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February 7, 2025

To whom it may concern:

Company name: TAIYO YUDEN CO., LTD.
Securities code: 6976
Listing: Tokyo Stock Exchange (Prime Market)
Representative: Katsuya Sase, Representative Director, President and Chief Executive Officer
Inquiries: Rieko Kimoto, General Manager, Public Relations Department
Telephone: +81-3-6757-8315
URL: http://www.yuden.co.jp/en/

Announcement Regarding Recognition of Non-operating Income (Foreign Exchange Gains) and Forecast Revision of Consolidated Results

TAIYO YUDEN CO., LTD. (“the Company”) recognized non-operating income (foreign exchange gains) for the nine-month period ended December 31, 2024 (April 1, 2024 to December 31, 2024). The Company also announced that it has revised the full-year consolidated financial results forecast for the fiscal year ending March 31, 2025 (April 1, 2024 to March 31, 2025) published on November 7, 2024.

1. Explanation on the recognition of non-operating income (foreign exchange gains)

During the six-month period ended September 30, 2024 (April 1, 2024 to September 30, 2024), the Company recorded foreign exchange expenses of ¥1,758 million in non-operating expenses. However, due to the impact of recent foreign exchange rate fluctuations, the Company recorded foreign exchange gains of ¥5,957 million in non-operating income during the third quarter of the fiscal year ended December 31, 2024 (October 1, 2024 to December 31, 2024).

As a result, during the nine-month period ended December 31, 2024, the Company recorded foreign exchange gains of ¥4,199 million in non-operating income.

The above amount states the foreign exchange gains due to the impact of foreign exchange rates as of December 31, 2024, and the amount will change depending on future foreign exchange rate conditions.

2. Forecast Revision of Consolidated Results

(1) For the Year ending March 31, 2025 (April 1, 2024 to March 31, 2025)

Unit: Millions of yen

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share
Previous forecast (A)	330,000	7,600	6,000	0	-
Revised forecast (B)	338,500	10,000	14,000	5,000	40.09 yen
Net change (B-A)	8,500	2,400	8,000	5,000	
Net change	2.6%	31.6%	133.3%	-	
(Reference) Fiscal year ended March 31, 2024	322,647	9,079	13,757	8,317	66.75 yen

(2) Rationale

Based on the financial results for the nine-month period ended December 31, 2024, future demand forecasts, and trend of foreign exchange rate fluctuations, and other factors, the Company will revise the full-year consolidated financial results forecasts for the fiscal year ending March 31, 2025 published on November 7.

In the fourth quarter, the Company forecasts an improvement in the demand environment, despite the seasonal slump in demand for products for use in communication equipment compared to the third quarter, as demand for products for use in automotive and IT infrastructure/industrial equipment is expected to increase. Additionally, we expect an extraordinary loss of ¥1.0 billion as business restructuring expenses.

The forecast is based on an average foreign exchange rate for the fourth quarter of US$1: ¥153.

Disclaimer concerning Forecasts of Results:

The aforementioned forecasts of results are based on information available as of the date of this news release. As a result, information included in this document may include uncertain factors, and actual results may differ materially from forecasts due to a variety of factors.