

Consolidated Results for First Half of FY March 2016

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Corporate Officer

- ◆ **587.6 billion yen, first half sales, was the highest ever. Operating income was 45.6 billion yen, increased by 63% year on year.**
- ◆ **Both sales and operating income of passive components achieved record first-half earnings. (Operating income increased by 88% year on year.) There were strong sales to the automobile market and smartphone customers.**
- ◆ **Both sales and operating income from magnetic application products declined year on year, reflecting sluggish HDD head and magnet sales.**
- ◆ **Film application products saw strong sales of rechargeable batteries for smartphones, and both sales and operating income increased significantly year on year.**

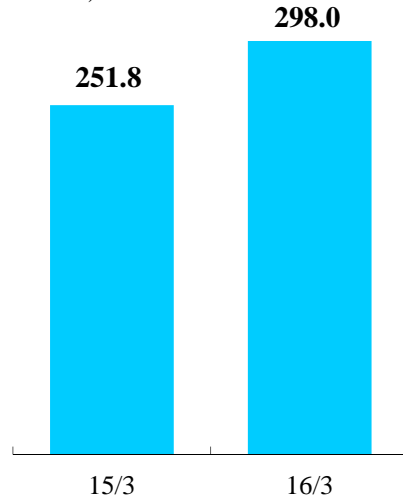
Consolidated Results for First Half of FY March 2016



(Yen billions)	FY March 2015 Results through 2Q (2014.4.1-2014.9.30)	FY March 2016 Results through 2Q (2015.4.1-2015.9.30)	Change	
			Yen billions	%
Net Sales	502.3	587.6	85.3	17.0
Operating Income	27.9	45.6	17.7	63.4
Operating Income Margin	5.6%	7.8%	+2.2pt	-
Income before Income Taxes	27.4	44.1	16.7	60.9
Net Income	18.1	31.5	13.4	74.0
Earning Per Share (JPY)	144.17	249.69	-	-
US\$ (JPY)	103.02	121.80	Depreciated by 18.2% Appreciated by 2.8%	
EURO (JPY)	138.96	135.11		
Ex-rate impact to Net sales & Operating Income	Net sales : Increased by about 78.8 billion Yen Operating income : Increased by about 14.2 billion Yen			

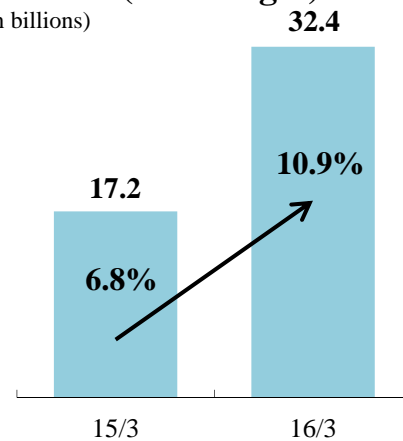
Net Sales

(Yen billions)



Operating Income (OP margin)

(Yen billions)



Net Sales 298.0 billion yen (up 18.3% year on year)

Operating Income 32.4 billion yen (up 88.4% year on year)

◆Ceramic Capacitors

- Sales increased year on year, particularly to the steady automobile market.
- Profit margins also improved due to increased productivity.

◆Inductive Devices

- Sales to a brisk ICT market (particularly for communications equipment) and a steady automotive market increased year on year.
- Earnings increased due to an improved product portfolio.

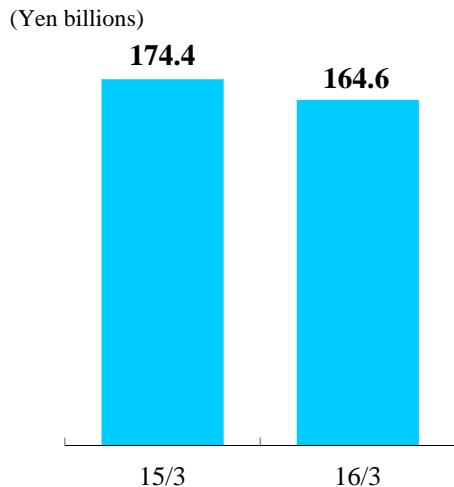
◆High-frequency Components

- Sales of discrete products were strong, mainly due to buoyant demand from the Chinese and the North American smartphone markets.
- Profit margins also improved significantly year on year due to increased productivity and improved product portfolio.

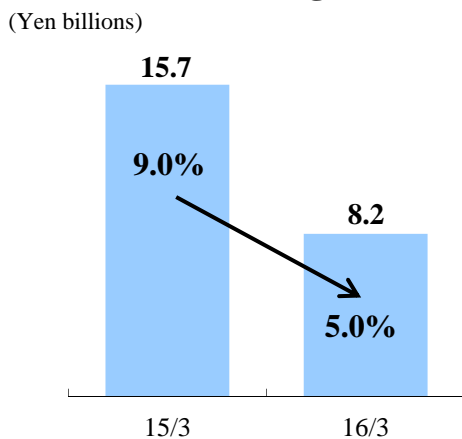
◆Piezoelectric Material Products

- Both net sales and operating income increased year on year due to strong sales of OIS for camera modules.

Net Sales



Operating Income (OP margin)



Net Sales 164.6 billion yen (down 5.6% year on year)

Operating income 8.2 billion yen (down 47.8% year on year)

◆Recording Devices (HDD Heads)

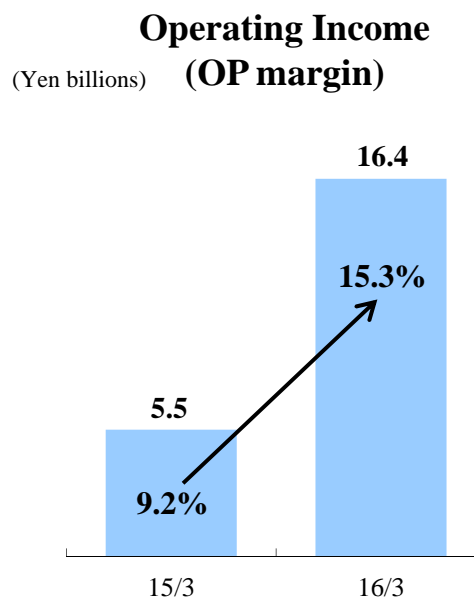
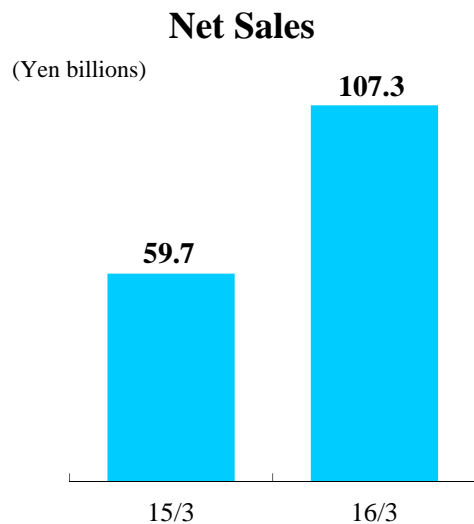
- The HDD market slowed due to a globally lackluster demand for PCs.
- Shipment volume of HDD heads also declined year on year.

◆Magnets

- Sales for use in HDDs were sluggish. Profits declined year on year as a consequence of capacity utilization falling and one-time expenses.

◆Power Supplies

- Sales to the industrial equipment market of products such as FA equipment and measuring equipment remained strong.



Net sales 107.3 billion yen (up 79.7% year on year)

Operating income 16.4 billion yen (up 198.2% year on year)

◆ Energy Devices (Rechargeable Batteries)

- Sales to major customers in China, South Korea and North America increased.
- Both sales and profits increased substantially year on year.

Breakdown of Operating Income Changes

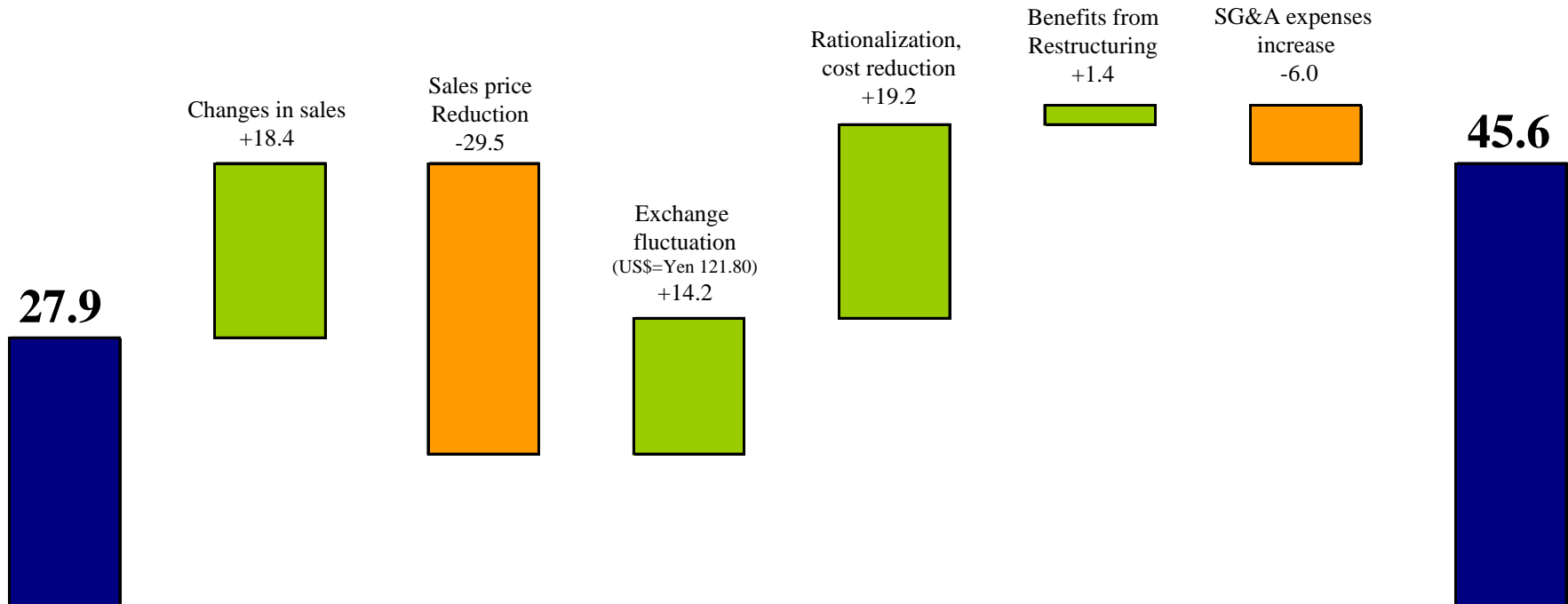


First Half of
FY March 2015
27.9 billion yen

Operating Income + 17.7 billion yen

First Half of
FY March 2016
45.6 billion yen

(Yen billions)



Consolidated Results for 2Q of FY March 2016



	(Yen billions)	FY March 2015 2Q Results	FY March 2016 2Q Results	Change	
				Yen billions	%
Net Sales		264.8	308.1	43.3	16.4
Operating Income		18.3	27.4	9.1	49.7
Operating Income Margin		6.9%	8.9%	+2.0pt	-
Income before Income Taxes		17.0	25.1	8.1	47.6
Net Income		12.4	18.4	6.0	48.4
Earning Per Share (JPY)		98.43	145.72	-	-
Ex-rate	US\$ /JPY	103.86	122.31	Depreciated by 17.8%	
	EURO /JPY	137.77	136.06	Appreciated by 1.2%	
Ex-rate impact to Net sales & Operating Income	Net sales : Increased by about 39.5 billion Yen Operating income : Increased by about 8.1 billion Yen				

Quarterly Results by Segment



(Yen billions)		2Q of FY March 2015 (A)	1Q of FY March 2016 (B)	2Q of FY March 2016 (C)	YoY Change (C)-(A)		QoQ Change (C)-(B)	
					Yen billions	%	Yen billions	%
Net Sales	Capacitors	37.3	39.1	39.5	2.2	5.9	0.4	1.0
	Inductive Devices	37.1	37.9	38.6	1.5	4.0	0.7	1.8
	Other Passive Components	55.5	70.8	72.1	16.6	29.9	1.3	1.8
	Passive Components	129.9	147.8	150.2	20.3	15.6	2.4	1.6
	Recording Devices	63.7	54.6	60.7	(3.0)	-4.7	6.1	11.2
	Other Magnetic Application Products	25.5	24.8	24.6	(0.9)	-3.5	(0.2)	-0.8
	Magnetic Application Products	89.2	79.4	85.3	(3.9)	-4.4	5.9	7.4
	Film Application Products	37.2	43.2	64.1	26.9	72.3	20.9	48.4
	Other	8.5	9.2	8.6	0.1	1.2	(0.6)	-6.5
	Total	264.8	279.6	308.1	43.3	16.4	28.5	10.2
Operating Income	Passive Components	9.4	15.0	17.4	8.0	85.1	2.4	16.0
	Magnetic Application Products	8.5	3.8	4.5	(4.0)	-47.1	0.7	18.4
	Film Application Products	5.2	4.7	11.6	6.4	123.1	6.9	146.8
	Other	0.2	0.4	0.2	0.0	0.0	(0.2)	-50.0
	Sub total	23.3	23.9	33.7	10.4	44.6	9.8	41.0
	Corporate and Eliminations	(5.0)	(5.8)	(6.3)	(1.3)	-	(0.5)	-
	Total	18.3	18.1	27.4	9.1	49.7	9.3	51.4
Operating Income margin		6.9%	6.5%	8.9%	+2.0pt	-	+2.4pt	-
Ex-rate	US\$/JPY	103.86	121.29	122.31				
	EURO/JPY	137.77	134.15	136.06				

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