



February 21, 2020

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### **Announcement of Termination of Distributor Agreement with a Major Business Partner**

TOKYO ELECTRON DEVICE LIMITED (the “Company”) hereby announces its decision to terminate the distributor agreement with its major business partner Broadcom Inc. (name of its Japanese subsidiary: Avago Technologies Japan, Ltd. Hereinafter referred to as “Broadcom Inc.” in this document), as per the following.

#### 1. Background of the termination

While engaged in the sales of various products as a sales representative of Broadcom Inc., the Company has decided to terminate the distributor agreement with the company on March 1, 2020, following changes in its distributorship policies in Japan.

#### 2. Outline of the business partner

Name	Broadcom Inc.	
Location	United States	
Business description	Design, manufacture and sales of semiconductors, electronic components, Fibre Channel switches, etc.	
Relationships between the Company and the business partner	Capital relationship	Not applicable
	Personal relationship	Not applicable
	Business relationship	Purchase and sales of the company’s products
	Status of related parties	Not applicable

#### 3. Description of transactions

1) Type of transaction: Purchase and sales of products manufactured by the company

2) Actual net sales (for the fiscal year ended March 31, 2019)

Company name	Net sales	Ratio against the Company’s consolidated net sales
Broadcom Inc.	¥16,981 million	12.0%

#### 4. Future outlook

Transactions with Broadcom Inc. are scheduled to be terminated on March 1, 2020. Details for the transfer of business, etc. will be discussed between the parties.

The termination will have no impact on the Company's financial results for the fiscal year ending March 31, 2020.

Going forward, the Company will strategically reallocate various resources, including human resources involved in the activities as a sales representative of Broadcom products, to promoting sales of its existing products, expanding business through a planned transfer of commercial rights, and introducing new products. The Company believes that this shift will greatly contribute to improving its business performance.

(Reference) Consolidated financial forecasts for the current fiscal year (announced on October 30, 2019) and consolidated financial results for the previous fiscal year

(Millions of yen)

	Net sales	Ordinary income	Net income attributable to owners of parent
Consolidated financial forecasts for the current fiscal year (Fiscal year ending March 31, 2020)	138,000	3,500	2,200
Consolidated financial results for the previous fiscal year (Fiscal year ended March 31, 2019)	141,000	3,077	2,341