

**Corporate Presentation of  
TAIYO YUDEN CO., LTD.**

# Corporate Data, Corporate Vision and Management Philosophy

## Corporate Data

**Corporate Name** : TAIYO YUDEN CO., LTD.

**Head Office** : Kyobashi East Bldg., 2-7-19, Kyobashi, Chuo-ku, Tokyo 104-0031, Japan

**Tel** : +81-3-6757-8310

**President and Chief Executive Officer** : Shoichi Tosaka

**Date of Establishment** : March 23, 1950

**Paid-in Capital** : ¥33,575 million (as of March 31, 2019)

**Number of Employees** : 21,300 (as of March 31, 2019/on consolidated basis)

## Corporate Vision

**To be an excellent company that enjoys the trust and highest regard from our customers**

## Management Philosophy

Employee well-being

Betterment of local communities

Responsibility to provide returns to shareholders

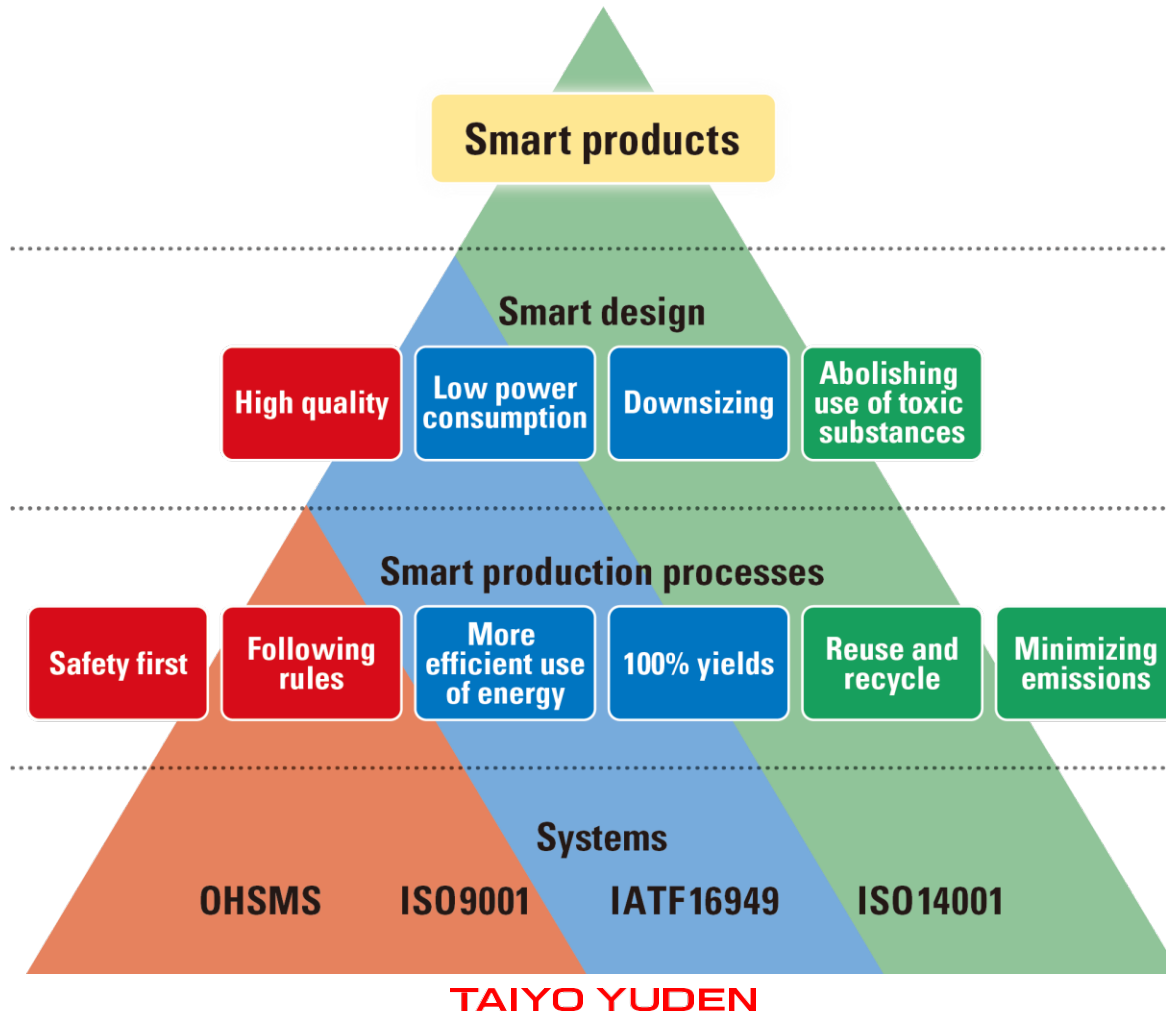


**Shoichi Tosaka**

PRESIDENT AND CHIEF EXECUTIVE OFFICER

## ~ TAIYO YUDEN VISION ~

To be an excellent company that enjoys the trust and highest regard from our customers



# Organizational Charts

※Concurrently

Internal Control Committee

(As of Jul 1st, 2019)

**Board of Directors**

Shoichi Tosaka  
Shinji Masuyama  
Katsuya Sase  
Osamu Takahashi  
Kazuya Umezawa

Outside Masashi Hiraiwa  
(Independent Director)

Outside Seiichi Koike  
(Independent Director)

Outside Emiko Hamada  
(Independent Director)

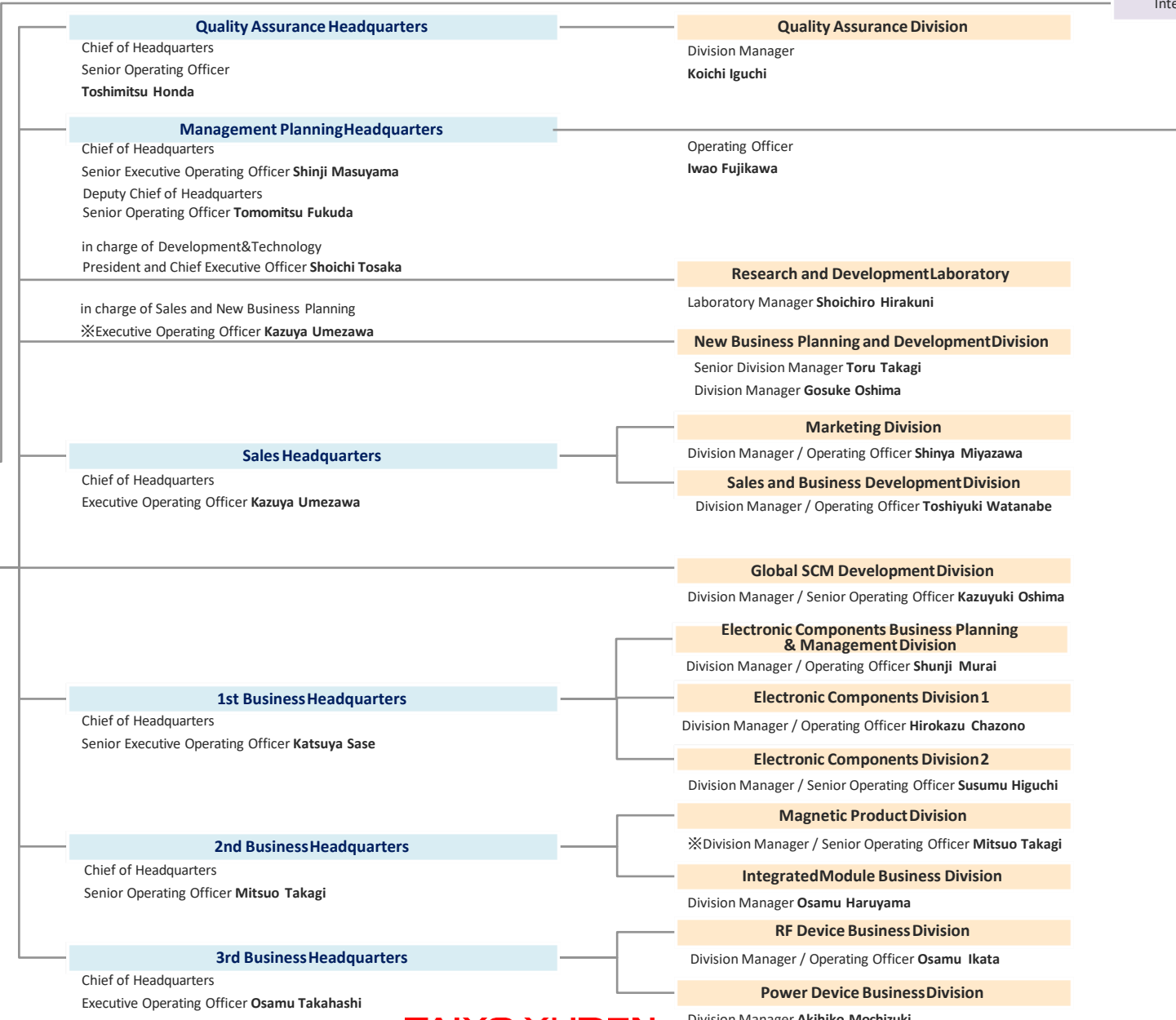
**President and Chief Executive Officer**  
**Shoichi Tosaka**

**Audit & Supervisory Board**

Katsushige Nakano  
Toshio Mishuku

Outside Hajime Yoshitake

Outside Tomomi Fujita



# Directors



## **Representative Director Shoichi Tosaka**

Joined TAIYO YUDEN in 1979, and was mainly engaged in materials development and technological development. Subsequently, in charge of the Electronic Components business, R&D/ engineering, and quality assurance. Appointed Director in 2006, and President and Representative Director in November 2015.



## **Director Katsuya Sase**

Joined TAIYO YUDEN in 1986. Engaged in the development of magnetic tape and multilayer inductor production technologies, was subsequently assigned to Capacitor Product Division in 1996. Appointed Operating Officer in 2013, and in charge of Capacitor Product Division. Appointed Director in June 2016, and in charge of Electronic Components Business.



## **Director Kazuya Umezawa**

Joined the Company in 1983. Following his involvement in production technology development of magnetic tape, Mr. Umezawa was placed in charge of technological development of multilayer ceramic capacitors. He started to engage in strategic planning of products and businesses from 1999 and, in 2001, assumed office as Senior Operating Officer, with responsibilities including sales and marketing as well as new business promotion. Mr. Umezawa took office as Director in charge of Sales and New Business Planning and Development in June 2019.



## **Outside, Independent Director Seiichi Koike**

After working for Toyo Kogyo Co., Ltd. (currently Mazda Motor Corporation), from 1980 to 1982, Mr. Koike joined Honda R&D Co., Ltd. After gaining experience in the positions as General Manager of Advanced Material Research Laboratory, and General Manager of Automobile R&D Center Brazil, he was appointed Executive Officer of Honda Foundry Co., Ltd. in 2008. After serving in several positions including Director and Audit & Supervisory Board Member of Honda Foundry Co., Ltd., he was appointed as an Outside, Independent Director for the Company in June 2018.



## **Director Shinji Masuyama**

Joined TAIYO YUDEN in 1980 and was engaged in production technology and system development of electronic components and optical media products for many years. Appointed Managing Officer in 2004, and in charge of the Electronic Components business centered on the Capacitor Product business and Ferrite Application Product business. Appointed Director in 2013. In charge of Management Planning in 2016.



## **Director Osamu Takahashi**

Joined TAIYO YUDEN in 1980. Assigned to quality assurance and materials technology divisions, was engaged in sales promotion and marketing. Subsequently, has been involved in product planning, corporate planning and financial divisions. Appointed Operating Officer in 2003, and Director in 2011. In charge of Integrated Module & Device Business in 2016.



## **Outside, Independent Director Masashi Hiraiwa**

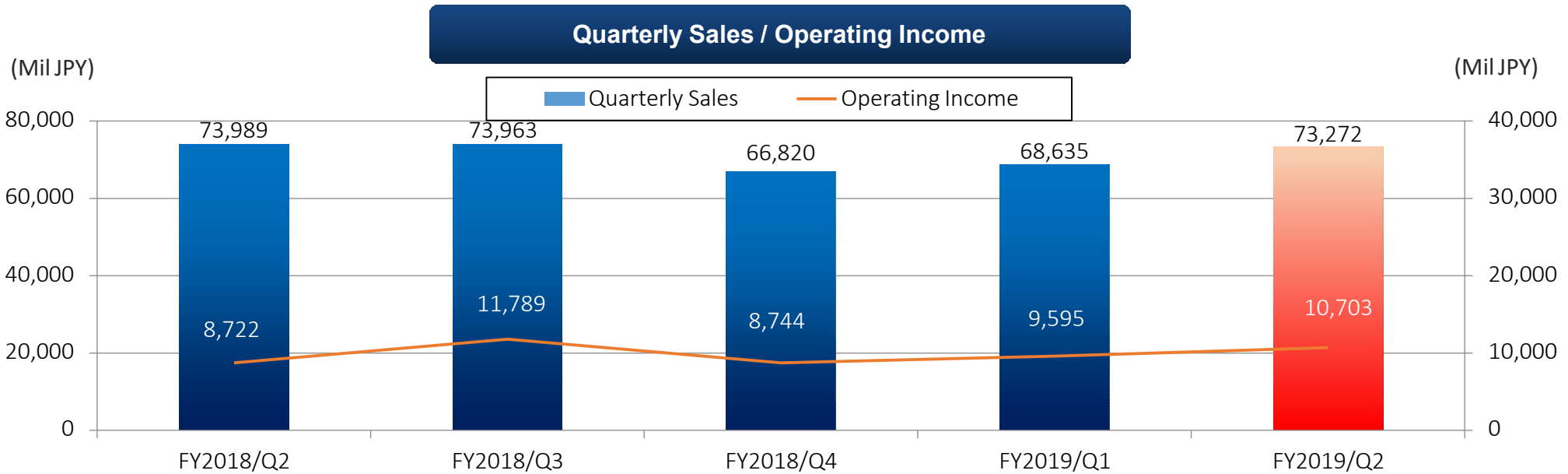
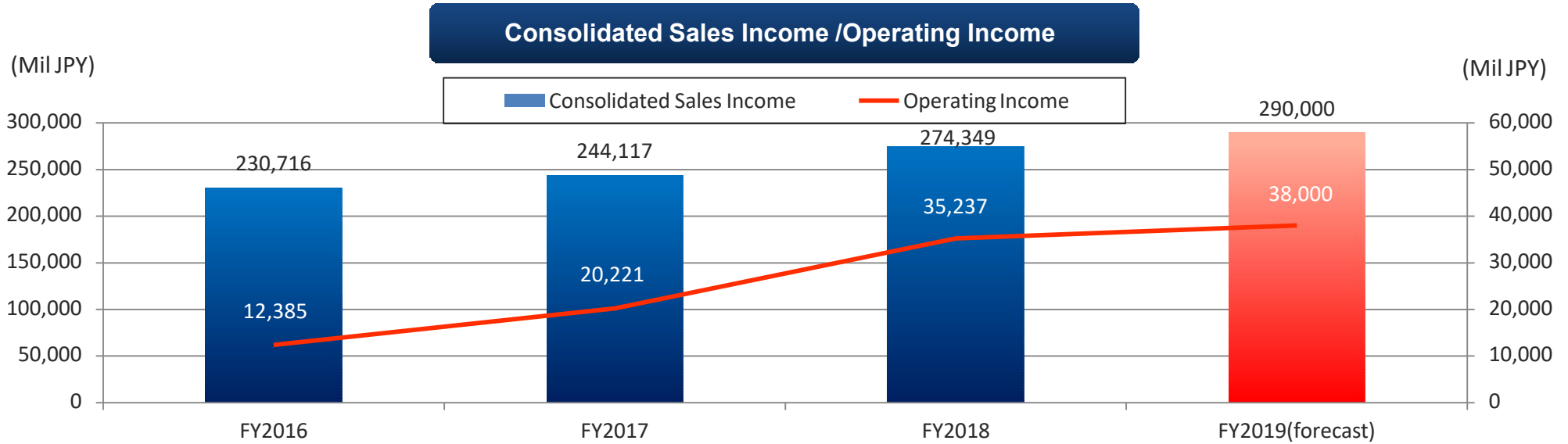
Admitted to Japan Federation of Bar Association and joined OHHARA LAW OFFICE in 1981. After serving as a Supervisory Officer at LCP Investment Corporation (currently Invincible Investment Corporation) and serving and as a Supervisory Officer at Japan Logistics Fund, Inc., he was appointed as an Outside, Independent Director of the Company in June 2016.



## **Outside, Independent Director Emiko Hamada**

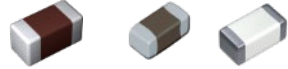
Joined the Company in 1984. After leaving the Company in 2007 and taking up posts that included professorships at the Center for Social Contribution and Collaboration of Nagoya Institute of Technology (NITech), in 2015 Ms. Hamada was the Third Sector Program Officer of Adaptable and Seamless Technology transfer Program through target driven R&D of Japan Science and Technology Agency. In 2016, Ms. Hamada became a part-time Lecturer at NITech and a Visiting Professor at Nagoya University. In 2017, she assumed office as an Outside Director of NGK INSULATORS, LTD. Ms. Hamada newly took office as an Outside Director of the Company in June 2019.

# Latest Financial Data



# Products of TAIYO YUDEN

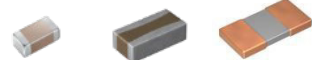
## Ceramic Capacitors



Small & High Value

Medium-high voltage type

For high-frequency applications



Super low distortion type

Low ESL

Low-profile type

## Inductors



Multilayer inductors



Wire-wound inductors



SMD

## Noise Suppression Components



Ferrite bead inductors



Common mode choke coils

## Multilayer Ceramic Devices



Multilayer ceramic devices

## FBAR / SAW / RF Modules



FBAR/SAW devices for mobile communications



RF modules

## Modules



Wireless modules



Embedded-parts multilayer wiring substrate EOMIN™

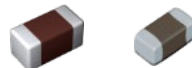
## Energy Devices (Super Capacitors)



EDLC

Lithium ion capacitors

## Products for High Reliability Usage



Multilayer Ceramic Capacitors

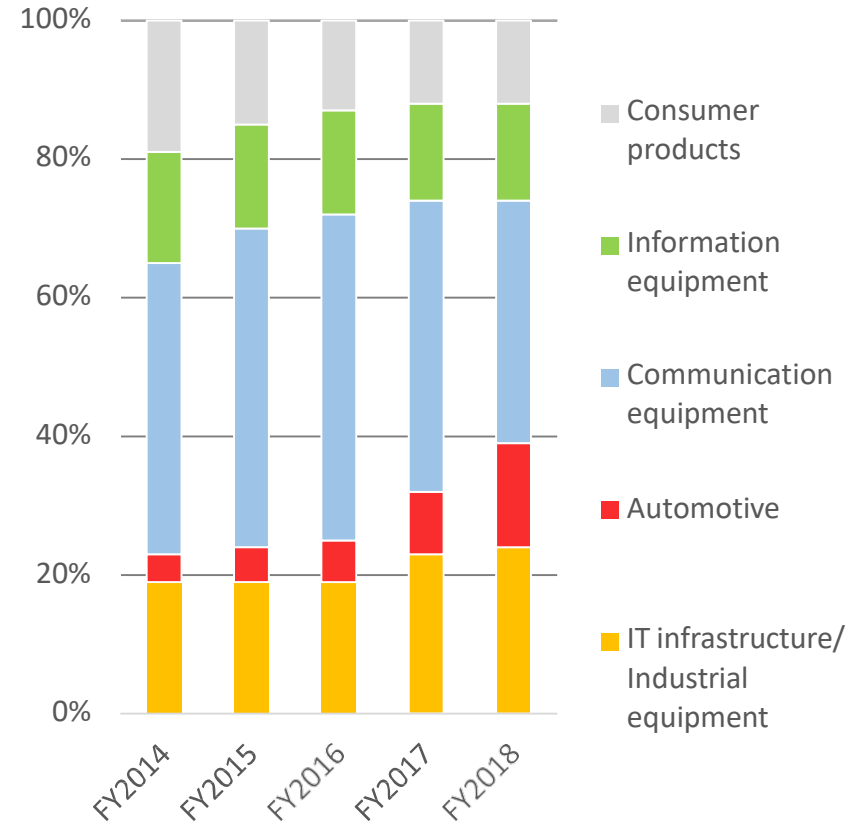
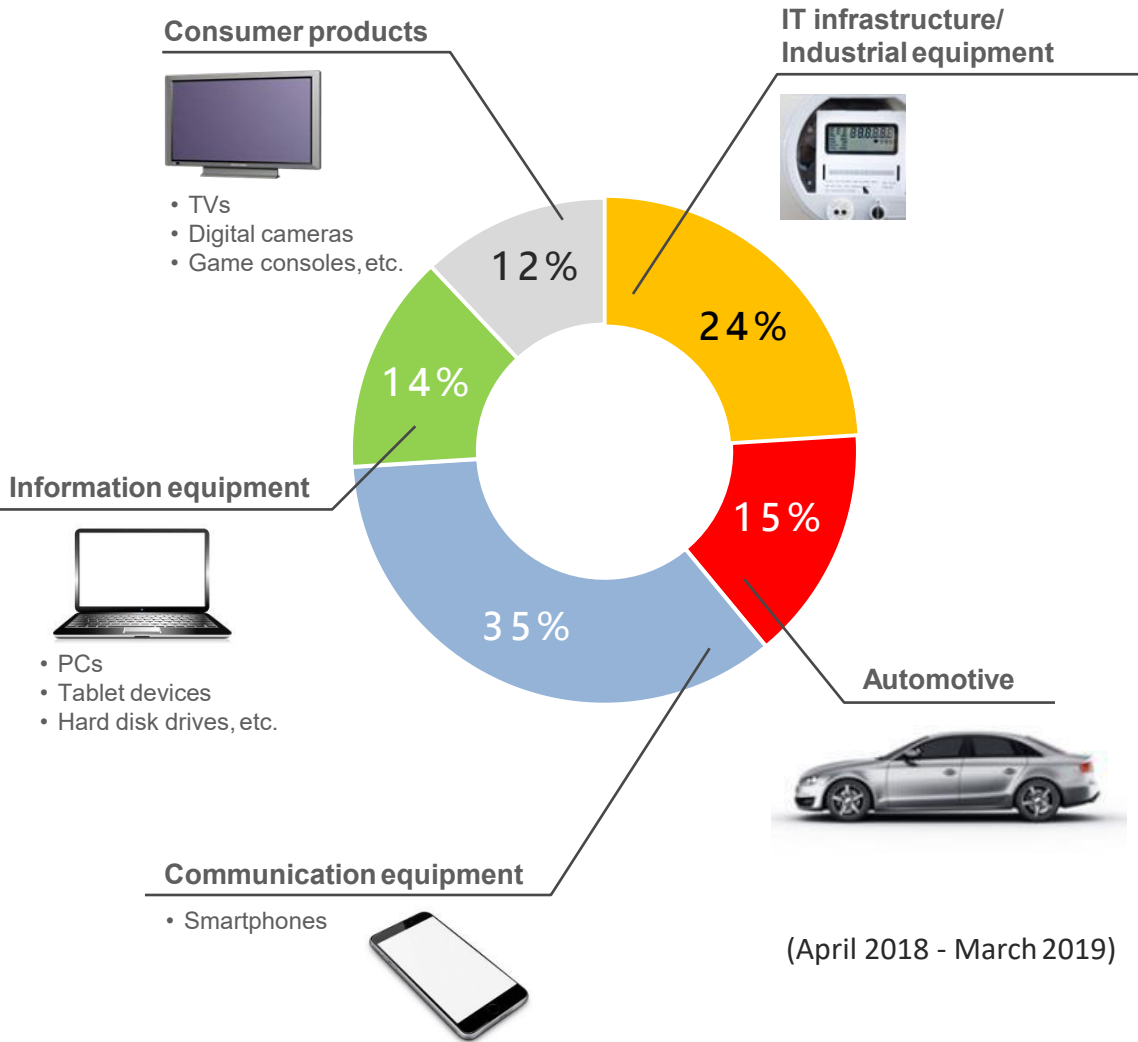


Inductors



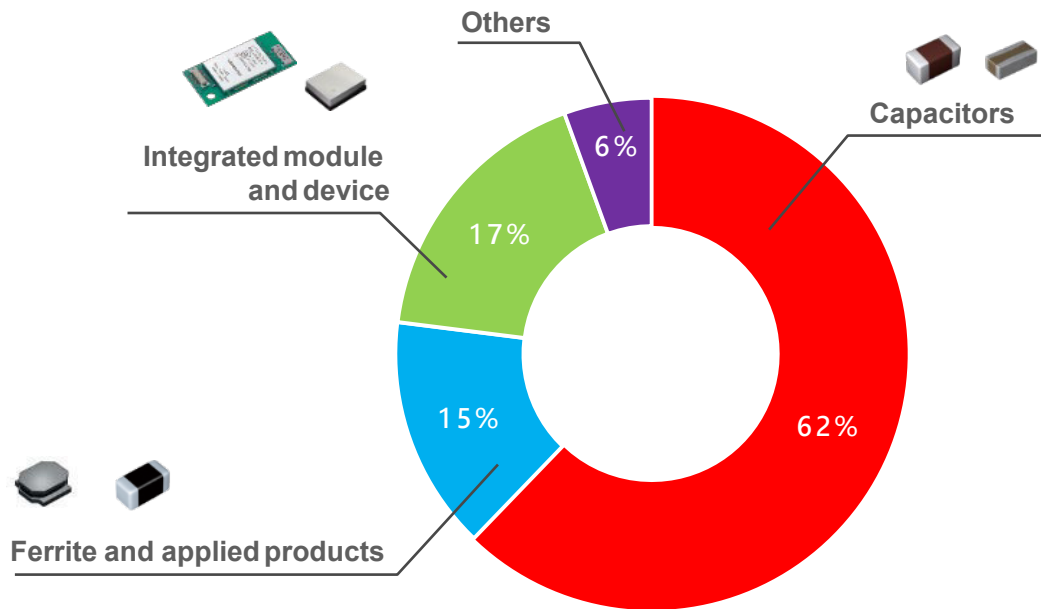
Noise Suppression Components

# Net Sales by Market Sector

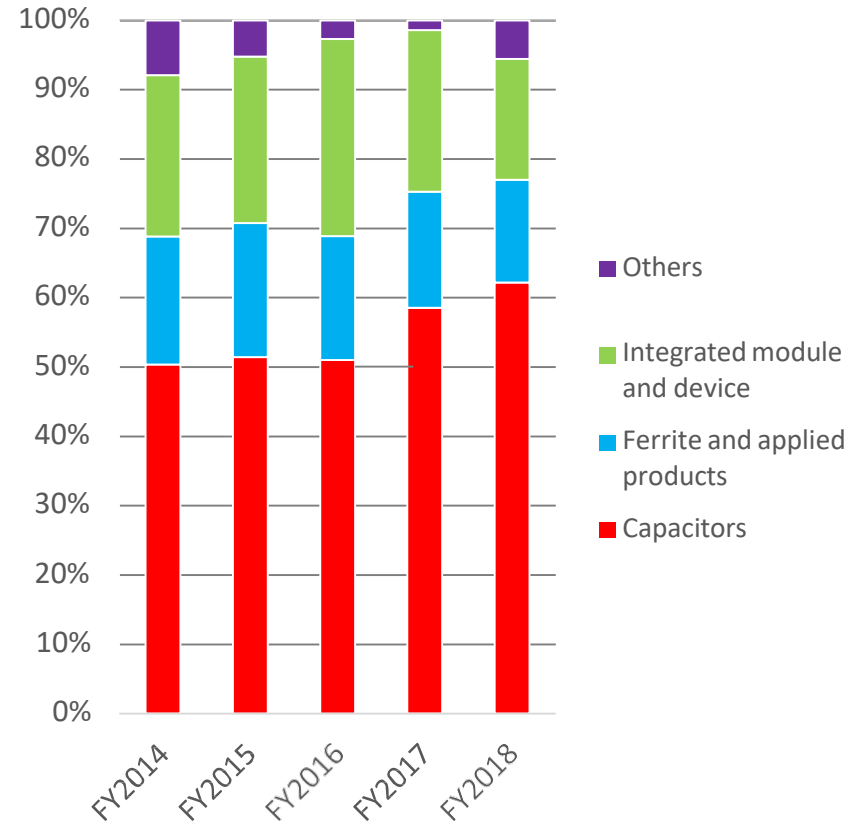




# Net Sales by Product Segment



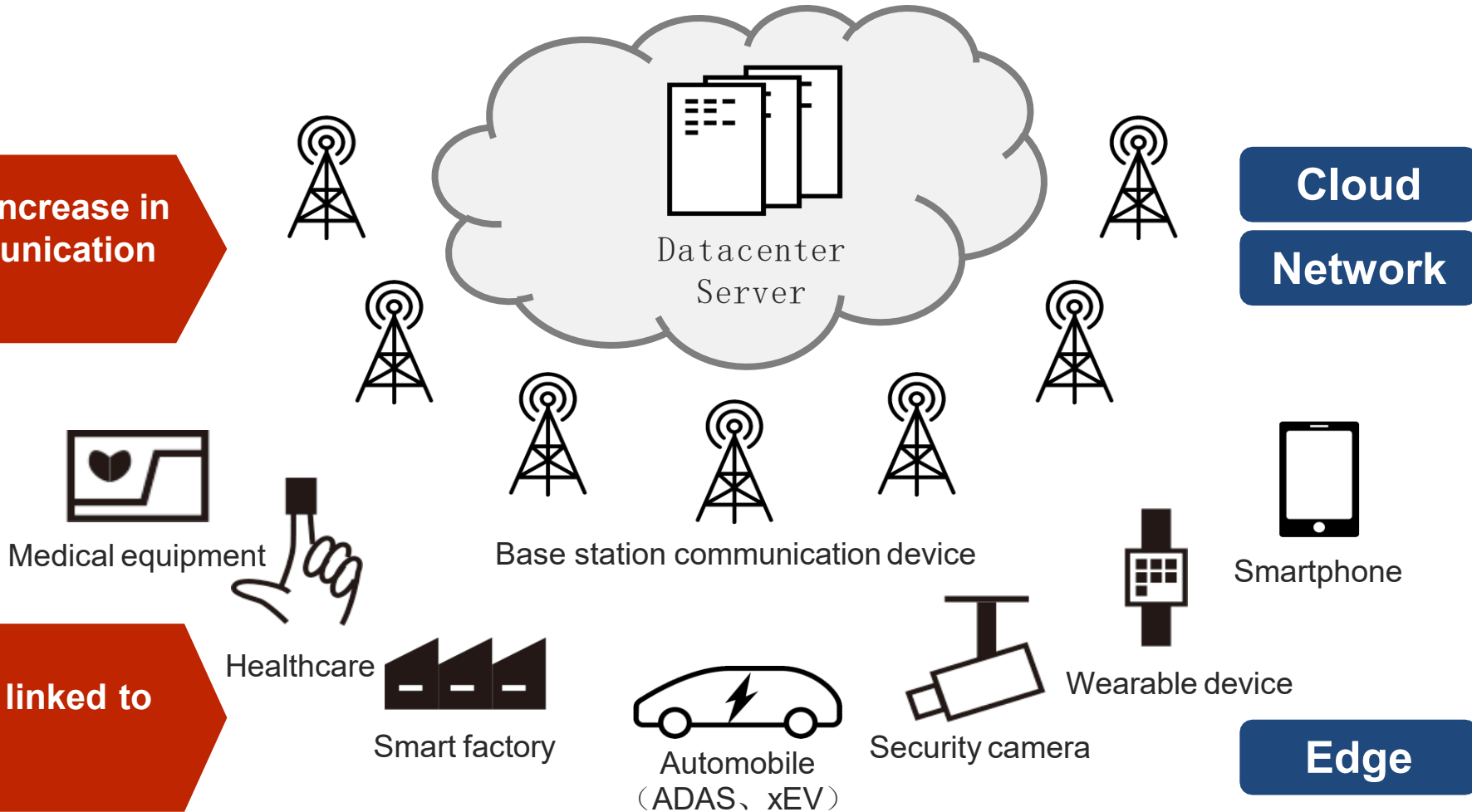
(April 2018 - March 2019)



# The Environment in Which TAIYO YUDEN Operates

~ Background of Growing Demand for Electronic Components ~

Explosive increase in data communication volume



All devices linked to networks

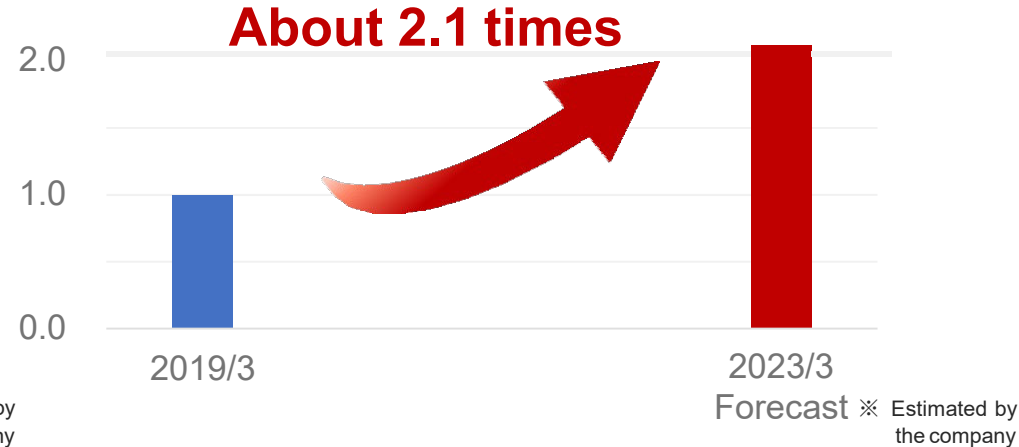
**Growing demand for electronic components that underpin technological advances, such as IoT, 5G and increased use of automotive electrical equipment**

# MLCC Demand in Automotive and IT Infra Markets and Our Strengths

MLCC Demand Forecast for Automotive  
(Volume Based)



MLCC Demand Forecast for Base Station Communication  
Devices (Volume Based)



Rate of Market Expansion (CAGR) **19%**

Increased use of automotive electrical equipment accelerated by CASE

Rate of Market Expansion (CAGR) **21%**

Addition of more base station communication devices  
Increased number of MLCCs installed per unit

**Demonstrating Our Strengths toward Sales Expansion That Outstrips Market Growth**

High Reliability

Downsizing

Top Runner for Large Capacitance

Decentralization of Production Bases

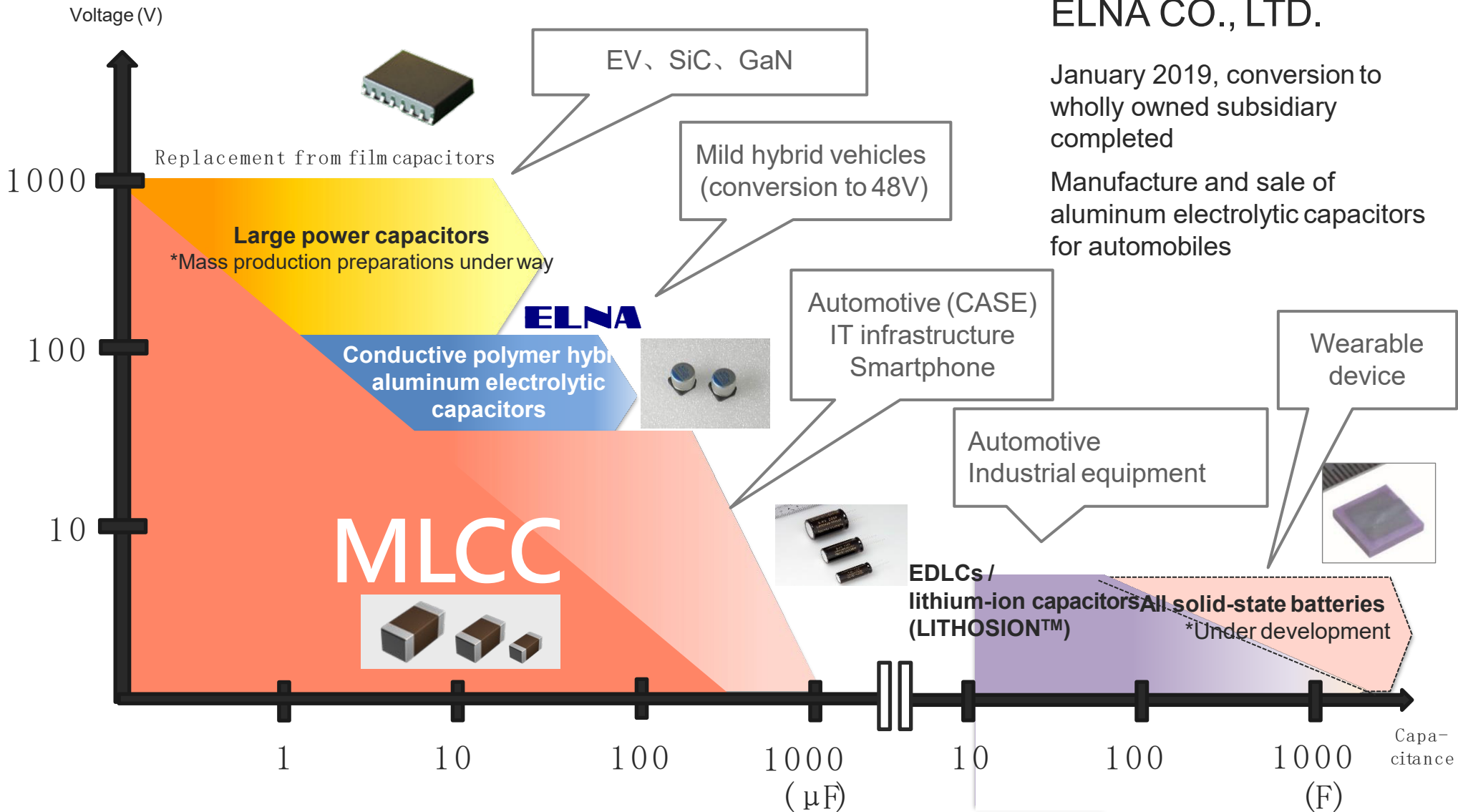
# Capacitor Business Direction and Positioning of ELNA CO., LTD.

**ELNA**

**ELNA CO., LTD.**

January 2019, conversion to wholly owned subsidiary completed

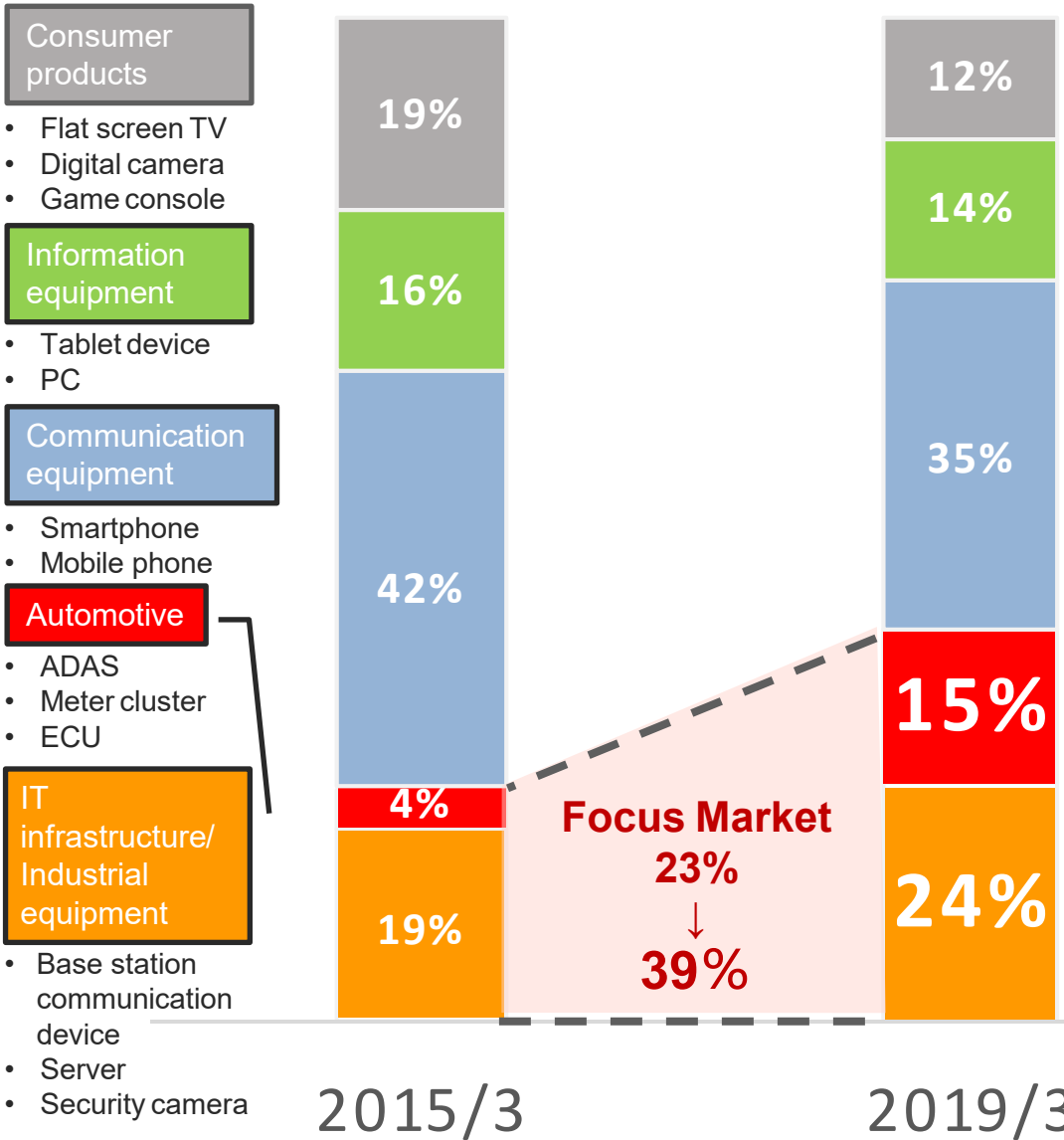
Manufacture and sale of aluminum electrolytic capacitors for automobiles



**TAIYO YUDEN**

# Sales Expansion in Automotive and IT Infrastructure Markets

## Sales composition by market sector



Focus on growing markets  
(Automotive and IT infrastructure)

**Sales Composition in Focus Market**

**Target 50%**

Automotive	25%
IT infrastructure/ Industrial equipment	25%

Shift to a business structure that is less susceptible to fluctuations in demand, improve stability of business performance

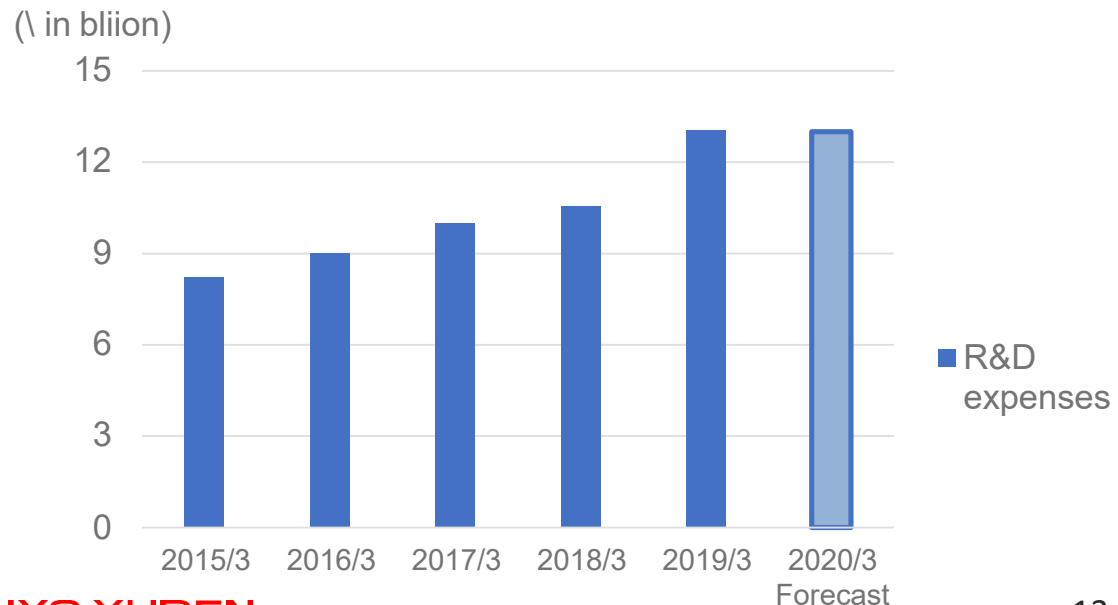
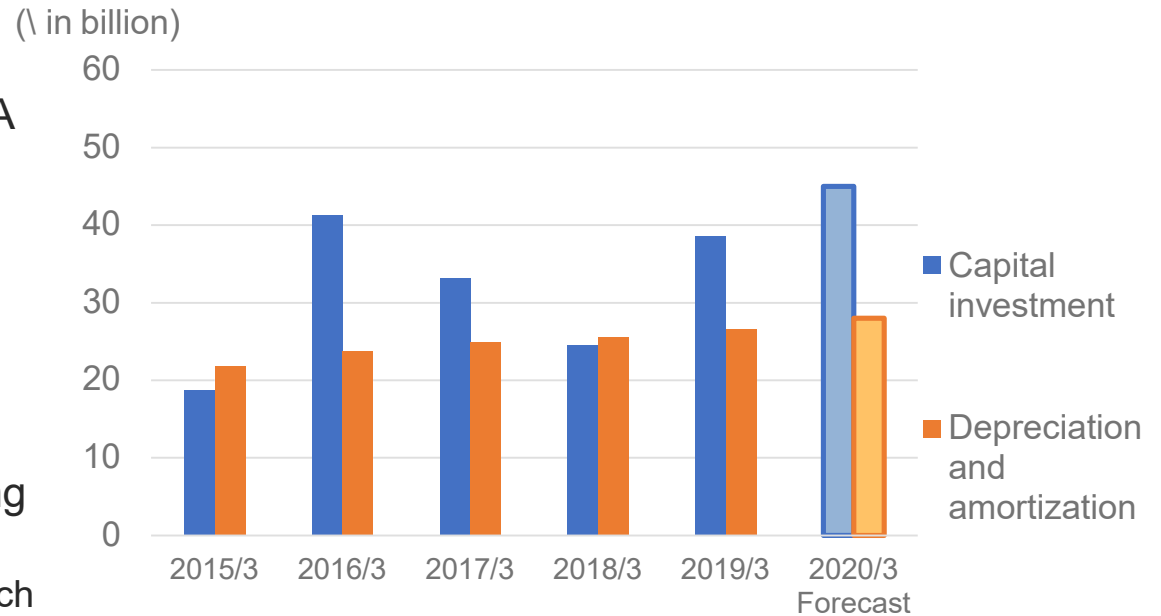
# Investment for Future Growth

## Capital Investment

- Construction of new buildings at NIIGATA TAIYO YUDEN (MLCC Production Base)
- March 2019  
Building No. 3 commenced operations
- April 2020  
Building No. 4 scheduled for completion
- Implementing capital investment totaling 150 billion yen over three years (Year ended March 31, 2019 to year ending March 31, 2021)

## R&D

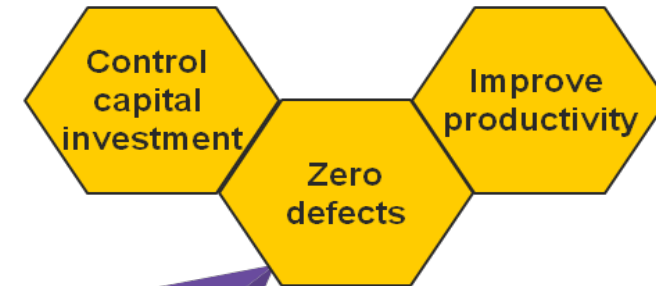
- R&D for new product development and new business cultivation



# smart. E Project: Evolution in the Manufacturing Process

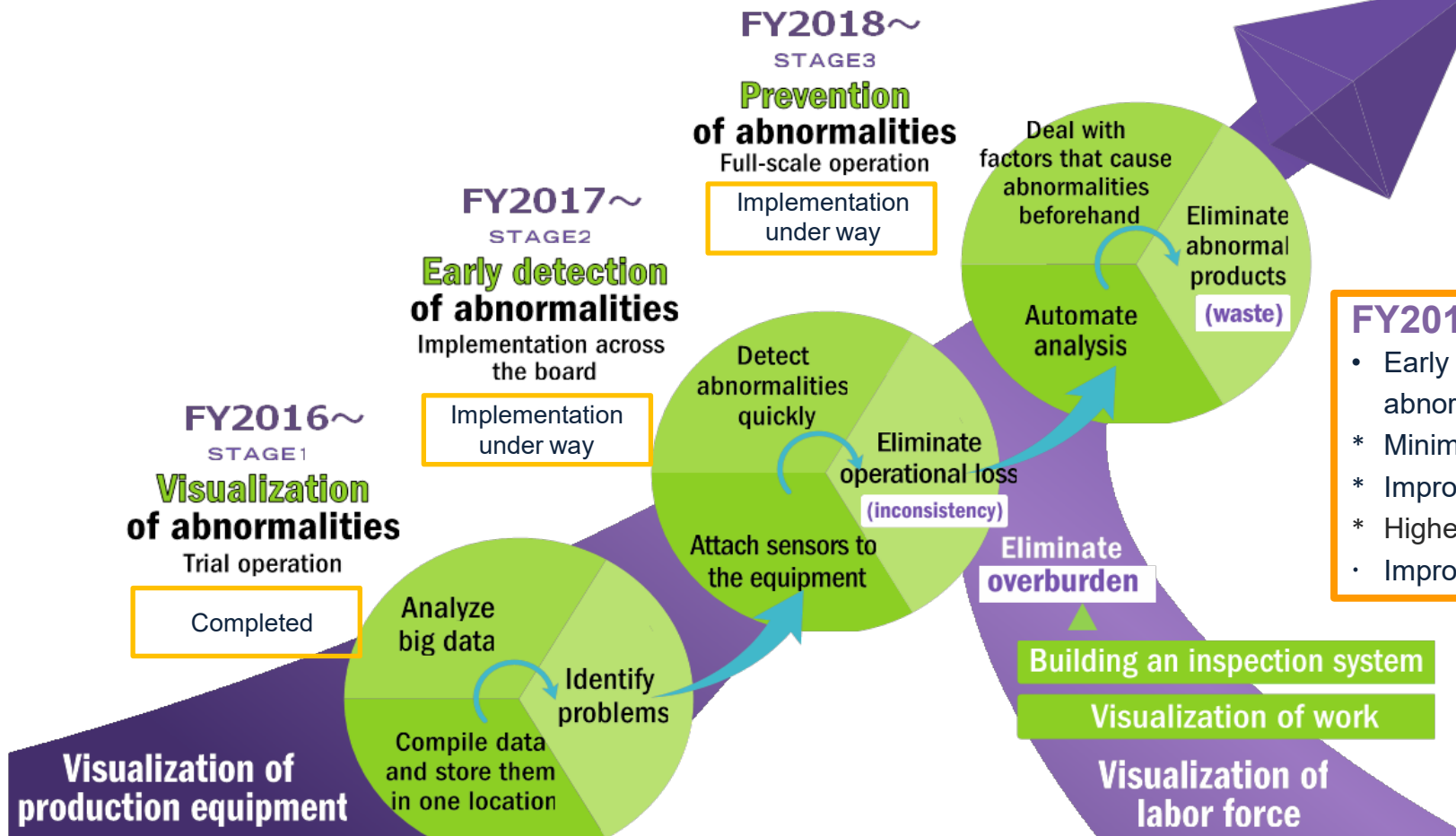
## ~ Shift from G to E ~

Utilize IoT and big data  
to eliminate wastefulness, inconsistency and overburden;  
promote major advancements in manufacturing

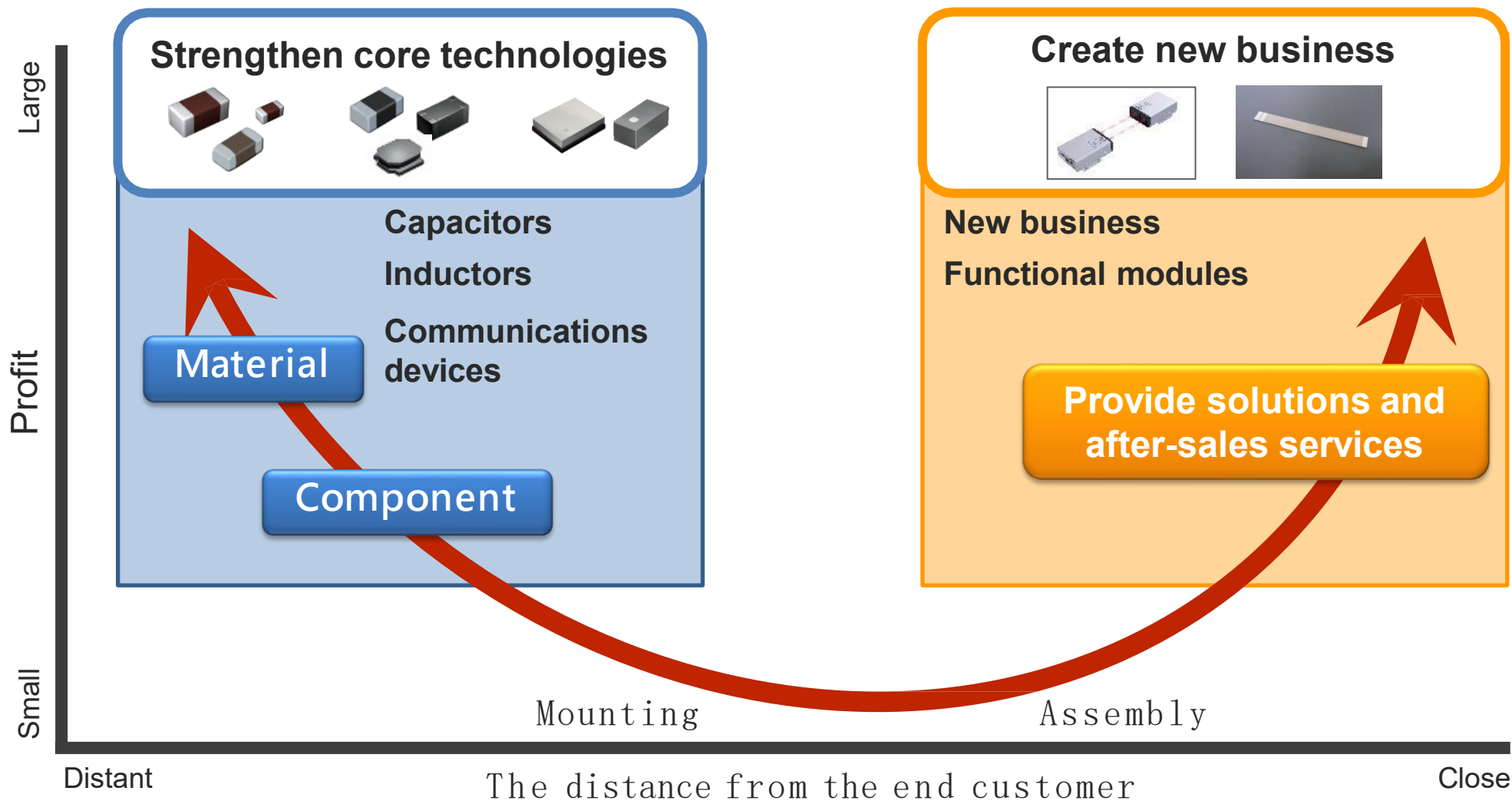


Innovative advance  
↓  
Location free

- FY2018 Results**
- Early detection/prevention of abnormalities by utilizing AI
  - \* Minimized inconsistencies
  - \* Improvements in yields
  - \* Higher worker productivity
  - Improvement in product quality



## Three products and one solution





# Medium-term Management Plan

**Net sales**

**¥ 300 billion**

**Operating margin**

**15%**

**ROE**

**above 10%**

**Targets for achievement by  
FY ending March 2021**

## ■ The Next Move for Growing Demand in Electronic Components

**1. Sales Expansion in Automotive and IT Infrastructure Markets**

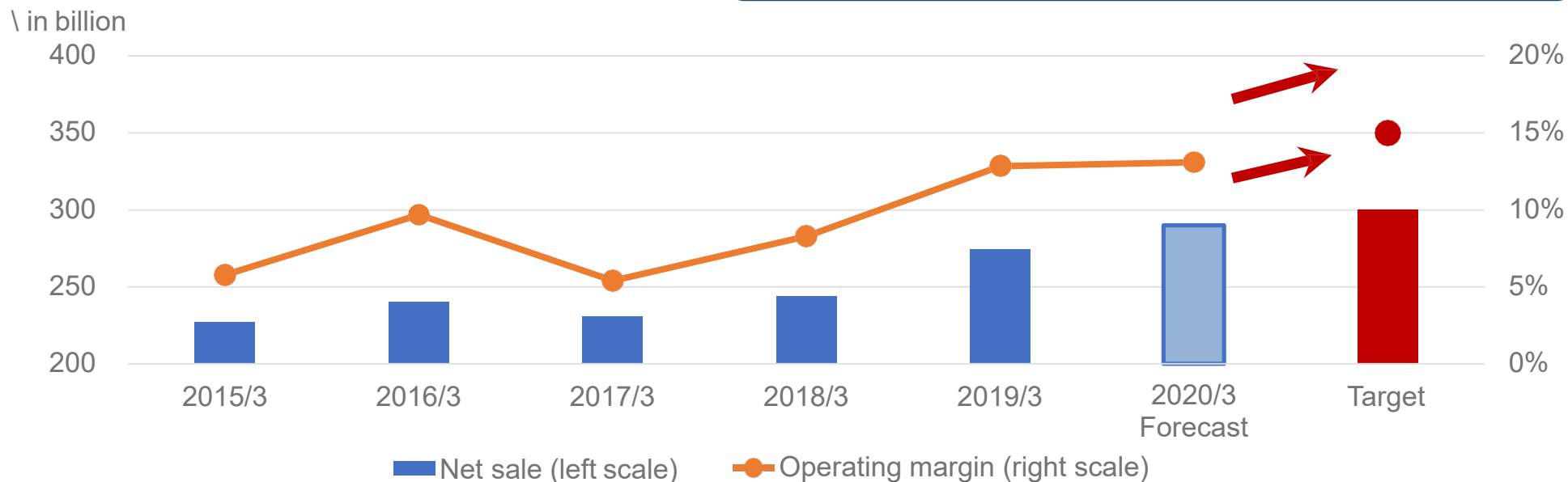
Composition of total sales: 50%

**2. Investment for Future Growth**

Accelerate capital investment and R&D focusing mainly on capacitors

**3. Evolution in the Manufacturing Process**

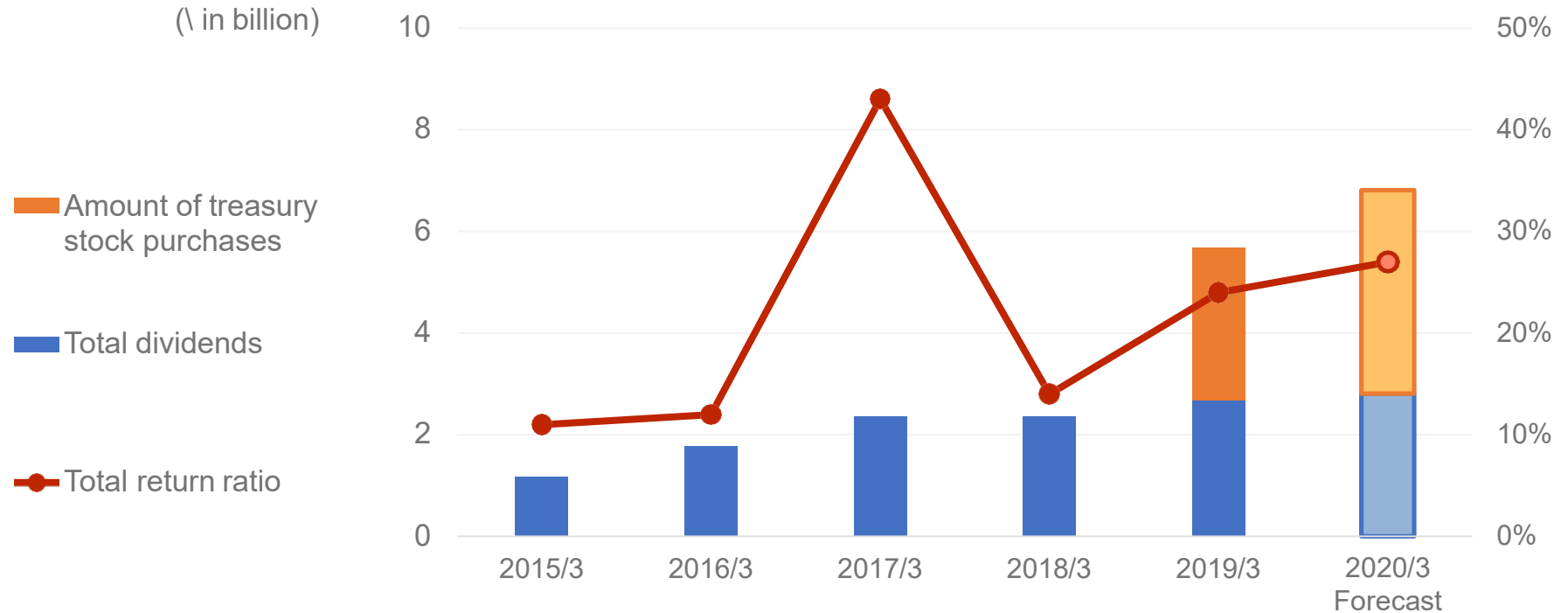
smart. E project



# Return to Shareholders

**Medium-term target**

**Aim to achieve a stable total return ratio of 30%**



Cash dividends per share (yen)	10	15	20	20	21	22
Net income per share (yen)	92.74	125.27	46.08	138.80	189.93	195.83

# Sales Offices/Manufacturing Bases/Development Bases/Subsidiary Companies in Japan

**Capacitors : 4**

**Ferrite and Applied Products : 3**

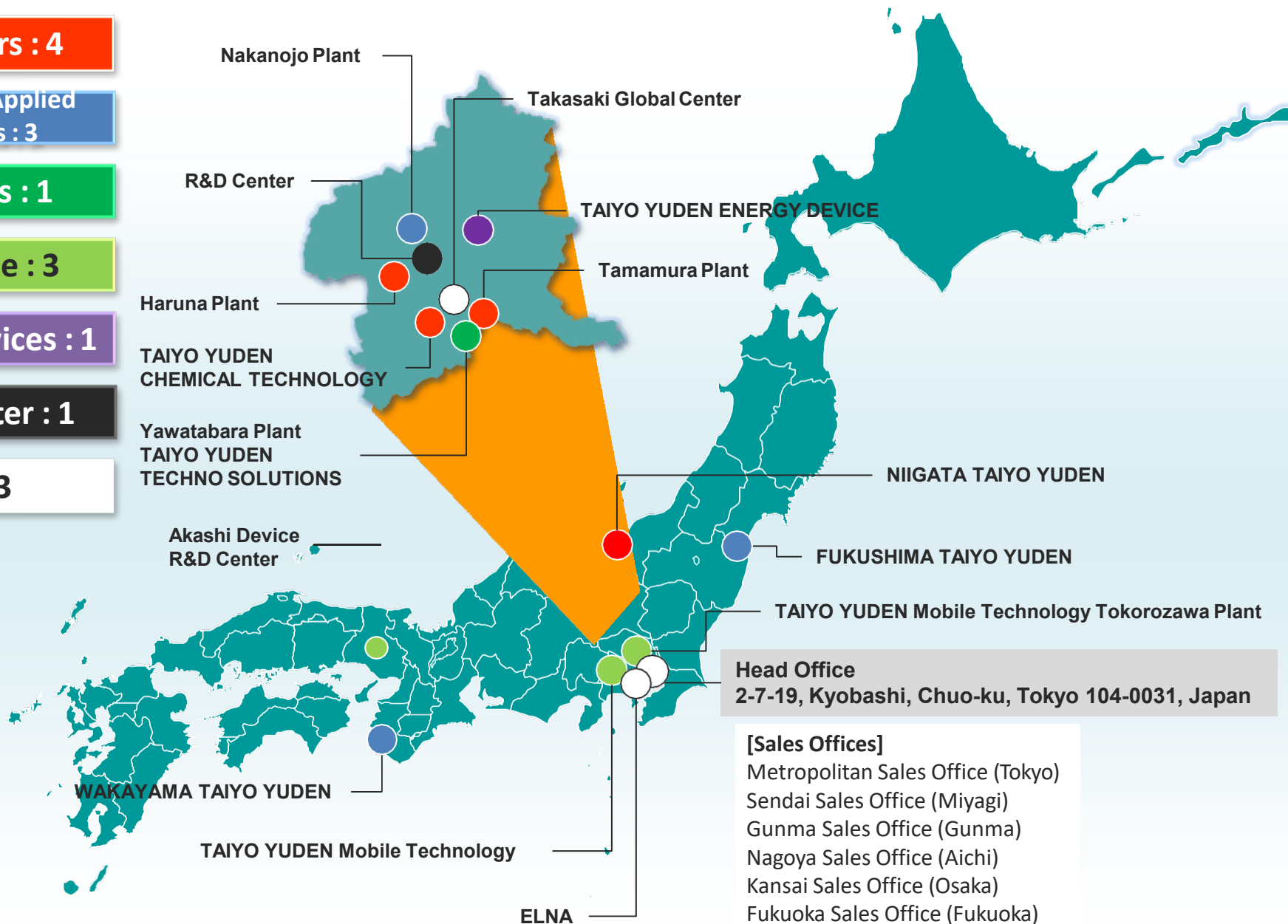
**Modules : 1**

**RF Device : 3**

**Energy Devices : 1**

**R&D Center : 1**

**HQ : 3**



# Global Manufacturing/Development Bases

Capacitors : 3

Ferrite and Applied Products : 3

TAIYO YUDEN (TIANJIN) ELECTRONICS CO., LTD.

This led to its current development, production, and sales network spanning 15 countries and regions worldwide, including Japan.

TAIYO YUDEN (GUANGDONG) CO., LTD.

KOREA KYONG NAM TAIYO YUDEN CO., LTD.

TAIYO YUDEN (PHILIPPINES), INC.

TAIYO YUDEN (SARAWAK) SDN. BHD.

Ratio of overseas production  
**68.5%**



Ratio of overseas sales to net sales  
**89.3%**



(As of March 31, 2019)

# Global Sales Network W/W 34 Sales Offices (Overseas 28 )



## ◆ Asia

- ① KOREA TAIYO YUDEN CO., LTD.
- ② TAIYO YUDEN (CHINA) CO., LTD. \*
- ③ TAIYO YUDEN (SHANGHAI) TRADING CO., LTD.
- ④ Beijing Office
- ⑤ Suzhou Office
- ⑥ Tianjin Office
- ⑦ Wuhan Office
- ⑧ TAIYO YUDEN (SHENZHEN) ELECTRONICS TRADING CO., LTD.
- ⑨ Xi'an Office
- ⑩ Chengdu Office
- ⑪ Xiamen Office
- ⑫ HONG KONG TAIYO YUDEN CO., LTD.
- ⑬ TAIWAN TAIYO YUDEN CO., LTD.
- ⑭ TAIYO YUDEN (SINGAPORE) PTE. LTD.
- ⑮ TAIYO YUDEN TRADING (THAILAND) CO., LTD.
- ⑯ TAIYO YUDEN (MALAYSIA) SDN. BHD. Kuala Lumpur Office
- ⑰ Penang Office
- ⑱ TAIYO YUDEN CO., LTD. Manila Representative Office

# CSR Activities



**The TAIYO YUDEN Group will win our clients' confidence by developing and providing high value-added products and services, for which safety is thoroughly considered.**

**The TAIYO YUDEN Group will pursue global environmental preservation by reducing environmental impacts caused by our business activities.**

**(Abstracted from CSR Charter)**



**TAIYO YUDEN**

## CSR Charter TAIYO YUDEN Group's Chapter on Responsibility

### CSR Charter

#### Taiyo Yuden Group's Charter on Social Responsibility

To win the trust and goodwill of society, the Taiyo Yuden Group will respect human rights, keep abreast of and comply with laws and international rules and regulations, and take a socially conscious course of action based on high ethical standards.

#### Business

- ◆ The Taiyo Yuden Group will win our clients' confidence by developing and providing high value-added products and services, for which safety is thoroughly considered.
- ◆ The Taiyo Yuden Group will pursue global environmental preservation by reducing environmental impacts caused by our business activities.
- ◆ The Taiyo Yuden Group will engage in fair, open, and free competition, while maintaining sound relationships with governmental/administrative bodies, citizens, and organizations.

#### People

- ◆ The Taiyo Yuden Group will respect the dignity and individuality of each person, based on recognition of people's diverse backgrounds and characteristics.
- ◆ The Taiyo Yuden Group will strive to create safe work environments that ensure our employees are able to perform their duties with a sense of reassurance.

#### Society

- ◆ The Taiyo Yuden Group will actively participate in social contribution efforts, while valuing co-existence with local and international communities.
- ◆ The Taiyo Yuden Group will promote widespread communicate with society and disclose corporate information on a timely basis in an appropriate manner.

Established in February, 2005

## ELEKTRONIK **Blume**

Alexander Stillig

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partnership in excellence

**TAIYO YUDEN**