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May 9, 2023

Consolidated Financial Results for the Fiscal Year Ended March 31, 2023 (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 29, 2023
 Scheduled date to commence dividend payments: June 30, 2023
 Scheduled date to file annual securities report: June 30, 2023
 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, 2023 (from April 1, 2022 to March 31, 2023)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2023	319,504	(8.6)	31,980	(53.1)	34,832	(51.7)	23,216	(57.3)
March 31, 2022	349,636	16.2	68,218	67.3	72,191	75.0	54,361	90.0

Note: Comprehensive income For the fiscal year ended March 31, 2023: ¥28,654 million [(58.6)%]
 For the fiscal year ended March 31, 2022: ¥69,260 million [85.3%]

Fiscal year ended	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
	Yen	Yen	%	%	%
March 31, 2023	186.32	185.71	7.5	7.1	10.0
March 31, 2022	433.46	432.19	20.0	16.4	19.5

Reference: Share of profit (loss) of entities accounted for using equity method
 For the fiscal year ended March 31, 2023: ¥- million
 For the fiscal year ended March 31, 2022: ¥- million

(2) Consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2023	503,462	318,478	63.1	2,548.15
March 31, 2022	474,522	300,286	63.1	2,403.20

Reference: Equity
 As of March 31, 2023: ¥317,520 million
 As of March 31, 2022: ¥299,460 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, 2023	39,460	(60,438)	14,485	84,124
March 31, 2022	67,315	(50,622)	(14,711)	88,609

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, 2022	-	40.00	-	40.00	80.00	10,007	18.5	3.3
Fiscal year ended March 31, 2023	-	45.00	-	45.00	90.00	11,214	48.3	3.5
Fiscal year ending March 31, 2024 (Forecast)	-	45.0	-	45.0	90.0		140.2	

3. Forecasts of operating results for the period from April 1, 2023 to March 31, 2024

(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, 2024	322,000	0.8	15,000	(53.1)	14,000	(59.8)	8,000	(65.5)	64.20

* **Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): 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, 2023	130,218,481 shares
As of March 31, 2022	130,218,481 shares

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

As of March 31, 2023	5,610,298 shares
As of March 31, 2022	5,609,656 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2023	124,608,523 shares
Fiscal year ended March 31, 2022	125,414,894 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2023	271,527	(13.2)	11,981	(72.1)	18,875	(64.9)	15,499	(62.7)
March 31, 2022	312,780	16.3	42,946	167.2	53,803	184.2	41,522	182.0

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2023	124.38	123.98
March 31, 2022	331.08	330.12

(2) Non-consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2023	343,045	181,075	52.5	1,445.47
March 31, 2022	330,266	175,849	53.0	1,404.58

Reference: Equity

As of March 31, 2023: ¥180,117 million

As of March 31, 2022: ¥175,023 million

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

- * 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, 2023

During the fiscal year ended March 31, 2023 (April 1, 2022 – March 31, 2023), the business environment surrounding the TAIYO YUDEN Group (“the Group”) experienced rising raw material and logistics costs due to increased geopolitical risk and other factors, and there was a period of stagnation in social and economic activities owing to large-scale lockdowns in some regions as a countermeasure to COVID-19, although there were some signs of a moderate recovery in the global economy. As for the future, it will be necessary to monitor the international situation, fluctuations in financial and capital markets and trends in the global demand environment amid global monetary tightening.

The Group is aiming to increase the proportion of sales in focus markets, primarily automotive and IT infrastructure/industrial equipment, to 50% to achieve the targets set out in medium-term management plan 2025. Moreover, the Group will produce high value-added electronic components with a focus on high-end and high reliability products to achieve further growth in multilayer ceramic capacitors, the Group’s core business, in addition to strengthening inductor and communication device products to establish them as core businesses. 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.

Consolidated net sales for the fiscal year ended March 31, 2023 totaled ¥319,504 million, which is a decrease of 8.6% compared to the previous fiscal year. Operating profit was ¥31,980 million, a decrease of 53.1% compared to the previous fiscal year. Ordinary profit was ¥34,832 million, a decrease of 51.7% compared to the previous fiscal year, due to foreign exchange gains of ¥1,136 million. Profit attributable to owners of parent amounted to ¥23,216 million, a decrease of 57.3%, from the previous fiscal year, as a result of the recording ¥3,902 million in extraordinary loss, including loss related to Anti-monopoly Act of ELNA CO., LTD. Net sales as well as operating profit, ordinary profit, and profit attributable to owners of parent declined due to lockdowns in some regions and a decrease in production volume and inventory adjustments, primarily in the PC, smartphone, and data center sectors, stemming from concerns over a global economic slowdown.

The average foreign currency exchange rate for the fiscal year ended March 31, 2023 was US\$1: ¥134.20. This is a depreciation of ¥22.64 as compared to the average realized in the previous fiscal year of US\$1: ¥111.56.

Net Sales by Product Classification

[Capacitors]

The capacitor product classification is comprised of multilayer ceramic capacitors.

For the year ended March 31, 2023, while product sales for use in automobiles increased year over year, sales for use in consumer products, information equipment, communication equipment and IT infrastructure/industrial equipment declined year over year. As a result, net sales decreased 9.7% year over year to ¥208,115 million.

[Inductors]

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

Product sales for use in IT infrastructure/industrial equipment were lower as compared to the previous fiscal year while sales for use in consumer products, information equipment, communication equipment, and automobiles were higher. As a result, net sales totaled ¥52,866 million, which is an increase of 8.1% compared to the previous fiscal year.

[Integrated Modules & Devices]

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

Sales of FBAR/SAW devices for mobile communications and circuit modules decreased year over year. This resulted in a 33.2% decrease in net sales for this product classification year over year to ¥32,581 million.

[Others]

For this product classification, the Group manufactures and sells aluminum electrolytic capacitors and power storage devices, etc.

Sales of aluminum electrolytic capacitors, mainly for use in automobiles, increased year over year. This resulted in a 20.5% increase in net sales for this product classification year over year to ¥25,941 million.

② Analysis of Financial Condition

Assets, Liabilities and Net Assets

Assets

Total assets stood at ¥503,462 million as of March 31, 2023, up ¥28,940 million from the end of the previous fiscal year. Current assets decreased ¥8,211 million. This decrease in current assets was mainly due to the increase in merchandise and finished goods of ¥5,191 million, work in process of ¥2,642 million, and the decrease in notes and accounts receivable - trade of ¥16,212 million, cash and deposits of ¥5,373 million. Non-current assets increased ¥37,151 million owing to the increase in property, plant and equipment of ¥35,653 million.

Liabilities

Total liabilities stood at ¥184,984 million as of the end of the fiscal year ended March 31, 2023. This was ¥10,748 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 ¥13,922 million, short-term borrowings of ¥10.0 billion, accrued amounts payable of ¥9,122 million and the decrease in income taxes payable of ¥12,416 million, notes and accounts payable – trade of ¥9,815 million.

Net Assets

Net assets stood at ¥318,478 million as of March 31, 2023, up ¥18,192 million from the end of the previous fiscal year. The main factors were an increase in retained earnings of ¥12,624 million due to profit attributable to owners of parent of ¥23,216 million and dividends of surplus of ¥10,591 million, in addition to an increase of ¥4,840 million in foreign currency translation adjustment due to the impact of exchange rates, including the depreciation in the value of the yen.

③ Cash Flows

Net cash provided by operating activities for the year ended March 31, 2023 was ¥39,460 million, a decrease of 41.4% compared with the previous fiscal year. The contributing factors are; profit before income taxes of ¥31,102 million; depreciation of ¥34,903 million; decrease in trade receivables ¥19,556 million, and income taxes (paid) of ¥23,061 million.

Net cash used in investing activities for the year ended March 31, 2023 totaled ¥60,438 million, an increase of 19.4% compared with the previous fiscal year. The largest cash outflow was ¥63,338 million paid for purchase of non-current assets.

Net cash provided by financing activities for the year ended March 31, 2023 totaled ¥14,485 million (net cash used of ¥14,711 million for the year ended March 31, 2022). The main factors are an increase in short-term borrowings of ¥10.0 billion, proceeds from long-term borrowings of ¥20.0 billion, repayments of long-term borrowings of ¥4,049 million, payments of cash dividends of ¥10,573 million.

As a result of the aforementioned activities, cash and cash equivalent as of March 31, 2023 decreased ¥4,485 million from the end of the previous fiscal year, to ¥84,124 million.

Reference: Trends in Cash Flow-Related indicators

	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022
Equity-to-asset ratio (%)	62.5	61.2	60.1	63.1	63.1
Equity-to-asset ratio (%) (Market capitalization basis)	84.5	104.6	161.3	145.7	109.9
Cash flow to interest-bearing liabilities (years)	1.3	1.1	1.5	1.1	2.6
Interest coverage ratio (times)	143.6	126.1	150.3	175.1	94.9

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 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, 2024

Consolidated operating earnings forecasts for the year ending March 31, 2024 are as follows.

	Year ending March 31, 2024
Net sales	322,000 million yen (0.8% increase)
Operating profit	15,000 million yen (53.1% decrease)
Ordinary profit	14,000 million yen (59.8% decrease)
Profit attributable to owners of parent	8,000 million yen (65.5% decrease)

In the fiscal year ending March 31, 2024, we anticipate that net sales will increase with rising demand for electronic components due to increasing use of electronics and electric motors in automobiles and other factors. However, each stage of profit is expected to decrease as a result of such factors as cost increases because of higher commodity prices and aggressive investment to meet rising demand in the future. As for the future, it will be necessary to monitor the fluctuations in financial and capital markets and trends in the global demand environment amid global monetary tightening. The assumption for the average foreign currency exchange rate during the fiscal year ending March 31, 2024 is US\$1: ¥130.

In the fields of automobiles and IT infrastructure, including base station communication equipment and data centers, which TAIYO YUDEN has positioned as its focus markets, demand for large, high-reliability electronic components is expected to expand with increasing use of electronic components and higher performance. In addition, there are continual advances in functionality and performance of communication equipment, primarily 5G smartphones, and we believe there will be increasing numbers of cutting-edge products, which require advanced technical capabilities. To prepare for this expansion in demand over the medium-term, we will continue the investment that is essential for future growth. Meanwhile, we will also work to improve production efficiency by building a decentralized production system and using AI as some of the measures to counter future risk.

The Group also formulated Medium-Term Management Plan 2025, a five-year plan which commenced in fiscal 2021. 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	GHG (greenhouse gas) emissions	FY2030 (Absolute amount reductions) 42% reduction (compared with FY2020)
Operating margin	15% or higher	Waste, Water usage	FY 2025 (Per basic units) 10% reduction (compared with FY2020)
ROE	15% or higher	Safe & secure workplace Optimization of group base functions	<ul style="list-style-type: none"> Incident rate of injuries and illness*1 < 0.016 Accident frequency rate*2 < 0.08
ROIC	10% or higher	Work style reforms Diversity	<ul style="list-style-type: none"> Work engagement*3 2.5 or higher Ratio of newly recruited female graduates 30% or higher Female manager ratio FY2030 10% or higher

*1 Number of injured or ill persons requiring one or more days off due to workplace related injury or illness per 200,000 labor hours

*2 Number of fatalities or injuries requiring one or more days off due to workplace accident per 1 million labor hours

*3 Represents the state of mind of employees regarding work, which is measured on a four-point scale for employees

In order to realize the targets for economic value, we will aim to achieve 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 45 yen per share for the fiscal year ended March 31, 2023, which together with the interim dividend gives an annual dividend of 90 yen and a dividend payout ratio of 48.3%. Going forward, the Company will aim to achieve a stable dividend payout ratio of 30% in addition to acquiring treasury stock as necessary.

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, 2024.

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 decided by the Company's Board of Directors. The year-end dividend is decided 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, 2022	As of March 31, 2023
Assets		
Current assets		
Cash and deposits	92,570	87,197
Notes and accounts receivable - trade	86,585	70,372
Merchandise and finished goods	29,504	34,695
Work in process	44,243	46,885
Raw materials and supplies	23,033	23,234
Other	6,981	12,269
Allowance for doubtful accounts	(311)	(258)
Total current assets	282,607	274,396
Non-current assets		
Property, plant and equipment		
Buildings and structures	120,596	129,144
Machinery, equipment and vehicles	335,309	363,035
Tools, furniture and fixtures	33,773	37,483
Land	15,179	15,858
Construction in progress	28,603	47,571
Accumulated depreciation	(348,527)	(372,502)
Total property, plant and equipment	184,936	220,590
Intangible assets		
Other	1,340	1,663
Total intangible assets	1,340	1,663
Investments and other assets		
Investment securities	1,505	1,447
Net defined benefit asset	70	71
Deferred tax assets	2,536	3,825
Other	1,525	1,561
Allowance for doubtful receivables	-	(92)
Total investments and other assets	5,637	6,812
Total non-current assets	191,914	229,066
Total assets	474,522	503,462

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	32,828	23,012
Short-term borrowings	20,200	30,200
Current portion of long-term borrowings	4,035	17,958
Accrued amounts payable	15,613	24,735
Income taxes payable	13,967	1,550
Provision for bonuses	5,890	4,205
Provision for bonuses for directors (and other officers)	679	60
Other	13,798	10,416
Total current liabilities	107,013	112,140
Non-current liabilities		
Long-term borrowings	48,749	50,777
Deferred tax liabilities	3,835	7,328
Provision for retirement benefits for directors (and other officers)	31	39
Retirement benefit liability	5,315	5,666
Other	9,291	9,030
Total non-current liabilities	67,222	72,843
Total liabilities	174,235	184,984
Net assets		
Shareholders' equity		
Share capital	33,575	33,575
Capital surplus	49,908	49,908
Retained earnings	221,178	233,802
Treasury shares	(13,454)	(13,457)
Total shareholders' equity	291,207	303,829
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	518	631
Deferred gains or losses on hedges	(190)	(0)
Foreign currency translation adjustment	8,246	13,086
Remeasurements of defined benefit plans	(321)	(26)
Total accumulated other comprehensive income	8,252	13,690
Share acquisition rights	826	958
Total net assets	300,286	318,478
Total liabilities and net assets	474,522	503,462

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

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Net sales	349,636	319,504
Cost of sales	224,654	232,085
Gross profit	124,981	87,419
Selling, general and administrative expenses	56,763	55,438
Operating profit	68,218	31,980
Non-operating income		
Interest income	275	723
Dividend income	24	61
Foreign exchange gains	3,295	1,136
Subsidy income	568	1,591
Other	429	255
Total non-operating income	4,593	3,769
Non-operating expenses		
Interest expenses	390	463
Depreciation of inactive non-current assets	80	52
Compensation expenses	29	267
Other	119	133
Total non-operating expenses	620	916
Ordinary profit	72,191	34,832
Extraordinary income		
Gain on sale of non-current assets	99	171
Gain on sale of investment securities	497	-
Other	91	-
Total extraordinary income	689	171
Extraordinary losses		
Loss on sale and retirement of non-current assets	506	886
Impairment losses	180	20
Loss on disaster	291	-
Anti-monopoly Act related loss	-	2,927
Other	28	67
Total extraordinary losses	1,008	3,902
Profit before income taxes	71,872	31,102
Income taxes - current	17,682	5,767
Income taxes - deferred	(172)	2,118
Total income taxes	17,510	7,886
Profit	54,361	23,216
Profit attributable to owners of parent	54,361	23,216

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Profit	54,361	23,216
Other comprehensive income		
Valuation difference on available-for-sale securities	(572)	113
Deferred gains or losses on hedges	(83)	189
Foreign currency translation adjustment	14,916	4,840
Remeasurements of defined benefit plans, net of tax	639	295
Total other comprehensive income	14,898	5,438
Comprehensive income	69,260	28,654
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	69,260	28,654

(3) Consolidated Statements of Changes in Net Assets
 Prior fiscal year (April 1, 2021 - March 31, 2022)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	33,575	49,903	174,977	(8,576)	249,879
Changes during period					
Dividends of surplus			(8,161)		(8,161)
Profit attributable to owners of parent			54,361		54,361
Purchase of treasury shares				(5,008)	(5,008)
Disposal of treasury shares		4		131	136
Net changes in items other than shareholders' equity					
Total changes during period	-	4	46,200	(4,877)	41,328
Balance at end of period	33,575	49,908	221,178	(13,454)	291,207

	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	1,090	(106)	(6,669)	(960)	(6,646)	708	243,941
Changes during period							
Dividends of surplus							(8,161)
Profit attributable to owners of parent							54,361
Purchase of treasury shares							(5,008)
Disposal of treasury shares							136
Net changes in items other than shareholders' equity	(572)	(83)	14,916	639	14,898	117	15,016
Total changes during period	(572)	(83)	14,916	639	14,898	117	56,344
Balance at end of period	518	(190)	8,246	(321)	8,252	826	300,286

Current fiscal year (April 1, 2022 - March 31, 2023)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	33,575	49,908	221,178	(13,454)	291,207
Changes during period					
Dividends of surplus			(10,591)		(10,591)
Profit attributable to owners of parent			23,216		23,216
Purchase of treasury shares				(2)	(2)
Disposal of treasury shares					-
Net changes in items other than shareholders' equity					
Total changes during period	-	-	12,624	(2)	12,621
Balance at end of period	33,575	49,908	233,802	(13,457)	303,829

	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	518	(190)	8,246	(321)	8,252	826	300,286
Changes during period							
Dividends of surplus							(10,591)
Profit attributable to owners of parent							23,216
Purchase of treasury shares							(2)
Disposal of treasury shares							-
Net changes in items other than shareholders' equity	113	189	4,840	295	5,438	132	5,570
Total changes during period	113	189	4,840	295	5,438	132	18,192
Balance at end of period	631	(0)	13,086	(26)	13,690	958	318,478

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Cash flows from operating activities		
Profit before income taxes	71,872	31,102
Depreciation	31,287	34,903
Impairment losses	180	20
Loss on disaster	291	-
Anti-monopoly Act related loss	-	2,927
Increase (decrease) in allowance for doubtful accounts	37	30
Increase (decrease) in provision for bonuses	720	(1,702)
Increase (decrease) in provision for bonuses for directors (and other officers)	290	(618)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(12)	8
Interest and dividend income	(299)	(785)
Interest expenses	390	463
Loss (gain) on sale and retirement of non-current assets	407	714
Loss (gain) on sale of investment securities	(469)	-
Subsidy income	(258)	(1,289)
Decrease (increase) in trade receivables	(1,148)	19,556
Decrease (increase) in inventories	(24,214)	(6,063)
Increase (decrease) in trade payables	571	(10,087)
Other, net	(2,157)	(6,627)
Subtotal	77,490	62,552
Interest and dividends received	291	775
Interest paid	(384)	(415)
Payments associated with disaster loss	(187)	-
Anti-monopoly Act related loss	-	(390)
Income taxes refund (paid)	(9,893)	(23,061)
Net cash provided by (used in) operating activities	67,315	39,460
Cash flows from investing activities		
Purchase of non-current assets	(51,551)	(63,338)
Proceeds from sale of non-current assets	230	171
Decrease (increase) in time deposits	(1,018)	948
Proceeds from sale of investment securities	885	189
Proceeds from subsidy income	458	1,244
Other, net	373	346
Net cash provided by (used in) investing activities	(50,622)	(60,438)

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1,700	10,000
Proceeds from long-term borrowings	11,000	20,000
Repayments of long-term borrowings	(13,465)	(4,049)
Purchase of treasury shares	(5,008)	(2)
Dividends paid	(8,146)	(10,573)
Repayments of lease liabilities	(791)	(889)
Other, net	(0)	(0)
Net cash provided by (used in) financing activities	(14,711)	14,485
Effect of exchange rate change on cash and cash equivalents	4,841	2,006
Net increase (decrease) in cash and cash equivalents	6,823	(4,485)
Cash and cash equivalents at beginning of period	81,785	88,609
Cash and cash equivalents at end of period	88,609	84,124

(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, 2022 (April 1, 2021 – March 31, 2022)

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
34,318	126,437	49,529	139,351	349,636

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
109,725	26,247	33,548	15,415	184,936

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, 2023 (April 1, 2022 – March 31, 2023)

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
32,893	114,948	38,875	132,787	319,504

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

(2) Property, plant and equipment

Japan	China	Malaysia	Other countries or regions	Total
122,686	32,822	44,502	20,579	220,590

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, 2022 (April 1, 2021 – March 31, 2022)	Year ended March 31, 2023 (April 1, 2022 – March 31, 2023)
Net assets per share	2,403.20 yen	2,548.15 yen
Basic earnings per share	433.46 yen	186.32 yen
Diluted earnings per share	432.19 yen	185.71 yen

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

	Year ended March 31, 2022 (As of March 31, 2022)	Year ended March 31, 2023 (As of March 31, 2023)
Total net assets (Millions of yen)	300,286	318,478
Deductions from Total net assets (Millions of yen)	826	958
(Stock acquisition rights (Millions of yen))	(826)	(958)
(Non-controlling interests (Millions of yen))	(—)	(—)
Net assets at fiscal year-end related to common stock (Millions of yen)	299,460	317,520
Number of common stock at fiscal year-end used in the calculation of net assets per share (thousand shares)	124,608	124,608

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

	Year ended March 31, 2022 (April 1, 2021 – March 31, 2022)	Year ended March 31, 2023 (April 1, 2022 – March 31, 2023)
Basic earnings per share		
Profit attributable to owners of parent (Millions of yen)	54,361	23,216
Amounts not allocated to common stock shareholders (Millions of yen)	—	—
Net income attributable to owners of the parent company related to common stock (Millions of yen)	54,361	23,216
Average number of common stock outstanding in FY (thousand shares)	125,414	124,608
Diluted earnings per share		
Adjustments to net income attributable to owners of parent company (Millions of yen)	—	—
Increase in common stock (thousand shares)	366	406
(Stock acquisition rights (thousand shares))	(366)	(406)
Outline of stock not included in diluted net income per share due to lack of dilutive effect	—	t —

(Significant Subsequent Events)

No relevant items to report.

4. Other

(1) Production, Orders and Sales Results

① Production

Product classification	Year ended March 31, 2022 (From April 1, 2021 To March 31, 2022)		Year ended March 31, 2023 (From April 1, 2022 To March 31, 2023)	
	Amount (Millions of yen)	composition (%)	Amount (Millions of yen)	composition (%)
Capacitors	235,371	69.0	205,881	66.1
Inductors	50,341	14.7	54,160	17.4
Integrated modules & devices	37,094	10.9	26,452	8.5
Others	18,526	5.4	24,914	8.0
Total	341,335	100.0	311,409	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, 2022 (From April 1, 2021 To March 31, 2022)		Year ended March 31, 2023 (From April 1, 2022 To March 31, 2023)	
	Amount (Millions of yen)	composition (%)	Amount (Millions of yen)	composition (%)
Capacitors	227,840	65.0	179,333	63.6
Inductors	49,891	14.2	50,869	18.0
Integrated modules & devices	44,463	12.7	28,885	10.2
Others	28,214	8.1	22,959	8.1
Total	350,409	100.0	282,047	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, 2022 (As of March 31, 2022)		Year ended March 31, 2023 (As of March 31, 2023)	
	Amount (Millions of yen)	composition (%)	Amount (Millions of yen)	composition (%)
Capacitors	68,489	63.4	39,708	56.3
Inductors	9,172	8.5	7,175	10.2
Integrated modules & devices	14,261	13.2	10,565	15.0
Others	16,061	14.9	13,079	18.5
Total	107,984	100.0	70,527	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, 2022 (From April 1, 2021 To March 31, 2022)		Year ended March 31, 2023 (From April 1, 2022 To March 31, 2023)	
	Amount (Millions of yen)	composition (%)	Amount (Millions of yen)	composition (%)
Capacitors	230,383	65.9	208,115	65.1
Inductors	48,925	14.0	52,866	16.5
Integrated modules & devices	48,799	14.0	32,581	10.2
Others	21,527	6.2	25,941	8.1
Total	349,636	100.0	319,504	100.0

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