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# Consolidated Financial Result Digest

## FY11/12 Third Quarter

(April 1- December 31, 2011)

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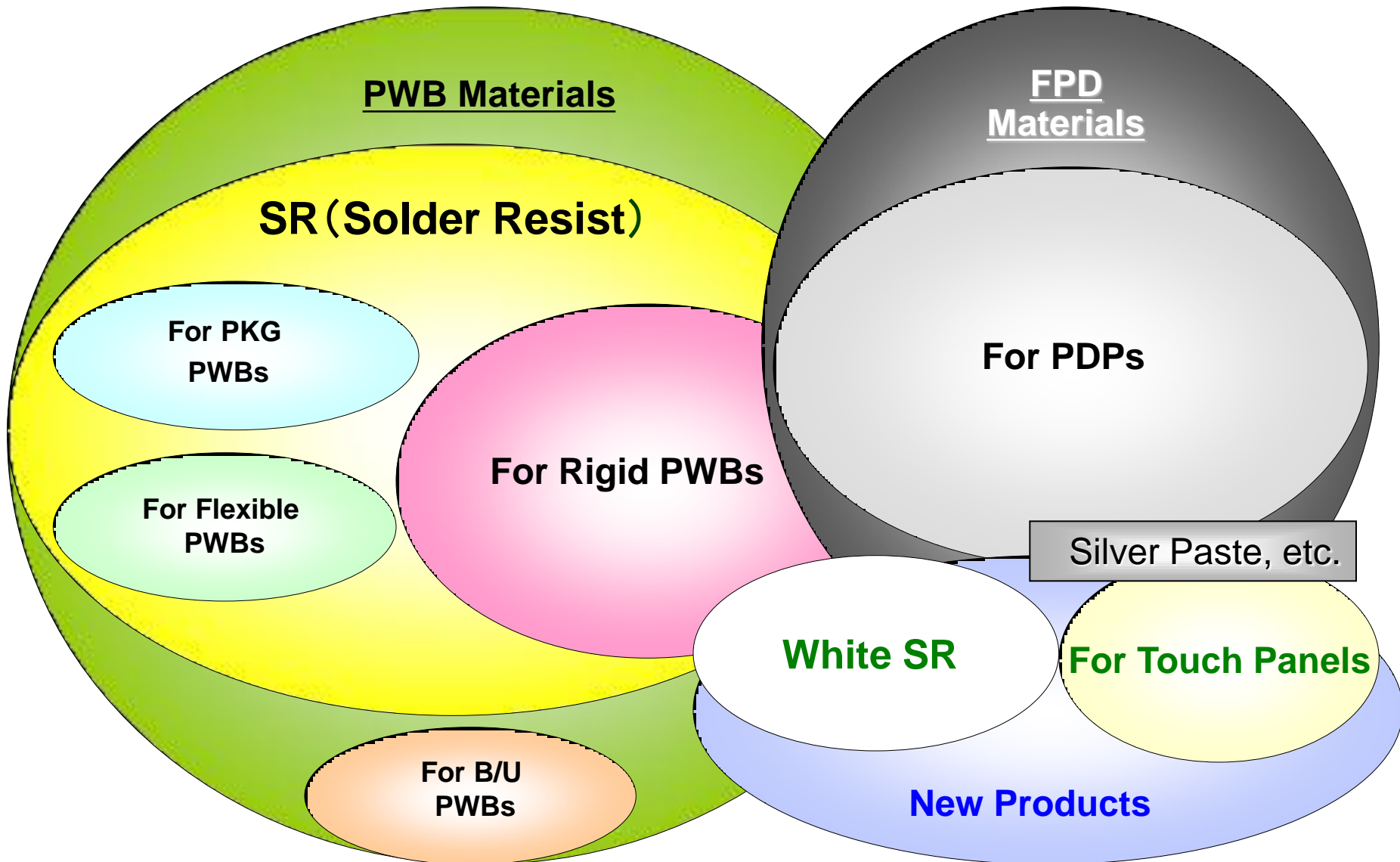
 **TAIYO HOLDINGS CO., LTD.**

February 7, 2012



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# Classification



# Terminology

Term	Definition
“PWB Materials” (Printed Wiring Board)	Chemical Products for Printed Wiring Boards
“FPD Materials” (Flat Panel Display)	Chemical Products for Flat Panel Display Panels
“PDP Materials” (Plasma Display Panel)	Chemical Products for Plasma Display Panels
"SR"	Solder Resist Ink or Solder Mask
“PKG Materials” (Package)	Chemical Products for IC Package Substrates

1. Summary of FY 11/12 Third Quarter  
Consolidated Financial results  
(April 1- December 31, 2011)
  
2. Forecasts for FY11/12 (Consolidated)

# 1. Summary of FY 11/12 Third Quarter Consolidated Financial Results (April 1- December 31, 2011)

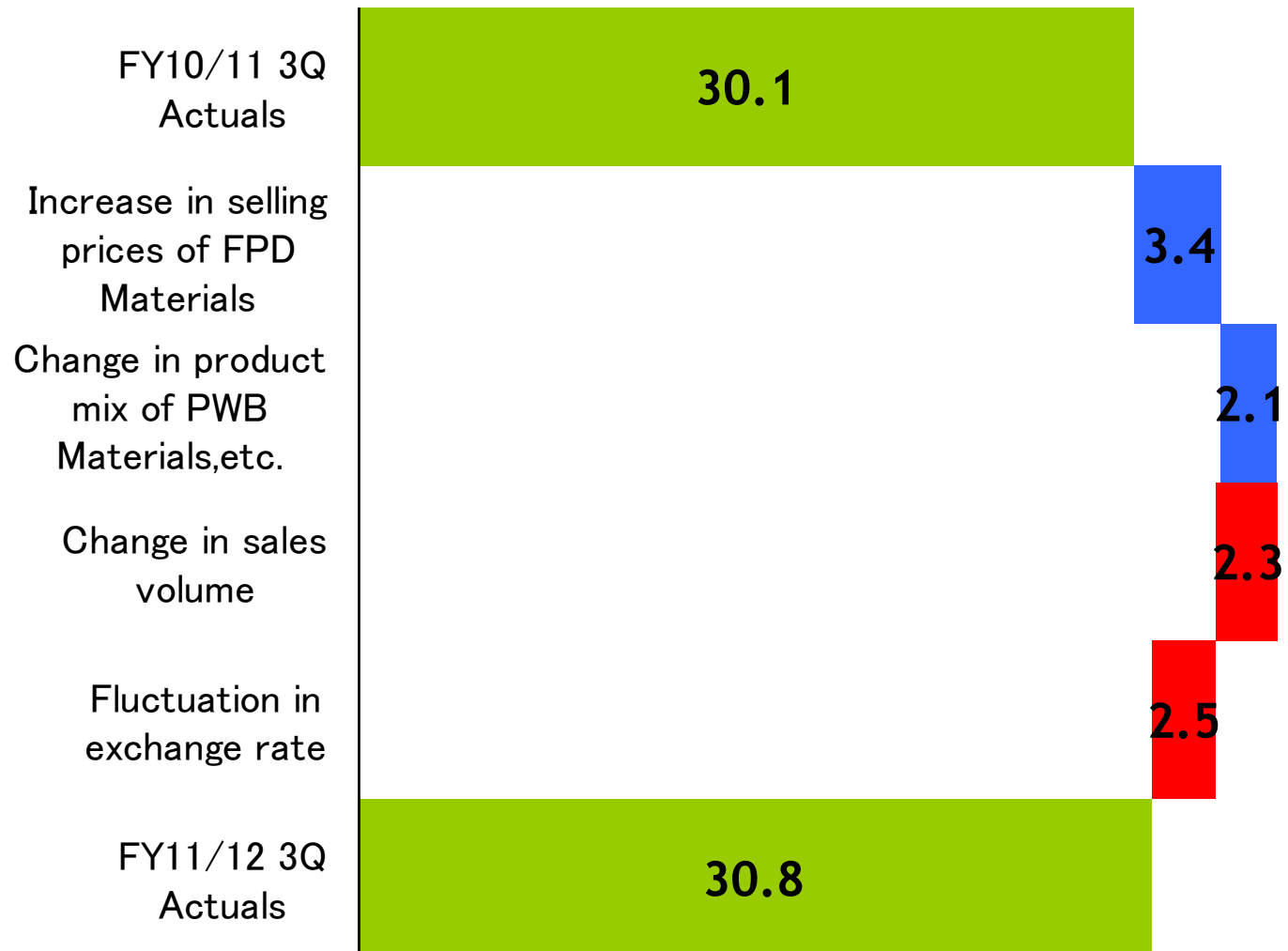
# FY 11/12 Third Quarter Results (9 months)

(JPY millions)

	FY10/11 9 months	FY11/12 9 months	Change	Change in %
<b>Sales</b>	30,174	30,830	+656	+2.2%
<b>Operating Income</b>	4,794	3,374	(1,420)	(29.6%)
<b>Ordinary Income</b>	4,664	3,344	(1,320)	(28.3%)
<b>Net Income</b>	3,055	1,911	(1,144)	(37.4%)
<b>&lt;Ave. Exchange Rate&gt;</b>				
<b>JPY/USD</b>	86.9	79.2	(7.7)	(8.9%)

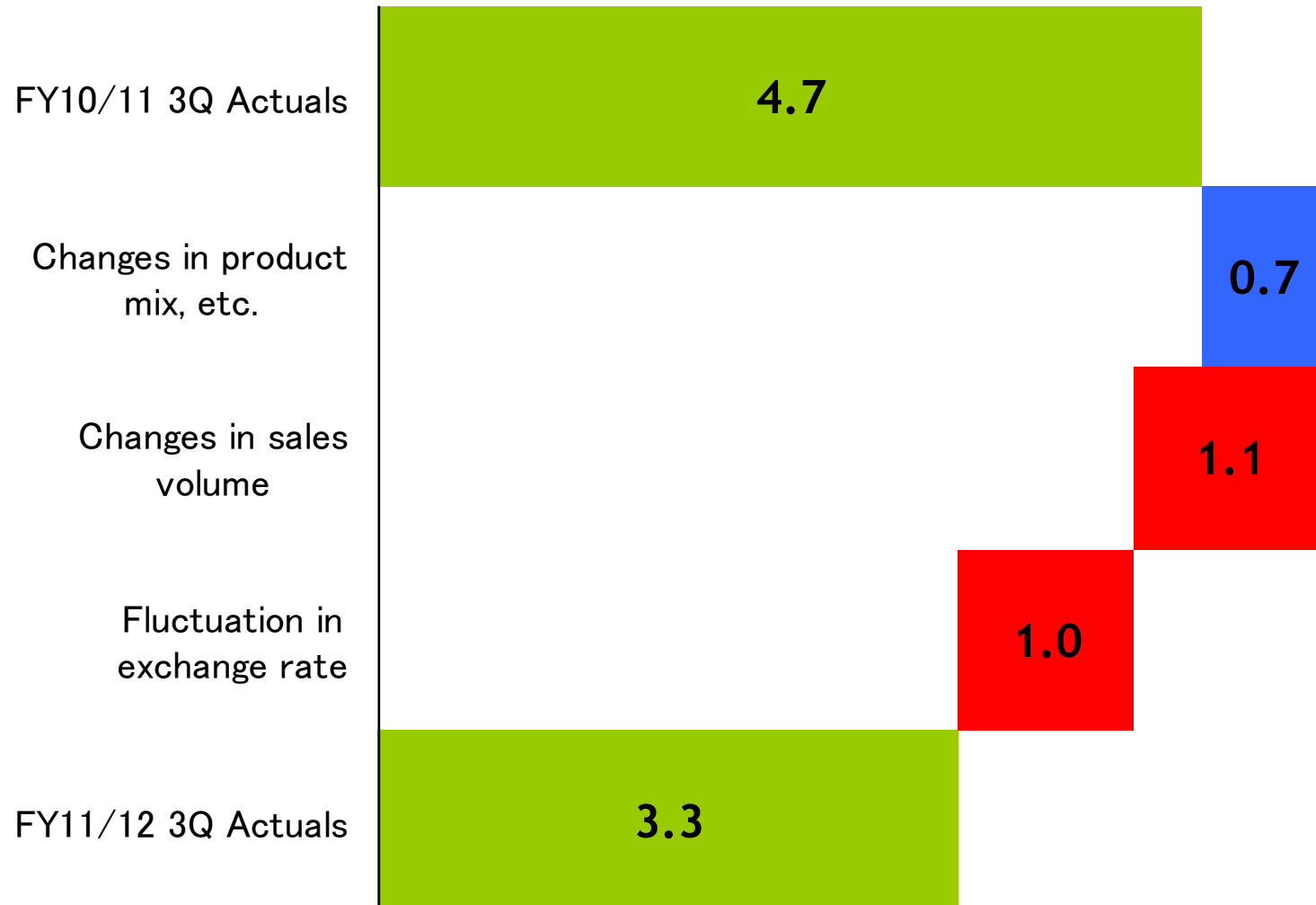
## Sales

( JPY billions )



**Operating Income**

( JPY billions )

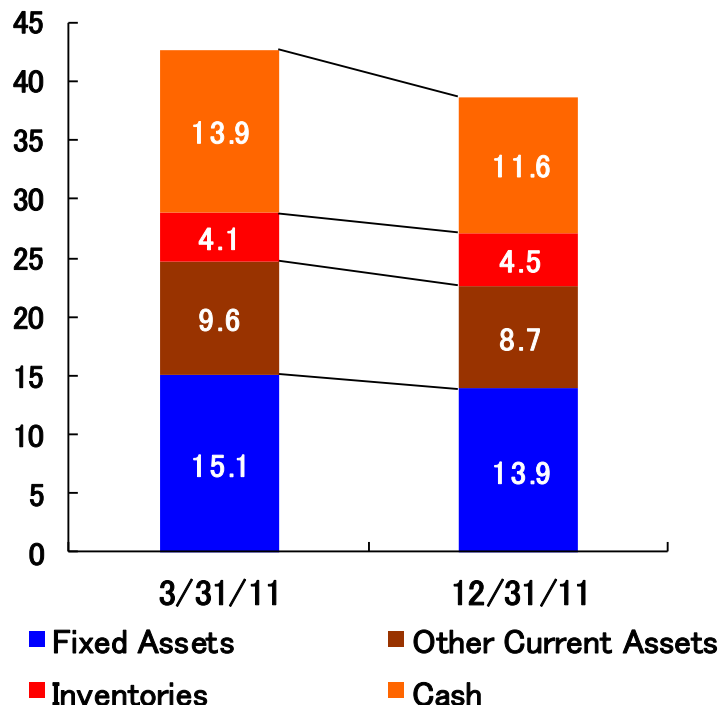




- ❑ Growth in the electronics components industry decelerated due to the sharp slowdown of the global economy.
- ❑ The Gap between future forecast at the moment and when planning became huge due to the inflation in China and contraction of domestic demand.
- ❑ Posted extraordinary loss of 510 million yen in the third quarter.

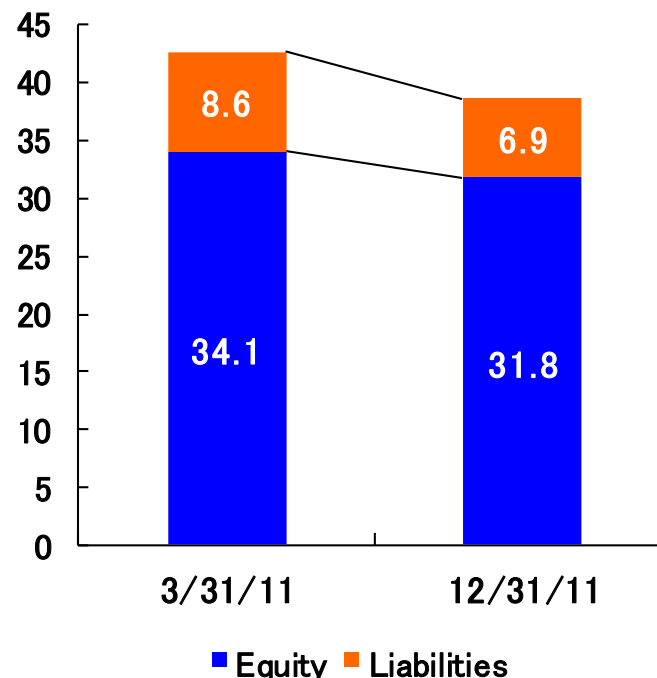
## Assets

( JPY billions )



## Liabilities and Equity

( JPY billions )



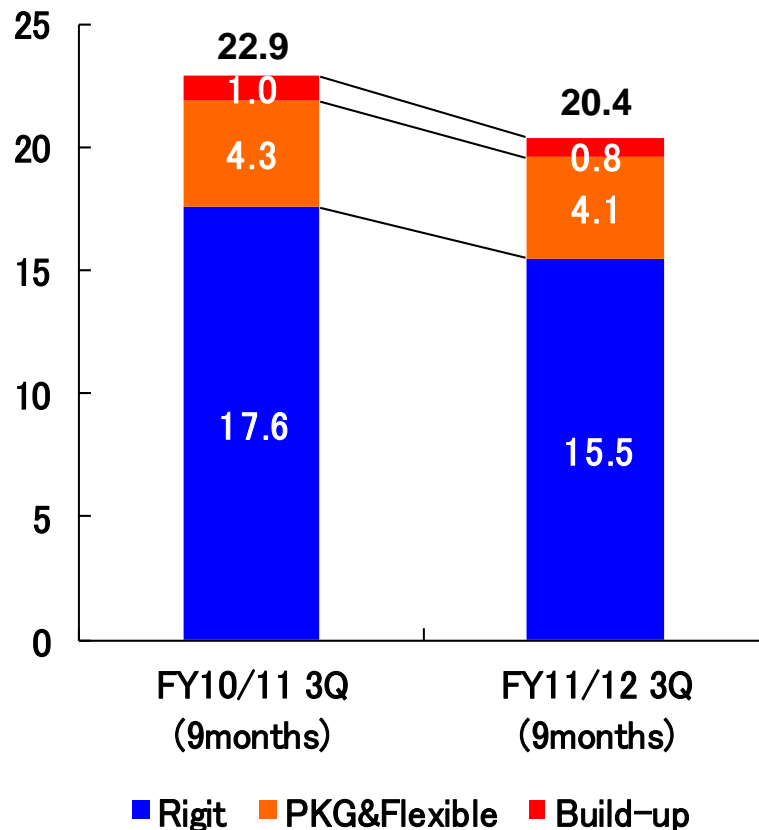
- Decreased in foreign currency assets due to the stronger yen.
- Inventories grew as a result of the impact of the Great East Japan Earthquake.
- Inventory value of PDP increased due to the soaring price of silver.

- Decreased in foreign currency debt due to the stronger yen.
- Investments in subsidiaries eroded due to the stronger yen.  
(Decrease in foreign currency translation adjustments)

# Sales of PWB Materials

## Sales

( JPY billions )

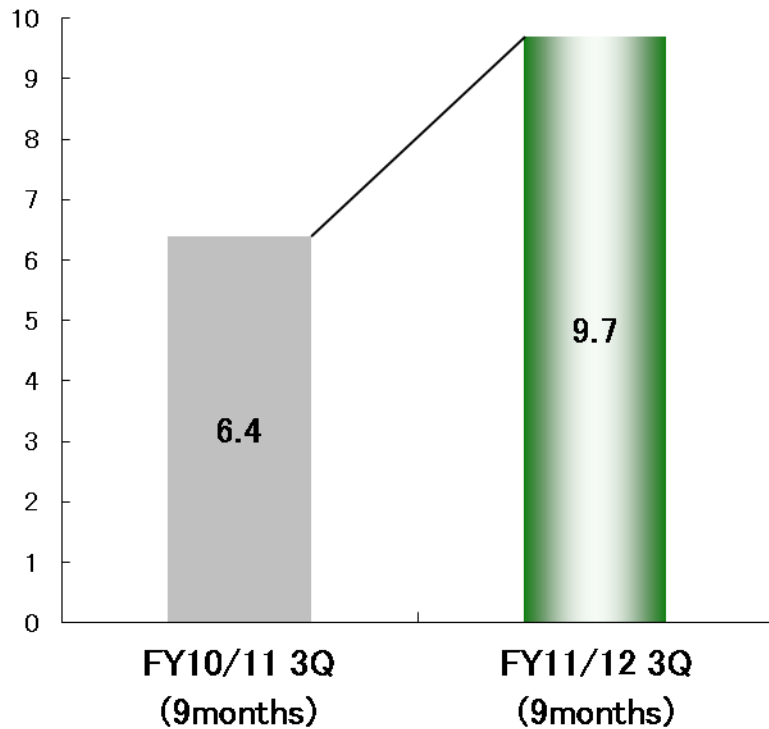


- Production and sales volume decreased due to the global demand decreased and the floods in Thailand.
- Demand of smartphones and tablet PCs remained strong, on the other hand, general PC and TV market was sluggish.
- Ave. selling price fell down due to the stronger yen.

# Sales of FPD Materials

## Sales

( JPY billions )

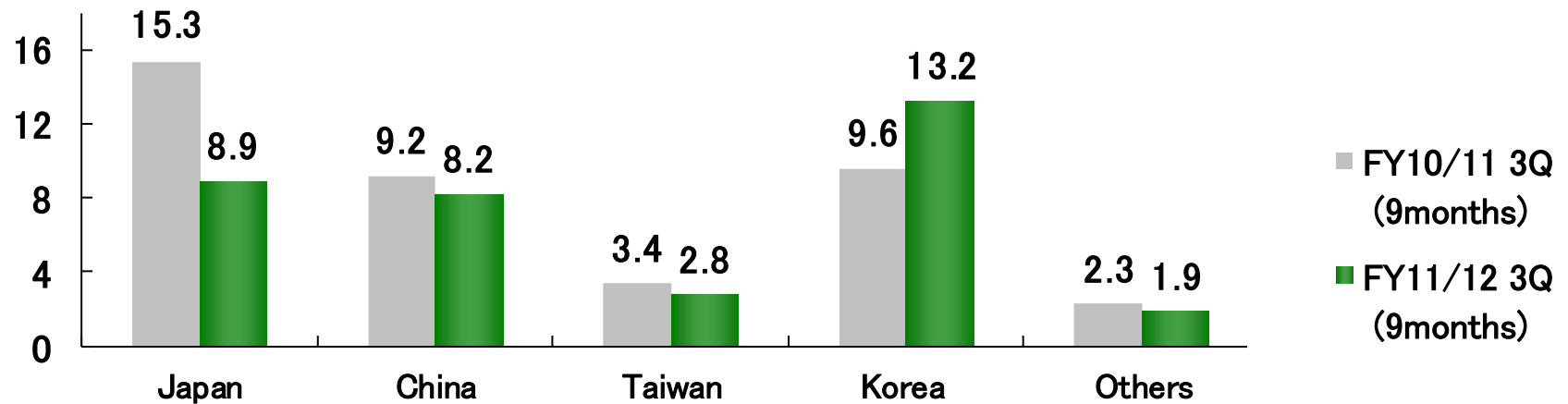


- Selling price and sales amount increased due to the soaring price of silver.
- Sales volume increased slightly year-on-year.

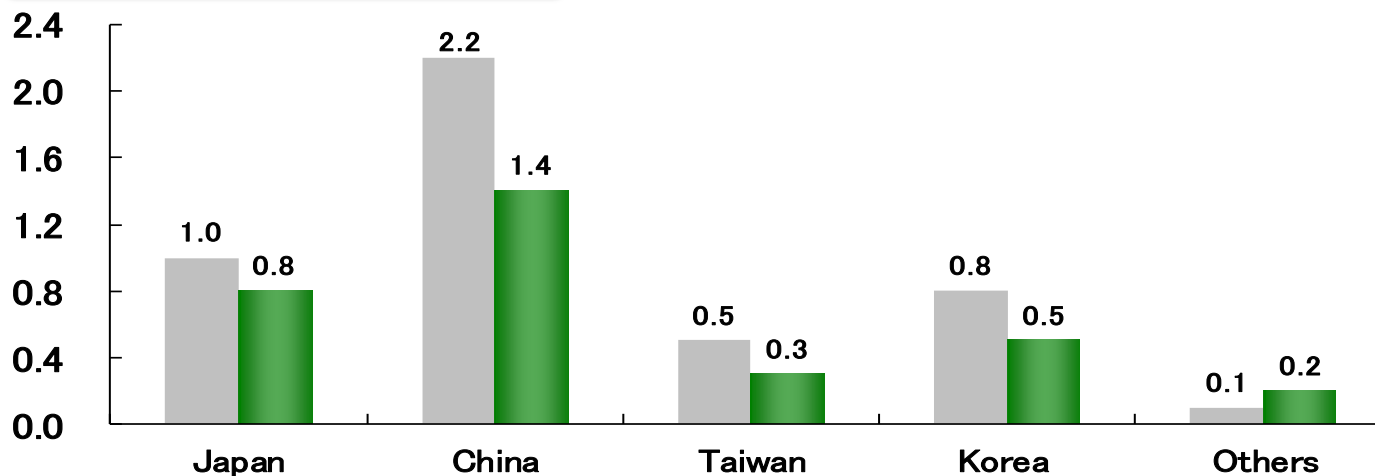
# Result by segment for FY11/12 3Q

## Sales

( JPY billions )



## Operating Income



## 2. Forecasts for FY11/12(Consolidated)

# Forecasts for FY11/12 (Consolidated)

(JPY millions)

	FY10/11 Result	Forecast for FY11/12			
		Original Forecast(11/8)	Revised Forecast	Change	Change in %
<b>Sales</b>	40,366	42,500	40,300	(2,200)	(5.2%)
<b>PWB+</b>	30,911	29,500	28,000	(1,500)	(5.1%)
<b>FPD</b>	9,455	13,000	12,300	(700)	(5.4%)
<b>Operating Income</b>	5,380	4,800	4,300	(500)	(10.4%)
<b>Ordinary Income</b>	5,316	4,600	4,200	(400)	(8.7%)
<b>Net Income</b>	3,402	3,200	2,500	(700)	(21.9%)
<b>&lt;Foreign Exchange Rate&gt;</b>					
<b>JPY/USD</b>	85.8	78.0	78.7	+0.7	+0.9%

## ◆ Factors of revision to FY11/12 forecasts

- Net sales of FPD materials is expected to reach at a record high.
- Decline of sales volume due to the uncertain outlook for the global economy.
- Post the loss due to the halt to the construction of Taiyo Zhongshan (510 million yen).

## ◆ Expectation of dividends

- The change of the amount of annual dividend is not expected at the ending of the third quarter.

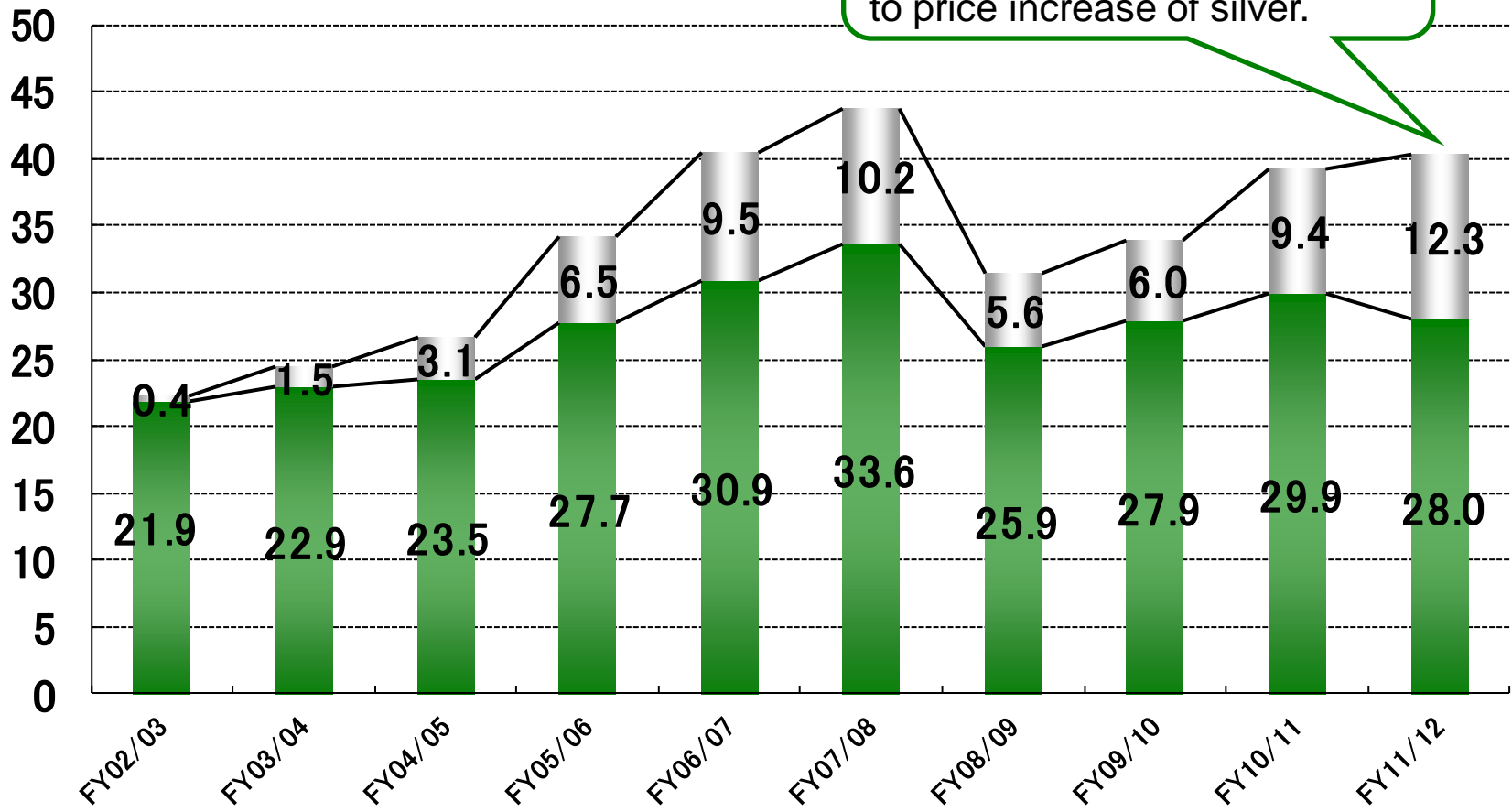


## Sales

( JPY billions )

■ PWB Materials + ■ FPD Materials

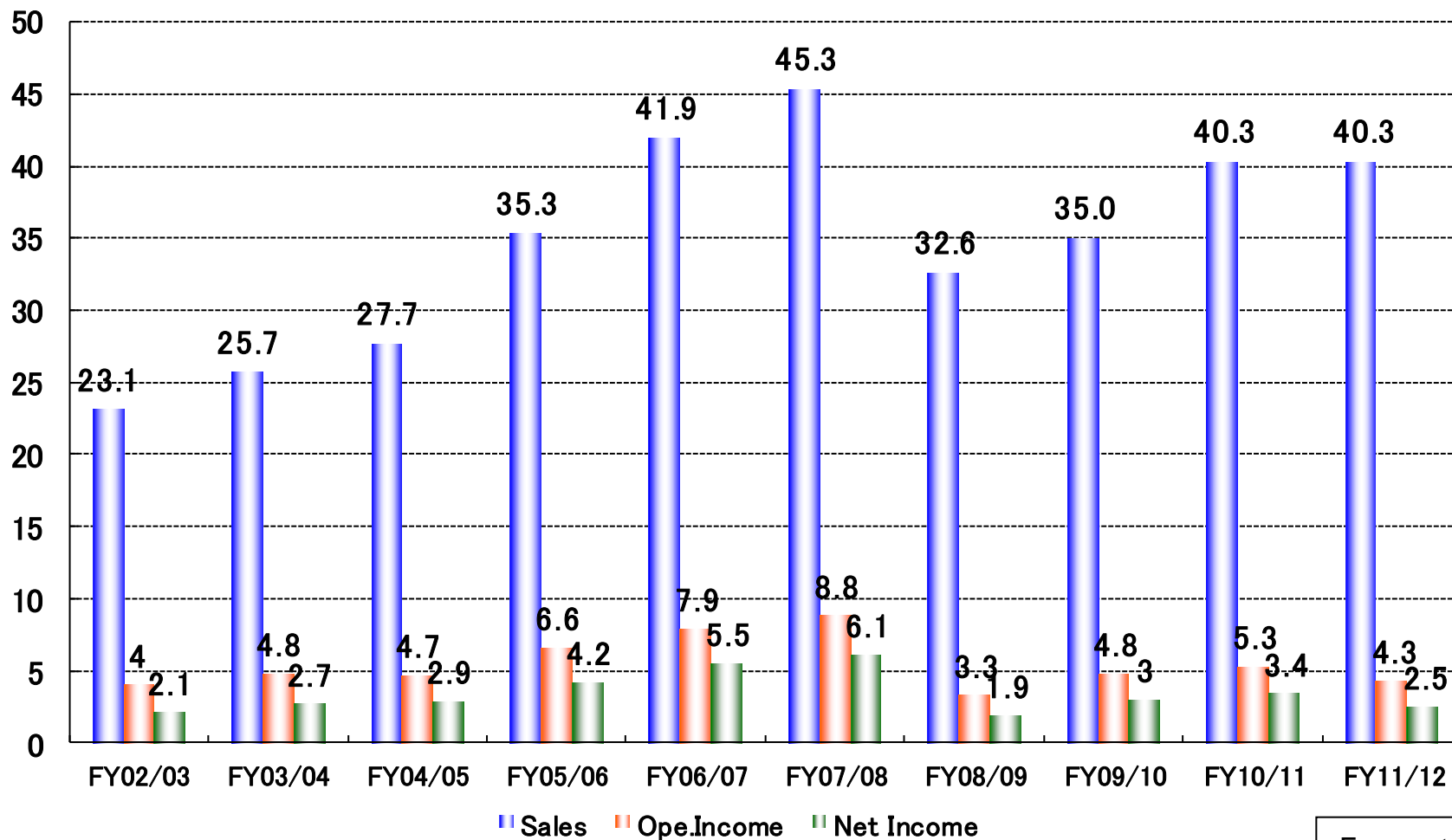
PWB+ expected to slow.  
FPD expected to increase due to price increase of silver.



Forecast

# Trend of consolidated performance

( JPY billions )



Forecast

# Trend of quarterly performance

( JPY billions )

Operating income ratio is declining because of the stronger yen.

