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November 5, 2026

Consolidated Financial Results for the Six Months Ended September 30, 2026 (Under Japanese GAAP)

Company name: TAIYO YUDEN CO., LTD.
Listing: Tokyo Stock Exchange
Securities code: 6976
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Scheduled date to file semi-annual securities report: November 13, 2026
Scheduled date to commence dividend payments: December 1, 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 six months ended September 30, 2026 (from April 1, 2026 to September 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	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2026	206,034	16.0	18,196	101.6	15,906	96.2	8,135	46.8
September 30, 2025	177,624	5.8	9,024	19.1	8,106	19.9	5,540	55.3

Note: Comprehensive income For the six months ended September 30, 2026: ¥8,610 million [(21.6)%]
For the six months ended September 30, 2025: ¥10,978 million [275.1%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2026	63.01	59.33
September 30, 2025	44.37	40.13

(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
September 30, 2026	633,672	383,247	60.5	2,878.72
March 31, 2026	615,536	344,412	56.0	2,754.19

Reference: Equity
As of September 30, 2026: ¥383,247 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	-	45.00			
Fiscal year ending March 31, 2027 (Forecast)			-	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	436,000	22.7	54,000	170.0	50,000	107.2	35,000	136.4	260.51

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 semi-annual 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 September 30, 2026	137,564,793 shares
As of March 31, 2026	130,218,481 shares

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

As of September 30, 2026	4,433,739 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)

Six months ended September 30, 2026	129,127,945 shares
Six months ended September 30, 2025	124,869,168 shares

* Semi-annual financial results reports are exempt from review 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. Qualitative Information on Semi-annual Financial Statements and Other

(1) Consolidated Operating Results

During the six-month period ended September 30, 2026 (April 1, 2026 to September 30, 2026), the business environment surrounding the TAIYO YUDEN Group ("the Group") experienced a 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, the Group is continuously expanding its capacity to meet increasing demand.

Consolidated net sales for the six-month period ended September 30, 2026 totaled ¥206,034 million, which is an increase of 16.0% compared to the corresponding period of the previous fiscal year. Operating profit was ¥18,196 million, an increase of 101.6%, and ordinary profit was ¥15,906 million, which is an increase of 96.2% compared to the corresponding period of the previous fiscal year. Profit attributable to owners of parent was ¥8,135 million, which is an increase of 46.8% compared to the corresponding period of the previous fiscal year. 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 information equipment and IT infrastructure/industrial equipment.

The average foreign currency exchange rate for the six-month period ended September 30, 2026 was US$1:¥159.76. This is a depreciation of ¥13.5 as compared to the average realized in the corresponding period of the previous fiscal year of ¥146.26.

Net Sales by Product Classification

Starting from the six-month period ended September 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 six-month period ended September 30, 2026, sales of products for information equipment, communication equipment, automotive and IT infrastructure/industrial equipment increased year over year. This resulted in a 20.8% increase in sales for this product classification to ¥152,336 million.

[Inductors]

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

For the six-month period ended September 30, 2026, sales of products for information equipment, communication equipment, automotive and IT infrastructure/industrial equipment increased year over year. This resulted in a 10.4% increase in sales for this product classification to ¥34,754 million.

[Others]

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

For the six-month period ended September 30, 2026, sales of communications devices decreased year over year. This, along with other factors, resulted in a 5.4% decrease in sales for this product classification to ¥18,943 million.

(2) Consolidated Financial Conditions

① Assets, Liabilities and Net Assets

Total assets as of September 30, 2026 increased ¥18,136 million to ¥633,672 million compared with the end of the previous fiscal year. Current assets increased ¥30,378 million. This increase in current assets was mainly due to the increase in cash and deposits of ¥13,913 million, and notes and accounts receivable - trade of ¥10,406 million. Non-current assets decreased by ¥12,241 million primarily due to a decrease of ¥12,042 million in property, plant and equipment.

Total liabilities as of September 30, 2026 were ¥250,425 million, a decrease of ¥20,697 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 ¥35,809 million, long-term borrowings of ¥12,203 million, and the increase in current portion of long-term borrowings of ¥12,198 million.

Net assets as of September 30, 2026 increased by ¥38,834 million. The main factors were an increase in share capital of ¥16,264 million, an increase in capital surplus of ¥17,742 million, and a decrease in treasury shares of ¥1,749 million resulting from the issuance of new shares and disposal of treasury shares caused by the partial exercise of convertible bonds with stock acquisition rights; and an increase in retained earnings of ¥2,508 million, reflecting interim profit attributable to owners of the parent of ¥8,135 million, less dividend payments of ¥5,627 million.

② Cash Flows

Net cash provided by operating activities for the six-month period ended September 30, 2026 was ¥31,989 million, an increase of 24.7% compared with the corresponding period of the previous fiscal year. The contributing factors are: depreciation of ¥23,986 million; profit before income taxes of ¥11,994 million; increase in trade receivables of ¥10,675 million.

Net cash used in investing activities for the six-month period ended September 30, 2026 totaled ¥11,829 million, an increase of 53.0% compared with the corresponding period of the previous fiscal year. The largest cash outflow was ¥11,862 million paid for purchase of non-current assets.

Net cash from financing activities for the six-month period ended September 30, 2026 resulted in an outflow of ¥6,798 million, an increase of 1,136.7% compared with the corresponding period of the previous fiscal year. The main factors were dividends paid of ¥5,620 million and repayments of lease liabilities of ¥1,012 million.

As a result of the aforementioned activities, cash and cash equivalents as of September 30, 2026 increased ¥13,480 million from the end of the previous fiscal year, to ¥111,553 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	436,000 million yen	(22.7% increase)
Operating profit	54,000 million yen	(170.0% increase)
Ordinary profit	50,000 million yen	(107.2% increase)
Profit attributable to owners of parent	35,000 million yen	(136.4% increase)

Based on the financial results for the six-month period ended September 30, 2026, future demand forecasts, and other factors, the Company has revised the full-year consolidated financial results forecasts released as of August 5, 2026 for the fiscal year ending March 31, 2027.

Due to the expanding demand for applications such as IT infrastructure/industrial equipment, as well as the impact of selling prices 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 third quarter of the fiscal year onward of US$1:¥156.

*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. Semi-annual Consolidated Financial Statements

(1) Semi-annual Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Assets		
Current assets		
Cash and deposits	100,072	113,986
Notes and accounts receivable - trade	86,366	96,773
Merchandise and finished goods	35,121	37,141
Work in process	57,908	56,092
Raw materials and supplies	32,806	34,464
Other	6,415	10,627
Allowance for doubtful accounts	(394)	(410)
Total current assets	318,295	348,674
Non-current assets		
Property, plant and equipment		
Buildings and structures	210,344	210,695
Machinery, equipment and vehicles	480,965	484,395
Tools, furniture and fixtures	53,669	54,526
Land	18,295	17,894
Construction in progress	19,649	18,610
Accumulated depreciation	(492,956)	(508,196)
Total property, plant and equipment	289,967	277,925
Intangible assets		
Other	1,790	1,777
Total intangible assets	1,790	1,777
Investments and other assets		
Investment securities	20	20
Other	5,546	5,369
Allowance for doubtful accounts	(84)	(93)
Total investments and other assets	5,482	5,296
Total non-current assets	297,240	284,998
Total assets	615,536	633,672

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	26,477	26,230
Short-term borrowings	11,193	11,011
Current portion of long-term borrowings	24,002	36,201
Income taxes payable	2,468	3,375
Contract liabilities	12	6,409
Provision for bonuses	4,253	5,478
Provision for bonuses for directors (and other officers)	29	49
Provision for loss on litigation	-	3,008
Other	25,312	27,542
Total current liabilities	93,750	119,308
Non-current liabilities		
Convertible-bond-type bonds with share acquisition rights	50,813	15,004
Long-term borrowings	85,204	73,001
Provision for retirement benefits for directors (and other officers)	35	39
Retirement benefit liability	7,787	8,834
Other	33,532	34,238
Total non-current liabilities	177,373	131,117
Total liabilities	271,123	250,425
Net assets		
Shareholders' equity		
Share capital	33,575	49,839
Capital surplus	49,960	67,789
Retained earnings	225,578	228,086
Treasury shares	(12,396)	(10,638)
Total shareholders' equity	296,717	335,077
Accumulated other comprehensive income		
Deferred gains or losses on hedges	(45)	(43)
Foreign currency translation adjustment	47,796	48,261
Remeasurements of defined benefit plans	(55)	(47)
Total accumulated other comprehensive income	47,695	48,169
Total net assets	344,412	383,247
Total liabilities and net assets	615,536	633,672

(2) Semi-annual Consolidated Statements of Operations and Semi-annual Consolidated Statements of Comprehensive Income

(Semi-annual Consolidated Statements of Operations)

(Six-month period ended September 30, 2026)

(Millions of yen)

	Six-month period ended September 30, 2025	Six-month period ended September 30, 2026
Net sales	177,624	206,034
Cost of sales	137,967	153,690
Gross profit	39,656	52,344
Selling, general and administrative expenses	30,632	34,147
Operating profit	9,024	18,196
Non-operating income		
Interest income	607	520
Dividend income	0	0
Subsidy income	246	284
Insurance claim income	-	253
Other	129	100
Total non-operating income	983	1,158
Non-operating expenses		
Interest expenses	781	1,098
Foreign exchange losses	851	1,464
Share issuance costs	-	218
Depreciation of inactive non-current assets	194	172
Compensation expenses	18	26
Loss on lease contracts	-	436
Other	55	31
Total non-operating expenses	1,901	3,448
Ordinary profit	8,106	15,906
Extraordinary income		
Gain on sale of non-current assets	232	443
Profit on transition of Directors' compensation plan	64	-
Total extraordinary income	297	443
Extraordinary losses		
Loss on sale and retirement of non-current assets	545	880
Impairment losses	1	646
Business restructuring expenses	435	23
Provision for loss on litigation	-	※ 2,803
Other	0	1
Total extraordinary losses	982	4,355
Profit before income taxes	7,421	11,994
Income taxes - current	2,864	3,613
Income taxes - deferred	(983)	245
Total income taxes	1,881	3,858
Profit	5,540	8,135
Profit attributable to owners of parent	5,540	8,135

(Semi-annual Consolidated Statements of Comprehensive Income)

(Six-month period ended September 30, 2026)

(Millions of yen)

	Six-month period ended September 30, 2025	Six-month period ended September 30, 2026
Profit	5,540	8,135
Other comprehensive income		
Deferred gains or losses on hedges	(12)	1
Foreign currency translation adjustment	5,521	464
Remeasurements of defined benefit plans, net of tax	(71)	8
Total other comprehensive income	5,437	474
Comprehensive income	10,978	8,610
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	10,978	8,610

(3) Semi-annual Consolidated Statements of Cash Flows

(Millions of yen)

	Six-month period ended September 30, 2025	Six-month period ended September 30, 2026
Cash flows from operating activities		
Profit before income taxes	7,421	11,994
Depreciation	23,487	23,986
Impairment losses	1	646
Business restructuring expenses	435	23
Increase (decrease) in provision for loss on litigation	-	2,803
Increase (decrease) in allowance for doubtful accounts	1	21
Increase (decrease) in provision for bonuses	1,128	1,226
Increase (decrease) in provision for bonuses for directors (and other officers)	6	20
Increase (decrease) in provision for retirement benefits for directors (and other officers)	3	2
Interest and dividend income	(607)	(520)
Interest expenses	781	1,098
Share issuance costs	-	218
Loss (gain) on sale and retirement of non-current assets	312	437
Subsidy income	(186)	(163)
Decrease (increase) in trade receivables	(801)	(10,675)
Decrease (increase) in inventories	(3,902)	(1,383)
Increase (decrease) in trade payables	1,979	(39)
Increase (decrease) in contract liabilities	10	6,396
Other, net	(223)	(231)
Subtotal	29,848	35,863
Interest and dividends received	526	463
Proceeds from reversal of Anti-monopoly Act related loss	69	-
Interest paid	(615)	(1,002)
Business strucure improvement expenses paid	(756)	(688)
Payments for loss on violation of the antitrust laws	(212)	-
Income taxes refund (paid)	(3,202)	(2,647)
Net cash provided by (used in) operating activities	25,658	31,989
Cash flows from investing activities		
Purchase of non-current assets	(19,898)	(11,862)
Proceeds from sale of non-current assets	579	17
Decrease (increase) in time deposits	6,334	(409)
Proceeds from subsidy income	186	163
Proceeds from transfer of position of contract of construction	5,280	-
Other, net	(211)	261
Net cash provided by (used in) investing activities	(7,729)	(11,829)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	5,974	63
Proceeds from long-term borrowings	10,500	13,004
Repayments of long-term borrowings	(10,501)	(13,008)
Payments for issuance of shares	-	(218)
Purchase of treasury shares	(0)	(4)
Dividends paid	(5,603)	(5,620)
Repayments of lease liabilities	(918)	(1,012)
Other, net	0	(1)
Net cash provided by (used in) financing activities	(549)	(6,798)
Effect of exchange rate change on cash and cash equivalents	1,238	119
Net increase (decrease) in cash and cash equivalents	18,617	13,480
Cash and cash equivalents at beginning of period	67,543	98,073
Cash and cash equivalents at end of period	86,161	111,553

(4) Notes on Semi-annual 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 six-month period ended September 30, 2026, share capital increased by ¥16,264 million, capital reserve increased by ¥16,264 million, and other capital surplus increased by ¥1,477 million and treasury shares decreased by ¥1,749 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 and disposal of treasury shares. Mainly as a result, as of September 30, 2026, share capital stood at ¥49,839 million, capital surplus stood at ¥67,789 million, and treasury shares stood at ¥10,638 million.

(Changes in Method of Presentation)

(Semi-annual Consolidated Balance Sheets)

"Contract liabilities," included in "Other" under "Current liabilities" in the previous fiscal year, has been presented separately starting from the six-month period ended September 30, 2026 due to an increase in significance. In addition, "Accounts payable – other," presented separately in the previous fiscal year, has been included in "Other" under current liabilities starting from the six-month period ended September 30, 2026 due to a decrease in significance. To reflect this change in presentation method, the consolidated financial statements for the previous fiscal year have been reclassified.

As a result, ¥15,392 million presented in "Other" under "Current liabilities" and ¥9,932 million presented in "Accounts payable – other" in the consolidated balance sheets for the previous fiscal year have been reclassified into "Contract liabilities" of ¥12 million and "Other" of ¥25,312 million.

(Semi-annual Consolidated Statements of Cash Flows)

"Increase (decrease) in contract liabilities," included in "Other" under "Cash flows from operating activities" in the six-month period ended September 30, 2025, has been presented separately starting from the six-month period ended September 30, 2026 due to an increase in significance. To reflect this change in presentation, the consolidated financial statements for the six-month period ended September 30, 2025 have been reclassified.

As a result, ¥(212) million presented in "Other" under "Cash flows from operating activities" in the six-month period ended September 30, 2025, has been reclassified into "Increase (decrease) in contract liabilities" of ¥10 million and "Other" of ¥(223) million.

(Notes on Semi-annual Consolidated Statements of Operations)

※ Provision for loss on litigation

At an overseas subsidiary, an employee lawsuit concerning compensation was filed. A first-instance judgment was issued during the six-month period ended September 30, 2026, and the amount of loss that TAIYO YUDEN expects to incur, based on how the case has progressed, has been recorded as a provision for loss on litigation under extraordinary losses.

(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, the Company disposed of treasury shares in connection with the exercise of some stock acquisition rights attached to these bonds during the period from the day after the end of the six-month period ended September 30, 2026 through October 31, 2026. An overview is provided below.

(1) Number of stock acquisition rights exercised	533
(2) Face value of converted bonds	¥5,330 million
(3) Increase in other capital surplus	¥2,473 million
(4) Decrease in treasury shares	¥2,933 million
(5) Class and number of treasury shares disposed of	Common stock 1,222 thousand shares

3. Supplementary Information

(1) Net Sales by Product Classification

Product classification	Six-month period ended September 30, 2025 (From April 1, 2025 To September 30, 2025)		Six-month period ended September 30, 2026 (From April 1, 2026 To September 30, 2026)		Increase/ (Decrease)	
	Amount (¥ in million)	Share (%)	Amount (¥ in million)	Share (%)	Amount (¥ in million)	%
Capacitors	126,106	71.0	152,336	73.9	26,230	20.8
Inductors	31,492	17.7	34,754	16.9	3,262	10.4
Others	20,024	11.3	18,943	9.2	(1,081)	(5.4)
Total	177,624	100.0	206,034	100.0	28,410	16.0

*Starting from the six-month period ended September 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, ¥7,640 million included in Integrated Modules & Devices in the six-month period ended September 30, 2025 has been reclassified and included in Others.