cash flow to interest-bearing liabilities (years)	1.1	2.6	3.0	5.0	3.2
Interest coverage ratio (times)	175.1	94.9	78.0	40.5	34.6

Equity-to-asset ratio = Shareholders' equity / Total assets

Equity-to-asset ratio (Market capitalization basis) = Market capitalization / Total assets

Cash flow to interest-bearing liabilities = Interest-bearing liabilities / Cash flow

Interest coverage ratio = Cash flow / Interest expenditure

Notes:

1. All indicators have been calculated from consolidated financial figures.
2. Market capitalization is calculated based on the number of shares issued and outstanding less treasury stock.
3. Cash flow refers to cash flows from operating activities as shown on the consolidated statements of cash flows.
4. Interest-bearing liabilities comprise all debt on which interest is paid in the liabilities section of the consolidated balance sheets as well as noninterest-bearing convertible-bond-type bonds with share acquisition rights. Interest expenditure represents interest paid as shown on the consolidated statements of cash flows.

(2) Outlook for the Year Ending March 31, 2027

Consolidated operating earnings forecasts for the year ending March 31, 2027 are as follows (year over year).

	Year ending March 31, 2027	
Net sales	384,000	million yen (8.1% increase)
Operating profit	30,000	million yen (50.0% increase)
Ordinary profit	27,000	million yen (11.9% increase)
Profit attributable to owners of parent	18,000	million yen (21.6% increase)

In the fiscal year ending March 31, 2027, we expect demand for electronic components will grow with increasing use of electronics and electric motors in automobiles as well as IT infrastructure, including AI servers, and forecast an increase in net sales as well as operating profit, ordinary profit, and profit attributable to owners of parent compared to the previous fiscal year.

There are concerns about the impact on corporate earnings of soaring resource prices, including crude oil and natural gas, and increases in metal and material costs due to the situation in the Middle East. We will keep a close watch on future developments. We are also factoring in a certain degree of increase in the Company's costs as a result of these factors. The assumption for the average foreign currency exchange rate during the fiscal year ending March 31, 2027 is US\$1: ¥150.

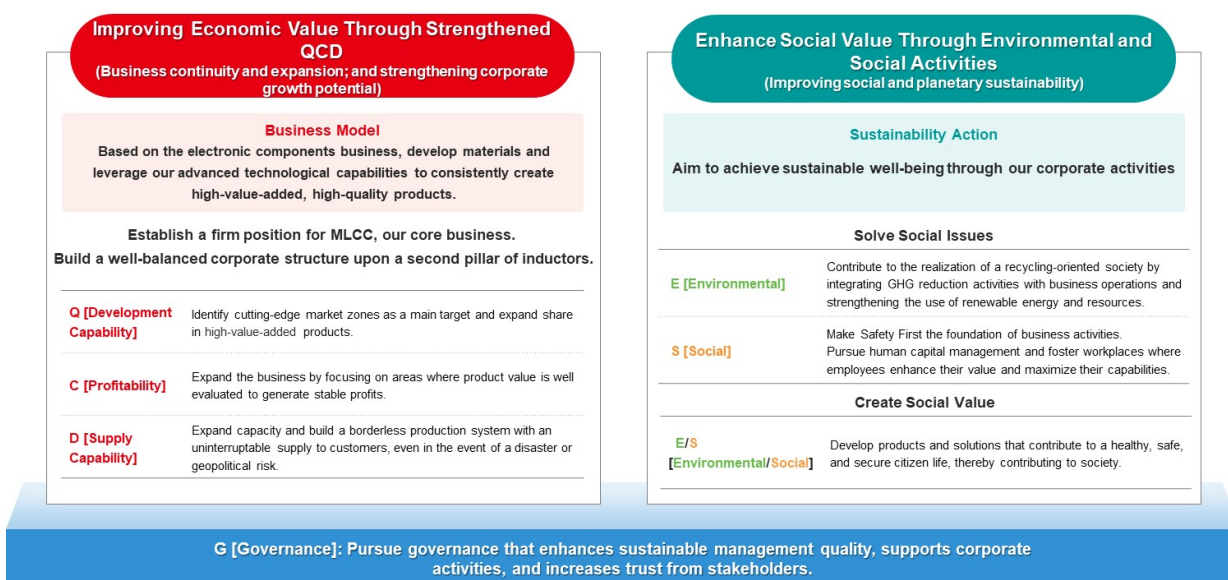
*Disclaimer concerning forecasts of operating results: The aforementioned forecasts of results are based on information available as of the date of this report. As a result, forecast information contained in this document may include potential risk and uncertainties. Accordingly, actual results may differ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

(3) The Group's Medium-to Long-Term Management Policy

The Group has established the medium-term management plan 2030, covering the period from the fiscal year ending March 31, 2027 through the fiscal year ending March 31, 2031. We are aiming to enhance corporate value through the combination of economic and social value to establish a meaningful position as an electronic components manufacturer.

Basic Guidelines of Medium-Term Management Plan 2030

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



Key Performance Indicators for 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 in 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	25% reduction by FY2030 (compared to FY2021)
Social	No. of serious occupational accidents	Zero (FY2026 - FY2030)
	HR Well-Being Index	Improve 10% or more by FY2030

* Scope 3 reduction targets cover categories 1 and 3

In order to realize an increase in economic value, we will continue to develop products from materials to finished products and consistently create high value-added, high-quality products leveraging our advanced technical capabilities. We also aim to increase the proportion of sales in focus markets, primarily automotive and IT infrastructure/industrial equipment, to 60%. We will continuously enhance capacity to meet the expansion in demand and plan capital investment of around ¥270 billion over five years.

(4) Basic Policy on Profit Distribution and Current/Subsequent Fiscal Year Dividend

TAIYO YUDEN CO., LTD. (“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. The Company aims to achieve a dividend payout ratio of 30% with 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.

The Company also regards acquiring treasury stock as a way of returning profit to shareholders, which it will carry out with the aim of improving capital efficiency as necessary.

The Company plans a year-end dividend of 45 yen per share for the fiscal year ended March 31, 2026, which, together with the interim dividend, gives an annual dividend of 90 yen, a dividend payout ratio of 76.0%, and a dividend on equity (DOE) ratio of 3.8%. Furthermore, the Company plans an annual dividend of 90 yen per share (interim dividend: 45 yen, year-end dividend: 45 yen) for the fiscal year ending March 31, 2027.

2. Basic Approach to Selection of Accounting Standard

The Group uses Generally Accepted Accounting Principles in Japan (Japan GAAP) for the preparation of its consolidated financial statements in view of comparability for the period covered by the consolidated financial statements and inter-company comparability.

The Group’s policy is to proceed with consideration into the application of International Financial Reporting Standards taking into account a trend of circumstances in and outside Japan.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

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

(Millions of yen)

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

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

(Millions of yen)

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

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	2,328	14,806
Other comprehensive income		
Valuation difference on available-for-sale securities	(478)	-
Deferred gains or losses on hedges	23	(36)
Foreign currency translation adjustment	(1,569)	21,505
Remeasurements of defined benefit plans, net of tax	(84)	190
Total other comprehensive income	(2,109)	21,658
Comprehensive income	218	36,464
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	218	36,464

(3) Consolidated Statement of Changes in Equity
Year ended March 31, 2025 (April 1, 2024 – March 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	33,575	49,922	230,905	(13,411)	300,990
Changes during period					
Dividends of surplus			(11,221)		(11,221)
Profit attributable to owners of parent			2,328		2,328
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		47		254	302
Net changes in items other than shareholders' equity					
Total changes during period	-	47	(8,892)	254	(8,591)
Balance at end of period	33,575	49,969	222,012	(13,157)	292,399

	Accumulated other comprehensive income					Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	478	(32)	27,861	(161)	28,146	961	330,098
Changes during period							
Dividends of surplus							(11,221)
Profit attributable to owners of parent							2,328
Purchase of treasury shares							(0)
Disposal of treasury shares							302
Net changes in items other than shareholders' equity	(478)	23	(1,569)	(84)	(2,109)	(226)	(2,336)
Total changes during period	(478)	23	(1,569)	(84)	(2,109)	(226)	(10,927)
Balance at end of period	-	(8)	26,291	(246)	26,036	734	319,171

Year ended March 31, 2026 (April 1, 2025 – March 31, 2026)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	33,575	49,969	222,012	(13,157)	292,399
Changes during period					
Dividends of surplus			(11,240)		(11,240)
Profit attributable to owners of parent			14,806		14,806
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		(9)		762	752
Net changes in items other than shareholders' equity					
Total changes during period	-	(9)	3,565	761	4,317
Balance at end of period	33,575	49,960	225,578	(12,396)	296,717

	Accumulated other comprehensive income					Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	-	(8)	26,291	(246)	26,036	734	319,171
Changes during period							
Dividends of surplus							(11,240)
Profit attributable to owners of parent							14,806
Purchase of treasury shares							(0)
Disposal of treasury shares							752
Net changes in items other than shareholders' equity	-	(36)	21,505	190	21,658	(734)	20,923
Total changes during period	-	(36)	21,505	190	21,658	(734)	25,241
Balance at end of period	-	(45)	47,796	(55)	47,695	-	344,412

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	8,365	20,066
Depreciation	46,258	49,148
Impairment losses	16	2,130
Business restructuring expenses	324	1,455
Loss on disaster	157	-
Anti-monopoly Act related loss	1,687	-
Increase (decrease) in allowance for doubtful accounts	26	29
Increase (decrease) in provision for bonuses	(1,036)	164
Increase (decrease) in provision for bonuses for directors (and other officers)	(13)	25
Increase (decrease) in provision for retirement benefits for directors (and other officers)	2	(13)
Interest and dividend income	(1,551)	(1,126)
Interest expenses	891	1,859
Loss (gain) on sale and retirement of non-current assets	453	541
Loss (gain) on sale of investment securities	(504)	-
Gain on reversal of Anti-monopoly Act related loss	(68)	-
Subsidy income	(167)	(214)
Decrease (increase) in trade receivables	(1,632)	718
Decrease (increase) in inventories	(9,039)	(9,556)
Increase (decrease) in trade payables	(2,797)	(211)
Other, net	(1,999)	(284)
Subtotal	39,373	64,732
Interest and dividends received	1,400	955
Proceeds from reversal of Anti-monopoly Act related loss	-	69
Interest paid	(837)	(1,681)
Business structure improvement expenses paid	-	(865)
Payments associated with disaster loss	(250)	-
Payments for loss on violation of the antitrust laws	(1,420)	(212)
Income taxes refund (paid)	(4,324)	(4,879)
Net cash provided by (used in) operating activities	33,941	58,117
Cash flows from investing activities		
Purchase of non-current assets	(62,715)	(41,063)
Proceeds from sale of non-current assets	92	647
Decrease (increase) in time deposits	(3,014)	9,205
Proceeds from sale of investment securities	1,344	-
Proceeds from subsidy income	267	214
Proceeds from transfer of position of contract of construction	-	5,280
Other, net	498	19
Net cash provided by (used in) investing activities	(63,527)	(25,695)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	-	6,466
Proceeds from long-term borrowings	25,000	15,500
Repayments of long-term borrowings	(9,265)	(15,502)
Purchase of treasury shares	(0)	(0)
Dividends paid	(11,203)	(11,224)
Repayments of lease liabilities	(1,380)	(2,067)
Other, net	(100)	0
Net cash provided by (used in) financing activities	3,048	(6,828)
Effect of exchange rate change on cash and cash equivalents	(858)	4,936
Net increase (decrease) in cash and cash equivalents	(27,396)	30,529
Cash and cash equivalents at beginning of period	94,940	67,543
Cash and cash equivalents at end of period	67,543	98,073

(5) Notes to Consolidated Financial Statements

(Notes on Premise of Going Concern)

No relevant items to report.

(Notes on Consolidated Statements of Operations)

※1 Profit on transition of Directors' compensation plan

In the fiscal year ended March 31, 2026, the Company implemented measures to convert share acquisition rights (unexercised portion) granted as stock remuneration-type stock options into restricted stock, and recorded a profit on transition of Directors' compensation plan that were forfeited of ¥479 million, with net expenses of ¥414 million related to the issued restricted stock, as extraordinary income.

※2 Impairment losses

In the fiscal year ended March 31, 2026, the Group recorded impairment losses with respect to the following asset groups.

Type	Application	Location	Amount
Machinery, equipment and buildings; Other	Business assets	State of Penang, Malaysia; Others	¥1,943 million
Buildings and Other	Business assets (communication devices)	Miyoshi-machi, Saitama	¥178 million
Machinery, equipment and vehicles	Idle assets	Nishigo-mura, Fukushima; Others	¥8 million

The Group categorizes its business assets by segmentation for management accounting, and idle assets by individual asset. Property, plant and equipment such as head office and laboratories are categorized as common assets.

As for business assets, their book values have been written down to the recoverable value due to a decline in profitability and withdrawal from some products, and such reduction was recorded as impairment loss. As for business assets in the communication devices business, due to the factory closure, facilities that could not be repurposed had no value in use, and their book values have been written down to the memorandum value and such reduction was recorded as impairment loss. The recoverable amount was measured at value in use, which was evaluated as zero.

For the idle assets with no specific utilization plan and no recoverability, their book values have been written down to the memorandum value and such reduction was recorded as impairment loss.

※3 Business restructuring expenses

In the fiscal year ended March 31, 2026, the Group recorded expenses incurred due to the structural reforms of domestic and overseas subsidiaries (mainly extra retirement payments) in extraordinary loss as business restructuring expenses.

(Notes on Segment Information)

a. Segment information

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

b. Related information

Year ended March 31, 2025 (April 1, 2024 – March 31, 2025)

1. Information for each product and service

Information for each product and service has been omitted here because it is disclosed in “4. Other; (1) Production, Orders and Sales Results.”

2. Information for each region

(1) Net sales

(Millions of yen)

Japan	North America	Europe	China	Hong Kong	Taiwan	Other countries or regions	Total
23,915	22,274	26,332	110,009	45,544	30,606	82,755	341,438

Note: Net sales are grouped according to the country or region of the customer's business address.

(2) Property, plant and equipment

(Millions of yen)

Japan	China	Malaysia	Other countries or regions	Total
136,053	52,812	64,594	33,376	286,837

3. Information for each main customer

Information for each main customer has been omitted because no customer accounts for more than 10% of net sales on the consolidated profit and loss statement.

Year ended March 31, 2026 (April 1, 2025 – March 31, 2026)

1. Information for each product and service

Information for each product and service has been omitted here because it is disclosed in “4. Other; (1) Production, Orders and Sales Results.”

2. Information for each region

(1) Net sales

(Millions of yen)

Japan	North America	Europe	China	Hong Kong	Taiwan	Other countries or regions	Total
20,474	26,971	27,667	104,774	50,453	40,690	84,310	355,341

Note: Net sales are grouped according to the country or region of the customer's business address.

(Change in Method of Presentation)

Net sales in Taiwan, which were presented in “Other countries or regions” in the previous fiscal year ended March 31, 2025, is presented separately from the current fiscal year ended March 31, 2026 because such sales exceeded 10% of total net sales on the consolidated statements of income. To reflect this change in method of presentation, “2. Information for each region (1); Net sales” for the previous fiscal year ended March 31, 2025 has been reclassified.

As a result, ¥113,361 million presented in “Other countries or regions” in the previous fiscal year ended March 31, 2025 was reclassified and presented as follows:

Taiwan: ¥30,606 million

Other countries or regions: ¥82,755 million

(2) Property, plant and equipment

(Millions of yen)

Japan	China	Malaysia	Other countries or regions	Total
128,081	53,470	66,364	42,050	289,967

3. Information for each main customer

Information for each main customer has been omitted because no customer accounts for more than 10% of net sales on the consolidated profit and loss statement.

c. Fixed asset impairment losses for each reportable segment

As the Group has a single business segment, publication of segment information about fixed asset impairment losses has been omitted.

d. Information on amortization of goodwill and unamortized balance by reporting segment

As the Group has a single business segment, publication of segment information about fixed asset impairment losses has been omitted.

e. Information on gain on negative goodwill by reporting segment

No relevant items to report.

(Per Share Information)

	Year ended March 31, 2025 (April 1, 2024 – March 31, 2025)	Year ended March 31, 2026 (April 1, 2025 – March 31, 2026)
Net assets per share	2,552.94 yen	2,754.19 yen
Basic earnings per share	18.67 yen	118.49 yen
Diluted earnings per share	16.13 yen	107.55 yen

Note 1: The following represents the basic data used for calculating net assets per share.

	Year ended March 31, 2025 (As of March 31, 2025)	Year ended March 31, 2026 (As of March 31, 2026)
Total net assets (Millions of yen)	319,171	344,412
Deductions from total net assets (Millions of yen)	734	—
(Stock acquisition rights (Millions of yen))	(734)	(—)
(Non-controlling interests (Millions of yen))	(—)	(—)
Net assets at fiscal year-end related to common stock (Millions of yen)	318,436	344,412
Number of common stock at fiscal year-end used in the calculation of net assets per share (thousand shares)	124,733	125,050

Note 2: The following represents the basic data used for calculating basic earnings per share and diluted earnings per share.

	Year ended March 31, 2025 (April 1, 2024 – March 31, 2025)	Year ended March 31, 2026 (April 1, 2025 – March 31, 2026)
Basic earnings per share		
Profit attributable to owners of parent (Millions of yen)	2,328	14,806
Amounts not allocated to common stock shareholders (Millions of yen)	—	—
Profit attributable to owners of parent related to common stock (Millions of yen)	2,328	14,806
Average number of common stock outstanding in FY (thousand shares)	124,700	124,952
Diluted earnings per share		
Adjustments to profit attributable to owners of parent (Millions of yen)	(124)	(124)
(Interest on bonds (net after deduction of taxes) (Millions of yen))	(124)	(124)
Increase in common stock (thousand shares)	11,928	11,558
(Convertible-bond-type bonds with share acquisition rights (thousand shares))	(11,467)	(11,467)
(Share acquisition rights acquisition rights (thousand shares))	(461)	(90)
Outline of stock not included in diluted net income per share due to lack of dilutive effect	—	—

(Notes on Significant Subsequent Events)

No relevant items to report.

4. Other

(1) Production, Orders and Sales Results

① Production

Product classification	Year ended March 31, 2025 (From April 1, 2024 To March 31, 2025)		Year ended March 31, 2026 (From April 1, 2025 To March 31, 2026)	
	Amount (Millions of yen)	Composition (%)	Amount (Millions of yen)	Composition (%)
Capacitors	233,195	69.0	254,843	70.8
Inductors	61,454	18.2	65,441	18.2
Integrated modules & devices	18,616	5.5	12,481	3.5
Others	24,877	7.4	27,039	7.5
Total	338,144	100.0	359,806	100.0

Note 1: Amounts are based on average unit sales prices for the period.

Note 2: The Group has a single business segment which is electronic components, and the categories described above are not reportable business segments.

② Orders

Product classification	Year ended March 31, 2025 (From April 1, 2024 To March 31, 2025)		Year ended March 31, 2026 (From April 1, 2025 To March 31, 2026)	
	Amount (Millions of yen)	Composition (%)	Amount (Millions of yen)	Composition (%)
Capacitors	241,346	69.8	266,698	72.2
Inductors	63,594	18.4	65,357	17.7
Integrated modules & devices	20,302	5.9	14,346	3.9
Others	20,297	5.9	23,054	6.2
Total	345,541	100.0	369,456	100.0

Note: The Group has a single business segment which is electronic components, and the categories described above are not reportable business segments.

③ Order Backlog

Product classification	Year ended March 31, 2025 (As of March 31, 2025)		Year ended March 31, 2026 (As of March 31, 2026)	
	Amount (Millions of yen)	Composition (%)	Amount (Millions of yen)	Composition (%)
Capacitors	48,266	71.2	63,192	77.2
Inductors	9,358	13.8	10,396	12.7
Integrated modules & devices	3,540	5.2	3,091	3.8
Others	6,591	9.7	5,191	6.3
Total	67,756	100.0	81,871	100.0

Note: The Group has a single business segment which is electronic components, and the categories described above are not reportable business segments.

④ Sales Results

Product classification	Year ended March 31, 2025 (From April 1, 2024 To March 31, 2025)		Year ended March 31, 2026 (From April 1, 2025 To March 31, 2026)	
	Amount (Millions of yen)	Composition (%)	Amount (Millions of yen)	Composition (%)
Capacitors	232,066	68.0	251,771	70.9
Inductors	61,546	18.0	64,319	18.1
Integrated modules & devices	22,986	6.7	14,796	4.2
Others	24,838	7.3	24,453	6.9
Total	341,438	100.0	355,341	100.0

Note: The Group has a single business segment which is electronic components, and the categories described above are not reportable business segments.