

Special support for the Rescue Robot Contest

We offer special support for the Rescue Robot Contest as part of our corporate social responsibility (CSR) initiative, supporting its philosophy of learning technologies, communicating with people, and creating a society that is resistant to disaster.

14th Rescue Robot Contest

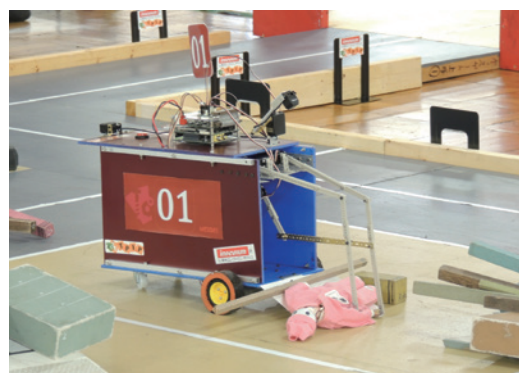


Final Round **August 9 – 10, 2014**

Venue Design and Creative Center Kobe (KIITO)

The Rescue Robot Contest is a competition centered on life-saving and rescue activities for a major disaster in urban areas. A total of 14 teams that passed the qualifying rounds in Kobe and Tokyo compete on the basis of robot performance and technology.

<http://www.rescue-robot-contest.org/>



13th Rescue Robot Contest Final Round

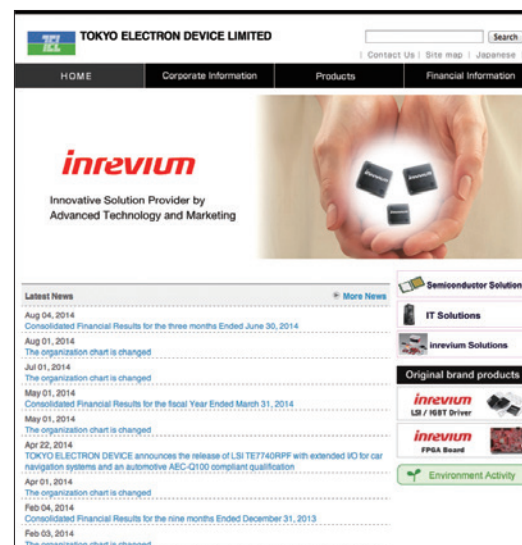
Investor Relations Website

TED's IR website is regularly updated and revised so that investors can better understand our business activities, results, and other financial information.

Our IR site was selected as an "excellent site" in the 2013 ranking of listed companies' websites from Nikko Investor Relations Co., Ltd. (Nikko IR).

We continue to strive for timely and impartial disclosure.

<http://www.teldevice.co.jp/eng/>



Note on forward-looking statements

This Investors Guide was prepared on July 1, 2014. Forward looking statements, including business strategies and business forecasts, were made by the Company's management, based on information available at that time, and may be revised due to changes in the business environment. Therefore, please be advised that the Company cannot guarantee the accuracy or the credibility of the statements. For the latest information, please refer to our information releases or our website.

Contact



TOKYO ELECTRON DEVICE LIMITED

Corporate Communications Dept.
E-Mail: ir-info@teldevice.co.jp

World Headquarters
Yokohama East Square 1-4, Kinko-cho, Kanagawa-ku,
Yokohama City, Kanagawa, JAPAN 221-0056
Tel. +81-45-443-4000 (reception)

To Our Shareholders and Investors INVESTORS GUIDE 2014



TOKYO ELECTRON DEVICE LIMITED

To Our Shareholders and Investors

We would like to express our appreciation to all shareholders and investors for your ongoing support.

As a technology trading company for semiconductors, IT devices, and other technologies, Tokyo Electron Device (TED) has consistently offered high-value-added products. Going forward, we will continue to work to enhance our corporate value in accordance with our principle of further developing existing businesses while actively exploring new fields. Thank you for your continued support.



Yasuyuki Kuriki
President &
Representative Director



Noriyuki Kuga
Senior Executive Vice President
& Representative Director

Business Results for the Fiscal Year Ended March 2014

The Japanese economy recovered moderately during fiscal 2013 (ended March 2014), with exports improving as the yen weakened in response to measures from the Bank of Japan, and an upturn in the corporate business environment, including a resurgence in capital expenditures at the end of the period.

Under such conditions, Tokyo Electron Device posted net sales of ¥101,801 million (+19.1% YoY). In terms of earnings, however, operating income declined 16.8% from a year earlier to ¥1,490 million as a result of a change in the sales mix, with ordinary income down 19.6% to ¥1,039 million on foreign exchange loss. Net income fell 41.1% to ¥388 million, due mainly to a valuation loss on investment securities.

In terms of the electronics industry, in the electronic components business, overseas demand increased for smartphones and automotive in-vehicle products, with global sales of semiconductor products reaching a record high in 2013, led by the U.S. and Asian region. In Japan, sales of factory automation components, medical devices, and other industrial equipment rose steadily, with a sharp upturn at the end of the fiscal period boosted by the demand rush ahead of the consumption tax increase. In the computer networks business, the growth rate for IT investment in Japan remained basically flat, though capital expenditures for data centers and related products grew steadily with advances in cloud computing.

Detailed results for each business segment are available on P5 (Electronic Components Business) and P9 (Computer Networks Business).

Outlook for the Fiscal Year Ending March 2015 and the Medium-Term Management Plan

● Outlook for Fiscal 2014 (ending March 2015)

A temporary slowdown in the Japanese economy is possible as a result of the rebound decline following the pre-tax hike surge in demand, but we anticipate a moderate recovery as the effects of various government stimulus measures become apparent.

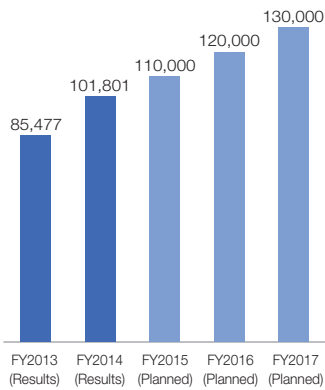
In the Electronic Components Business, we expect growing demand for components centered on the automotive and industrial equipment fields, while for the Computer Networks Business, we anticipate growth in areas related to the spread of cloud computing.

Accordingly, for the fiscal year ending March 2015, TED is forecasting full-year consolidated net sales of ¥110.0 billion (+8.1% YoY), with ordinary income of ¥1.7 billion (+63.5%), and net income of ¥1.14 billion (+193.8%).

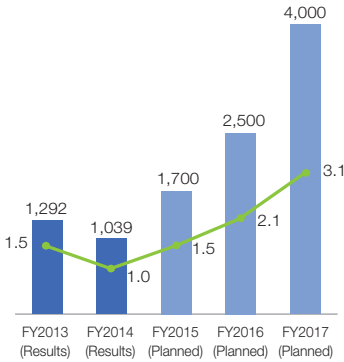
● Medium-Term Management Plan

TED utilizes a rolling medium-term management plan. We revised the content for 2013, and announced the following updated forecasts on April 25, 2014.

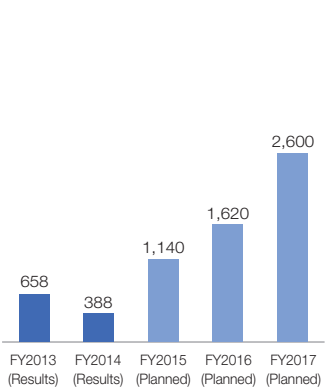
Net sales (Millions of yen)



Ordinary income (Millions of yen)/
Profit margin (%)



Net income (Millions of yen)



Business Policies

Electronic Components Business

Despite external factors such as price competition and exchange rate fluctuations, we will seek to broaden our business scale by expanding existing businesses and acquiring commercial rights, and will implement structural reforms that provide greater flexibility in response to changes in the business environment, including revising our operational processes to allow for even quicker reactions.

We will make a concerted effort for quality control for our in-house developed inrevium brand products, and to improve earnings, will seek growth and expansion for the inrevium business through such means as utilizing the North American business office established in fiscal 2013, and working in collaboration with partners.

New businesses

In addition to growth and expansion for existing businesses, we will focus on developing new markets, such as providing internet-based services, as well as environment and energy efficiency businesses. Further, drawing on our accumulated business experience, and upon thoroughly understanding and considering the risks involved, we will enter business fields that we have not been involved with previously.

Computer Networks Business

Considering the expected growth in corporate IT investment for data centers and other aspects of cloud computing, we will meet diverse customer needs by introducing competitive new products for the cloud-related market. Further, in the maintenance business, we will accelerate our system enhancements in order to improve our support services.

Tokyo Electron Device is a technology trading company for semiconductors and IT devices.

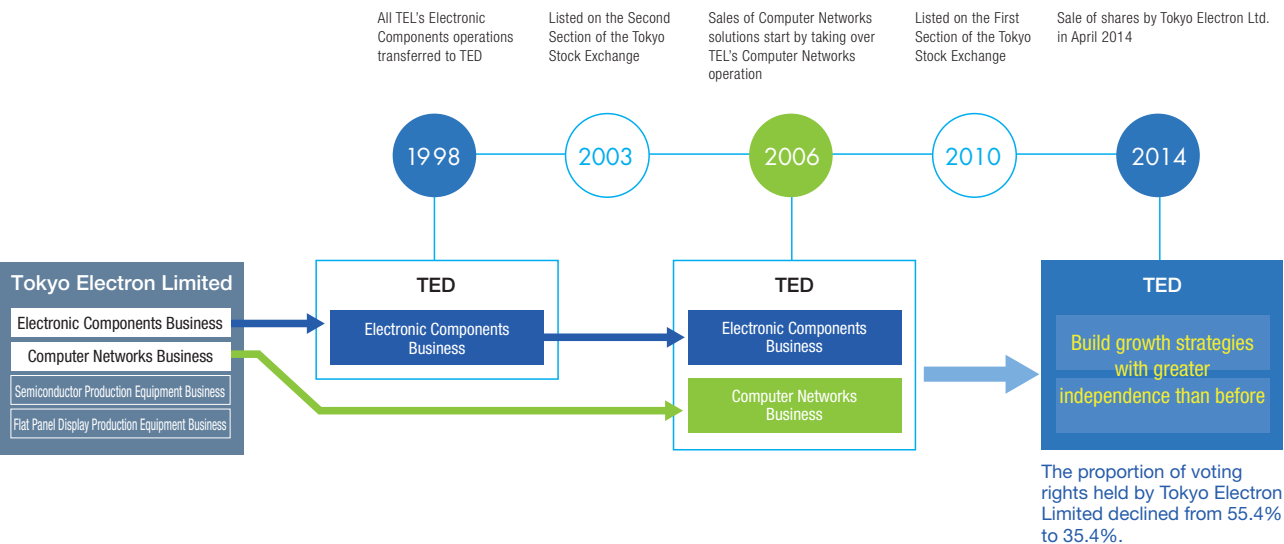
Share Repurchase and Sale of Shares

● Share Repurchase

On April 1, 2014, TED acquired 636,000 shares of its common stock held by Tokyo Electron Limited (TEL), for ¥859,872,000. This buyback was made to enhance capital efficiency, and to permit the execution of a flexible capital policy in response to future changes in the business environment.

● Sale of Shares

On April 15, 2014, Tokyo Electron Limited concluded a sale of 1,706,600 shares of the TED's common stock, including the over-allotment, at a price of ¥1,336 per share. As a result of this sale, TED's status has changed from a subsidiary of Tokyo Electron to an equity-method affiliate. We will work to enhance our corporate value by building growth strategies with greater independence than before.



Shareholder Returns

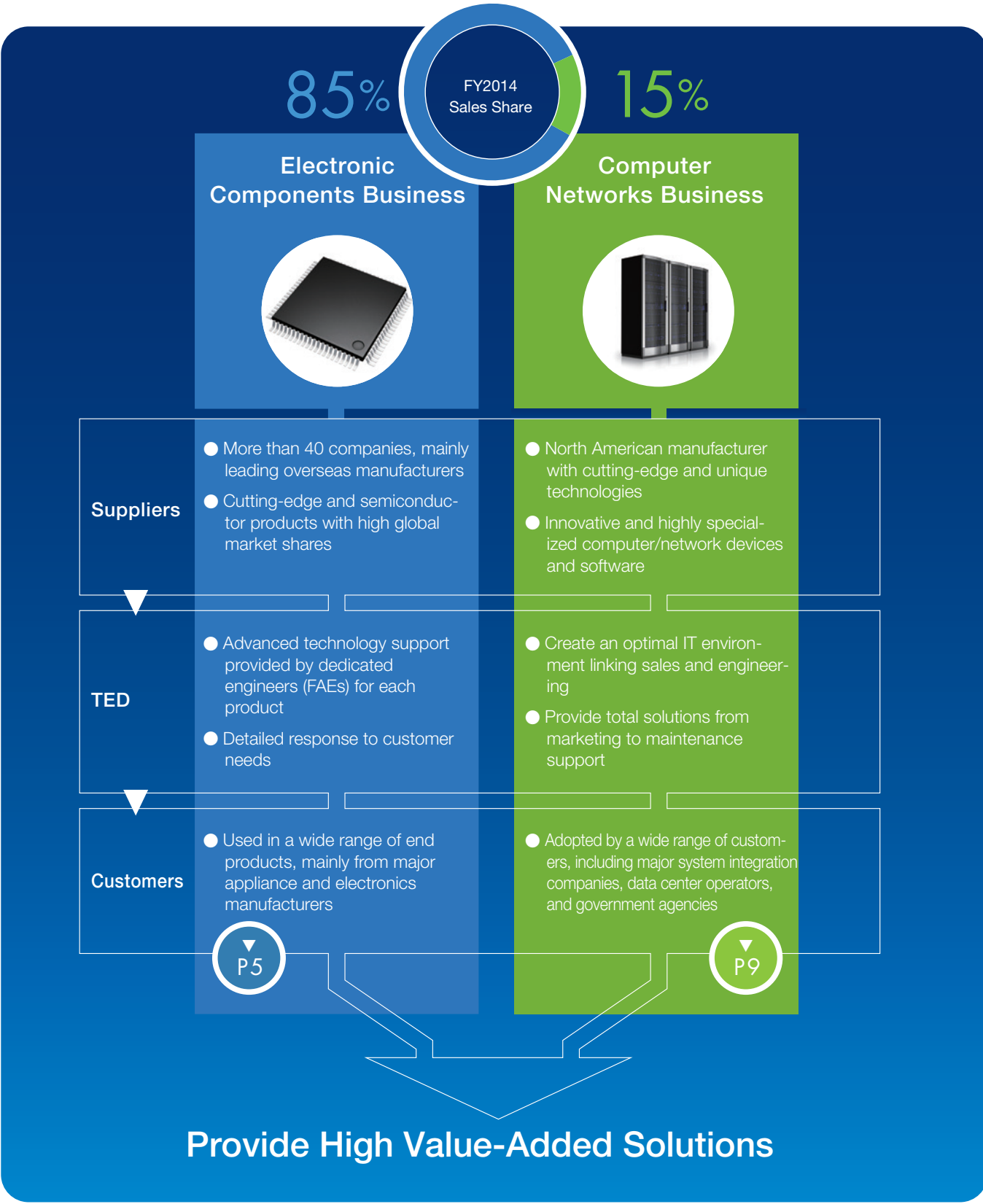
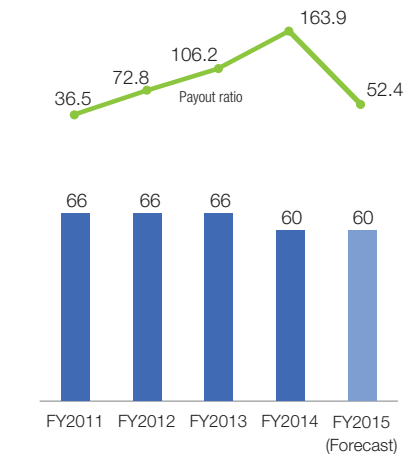
TED considers a focus on shareholders to be one of its priority management issues, and adheres to the principle of providing appropriate returns that reflect business results, on the basis of continuity and stability in dividend payments. The current payout level is set at approximately 35% of consolidated net income.

In the fiscal year ended March 2014, we paid an interim dividend of ¥3,000 per share (¥30 per share after the share split adjustment*), and a year-end dividend of ¥30 per share. For the fiscal year ending March 2015, based on earnings forecasts, we plan to pay an annual dividend of ¥60 per share (comprising an interim dividend of ¥30, and a year-end dividend of ¥30).

* To establish a trading unit of 100 shares, TED conducted a share split of 100 shares for one (1) share, effective September 30, 2013, and adopted a unit share system with 100 shares per unit, effective October 1, 2013.

Note: Figures for dividends per share in the graph to the right reflect amounts after the stock split (100 shares for one) on October 1, 2013.

Dividend per share (Yen)/Payout ratio (%)



Electronic Components Business

Segment Business Results for the Fiscal Year Ended March 2014

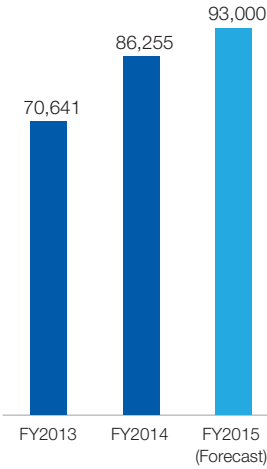
The Electronic Components Business segment grew steadily overall centered on general-purpose ICs, and boosted by higher demand for components for industrial equipment, the introduction of new products, and rising demand in China and Asia for car navigation systems and other in-vehicle electronics. As a result, segment net sales amounted to ¥86,255 million (+22.1% YoY). In terms of earnings, however, ordinary income for the segment declined 94.1% from a year earlier to ¥9 million as a result of a change in the sales mix and a foreign exchange loss, along with the recording of losses for the unrecoverable portion of purchase allowance receivables denominated in foreign currencies, and defects in certain in-house developed products.

Forecasts and Policies for the Fiscal Year Ending March 2015

For fiscal 2014 (ending March 2015), we are forecasting net sales of ¥93.0 billion (+7.8% YoY), and will focus on the following five business policies.

- Expand the product lineup
- Pursue measures in the environment and energy efficiency fields
- Expand overseas business
- Develop new products and establish new sales channels
- Expand the range of in-house (inrevium brand) products

Electronic Components Business Net Sales (Millions of yen)



Support Structure

● Advanced technology support

TED assigns dedicated engineers (FAEs) for each product we handle, providing advanced technical support for customers' (appliance and electronics makers) product development from the planning stage through mass production, including technical explanations and design support, as well as verifications when defects occur.

We also hold technology seminars for our customers' development engineers on such topics as development tools and design methods, providing a support structure that allows for efficiency in new product design.



● Consistent customer support

TED maintains sales offices near the development and production centers of its clients, providing timely and comprehensive support for product inquiries, proposals to resolve problems, and procurement for development and mass production.

Products for a Wide Range of Applications

TED sells products for a wide range of applications in the broad variety of end products offered by our customers, mainly to major appliance and electronics manufacturers.

In the fiscal year ended March 2014, in the industrial equipment field, domestic demand rose steadily for factory automation equipment and medical devices, with sales up 23% year on year, and a sales component ratio of 35%. In the automotive equipment field, the sales component ratio increased five percentage points to 14%, with sales up 83% from a year earlier on greater demand overseas.

Suppliers Primarily Leading Semiconductor Manufacturers

TED handles products from the world's leading semiconductor manufacturers, with high market shares in each field.

In the fiscal year ended March 2014, sales increased in all product categories, with particularly strong gains in general purpose ICs (+40% YoY) on expansion of commercial rights, and in memory ICs (+44%) as a result of new products (FRAM, SRAM). Sales of optical components rose 19% and customer ICs 12% on broader demand for industrial equipment.

Sales Component Ratio by Product Category

FY2013	FY2014	Main products		Main suppliers	Profile of suppliers
27%	31%	General purpose ICs	Analog ICs	Texas Instruments Linear Technology	 Manufacturer specializing in high performance analog ICs
19%	17%	Specialized ICs	ICs for DLP ICs for image correction Communication	Texas Instruments Pixelworks Cypress Semiconductor	 Supplier of a wide range of products, including DSPs and analog ICs
17%	15%	Custom ICs	PLD ASIC	Xilinx Fujitsu Semiconductor	 ALL PROGRAMMABLE. Leading PLD company
13%	12%	Microprocessors	Microprocessors DSP	Freescale Semiconductor Texas Instruments Intel	 World's largest manufacturer of automotive and communications ICs
7%	7%	Optical components	LED Photo couplers	Avago Technologies	 Optical component pioneer with its former years as part of Hewlett-Packard
4%	5%	Memory ICs	FRAM SRAM Flash Memories	Cypress Semiconductor IDT Spansion	 Leading manufacturer of USB technologies, supplying a wide range of products
13%	13%	Electronic components, etc.	OS Power supplies Evaluation boards	Microsoft Cosel inrevium	 Microsoft's OS for embedded device

Sales Component Ratio by Application

FY2013	FY2014	Main applications		Main customers
35%	35%	Industrial equipment	Medical equipment, semiconductor testing devices, robots, measuring equipment	OKI Toshiba Panasonic Hitachi
23%	22%	Computer and peripherals	Multifunctional printers, PCs and peripheral devices, projectors and POS terminals	Toshiba NEC Panasonic Fuji Xerox
16%	15%	Consumer appliances	Flat screen TVs, digital cameras, AV equipment, DVDs and major home appliances	Alps Electric Toshiba Panasonic Mitsubishi Electric
17%	14%	Communications equipment	base stations, smartphones and transmission equipment	NEC Panasonic Hitachi Fujitsu
9%	14%	Automotive equipment	Car navigation systems and car audio equipment	Alps Electric Panasonic Hitachi Mitsubishi Electric

Note: Major customers are indicated with abbreviated group names, arranged in order of Japanese syllabary.

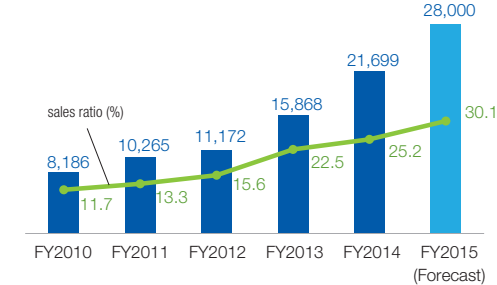
Strengthening the Overseas and inrevium Businesses

● Overseas business

Overseas logistics (transfer business) is increasing as Japanese companies shift production overseas.

Under such conditions, TED APAC, our consolidated subsidiary handling sales in China and the Asian region, reported sales of ¥21,699 million (+36.7% YoY) in the fiscal year ended March 2014. This represented 25.2% of the ¥86,255 million in total sales in the Electronic Components Business segment. For the fiscal year ending March 2015, we are forecasting overseas sales of ¥28.0 billion, with a sales component ratio of 30.1%.

Consolidated Overseas Subsidiaries' Net Sales
(Millions of yen)

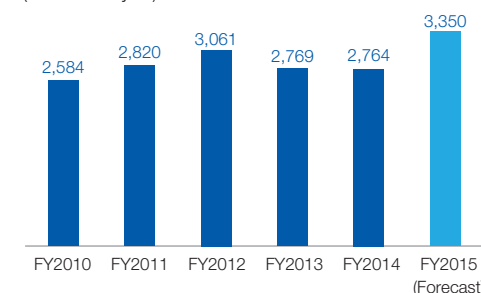


● inrevium brand business

TED utilizes the technology and marketing capabilities it acquired in the semiconductor trading company business to plan and develop semiconductors (in-house brand products) and provide commissioned design services under the inrevium brand.

The inrevium business, combining sales of in-house products and design services, posted sales of ¥2,764 million (-0.2% YoY) in the fiscal year ended March 2014. For the fiscal year ending March 2015, we are forecasting inrevium brand sales of ¥3,350 million.

Inrevium' Net Sales
(Millions of yen)



● Synergies between the overseas and inrevium businesses

The focus of both the overseas and inrevium business has been on Japan and the Asian region, but we are now stepping up activities in North America as well.

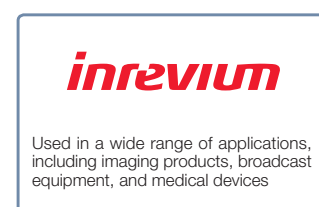
As part of this effort, in January 2014 we established inrevium AMERICA, Inc. to handle the transfer business for Japanese customers, design and development proposals, and product sales of in-house brands to local manufacturers. In March 2014 we concluded a capital tie-up with the design services and consulting firm Fidus Systems, Inc., establishing a structure to provide customers in North America with design services through collaboration with inrevium AMERICA. In addition, collaboration between Fidus System, Inc. and TED's design and development center will allow both companies to complement each other in specialized fields, supporting a wide range of design services, and the development of next-generation in-house products.



Expand the coverage area



Strengthen technology capabilities



Topics

● Automotive in-vehicle devices

Semiconductor demand is increasing in the automotive industry with the growing use of electronics and IT in cars. TED considers the business for automotive in-vehicle devices to be a priority field.

Quality control and technology support for in-vehicle electronics is extremely important to ensuring the industry maintains the highest standards of safety and reliability.

TED works closely with semiconductor manufacturers to provide continual support to ensure efficient development for its automaker customers.

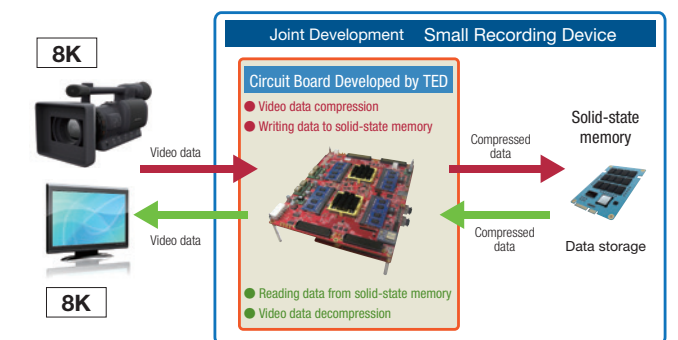


● Development example: Small recording device for 8K Super Hi-Vision cameras

8K Super Hi-Vision is an ultra high-presence system for next-generation television, featuring high definition images with resolution 16 times that of the current hi-vision format, and 22.2 channel sound.

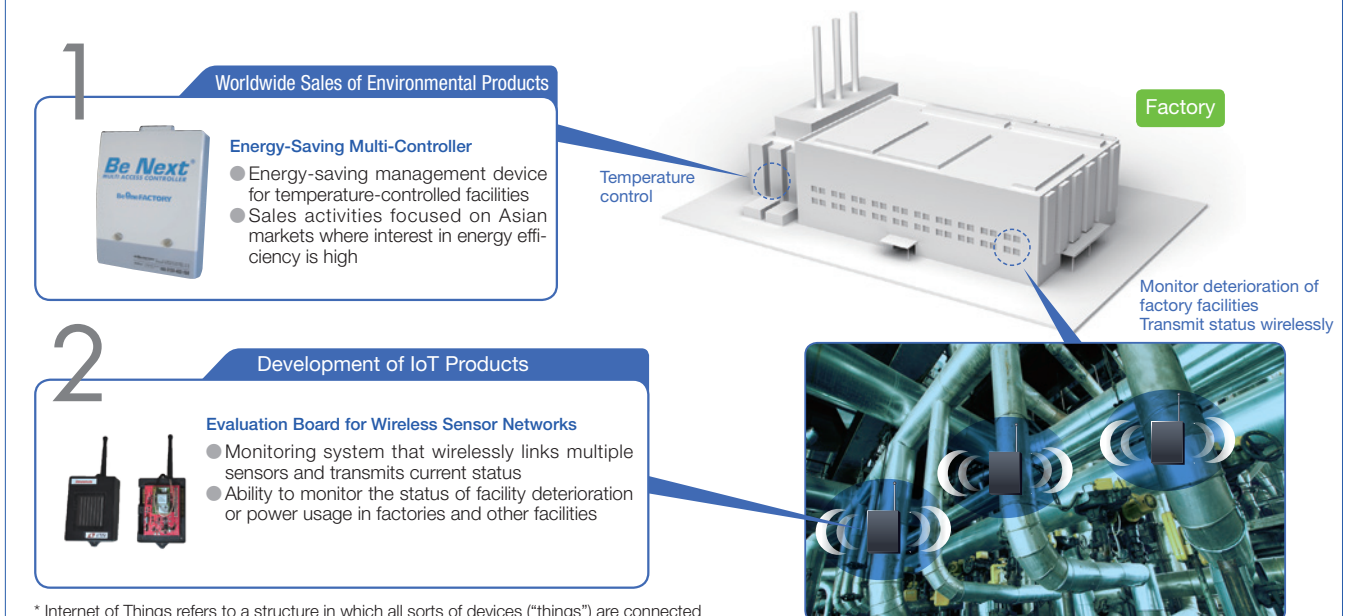
Because of the enormous amount of video data taken with an 8K Super Hi-Vision camera, the essential points for data recording include technology for compression and decompression while maintaining high image quality, as well as technology for rapid reading and writing on recording devices.

TED is conducting joint development with NHK Science & Technology Research Laboratories in this leading-edge technology field.



New businesses

TED works to develop new markets in order to expand the scope of its business, and is currently focusing efforts on growth fields such as the environmental business and the "Internet of Things" (IoT). In the environmental field, with rising prices for natural resources driving greater interest in energy conservation, we are concentrating on the development and sale of optimal products for the Asian region, where we anticipate demand for investment in production equipment. In the highly promising IoT field, we are concentrating our technology and expertise toward developing in-house brand products that will be utilized in the IoT era.



* Internet of Things refers to a structure in which all sorts of devices ("things") are connected to the internet, not just computers.

Computer Networks Business

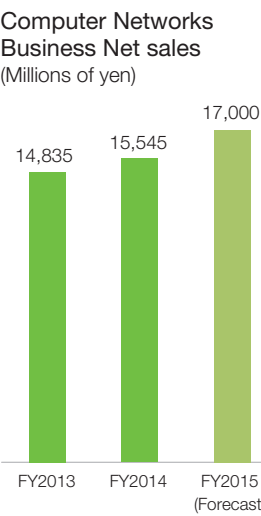
Segment Business Results for the Fiscal Year Ended March 2014

The Computer Networks Business segment grew steadily on sales of new products for cloud computing, with segment sales amounting to ¥15,545 million (+4.8% YoY). In terms of earnings, however, ordinary income for the segment fell 9.5% from a year earlier to ¥1,030 million as a result of an overall decline in profitability in the maintenance business.

Forecasts and Policies for the Fiscal Year Ending March 2015

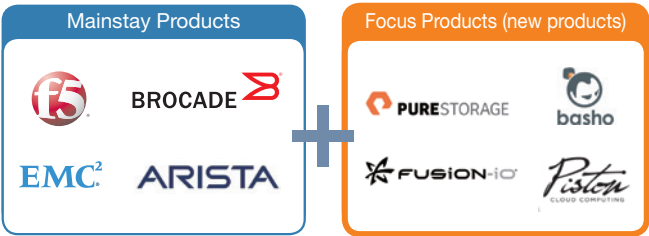
For fiscal 2014 (ending March 2015), we are forecasting net sales of ¥17.0 billion (+8.6% YoY), and will focus on the following three business policies.

- Expand the product lineup
- Pursue measures to provide comprehensive solutions
- Enter new business fields such as data services



New Cloud-related Products for Data Centers

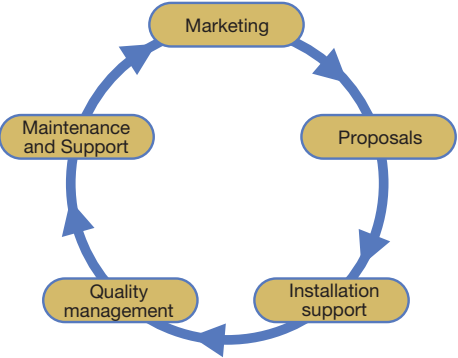
Investment for cloud-related technologies is rising, and expected to grow further. Considering this market environment, TED is focusing on development and sale of exceptional new products for the cloud computing field. We are combining our focus products (new products) and mainstay products to concentrate on sales to data center operators and other companies with broad needs for cloud devices.



Comprehensive Solutions from Marketing to Maintenance Support

TED maintains a marketing office in Silicon Valley in the United States in order to bring cutting-edge and unique IT products to the Japanese market as quickly as possible. Our expert sales and engineering personnel collaborate to offer newly discovered products to customers, and assist with implementation.

We also provide quality control and post-introduction maintenance support, creating a structure to offer comprehensive service for the introduction of the latest IT products.



Entry into the Data Services Field – Meal Planning App “Ohganic”

“Ohganic” is a free app that suggests nutritious and well-balanced meals that meet pre-set conditions such as calories, cooking time, allergies, and preventing illnesses. In the fiscal year ended March 2014 we launched an Android version, increased the number of menu items to three million, and expanded the functionality to include parameters such as illness prevention. As of July 2014, the app had more than 50,000 registered users.

“Ohganic” utilizes technologies that run on data processing engines and service operation and management systems. We are utilizing these technologies to enter the data services field, and develop it as a B2B business.

The “Ohganic” menu planning app allows anyone to easily create healthy meals

Set Goals and Conditions

- ✓ Less than 600 kcal
- ✓ Cooking time within 30 minutes
- ✓ Dislike carrots
- ✓ Egg allergy
- ✓ Prevent diabetes

Suggested menu based on conditions

Confirm the nutritional balance

Nutritional balance chart showing: 食物繊維 (Food Fiber), 炭水化物 (Carbohydrates), タンパク質 (Protein), 糖質 (Sugars), カルシウム (Calcium), 鉄分 (Iron).

Lineup Centered on Highly Specialized Products

TED handles innovative and highly specialized network and storage devices.

In the fiscal year ended March 2014, revenue from storage products rose 12.5% year on year on positive sales to data center operators, with software sales up 14.3%. However, revenue from network products declined 1.1% as a result of declines in the maintenance business, offsetting gains in product sales.

Sales Component Ratio by Product Category		Main products		Main suppliers	Profile of suppliers
FY2013	FY2014				
58%	55%	① Network products Distribution of Internet connection loads and security enhancement	Load balancing devices Firewall LAN switches	F5 Networks Juniper Networks Arista Networks	 Manufacturer of load balancing devices which allow several tens of thousands of simultaneous connections
33%	36%	② Storage products Realization of large-volume data storage and cost cutting with integration technologies	SAN switches General storages Flash storages	Brocade Communications Systems EMC Fusion-io Pure Storage	 Manufacturer of SAN Switches which optimize data processing of external storage device
9%	9%	③ Software, etc. Database management, cloud management systems	Database Virtualization software	Oracle Basho Technologies	 Top global share in database management software

Electronic Components Business

Forecast for the global semiconductor market

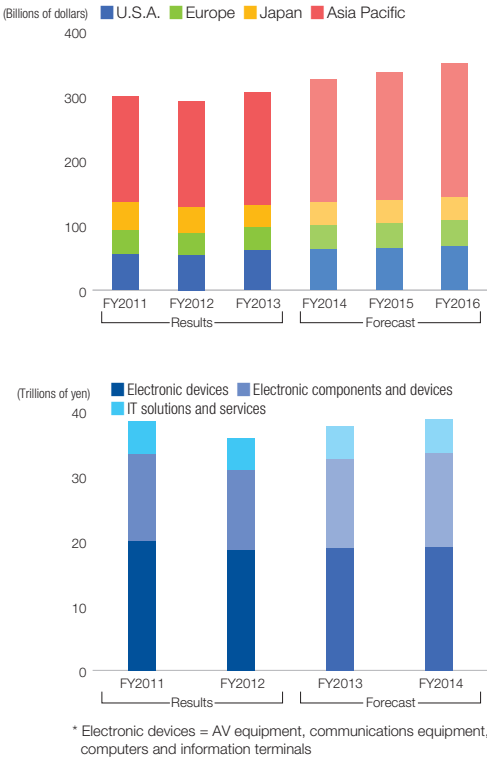
The global semiconductor market grew steadily in 2013. Despite a degree of variance among products, the semiconductor market as a whole increased 4.8% YoY (US\$14.0 billion) on a U.S. dollar basis, to US\$305.6 billion (approximately ¥29,825 billion). In 2014, the market is forecast to expand 6.5% on continued moderate economic recovery and stable growth in the electronic components market, with continued gentle expansion in 2015 (+3.3%) and 2016 (+4.3%). The average growth rate from 2013 to 2016 is forecast to be 4.7%, with the market worth US\$350.5 billion in 2016.

Source: WSTS "Semiconductor Market Forecast Spring 2014"

Forecast for global production by Japanese electronics and IT companies

The output (including overseas production) of Japanese electronics and IT companies in 2013 amounted to ¥37,705.9 billion (+5% YoY), the first year of positive growth in three years. Further increases are forecast for 2014 to ¥38,786.4 billion (+3%), on the assumption of increases in electronic components and devices in line with growth in personal mobile devices and the automotive industry, and expansion in IT solutions and services.

Source: JEITA "Production Forecasts for the Global Electronics and Information Technology Industries"



Computer Networks Business

Forecast for the Japanese cloud services market

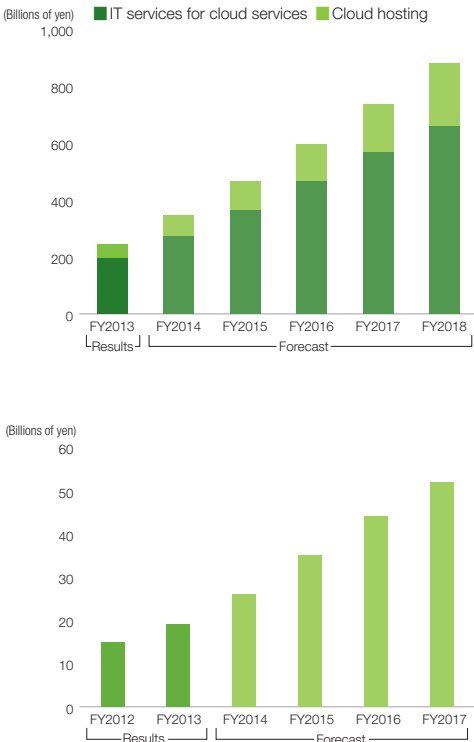
The IT market for cloud services in Japan in 2013 amounted to ¥202.4 billion (+37.8% YoY), and is expected to expand to ¥663.6 billion by 2018. This market is defined as total of "IT services for cloud services" that provide personnel-based services built on the knowledge of vendors, and "cloud hosting" such as IaaS services and hosted private clouds. The Japanese IT services market is growing steadily as a result of the country's economic expansion and large-scale projects for financial institutions and government agencies, but there is a strong tendency to curb investment in existing system areas, with a growing presence for cloud services to promote IT efficiency.

Source: IDC Japan news releases — Jun 23, 2014
"Announcement of Forecast for the Japanese Cloud Services Market"

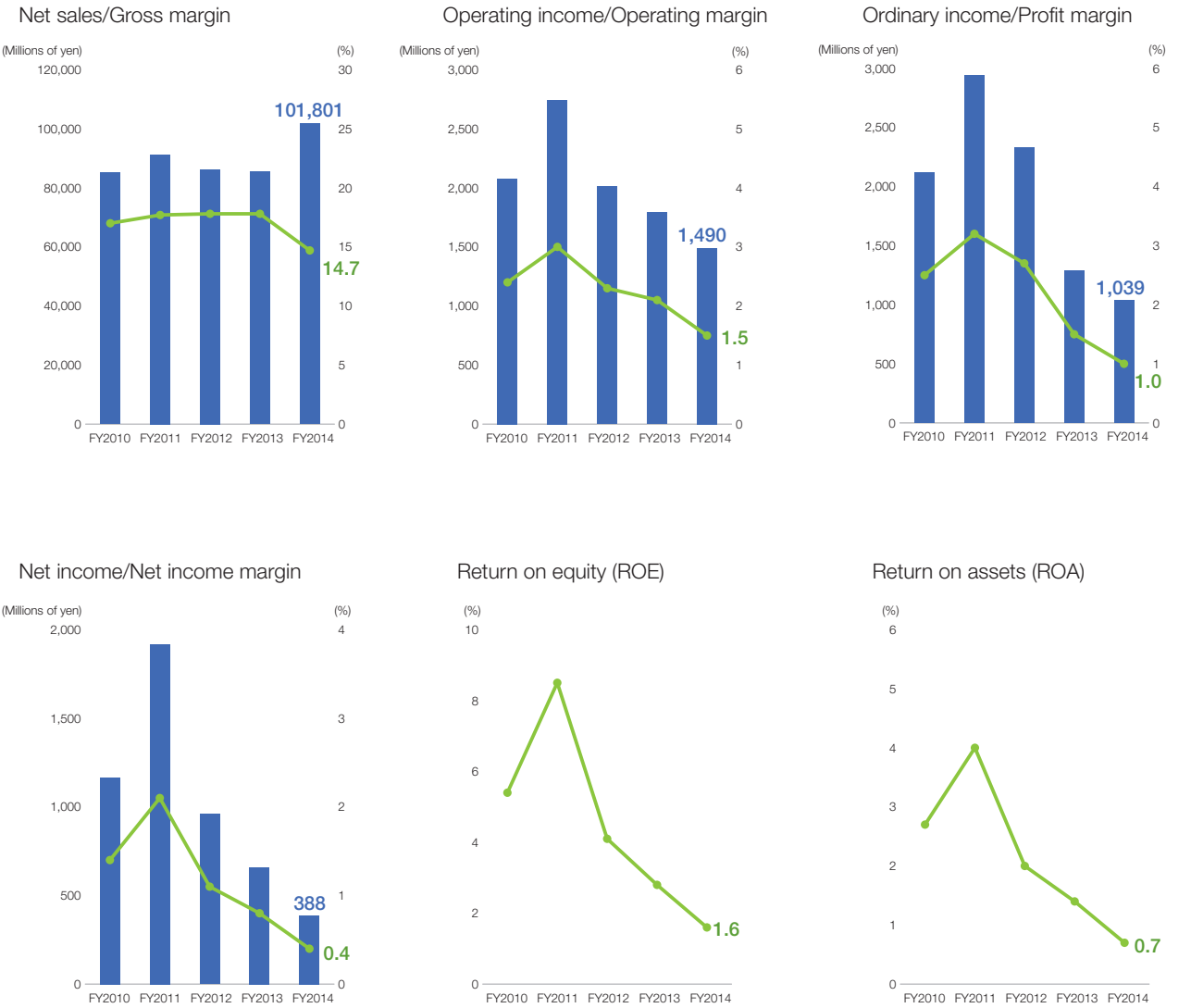
Forecast for the Japanese cloud storage market

Investment in storage infrastructure for both public and private clouds began in earnest in 2013, driving strong growth in Japan's cloud storage market. Total expenditures for cloud storage in Japan is forecast to be ¥19,490 million (+35.6% YoY). The average annual growth rate for spending from 2012 to 2017 is expected to be 29.7%, with expenditures reaching ¥52,478 million in 2017.

Source: IDC Japan news release — March 25, 2014
"Announcement of Forecast for the Japanese Cloud Storage Market"



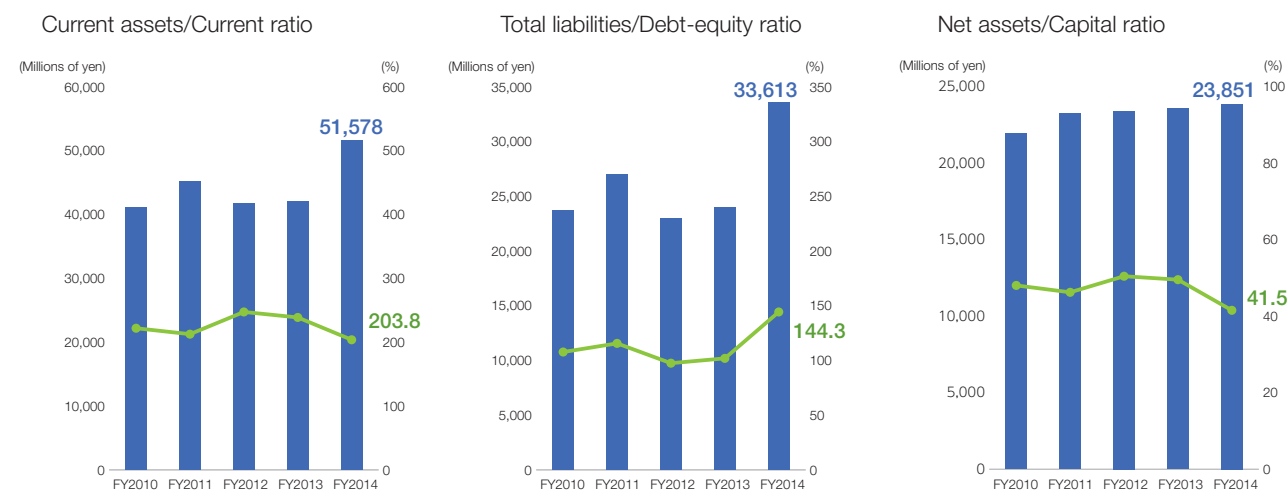
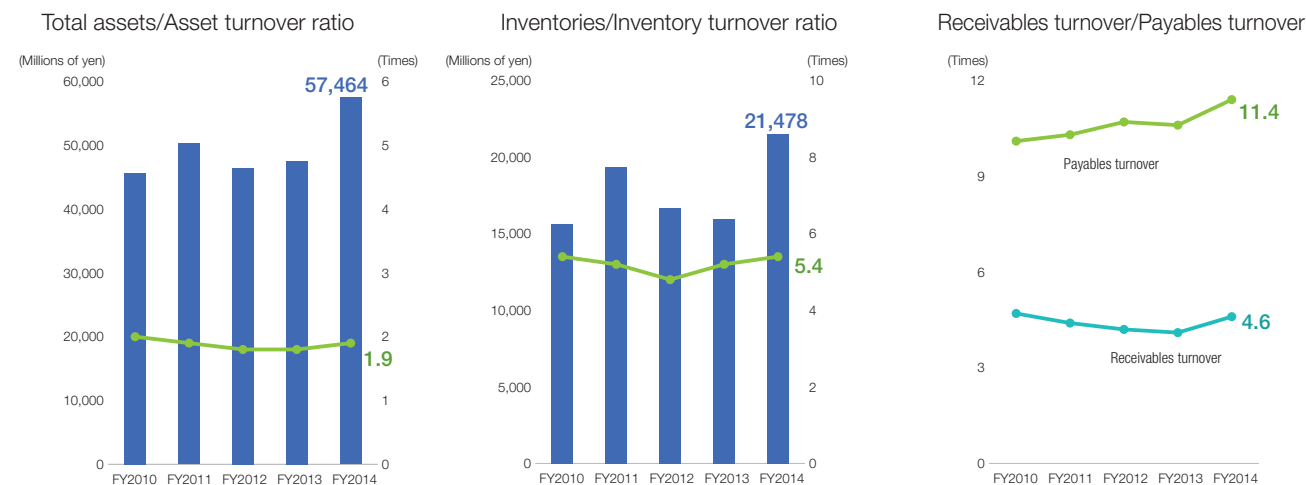
Profitability



	FY2010	FY2011	FY2012	FY2013	FY2014
Net sales (Millions of yen)	85,145	91,315	86,300	85,477	101,801
Gross margin (%) ^{*1}	17.0	17.7	17.8	17.8	14.7
Operating income (Millions of yen)	2,079	2,745	2,011	1,790	1,490
Operating margin (%) ^{*2}	2.4	3.0	2.3	2.1	1.5
Ordinary income (Millions of yen)	2,117	2,941	2,332	1,292	1,039
Profit margin (%) ^{*3}	2.5	3.2	2.7	1.5	1.0
Net income (Millions of yen)	1,166	1,918	960	658	388
Net income margin (%) ^{*4}	1.4	2.1	1.1	0.8	0.4
Return on equity (ROE: %) ^{*5}	5.4	8.5	4.1	2.8	1.6
Return on assets (ROA: %) ^{*6}	2.7	4.0	2.0	1.4	0.7

^{*1}. Gross margin = Gross operating profit / Net sales
^{*2}. Operating margin = Operating income / Net sales
^{*3}. Profit margin = Ordinary income / Net sales
^{*4}. Net income margin = Net income / Net sales
^{*5}. Return on equity (ROE) = Net income / Average shareholders' equity at the beginning and end of the term
^{*6}. Return on assets (ROA) = Net income / Average total assets at the beginning and end of the term

Efficiency, Safety



	FY2010	FY2011	FY2012	FY2013	FY2014
Total assets (Millions of yen)	45,649	50,254	46,391	47,557	57,464
Asset turnover ratio (Times) ^{*1}	2.0	1.9	1.8	1.8	1.9
Inventories (Millions of yen)	15,636	19,347	16,681	15,983	21,478
Inventory turnover ratio (Times) ^{*2}	5.4	5.2	4.8	5.2	5.4
Receivables turnover (Times) ^{*3}	4.7	4.4	4.2	4.1	4.6
Payables turnover (Times) ^{*4}	10.1	10.3	10.7	10.6	11.4
Current assets (Millions of yen)	41,136	45,251	41,770	42,082	51,578
Current ratio (%) ^{*5}	221.9	212.6	247.4	238.8	203.8
Total liabilities (Millions of yen)	23,737	27,034	23,009	24,012	33,613
Debt-equity ratio (%) ^{*6}	107.7	115.6	97.5	101.9	144.3
Net assets (Millions of yen)	21,911	23,220	23,381	23,544	23,851
Capital ratio (%) ^{*7}	48.0	46.2	50.4	49.5	41.5

*1. Asset turnover ratio = Net sales / Average total assets at the beginning and end of the term

*2. Inventory turnover ratio = Net sales / Average inventories at the beginning and end of the term

*3. Receivables turnover = Net sales / Average notes and accounts receivable at the beginning and end of the term

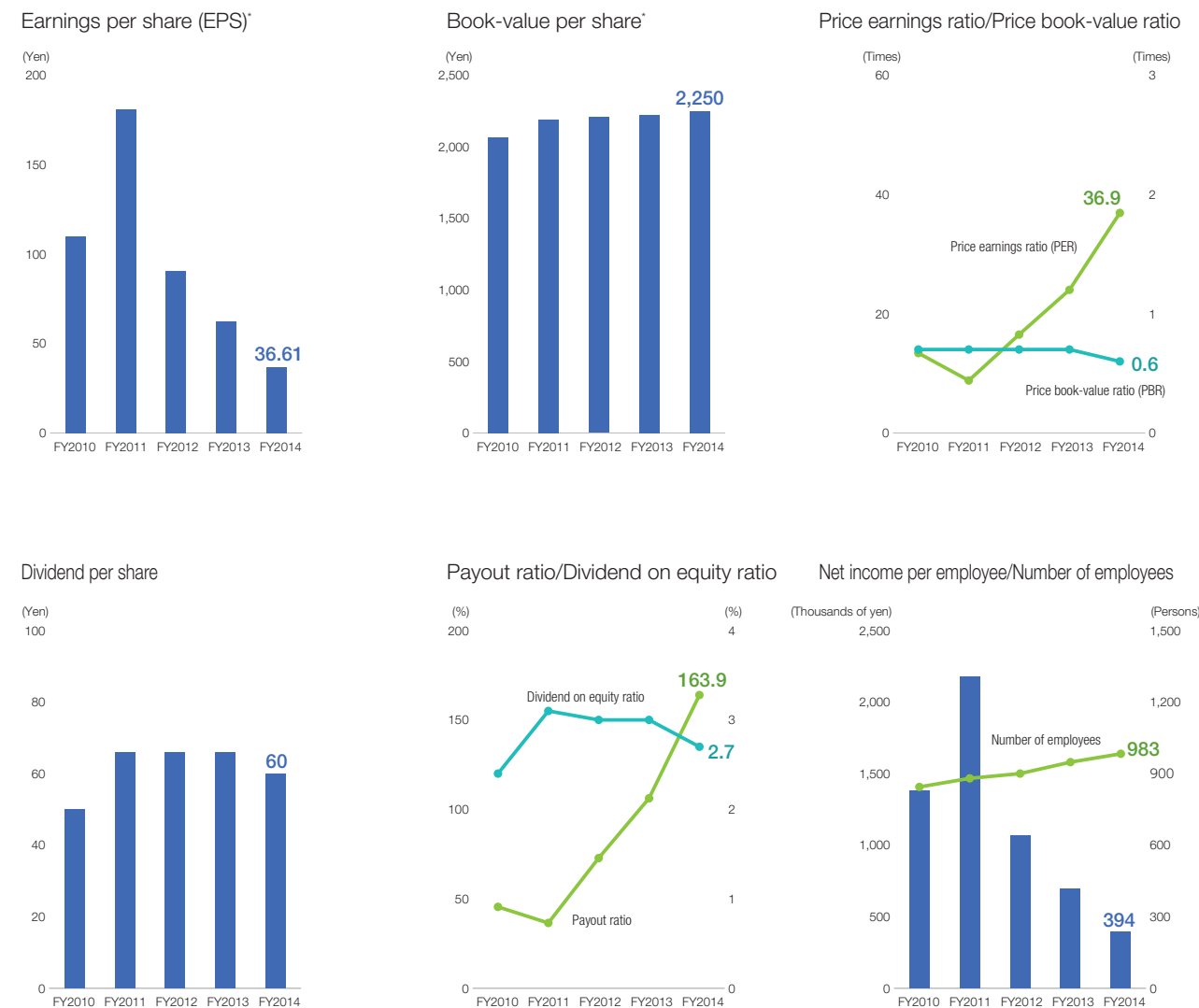
*4. Payables turnover = Cost of sales / Average accounts payable at the beginning and end of the term

*5. Current ratio = Current assets / Current liabilities

*6. Debt-equity ratio = Liabilities / Shareholders' equity

*7. Capital ratio = Net assets / Total assets

Per Share Data and Others



Note: Per-share figures in the above graphs reflect amounts after the stock split (100 shares for one) on October 1, 2013.

	FY2010	FY2011	FY2012	FY2013	FY2014
Earnings per share (EPS: Yen) ^{*1}	11,000	18,095	9,064	6,213	36.61
Book-value per share (Yen) ^{*2}	206,711	219,063	220,584	222,118	2,250
Price earnings ratio (PER: Times) ^{*3}	13.4	8.8	16.5	24.0	36.9
Price book-value ratio (PBR: Times) ^{*4}	0.7	0.7	0.7	0.7	0.6
Dividend per share (Yen) ^{*5}	5,000	6,600	6,600	6,600	60
Number of shares issued (Thousands of shares)	106	106	106	106	10,600
Payout ratio (%) ^{*6}	45.5	36.5	72.8	106.2	163.9
Dividend on equity ratio (%) ^{*7}	2.4	3.1	3.0	3.0	2.7
Net income per employee (Thousands of yen) ^{*8}	1,381	2,179	1,067	694	394
Number of employees (Persons)	844	880	900	948	983

*1. Earnings per share (EPS) = Net income / Average number of shares issued in the term

*2. Book-value per share = Net assets at the end of the term / Number of shares issued at the end of the term

*3. Price earnings ratio (PER) = Share price at the end of the term / Net income per share

*4. Price book-value ratio (PBR) = Share price at the end of the term / Net assets per share

*5. Dividend per share = Paid interim dividend and year-end dividend / Number of shares issued

*6. Payout ratio = Paid interim dividend and year-end dividend / Net income

*7. Dividend on equity ratio = Total dividend / Average of net assets at the beginning and end of the term

*8. Net income per employee = Net income / Number of employees at the end of the term

Consolidated Financial Statements

Consolidated Balance Sheet

(Millions of yen)

Account	FY2013 (as of March 31, 2013)	FY2014 (as of March 31, 2014)
Assets		
Current assets	42,082	51,578
Cash and deposits	1,141	1,285
Notes and accounts receivable	21,099	22,994
Merchandise and finished goods	15,897	21,449
Goods in process	86	28
Deferred tax assets	613	456
Others	3,382	5,364
Allowance for doubtful accounts	(137)	(2)
Non-current assets	5,474	5,886
Property, plant and equipment	1,131	989
Buildings and structures, net	832	737
Machinery and equipment, net	251	247
Leased assets, net	6	2
Construction in progress	40	1
Intangible fixed assets	988	1,349
Goodwill	411	308
Others	577	1,041
Investments and other assets	3,354	3,547
Net defined benefit assets	—	829
Deferred tax assets	2,010	1,810
Others	1,354	917
Allowance for doubtful accounts	(10)	(10)
1 Total assets	47,557	57,464

Note: The above amounts are rounded down to the nearest million yen.

1 Assets

Total assets amounted to ¥57,464 million, an increase of ¥9,907 million from the end of previous fiscal year (March 31, 2013). This was due mainly to increases in notes and accounts receivable, and in merchandise and finished goods.

(Millions of yen)

Account	FY2013 (as of March 31, 2013)	FY2014 (as of March 31, 2014)
Liabilities		
Current liabilities	17,622	25,310
Accounts payable-trade	7,325	7,887
Short-term borrowing	3,756	11,531
Income taxes payable	486	238
Advances received	3,352	3,592
Allowance for employees bonuses	679	377
Allowance for directors bonuses	24	7
Others	1,997	1,676
Long-term liabilities	6,390	8,302
Long-term borrowing	—	2,000
Provision for retirement and severance benefits for employees	5,746	—
Provision for retirement and severance benefits for directors	163	165
Net defined benefit liability	—	5,649
Others	480	487
2 Total liabilities	24,012	33,613
Net assets		
Shareholders' equity	23,567	23,288
Capital stock	2,495	2,495
Capital surplus	5,645	5,645
Retained earnings	15,426	15,147
Accumulated other comprehensive income	(23)	563
Valuation difference on available-for-sale securities	28	(0)
Deferred hedge gains or losses	(53)	(16)
Foreign exchange adjustment	1	105
Remeasurements of defined benefit plans	—	475
3 Total net assets	23,544	23,851
Total liabilities and net assets	47,557	57,464

Note: The above amounts are rounded down to the nearest million yen.

2 Liabilities

Total liabilities amounted to ¥33,613 million, an increase of ¥9,601 million from the end of the previous fiscal year. This was due mainly to increases in short-term borrowing, and long-term debt.

3 Net assets

Total net assets amounted to ¥23,851 million, an increase of ¥306 million from the end of the previous fiscal year.

Consolidated Statement of Income

(Millions of yen)

Account	FY2013 From April 1, 2012 to March 31, 2013	FY2014 From April 1, 2013 to March 31, 2014
Net sales	85,477	101,801
Cost of sales	70,236	86,865
Gross profit	15,241	14,935
Selling, general and administrative expenses	13,450	13,444
Operating income	1,790	1,490
Non-operating income	52	75
Dividends income	—	12
Insurance income	—	14
Dividends income of insurance	13	32
Others	39	15
Non-operating expenses	550	526
Foreign currency losses	486	445
Others	63	81
Ordinary income	1,292	1,039
Extraordinary losses	9	317
Loss from disposal of fixed assets	8	9
Loss on valuation of investment securities	—	307
Others	0	—
Income before income taxes	1,283	722
Income, taxes, current	628	248
Income, taxes, deferred	(3)	85
Income before minority interests	658	388
Net income	658	388

Note: The above amounts are rounded down to the nearest million yen.

Consolidated Statement of Comprehensive Income

(Millions of yen)

Account	FY2013 From April 1, 2012 to March 31, 2013	FY2014 From April 1, 2013 to March 31, 2014
Income before minority interests	658	388
Other comprehensive income	203	111
Valuation difference on available-for-sale securities	28	(29)
Deferred hedge gains or losses	42	37
Foreign exchange adjustment	132	103
Comprehensive income	862	499
Comprehensive income attributable to owners of the parent	862	499
Comprehensive income attributable to minority interests	—	—

Note: The above amounts are rounded down to the nearest million yen.

Consolidated Statement of Cash Flows

(Millions of yen)

Account	FY2013 From April 1, 2012 to March 31, 2013	FY2014 From April 1, 2013 to March 31, 2014
4 Cash flow from operating activities	3,375	(7,664)
5 Cash flow from investing activities	(1,919)	(1,086)
6 Cash flow from financing activities	(1,587)	8,879
Effect of exchange rate changes on cash and cash equivalents	7	16
Net increase (decrease) in cash and cash equivalents	(123)	144
Cash and cash equivalents at beginning of year	1,264	1,141
Cash and cash equivalents at end of year	1,141	1,285

Note: The above amounts are rounded down to the nearest million yen.

4 Cash flow from operating activities

Net cash used in operating activities amounted to ¥7,664 million (compared to ¥3,375 million in cash provided in the previous fiscal year). This was due mainly to an increase in inventories, and an increase in receivables.

5 Cash flow from investing activities

Net cash used in investing activities amounted to ¥1,086 million (compared to ¥1,919 million in cash used in the previous fiscal year). This was due mainly to expenditures for software purchases, and acquisition of shares in affiliates.

6 Cash flow from financing activities

Net cash provided by financing activities amounted to ¥8,879 million (compared to ¥1,587 million in cash provided in the previous fiscal year). This was due mainly to increases in short-term borrowings and long-term debt.

Corporate Profile (As of March 31, 2014)

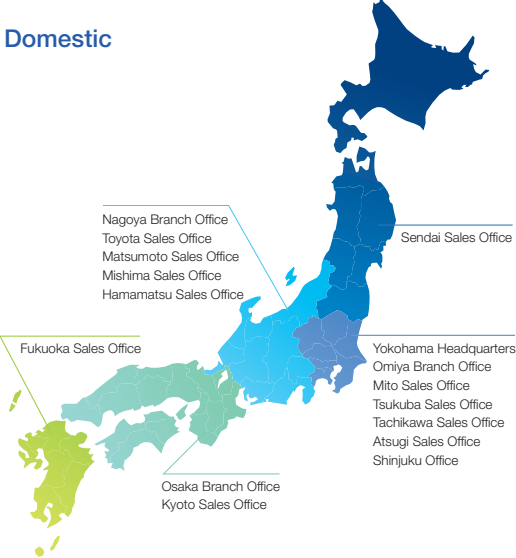
Company Name:	TOKYO ELECTRON DEVICE LIMITED
Established:	March 3, 1986
Capital:	¥2,495.75 million
Employees:	983(consolidated)
World Headquarters:	1-4, Kinko-cho, Kanagawa-ku, Yokohama City, Kanagawa 221-0056, Japan
Group Company:	PAN ELECTRON LIMITED TOKYO ELECTRON DEVICE ASIA PACIFIC LIMITED TOKYO ELECTRON DEVICE (SHANGHAI) LIMITED TOKYO ELECTRON DEVICE SINGAPORE PTE, LTD. inrevium AMERICA, INC. SHANGHAI inrevium SOLUTIONS LIMITED WUXI inrevium SOLUTIONS LIMITED



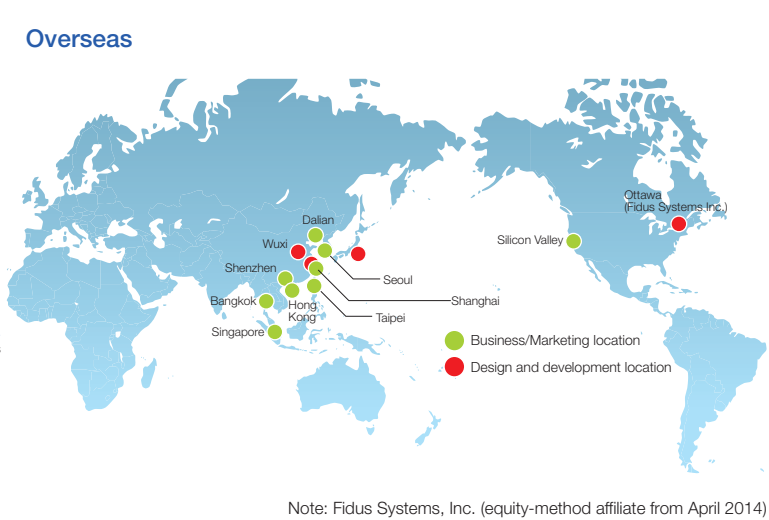
Headquarters

Business Locations (As of July 1, 2014)

Domestic



Overseas



Note: Fidus Systems, Inc. (equity-method affiliate from April 2014)

Officers (As of June 18, 2014)

Corporate Director

Chairman of the Board	Toshiaki Sunagawa
President & Representative Director	Yasuyuki Kuriki
Senior Executive Vice President & Representative Director	Noriyuki Kuga
Corporate Director	Katsuyuki Amano
Corporate Director	Atsushi Tokushige
Corporate Director	Yasuo Hatsumi
Corporate Director	Akihiro Kamikogawa
Corporate Director (Part-time)	Tetsuo Tsuneishi
External Director	Kunio Ishikawa
External Director	Hisayoshi Fuwa

Audit & Supervisory Board Member

Standing Corporate Auditor	Hiroshi Takei
Standing Corporate Auditor	Takashi Nakamura
External Statutory Auditor	Kenichiro Hayashida
External Statutory Auditor	Hisami Fukumori

Vice Presidents

Yasuyuki Kuriki
Noriyuki Kuga
Katsuyuki Amano
Atsushi Tokushige
Yasuo Hatsumi
Akihiro Kamikogawa
Hideki Hayashi
Masunori Asano
Yoshinao Jozen
Masami Hasegawa

Stock Information (As of March 31, 2014)

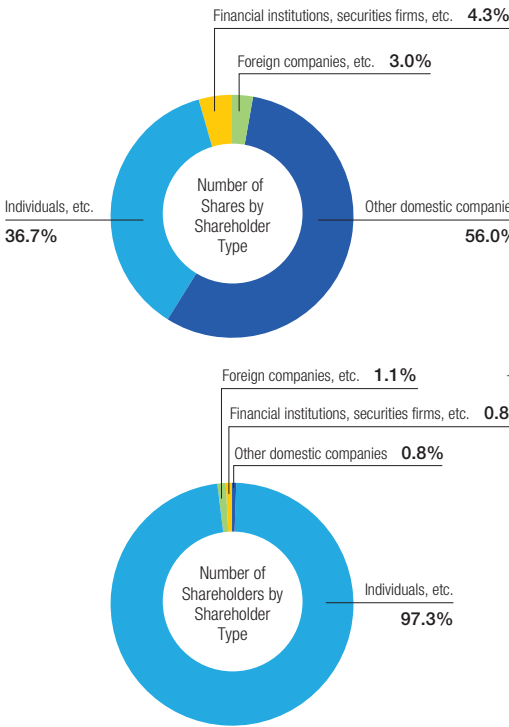
Shares of the Company

Securities code	2760
Number of authorized shares	25,600,000 shares
Number of issued shares	10,600,000 shares
Number of shareholders	5,303 shareholders
Trading unit	100 shares

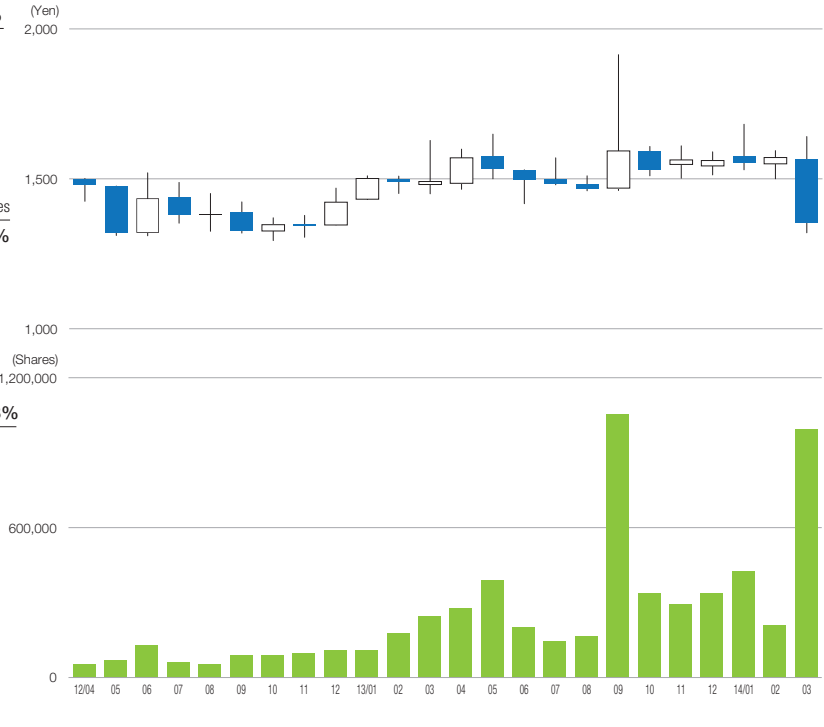
Major Shareholders

Shareholders	Number of shares held	Shareholding ratio
Tokyo Electron Limited	5,875,300	55.4
Tokyo Electron Device Employee Shareholder Association	487,579	4.6
Japan Trustee Services Bank, Ltd (Trust Account)	87,800	0.8
JPMCB:CREDIT SUISSE SECURITIES EUROPE-JPY	49,000	0.5
CGML PB CLIENT ACCOUNT/COLLATERAL	45,000	0.4

Distribution of Shares



Stock Price and Trading Volume



Corporate Governance

Amid the current demands for effective corporate governance, TED places the highest priority on ensuring fairness in management in order to further enhance management transparency toward all shareholders and stakeholders. As part of this effort, we have newly appointed several outside directors, establishing a structure that reflects management from an objective, external perspective.

Our internal control system comprises the core Internal Control Committee, which establishes and manages the overall internal control system, along with the Ethics Committee responsible for compliance systems, the Risk Management Committee responsible for risk management systems, and the Information Security Committee in charge of information storage and management systems.

In addition, the Board of Corporate Auditors advises the Board of Directors, and monitors the Internal Control Committee.

Corporate Internal Control Systems

