

Consolidated Results for First Half of FY March 2021

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Demand for electronic components started to recover due to the resumption of social and economic activities.

Demand related to digital transformation (DX) has also remained robust.

Net sales and operating income were stronger than initially anticipated.

- **Net sales decreased 2.2% year on year. Operating income decreased 9.3% year on year.**
 - **Net sales and operating income for 2Q achieved new record highs for quarterly basis.***
- Net sales and operating income increased year on year.**

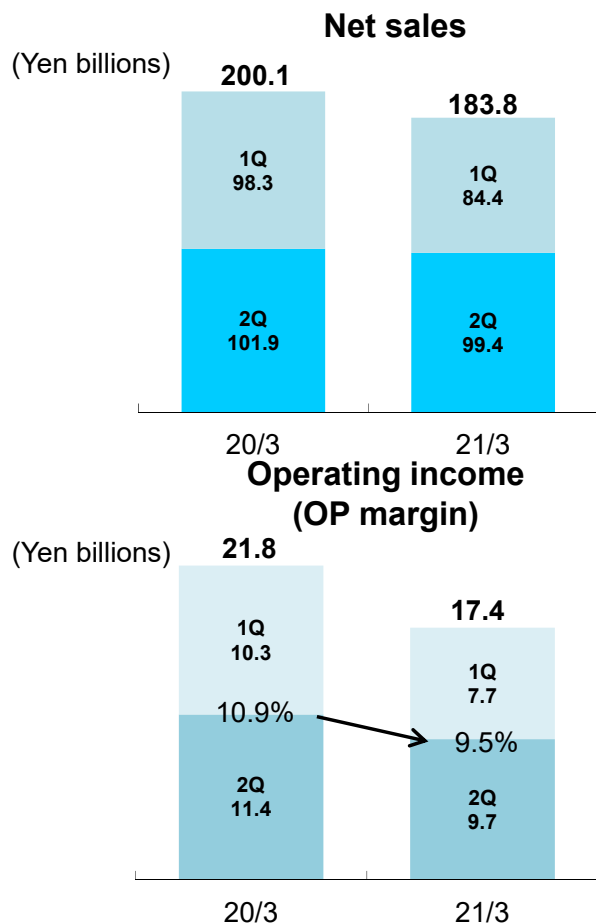
- Orders for the automotive market have recovered rapidly since 2Q, resulting in an increase in sales of Passive Components and Sensors.
- As DX continued to accelerate in 2Q, demand for PCs and tablets for use in working and studying at home and 5G-related demand were robust. This resulted in higher sales of Rechargeable Batteries and Passive Components, which drove consolidated earnings growth.
- Earnings of HDD Heads, sales of which significantly decreased in 1Q due to the COVID-19 pandemic, improved as production at customers recovered steadily.
- Consolidated earnings increased due to the short-term earnings improvement measures enacted in response to the impact of COVID-19.

*Operating income is compared on the basis excluding a gain on sale of business recorded in the year ended March 2017.

Consolidated results for first half of FY March 2021

	(Yen billions)	FY March 2020 Results through 2Q (2019.4.1-2019.9.30)	FY March 2021 Results through 2Q (2020.4.1-2020.9.30)	Change	
				Yen billions	%
Net sales		707.0	691.1	(15.9)	-2.2
Operating income		68.8	62.4	(6.4)	-9.3
Operating income margin		9.7%	9.0%	-0.7pt	-
Income before income taxes		68.6	63.2	(5.4)	-7.9
Net income		44.9	42.2	(2.7)	-6.0
Earning per share (JPY)		355.81	334.27	-	-
Ex-rate	US\$ (JPY)	108.74	106.92	Appreciated by 1.7%	
	EURO (JPY)	121.51	121.27	Appreciated by 0.2%	
Ex-rate impact to net sales & operating income		Net sales : Decreased by about 13.9 billion Yen Operating income : Decreased by about 0.3 billion Yen			

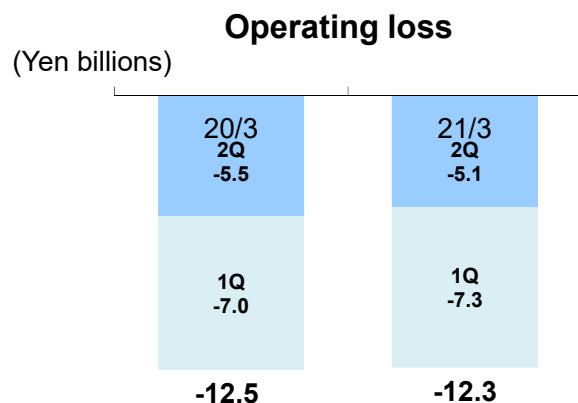
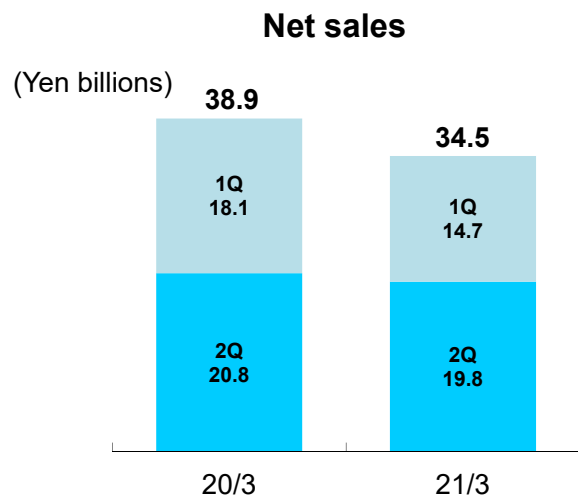
First half results - Passive Components segment



Net sales 183.8 billion yen (down 8.1% year on year)
Operating income 17.4 billion yen (down 20.2% year on year)

- **Ceramic Capacitors**
 - Sales and profit decreased year on year.
 - Sales for base stations were robust in the first half. In 2Q, sales to the automotive market recovered to the level of the previous fiscal year.
- **Aluminum Electrolytic Capacitors and Film Capacitors**
 - Sales decreased while profit increased year on year.
 - Sales increased to the automotive and the industrial equipment markets in 2Q.
- **Inductive Devices**
 - Sales and profit decreased year on year.
 - Sales to the ICT market were robust in the first half. Sales to the automotive market recovered to the level of the previous fiscal year.
- **High-Frequency Components**
 - Sales and profit increased year on year.
 - Sales to the ICT market remained strong due to robust 5G-related demand.
- **Piezoelectric Material Products and Circuit Protection Components**
 - Sales and profit decreased year on year.
 - Sales increased mainly to the automotive market in 2Q.

First half results - Sensor Application Products segment



20/3: FY March 2020

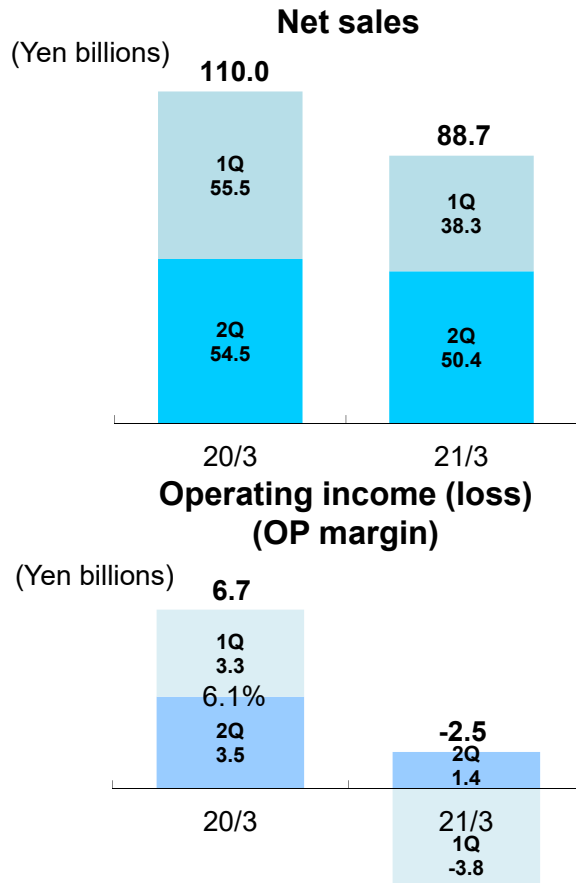
Net sales 34.5 billion yen (down 11.3% year on year)
Operating loss -12.3 billion yen (down —% year on year)

● Sensors

- Sales decreased while operating loss decreased slightly year on year.
- Sales of Temperature and Pressure Sensors increased to the automotive market in 2Q.
- Sales of TMR Sensors to the ICT market were higher than in the previous fiscal year.
- Sales of MEMS Sensors increased to the ICT market in 2Q. Also, sales for game consoles were strong in the first half.

First half results - Magnetic Application Products segment

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Net Sales 88.7 billion yen (down 19.4% year on year)
Operating loss -2.5 billion yen (up —% year on year)

- **HDD Heads and HDD Suspension Assemblies**

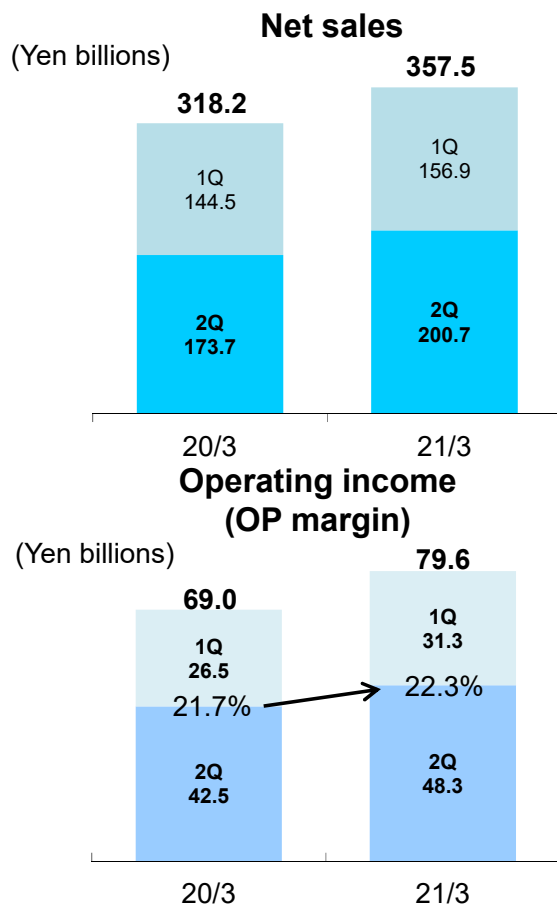
- Sales and profits decreased year on year.
- Sales of HDD assembly business decreased year on year.
- Sales and profit of HDD Suspensions Assemblies increased.
- Although earnings deteriorated in 1Q due to a sharp fall in sales related to the COVID-19 pandemic, earnings improved in 2Q as production at customers recovered steadily.

- **Magnets**

- Sales decreased while operating loss decreased year on year.
- Sales increased to the automotive market in 2Q.

20/3: FY March 2020

First half results - Energy Application Products segment



Net Sales 357.5 billion yen (up 12.4% year on year)
Operating income 79.6 billion yen (up 15.4% year on year)

- **Energy Devices (Rechargeable Batteries)**

- Sales and profit increased year on year.
- Sales expanded for PCs and tablets as more people shifted to work and study at home.
- Sales of mini cell and power cell products expanded for non-ICT applications.

- **Power Supplies**

- Sales and profit of Power Supplies for industrial equipment decreased year on year.
- Sales and operating income increased year on year and quarter on quarter in 2Q on the back of strong sales for semiconductor manufacturing equipment and healthcare-related devices.

20/3: FY March 2020

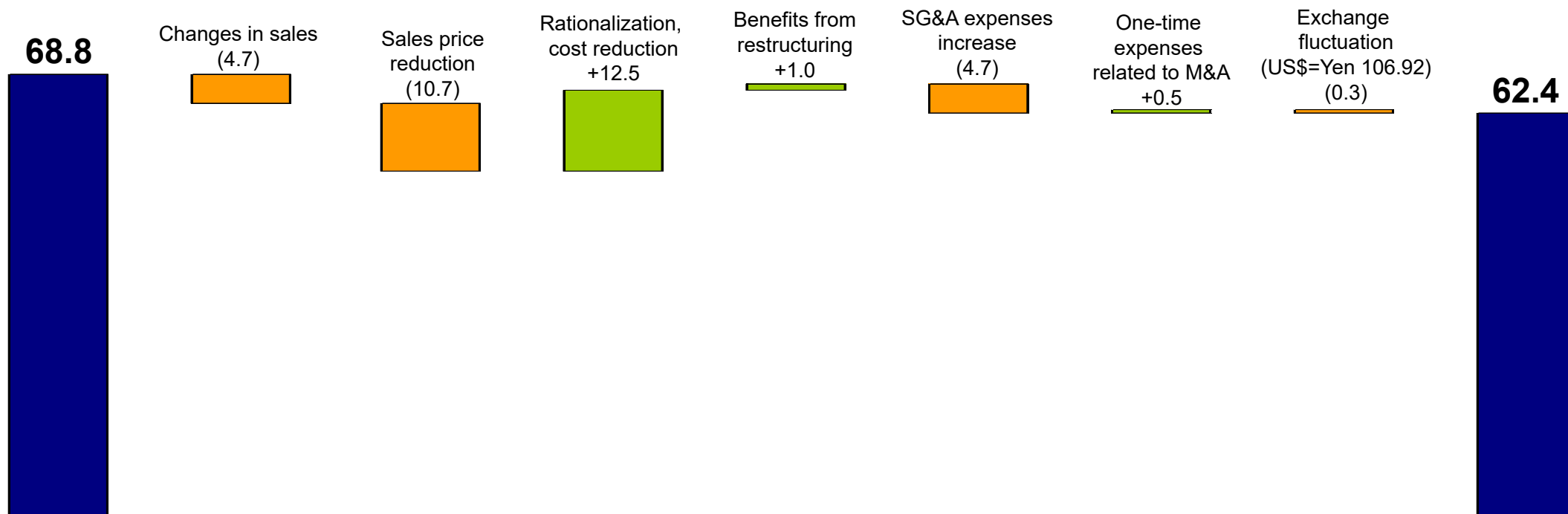
Breakdown of operating income changes

First half of
FY March 2020
68.8 billion yen

Operating income -6.4 billion yen

First half of
FY March 2021
62.4 billion yen

(Yen billions)



Consolidated results for 2Q of FY March 2021

	(Yen billions)	FY March 2020 2Q results	FY March 2021 2Q results	Change	
				Yen billions	%
Net sales		370.2	381.7	11.5	3.1
Operating income		43.9	44.0	0.1	0.2
Operating income margin		11.9%	11.5%	-0.4 pt	-
Income before income taxes		43.9	42.5	(1.4)	-3.2
Net income		29.4	29.0	(0.4)	-1.4
Earning per share (JPY)		232.37	229.83	-	-
Ex-rate	US\$ (JPY)	107.39	106.23	Appreciated by 1.1%	
	EURO (JPY)	119.48	124.06	Depreciated by 3.8%	
Ex-rate impact to net sales & operating income		Net sales : Decreased by about 2.6 billion Yen Operating income : Decreased by about 1.6 billion Yen			

Quarterly results by segment

Attracting Tomorrow



(Yen billions)		2Q of FY March 2020 (A)	1Q of FY March 2021 (B)	2Q of FY March 2021 (C)	YoY change (C)-(A)		QoQ change (C)-(B)	
					Yen billions	%	Yen billions	%
Net sales	Capacitors	39.6	33.3	38.6	(1.0)	-2.5	5.3	15.9
	Inductive Devices	35.7	27.4	34.6	(1.1)	-3.1	7.2	26.3
	Other Passive Components	26.6	23.6	26.2	(0.4)	-1.5	2.6	11.0
	Passive Components	101.9	84.4	99.4	(2.5)	-2.5	15.0	17.8
	Sensor Application Products	20.8	14.7	19.8	(1.0)	-4.8	5.1	34.7
	Magnetic Application Products	54.5	38.3	50.4	(4.1)	-7.5	12.1	31.6
	Energy Application Products	173.7	156.9	200.7	27.0	15.5	43.8	27.9
	Other	19.4	15.2	11.4	(8.0)	-41.2	(3.8)	-25.0
	Total	370.2	309.4	381.7	11.5	3.1	72.3	23.4
Operating income	Passive Components	11.4	7.7	9.7	(1.7)	-14.9	2.0	26.0
	Sensor Application Products	(5.5)	(7.3)	(5.1)	0.4	-	2.2	-
	Magnetic Application Products	3.5	(3.8)	1.4	(2.1)	-60.0	5.2	-
	Energy Application Products	42.5	31.3	48.3	5.8	13.6	17.0	54.3
	Other	(0.6)	(1.9)	(2.8)	(2.2)	-	(0.9)	-
	Sub total	51.2	26.0	51.5	0.3	0.6	25.5	98.1
	Corporate and eliminations	(7.3)	(7.6)	(7.5)	(0.2)	-	0.1	-
	Total	43.9	18.4	44.0	0.1	0.2	25.6	139.1
	Operating income margin	11.9%	5.9%	11.5%	-0.4pt	-	+5.6pt	-
Ex-rate	US\$ (JPY)	107.39	107.61	106.23				
	EURO (JPY)	119.48	118.45	124.06				

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