

# Summary of Consolidated Financial Results For The First Quarter Ended June 30, 2017 [Japanese GAAP]

July 26, 2017

Company name: TOKYO ELECTRON DEVICE LIMITED  
 Stock exchange listing: Tokyo Stock Exchange 1st Section (Code 2760)  
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(Amounts are rounded down to the nearest million yen.)

## 1. Consolidated Financial Highlights for the First Quarter Ended June 30, 2017 (April 1, 2017 to June 30, 2017)

### (1) Consolidated Operating Results (cumulative)

(% indicates changes from the same period of previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
The First Quarter ended June 30, 2017	35,389	20.4	425	–	430	471.2	293	352.5
The First Quarter ended June 30, 2016	29,387	3.4	(62)	–	75	(86.8)	64	(82.4)

(Note) Comprehensive income: The First Quarter ended June 30, 2017 199 million yen [198.8%]  
 The First Quarter ended June 30, 2016 66 million yen [(81.4)%]

	Basic net income per share	Diluted net income per share
	Yen	Yen
The First Quarter ended June 30, 2017	29.16	–
The First Quarter ended June 30, 2016	6.48	–

### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2017	73,659	22,843	31.0
As of March 31, 2017	73,708	22,928	31.1

(Reference) Equity: As of June 30, 2017 22,840 million yen As of March 31, 2017 22,925 million yen

## 2. Dividends

	Annual dividends per share				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2017	–	30.00	–	30.00	60.00
Fiscal year ending March 31, 2018	–				
Fiscal year ending March 31, 2018 (Forecast)		30.00	–	30.00	60.00

(Note) Revision of dividends forecast: None

### 3. Consolidated Financial Forecasts for the Fiscal Year Ending March 31, 2018 (April 1, 2017 to March 31, 2018)

(% indicates changes from the same period of previous fiscal year.)

	Net sales		Ordinary income		Net income attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2017 (cumulative)	71,000	17.9	600	90.1	400	71.5	39.71
Fiscal year ending March 31, 2018	140,000	6.2	1,500	8.9	1,000	2.9	99.27

(Note) Revision of financial forecasts: Yes

#### \*Notes

- (1) Changes of significant subsidiaries during the period : None
- (2) Changes in accounting policies, accounting estimates, and restatements
  - 1) Changes due to revision of accounting standards : None
  - 2) Changes in accounting standards other than 1) : None
  - 3) Changes in accounting estimates : None
  - 4) Restatements : None
- (3) Number of shares outstanding (common stock)
  - 1) Number of shares outstanding at the end of the period (including treasury stock):
 

June 30, 2017	10,445,500 shares
March 31, 2017	10,445,500 shares
  - 2) Number of shares of treasury stock at the end of the period:
 

June 30, 2017	352,107 shares
March 31, 2017	371,519 shares
  - 3) Average number of shares outstanding during the period:
 

The First Quarter ended June 30, 2017	10,082,652 shares
The First Quarter ended June 30, 2016	10,030,848 shares

(Note) The Company has adopted the Directors' Compensation BIP (Board Incentive Plan) Trust and the Employee Shareholding Association ESOP (Employee Stock Ownership Plan) Trust, and has included the number of the Company's shares held by both Trusts accordingly in the number of shares of treasury stock.

\*This quarterly financial report is not subject to the review by independent auditors.

Consolidated Financial Statements and Segment Information

(1) Consolidated Balance Sheets

(Millions of yen)

	FY 2017 (As of Mar. 31, 2017)	FY 2018 (As of Jun. 30, 2017)
<b>Assets</b>		
Current assets		
Cash and deposits	2,433	2,668
Notes and accounts receivable - trade	37,809	35,450
Electronically recorded monetary claims - operating	950	1,178
Merchandise and finished goods	22,533	24,620
Other	5,040	4,866
Total current assets	68,768	68,785
Non-current assets		
Property, plant and equipment	816	785
Intangible fixed assets	431	415
Investments and other assets		
Net defined benefit asset	552	562
Other	3,153	3,123
Allowance for doubtful accounts	(12)	(12)
Total investments and other assets	3,693	3,673
Total non-current assets	4,940	4,874
Total assets	73,708	73,659
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	11,089	11,272
Short-term loans payable	14,955	14,853
Current portion of long-term loans payable	96	96
Provision for bonuses	829	400
Other	6,943	7,376
Total current liabilities	33,913	33,999
Non-current liabilities		
Long-term loans payable	9,192	9,168
Net defined benefit liability	7,138	7,176
Other	537	472
Total non-current liabilities	16,867	16,817
Total liabilities	50,780	50,816

(Millions of yen)

	FY 2017 (As of Mar. 31, 2017)	FY 2018 (As of Jun. 30, 2017)
Net assets		
Shareholders' equity		
Capital stock	2,495	2,495
Capital surplus	5,645	5,645
Retained earnings	15,262	15,243
Treasury stock	(550)	(521)
Total shareholders' equity	22,853	22,862
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	22	8
Deferred gains or losses on hedges	72	(9)
Foreign currency translation adjustment	210	205
Remeasurements of defined benefit plans	(232)	(225)
Total accumulated other comprehensive income	72	(21)
Non-controlling interests	2	2
Total net assets	22,928	22,843
Total liabilities and net assets	73,708	73,659

## (2) Consolidated Statements of Income and Comprehensive Income

## Consolidated Statements of Income

(Millions of yen)

	FY 2017 (from Apr. 1, 2016 to Jun. 30, 2016)	FY 2018 (from Apr. 1, 2017 to Jun. 30, 2017)
Net sales	29,387	35,389
Cost of sales	26,168	31,426
Gross profit	3,218	3,963
Selling, general and administrative expenses		
Salaries and allowances	1,408	1,411
Provision for bonuses	212	367
Retirement benefit expenses	204	186
Other	1,455	1,571
Total selling, general and administrative expenses	3,281	3,538
Operating income (loss)	(62)	425
Non-operating income		
Foreign exchange gains	150	39
Other	26	9
Total non-operating income	176	48
Non-operating expenses		
Interest expenses	23	32
Other	15	11
Total non-operating expenses	39	43
Ordinary income	75	430
Extraordinary income		
Gain on sales of golf memberships	0	–
Total extraordinary income	0	–
Extraordinary losses		
Loss on retirement of non-current assets	1	2
Total extraordinary losses	1	2
Net income before income taxes	75	428
Income taxes	10	134
Net income	64	293
Net income attributable to owners of parent	64	293

Consolidated Statements of Comprehensive Income

(Millions of yen)

	FY 2017 (from Apr. 1, 2016 to Jun. 30, 2016)	FY 2018 (from Apr. 1, 2017 to Jun. 30, 2017)
Net income	64	293
Other comprehensive income		
Valuation difference on available-for-sale securities	(10)	(13)
Deferred gains or losses on hedges	157	(82)
Foreign currency translation adjustment	(162)	(1)
Remeasurements of defined benefit plans, net of tax	17	6
Share of other comprehensive income of associates accounted for using equity method	(0)	(3)
Total other comprehensive income	1	(94)
Comprehensive income	66	199
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	66	199
Comprehensive income attributable to non-controlling interests	-	-

## (3) Consolidated Statements of Cash Flow

(Millions of yen)

	FY 2017 (from Apr. 1, 2016 to Jun. 30, 2016)	FY 2018 (from Apr. 1, 2017 to Jun. 30, 2017)
<b>Cash flows from operating activities</b>		
Net income before income taxes	75	428
Depreciation	116	117
Amortization of goodwill	25	–
Increase (decrease) in provision for bonuses	(488)	(428)
Increase (decrease) in net defined benefit liability	(15)	48
Interest expenses	23	32
Foreign exchange losses (gains)	(206)	(97)
Decrease (increase) in notes and accounts receivable - trade	(121)	2,125
Decrease (increase) in inventories	(531)	(2,154)
Increase (decrease) in notes and accounts payable - trade	(682)	184
Increase (decrease) in accounts payable - other	(46)	(39)
Increase (decrease) in advances received	903	1,133
Decrease (increase) in consumption taxes refund receivable	556	504
Decrease (increase) in accounts receivable - other	219	131
Decrease (increase) in prepaid expenses	(424)	(379)
Other, net	288	(321)
Subtotal	(308)	1,285
Interest and dividend income received	5	2
Interest expenses paid	(23)	(31)
Income taxes paid	(82)	(527)
Net cash provided by (used in) operating activities	(408)	729
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(44)	(15)
Purchase of intangible assets	(11)	(74)
Purchase of investment securities	–	(20)
Payments for establishment of unconsolidated subsidiaries	(33)	–
Other, net	1	(0)
Net cash provided by (used in) investing activities	(87)	(110)

(Millions of yen)

	FY 2017 (from Apr. 1, 2016 to Jun. 30, 2016)	FY 2018 (from Apr. 1, 2017 to Jun. 30, 2017)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	1,979	(88)
Repayments of long-term loans payable	(24)	(24)
Proceeds from disposal of treasury shares	30	30
Cash dividends paid	(300)	(302)
Other, net	(0)	(0)
Net cash provided by (used in) financing activities	1,685	(384)
Effect of exchange rate change on cash and cash equivalents	(69)	0
Net increase (decrease) in cash and cash equivalents	1,119	234
Cash and cash equivalents at beginning of period	2,637	2,433
Cash and cash equivalents at end of period	3,757	2,668



(4) Segment Information

I. For the Period ended June 30, 2016 (From Apr. 1, 2016 to Jun. 30, 2016)

1. Information on the amount of net sales and income (loss) by segments

(Millions of yen)

	Segments			Adjustments	Consolidated statements of income (Note)
	Electronic Components Business	Computer Networks Business	Total		
Net sales:					
Outside customers	25,649	3,738	29,387	–	29,387
Inter-segment	–	–	–	–	–
Total	25,649	3,738	29,387	–	29,387
Segment income (loss)	(8)	83	75	–	75

(Note) Total amount of segment income (loss) coincides with the ordinary income in the consolidated statements of income.

II. For the Period ended June 30, 2017 (From Apr. 1, 2017 to Jun. 30, 2017)

1. Information on the amount of net sales and income (loss) by segments

(Millions of yen)

	Segments			Adjustments	Consolidated statements of income (Note)
	Electronic Components Business	Computer Networks Business	Total		
Net sales:					
Outside customers	32,131	3,258	35,389	–	35,389
Inter-segment	–	–	–	–	–
Total	32,131	3,258	35,389	–	35,389
Segment income (loss)	389	41	430	–	430

(Note) Total amount of segment income coincides with the ordinary income in the consolidated statements of income.