

Consolidated Results for the year ended March 31, 2021

May 13, 2021

Company name: TAIYO YUDEN CO., LTD.

URL: <http://www.ty-top.com/>

Representative: Shoichi Tosaka, President and Chief Executive Officer

Contact: Tomomitsu Fukuda, Senior Operating Officer, Deputy Chief of Management Planning Headquarters

Telephone number: +81-3-6757-8310

Listing exchange: Tokyo Stock Exchange (Code Number: 6976)

Preparation of supplementary
materials for the annual
financial results: Yes

Holding of presentation of
annual financial results: Yes (For institutional investors and investment analysts)

1. Consolidated financial results for the period from April 1, 2020 to March 31, 2021

(1) Operating results (Percentages represent changes from the same period in the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent company	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2021	300,920	6.6	40,766	9.7	41,247	17.3	28,615	58.8
Year ended March 31, 2020	282,329	2.9	37,176	5.5	35,165	2.4	18,022	(23.9)

Note: Comprehensive income ended on March 31, 2021 37,372 million yen ; 229.2% ended on March 31, 2020 11,350 million yen ; (46.2%)

	Net income per share	Diluted net income per share	Return on equity	Ordinary income on total assets	Operating income on net sales
	Yen	Yen	%	%	%
Year ended March 31, 2021	227.99	227.32	12.6	11.0	13.5
Year ended March 31, 2020	143.04	142.67	8.7	10.5	13.2

(Reference) Equity in earnings (losses) of affiliates
Year ended March 31, 2021 (283) million yen ; Year ended March 31, 2020 (787) million yen

(2) Financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2021	404,642	243,941	60.1	1,937.86
As of March 31, 2020	343,122	210,454	61.2	1,672.40

(Reference) Shareholder's equity As of March 31, 2021 243,233 million yen As of March 31, 2020 209,891 million yen

(3) 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
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2021	52,882	(42,218)	12,604	81,785
Year ended March 31, 2020	52,434	(40,874)	(4,851)	57,285

2. Dividend information

	Cash dividends per share					Total annual dividend	Dividend payout ratio	Dividend on net assets
	1Q	2Q	3Q	Year End	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2020	-	11.00	-	15.00	26.00	3,263	18.2	1.6
Year ended March 31, 2021	-	15.00	-	25.00	40.00	5,020	17.5	2.1
Year ending March 31, 2022 (Forecast)	-	30.00	-	30.00	60.00		25.1	

3. Forecasts of operating results for the period from April 1, 2021 to March 31, 2022

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

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent company		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2021	170,000	21.2	25,000	30.7	23,500	29.2	15,500	35.5	123.49
Year ending March 31, 2022	328,000	9.0	47,000	15.3	45,000	9.1	30,000	4.8	239.01

4. Note

(1) Changes in principal subsidiaries during year ended March 31, 2021: No

Number of subsidiaries/Company Name Inclusion: - ; Exclusion: -

(2) Changes in accounting policies and accounting estimates, and restatements

a. Changes in accounting policies due to the revision of accounting standards: No

b. Changes in accounting policies by the reasons other than "a.": No

c. Changes in accounting estimates: No

d. Restatement: No

(3) Number of common shares outstanding :

a. Number of common shares outstanding (including treasury stock):

As of March 31, 2021 130,218,481 shares As of March 31, 2020 130,218,481 shares

b. Number of treasury stock:

As of March 31, 2021 4,702,096 shares As of March 31, 2020 4,715,775 shares

c. Average number of common shares outstanding:

Fiscal Year ended March 31, 2021 125,512,815 shares Fiscal Year ended March 31, 2020 126,000,844 shares

Others :

1. This financial press release is out of scope of the audit procedure.

2. 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.

3. 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, 2021

Economy and Market Conditions

During the fiscal year ended March 31, 2021 (April 1, 2020 – March 31, 2021), the business environment surrounding the TAIYO YUDEN Group (“the Group”) was extremely challenging for the global economy with economic activity restricted by the impact from the COVID-19 pandemic. Signs of a gradual recovery were seen in the global economy, which had faced extremely challenging conditions in the first quarter (the three-month period ended June 30, 2020). As for the future, the recovery trend is expected to continue, but it will be necessary to monitor any renewed infectious disease spread, trade issues in individual countries, and fluctuations in financial and capital markets.

Company Actions Planned to Offset These Conditions

Based on the Business Continuity Plan (BCP), we have implemented various measures to prevent the spread of COVID-19 and to ensure the health and wellbeing of stakeholders, including employees and suppliers. At production sites in Japan and overseas, we have continued production activities after ensuring thorough measures to prevent infection while following the instructions and guidance of national and local governments in each country. In addition, we are making efforts for non-production employees to carry out their duties and reduce the risk of infection by implementing such measures as working from home, depending on local infection status, in accordance with the instructions and requests on preventing the spread of infection from national and local governments in each country.

As a result of the current state of emergency due to COVID-19, there have been various changes in society and the management environment. Group holds ¥84,297 million in cash and deposits, and has maintained a sound financial structure with an equity ratio of

60.1%. With commitment line agreements concluded with a number of financial institutions also standing at ¥30.0 billion, the Group has secured the means for responding to contingencies and will continue its business.

The Group aimed to achieve its medium-term targets and management vision by capturing focus markets such as automotive, IT infrastructure/industrial equipment, healthcare, the environment and energy in combination with the solution business that leverages the Group's core technologies in cutting-edge products and high reliability products that draw on the Group's strengths of research and development and production technology. Moreover, the Group is strengthening its manufacturing capabilities in order to build a structure that can enhance profitability and meet the future increase in demand for components. In addition to enhancing production capacity, the Group is accelerating improvements in production efficiency by promoting advances in underlying technologies and transforming production methods.

Overview of Business Performance

Consolidated net sales for the fiscal year ended March 31, 2021 totaled ¥300,920 million, which is an increase of 6.6% compared to the previous fiscal year. Operating income was ¥40,766 million, an increase of 9.7%. Ordinary income was ¥41,247 million, an increase of 17.3%. The Group's performance was sluggish in the first quarter because of constraints on operations at production subsidiaries in the Philippines and Malaysia which occurred due to the impact of COVID-19 between March and May 2020. However, sales and profit increased due to an expansion in demand for products for use in smartphones and automobiles from July onward. Moreover, as a result of recording ¥4,828 million in extraordinary loss, including loss related to COVID-19 at overseas subsidiaries, net income attributable to owners of the parent company amounted to ¥28,615 million, up by 58.8% from the previous fiscal year.

Exchange Rate

The average foreign currency exchange rate for the fiscal year ended

March 31, 2021 was US\$1: ¥105.97. This is an appreciation of ¥3.09 as compared to the average realized in the previous fiscal year of US\$1: ¥109.06.

Net Sales by Product Classification

Capacitors

The capacitor product classification is comprised of multilayer ceramic capacitors.

Capacitor sales for communication equipment decreased year over year. This decrease was offset by an increase year over year in product sales for consumer products, information equipment, automobiles and IT infrastructure/industrial equipment. In total, sales for this product classification increased 10.6% year over year to ¥195,198 million.

Ferrite and Applied Products

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

Net sales for the year ended March 31, 2021 totaled ¥41,564 million, which is an increase of 7.2% compared to the previous fiscal year. This was due to a year-on-year increase in sales for use in information equipment, communication equipment, automobiles and IT infrastructure/industrial equipment.

Integrated Modules & Devices

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

For the year ended March 31, 2021, sales of FBAR/SAW devices for mobile communications, circuit modules, etc. decreased year over year. This resulted in a 5.8% decrease in sales for this product classification year over year to ¥46,930 million.

Others

For this product classification, the Group manufactures and sells aluminum electrolytic capacitors and energy devices.

For the year ended March 31, 2021, consolidated sales in this classification totaled ¥17,227 million, down by 0.4% year over year.

② Analysis of Financial Condition

Assets, Liabilities and Net Assets

Assets

Total assets stood at ¥404,642 million as of March 31, 2021, up ¥61,520 million from the end of the previous fiscal year. Current assets increased ¥45,669 million. This increase in current assets was mainly due to the increase in cash and deposits of ¥24,674 million and trade notes and accounts receivable of ¥14,057 million. Fixed assets increased ¥15,850 million owing to the increase in property, plant and equipment of ¥14,772 million.

Liabilities

Total liabilities stood at ¥160,701 million as of the end of the fiscal year ended March 31, 2021. This was ¥28,033 million higher than the end of the previous fiscal year. This was mainly due to the increase in current portion of long-term borrowings of ¥10,799 million, long-term borrowings of ¥7,035 million and trade notes and accounts payable of ¥5,125 million.

Net Assets

Net assets stood at ¥243,941 million as of March 31, 2021, up ¥33,486 million from the end of the previous fiscal year. Principal movements in net assets were an increase of retained earnings of ¥24,714 million and foreign currency translation adjustments of ¥8,109 million.

③ Cash Flows

Operating activities

Net cash provided by operating activities for the year ended March 31, 2021 was ¥52,882 million, an increase of 0.9% compared with the previous fiscal year. The contributing factors are; income before income taxes of ¥37,010 million; depreciation and amortization of ¥29,256 million; trade receivables of ¥9,783 million and income taxes (paid) of ¥4,903 million.

Investing activities

Net cash used in investing activities for the year ended March 31, 2021 totaled ¥42,218 million, an increase of 3.3% compared with the previous

fiscal year. The largest cash outflow was ¥43,908 million paid for purchases of property, plant and equipment.

Financing activities

Net cash provided by financing activities for the year ended March 31, 2021 totaled ¥12,604 million (net cash used of ¥4,851 million for the year ended March 31, 2020). The main factors are proceeds from long-term borrowings of ¥20.5 billion, payments of cash dividends of ¥3,760 million and repayments of long-term borrowings of ¥2,666 million.

As a result of the aforementioned activities, cash and cash equivalent as of March 31, 2021 increased ¥24.5 billion from the end of the previous fiscal year, to ¥81,785 million.

Reference: Trends in Cash Flow-Related indicators

	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021
Equity ratio (%)	56.8	59.1	62.5	61.2	60.1
Equity ratio (%) (Market capitalization basis)	61.1	74.0	84.5	104.6	161.3
Cash flow to interest-bearing liabilities (years)	1.7	1.6	1.3	1.1	1.5
Interest coverage ratio (times)	123.8	141.0	143.6	126.1	150.3

Equity ratio = Shareholders' equity / Total assets

Equity 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 bonds with stock acquisition rights. Interest expenditure represents interest paid as shown on the consolidated statements of cash flows.

(2) Outlook for the Year Ending March 31, 2022

Consolidated operating earnings forecasts for the year ending March 31, 2022 are as follows.

(Millions of yen unless otherwise stated)

Item \ Period	Six-month period ending September 30, 2021		Year ending March 31, 2022	
	Amount	YoY (%)	Amount	YoY (%)
Net sales	170,000	21.2	328,000	9.0
Operating income	25,000	30.7	47,000	15.3
Ordinary income	23,500	29.2	45,000	9.1
Net income attributable to the owners of the parent company	15,500	35.5	30,000	4.8

As for the market environment in the fiscal year ending March 31, 2022, it is expected that demand for electronic components will rise with the increase in working from home and at-home learning using electronic devices, enhancements in functionality and performance of communication equipment, particularly 5G smartphones. The use of electronics and electronic components and enhancements in performance for automobiles and IT infrastructure will also advance. As a result, the Company forecasts that net sales, operating income, ordinary income, and net income attributable to owners of the parent company will be higher than in the fiscal year ended March 31, 2021.

Although there are concerns that the impact of COVID-19 will be prolonged, it is assumed that the Group's business activities will be able to operate as normal without any major obstacles. The assumption for the average foreign currency exchange rate during the fiscal year ending March 31, 2022 is US\$1: ¥105.

The Group formulated Medium-Term Management Plan 2025 with

fiscal 2025 as its final year. Looking ahead to 2030, which is ten years from now, we aim to enhance corporate value through the combination of economic and social value, and we have set 2025 as a milestone for achieving a significant position as a manufacturer of components.

Corporate Value (Economic Value + Social Value)			
Economic Value		Social Value	
Net sales	480 billion yen	E GHG emissions	Absolute amount FY2030 25% reduction ※compared with FY2020
Operating margin	15% or higher	E Waste, Water usage	Basic unit (sales quantity) FY2025 10% reduction ※compared with FY2020
ROE	15% or higher	S Safe & secure workplace Optimization of group base functions	<ul style="list-style-type: none"> • Creating safe, comfortable and environmental friendly workplaces • Incidence rate of injuries and illness <0.016 • Accident frequency rate <0.08
ROIC	10% or higher	S Work style reforms Diversity	<ul style="list-style-type: none"> • Work engagement: 2.5 or higher • Rate of newly recruited female graduates: 30% or higher

※Exchange rate assumption : 1US\$=¥105

In order to realize the targets for economic value, we will aim to increase the proportion of sales in focus markets, primarily automotive and IT infrastructure/industrial equipment, to 50%. We also plan capital investment of ¥300.0 billion over five years 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.

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

The Company recognizes that enhancing the return of profits to shareholders is one of management's most important tasks and strives for a stable increase in dividends.

The Company plans a year-end dividend of 25 yen per share for the fiscal year ended March 31, 2021, which together with the interim dividend gives an annual dividend of 40 yen and a dividend payout ratio of 17.5%. Going forward, the Company will aim to realize a stable dividend payout ratio of 30%.

Furthermore, the Company plans an annual dividend of 60 yen per share (interim dividend: 30 yen, year-end dividend: 30 yen) for the fiscal year ending March 31, 2022.

The Company has stipulated that an interim dividend can be offered based on a resolution by our Board of Directors and has established a basic policy to offer two dividends per annum in the form of an interim dividend and year-end dividend. The interim dividend is resolved by the Company's Board of Directors. The year-end dividend is resolved at the general shareholders' meeting.

2. Basic Approach to Selection of Accounting Standard

TAIYO YUDEN 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 and outside Japan.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2020	As of March 31, 2021
ASSETS		
Current assets:		
Cash and deposits	59,622	84,297
Trade notes and accounts receivable	64,680	78,738
Merchandise and finished products	18,134	19,849
Work in process	28,829	30,183
Raw materials and supplies	15,624	17,902
Other	5,220	6,876
Allowance for doubtful receivables	(182)	(247)
Total current assets	191,930	237,599
Fixed assets:		
Property, plant and equipment:		
Buildings and structures	97,082	115,053
Machinery and equipment	278,081	304,632
Tools, furniture and fixtures	27,578	30,849
Land	12,661	14,752
Construction in progress	18,307	10,824
Accumulated depreciation	(289,311)	(316,940)
Net property, plant and equipment	144,400	159,172
Intangible fixed assets:		
Other	1,293	1,371
Total intangible fixed assets	1,293	1,371
Investments and other assets:		
Investment securities	2,671	2,405
Net defined benefit asset	19	55
Deferred tax assets	1,314	2,144
Other	1,819	1,891
Allowance for doubtful receivables	(326)	-
Total investments and other assets	5,498	6,498
Total fixed assets	151,192	167,042
Total assets	343,122	404,642

(Millions of yen)

	As of March 31, 2020	As of March 31, 2021
LIABILITIES		
Current liabilities:		
Trade notes and accounts payable	26,603	31,728
Short-term borrowings	19,250	18,500
Current portion of long-term borrowings	2,663	13,462
Accrued amounts payable	16,813	15,907
Income taxes payable	1,903	5,803
Accrued bonuses for employees	4,576	5,132
Accrued bonuses for directors and corporate auditors	233	388
Other	12,290	11,555
Total current liabilities	84,333	102,477
Long-term liabilities:		
Long-term borrowings	34,752	41,788
Deferred tax liabilities	3,397	3,828
Accrued retirement benefits for directors and corporate auditors	49	43
Net defined benefit liability	4,200	5,105
Other	5,934	7,458
Total long-term liabilities	48,334	58,223
Total liabilities	132,667	160,701
NET ASSETS		
Shareholders' equity:		
Common stock	33,575	33,575
Capital surplus	49,903	49,903
Retained earnings	150,263	174,977
Treasury stock	(8,596)	(8,576)
Total shareholders' equity	225,146	249,879
Accumulated other comprehensive income		
Net unrealized holding gains on securities	430	1,090
Deferred gains (losses) on hedges	(82)	(106)
Foreign currency translation adjustments	(14,779)	(6,669)
Remeasurements of defined benefit plans	(824)	(960)
Total accumulated other comprehensive income	(15,255)	(6,646)
Stock acquisition rights	563	708
Total net assets	210,454	243,941
Total liabilities and net assets	343,122	404,642

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

(Millions of yen)

	Year ended March 31, 2020	Year ended March 31, 2021
Net sales	282,329	300,920
Cost of sales	196,979	211,965
Gross profit	85,350	88,955
Selling, general and administrative expenses	48,173	48,188
Operating income	37,176	40,766
Non-operating income:		
Interest income	335	118
Dividend income	146	53
Gain on foreign exchange	-	197
Subsidy income	245	1,021
Other	244	186
Total non-operating income	972	1,578
Non-operating expenses:		
Interest expense	375	368
Equity in losses of affiliate	787	283
Loss on foreign exchange	1,404	-
Depreciation of inactive noncurrent assets	219	276
Other	197	168
Total non-operating expenses	2,983	1,097
Ordinary income	35,165	41,247
Extraordinary gains:		
Gain on sales of property, plant and equipment	148	57
Gain on sales of investment securities	16	466
Insurance claim income	1,351	-
Other	-	67
Total extraordinary gains	1,516	591
Extraordinary losses:		
Loss on disposal and sales of property, plant and equipment	764	624
Impairment loss	5,290	1,084
Loss on devaluation of investment securities	17	-
Loss on devaluation of shares of subsidiaries and associates	-	258
Business structure improvement expenses	-	439
Loss on disaster	3,168	-
Anti-monopoly Act related loss	3,600	-
Loss by COVID-19	-	2,098
Other	22	322
Total extraordinary losses	12,863	4,828
Income before income taxes	23,818	37,010
Income taxes - current	4,637	8,546
Income taxes - deferred	1,158	(151)
Total income taxes	5,795	8,395
Net income	18,022	28,615
Net income attributable to owners of the parent company	18,022	28,615

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Year ended March 31, 2020	Year ended March 31, 2021
Net income	18,022	28,615
Other comprehensive income		
Net unrealized holding gains (losses) on securities	(1,088)	670
Deferred gains (losses) on hedges	(84)	(24)
Foreign currency translation adjustments	(5,075)	8,250
Remeasurement of defined benefit plans	(423)	(139)
Total other comprehensive income (loss)	(6,671)	8,757
Comprehensive income	11,350	37,372
(Breakdown)		
Comprehensive income attributable to shareholders	11,350	37,372

(3) Consolidated Statements of Changes in Net Assets

Prior fiscal year (April 1, 2019 - March 31, 2020)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the year	33,575	49,904	135,217	(4,613)	214,083
Change in ownership interest of parent due to transactions with non-controlling interests			(192)		(192)
Balance at the beginning of the current period reflecting changes in accounting policies	33,575	49,904	135,025	(4,613)	213,891
Changes of items during the year					
Dividends from surplus			(2,784)		(2,784)
Net income attributable to owners of the parent company			18,022		18,022
Purchase of treasury stock				(4,006)	(4,006)
Disposal of treasury stock		(0)		23	23
Increase (decrease) resulting from change in fiscal period of consolidated subsidiaries					
Net change of items other than shareholders' equity during the period					
Total changes of items during the year	-	(0)	15,238	(3,982)	11,254
Balance at the end of the year	33,575	49,903	150,263	(8,596)	225,146

	Accumulated other comprehensive income					Stock acquisition rights	Total net assets
	Net unrealized holding gains on securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Accumulated other comprehensive income		
Balance at the beginning of the year	1,519	2	(9,703)	(401)	(8,583)	453	205,953
Cumulative effect of changes in accounting policies							(192)
Balance at the beginning of the current period reflecting changes in accounting policies	1,519	2	(9,703)	(401)	(8,583)	453	205,761
Changes of items during the year							
Dividends from surplus							(2,784)
Net income attributable to owners of the parent company							18,022
Purchase of treasury stock							(4,006)
Disposal of treasury stock							23
Increase (decrease) resulting from change in fiscal period of consolidated subsidiaries							
Net change of items other than shareholders' equity during the period	(1,088)	(84)	(5,075)	(423)	(6,671)	110	(6,561)
Total changes of items during the year	(1,088)	(84)	(5,075)	(423)	(6,671)	110	4,693
Balance at the end of the year	430	(82)	(14,779)	(824)	(15,255)	563	210,454

Current fiscal year (April 1, 2020 - March 31, 2021)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the year	33,575	49,903	150,263	(8,596)	225,146
Cumulative effect of changes in accounting policies					
Balance at the beginning of the current period reflecting changes in accounting policies	33,575	49,903	150,263	(8,596)	225,146
Changes of items during the year					
Dividends from surplus			(3,765)		(3,765)
Net income attributable to owners of the parent company			28,615		28,615
Purchase of treasury stock				(9)	(9)
Disposal of treasury stock		(0)		29	28
Increase (decrease) resulting from change in fiscal period of consolidated subsidiaries			(135)		(135)
Net change of items other than shareholders' equity during the period					
Total changes of items during the year	-	(0)	24,714	19	24,733
Balance at the end of the year	33,575	49,903	174,977	(8,576)	249,879

	Accumulated other comprehensive income					Stock acquisition rights	Total net assets
	Net unrealized holding gains on securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Accumulated other comprehensive income		
Balance at the beginning of the year	430	(82)	(14,779)	(824)	(15,255)	563	210,454
Cumulative effect of changes in accounting policies							
Balance at the beginning of the current period reflecting changes in accounting policies	430	(82)	(14,779)	(824)	(15,255)	563	210,454
Changes of items during the year							
Dividends from surplus							(3,765)
Net income attributable to owners of the parent company							28,615
Purchase of treasury stock							(9)
Disposal of treasury stock							28
Increase (decrease) resulting from change in fiscal period of consolidated subsidiaries							(135)
Net change of items other than shareholders' equity during the period	660	(24)	8,109	(136)	8,609	144	8,753
Total changes of items during the year	660	(24)	8,109	(136)	8,609	144	33,486
Balance at the end of the year	1,090	(106)	(6,669)	(960)	(6,646)	708	243,941

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Year ended March 31, 2020	Year ended March 31, 2021
Operating activities:		
Income before income taxes	23,818	37,010
Depreciation and amortization	27,022	29,256
Impairment loss	5,290	1,084
Insurance claim income	(1,351)	-
Business structure improvement expense	-	439
Loss on disaster	3,168	-
Anti-monopoly Act related loss	3,600	-
Loss by COVID-19	-	2,098
Amortization of goodwill	631	-
Increase (decrease) in allowance for doubtful receivables	(59)	(278)
Increase (decrease) in accrued bonuses for employees	420	423
Increase (decrease) in accrued bonuses for directors and corporate auditors	(24)	155
Increase (decrease) in accrued retirement benefits for directors and corporate auditors	(80)	(7)
Interest and dividend income	(482)	(172)
Interest expense	375	368
Equity in earnings of affiliate	787	283
(Gain) loss on disposal and sales of property, plant and equipment	615	567
(Gain) loss on sales of investment securities	(10)	(461)
Subsidy income	(123)	(684)
(Gain) loss on devaluation of investment securities	17	-
Loss on devaluation of shares of subsidiaries and associates	-	258
(Increase) decrease in trade receivables	(3,207)	(9,783)
(Increase) decrease in inventories	(4,295)	(2,610)
Increase (decrease) in trade payables	1,894	4,466
Other	2,717	375
Subtotal	60,724	62,791
Interest and dividends received	502	173
Interest paid	(415)	(351)
Proceeds from insurance income	1,351	-
Business structure improvement expense paid	-	(199)
Payments associated with disaster loss	(1,588)	-
Anti-monopoly Act related loss paid	(802)	(2,823)
Loss by COVID-19 paid	-	(1,803)
Income taxes (paid) refunded	(7,338)	(4,903)
Net cash provided by operating activities	52,434	52,882
Investing activities:		
Purchases of property, plant and equipment	(44,067)	(43,908)
Proceeds from sales of property, plant and equipment	327	135
(Increase) decrease in time deposits	2,186	33
Proceeds from sales of investment securities	194	1,026
Receipt from subsidy income	222	384
Purchase of shares of subsidiaries and associates	-	(92)
Other	261	202
Net cash used in investing activities	(40,874)	(42,218)

(Millions of yen)

	Year ended March 31, 2020	Year ended March 31, 2021
Financing activities:		
Net increase (decrease) in short-term borrowings	(3,899)	(750)
Proceeds from long-term borrowings	9,000	20,500
Repayments of long-term borrowings	(2,477)	(2,666)
Purchases of treasury stock	(4,006)	(9)
Payments of cash dividends	(2,776)	(3,760)
Repayments of lease obligations	(630)	(701)
Other	(61)	(8)
Net cash provided by (used in) financing activities	(4,851)	12,604
Effect of exchange rate changes on cash and cash equivalents	(1,077)	2,386
Net increase (decrease) in cash and cash equivalents	5,630	25,654
Cash and cash equivalents at beginning of period	51,654	57,285
Increase (decrease) in cash and cash equivalents resulting from change in fiscal period of consolidated subsidiaries	-	(1,154)
Cash and cash equivalents at end of period	57,285	81,785

(5) Notes to Consolidated Financial Statements

(Notes on Premise of Going Concern)

No relevant items to report.

(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, 2020 (April 1, 2019 – March 31, 2020)

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	China	Hong Kong	Other countries or regions	Total
26,848	98,462	54,395	102,622	282,329

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
96,565	12,478	21,041	14,314	144,400

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, 2021 (April 1, 2020 – March 31, 2021)

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	China	Hong Kong	Other countries and regions	Total
29,297	115,821	48,128	107,673	300,920

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

(1) Property, plant and equipment (Millions of yen)

Japan	China	Malaysia	Other countries and regions	Total
103,956	15,699	25,156	14,359	159,172

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 statements of operations.

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, 2020 (April 1, 2019 – March 31, 2020)	Year ended March 31, 2021 (April 1, 2020 – March 31, 2021)
Net assets per share	1,672.40	1,937.86
Net income per share	143.04	227.99
Diluted net income per share	142.67	227.32

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

(Millions of yen unless otherwise stated)

	As of March 31, 2020	As of March 31, 2021
Total net assets	210,454	243,941
Deductions from Total net assets	563	708
(Stock acquisition rights)	(563)	(708)
(Non-controlling interests)	(-)	(-)
Net assets at fiscal year-end related to common stock	209,891	243,233
Number of common stock at fiscal year-end used in the calculation of net assets per share (thousand shares)	125,502	125,516

Note 2: The following represents the basic data used for calculating net income per share.

(Millions of yen unless otherwise stated)

	Year ended March 31, 2020 (April 1, 2019 – March 31, 2020)	Year ended March 31, 2021 (April 1, 2020 – March 31, 2021)
Net income per share		
Net income attributable to owners of the parent company	18,022	28,615
Amounts not allocated to common stock shareholders	-	-
Net income attributable to owners of the parent company related to common stock	18,022	28,615
Average number of common stock outstanding in FY (thousand shares)	126,000	125,512
Diluted net income per share		
Adjustments to net income attributable to owners of parent company	-	-
Increase in common stock (thousand shares)	323	366
Stock acquisition rights (thousand shares)	(323)	(366)
Outline of stock not included in diluted net income per share due to lack of dilutive effect	-	-

(Significant Subsequent Events)

No relevant items to report.

4. Other

(1) Production, Orders and Sales Results

① Production

Product classification	Year ended March 31, 2020		Year ended March 31, 2021	
	Amount	[%]	Amount	[%]
Capacitors	176,185	65.7	198,228	67.9
Ferrite and applied products	38,499	14.4	42,506	14.6
Integrated modules & devices	39,150	14.6	36,360	12.5
Others	14,420	5.4	14,676	5.0
Total	268,254	100.0	291,772	100.0

Note:

1. Amounts are based on average unit sales prices for the period.
2. The aforementioned amounts are exclusive of consumption and related taxes.
3. 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, 2020		Year ended March 31, 2021	
	Amount	[%]	Amount	[%]
Capacitors	182,627	63.5	222,105	64.1
Ferrite and applied products	38,880	13.5	43,850	12.6
Integrated modules & devices	48,441	16.8	57,507	16.6
Others	17,782	6.2	23,225	6.7
Total	287,732	100.0	346,689	100.0

Note:

1. The aforementioned amounts are exclusive of consumption and related taxes.
2. 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, 2020		Year ended March 31, 2021	
	Amount	[%]	Amount	[%]
Capacitors	44,126	71.8	71,033	66.3
Ferrite and applied products	5,919	9.6	8,205	7.7
Integrated modules & devices	8,020	13.1	18,597	17.3
Others	3,377	5.5	9,375	8.7
Total	61,442	100.0	107,211	100.0

Note:

1. The aforementioned amounts are exclusive of consumption and related taxes.
2. 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, 2020		Year ended March 31, 2021	
	Amount	[%]	Amount	[%]
Capacitors	176,457	62.5	195,198	64.9
Ferrite and applied products	38,770	13.7	41,564	13.8
Integrated modules & devices	49,808	17.6	46,930	15.6
Others	17,292	6.1	17,227	5.7
Total	282,329	100.0	300,920	100.0

Note:

1. The aforementioned amounts are exclusive of consumption and related taxes.
2. The Group has a single business segment which is electronic components, and the categories described above are not reportable business segments.