



Electronic Parts and Components

Press Release for the Business Press

August 8, 2006

## Cooperation agreement between EPCOS and Taiyo Yuden

- ▶ **Market position in ceramic capacitors improved**
- ▶ **Technological cooperation planned**

EPCOS and Japanese company TAIYO YUDEN Co., Ltd., (Taiyo Yuden), both among the world's top ten manufacturers of passive electronic components, will cooperate in the field of ceramic capacitors in future. The two partners have signed a cooperation agreement to this effect.

The agreement stipulates that in a first step EPCOS will procure unfinished ceramic capacitors from Taiyo Yuden, process them further and sell them under the EPCOS brand. With these products, EPCOS is complementing its range of ceramic capacitors offered mainly to customers based in Europe.

EPCOS had streamlined its product range of ceramic capacitors and withdrew from unprofitable mass businesses in 2005. "Since then we have been concentrating on applications in automotive electronics with these products," says EPCOS President and CEO Gerhard Pegam. "We can now service customers from this industry even more comprehensively than before. This opens up the opportunity to consolidate our position in this strongly growing market and extend it further." Thanks to the cooperation with Taiyo Yuden, however, EPCOS can also offer a more competitive range of ceramic capacitors to customers from other industries.

### Technological cooperation

In a second step, EPCOS and Taiyo Yuden plan to exchange know-how in specific areas of technology on the basis of licensing agreements. By benefiting from each other's strengths in this way, both Taiyo Yuden and EPCOS gain competitive advantages.

"The cooperation with Taiyo Yuden, one of the world's leading manufacturers of multilayer ceramic capacitors, strengthens the competitiveness of EPCOS in the area of standard



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ceramic components,” stated Gerhard Pegam. “We are now a step closer toward realizing the goals of improving our profitability we set earlier this year.”

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**About EPCOS**

EPCOS AG, a manufacturer of passive electronic components headquartered in Munich, is market leader in Europe and number two worldwide. With its very broad portfolio EPCOS offers a comprehensive range of products from a single source. The EPCOS Group has design, manufacturing and marketing facilities in Europe, the Americas and Asia.

Passive electronic components are found in every electrical and electronic product – from automotive and industrial electronics through information and communications to consumer electronics. Components from EPCOS store electrical energy, select frequencies, and protect against overvoltage and overcurrent.

In fiscal 2005 (October 1, 2004, to September 30, 2005), EPCOS posted sales of EUR 1.24 billion. At September 30, 2005, the company employed about 16,100 people worldwide.

**About TAIYO YUDEN**

TAIYO YUDEN Co., Ltd., with headquarters in Tokyo, Japan, is the world’s third largest manufacturer of ceramic capacitors and an innovation leader. Its range of passive electronic components also includes inductors, filters, antenna and varistors. In addition, TAIYO YUDEN manufactures Bluetooth® modules, power electronics modules, and recordable optical media (CD-R, DVD-R) and is the leader with approximately 50 percent of the worldwide market in high-frequency multilayer chip inductors used in cell phones. In fiscal 2006 (April 1, 2005 to March 31, 2006), TAIYO YUDEN recorded sales of approximately JPY 187 billion (about EUR 1.3 billion as at March 31, 2006), 55 percent of which was accounted for by passive electronic components. At the end of the business year, the company employed about 19,000 people worldwide.

The company’s European affiliate, TAIYO YUDEN Europe, operates sales offices in France, Finland, Scandinavia and United Kingdom.



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For further information, visit the company's website at: [www.ty-top.com](http://www.ty-top.com) or contact:

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