

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2014 (Based on Japanese GAAP)

February 13, 2015

Company name: TOREX SEMICONDUCTOR LTD.
 Stock exchange listing: Tokyo
 Stock code: 6616 URL <http://www.torex.co.jp>
 Representative: President Tomoyuki Fujisaka
 Managing Director
 Inquiries: General Manager, Strategic Business Hiroshi Kimura TEL 03-6222-2875
 Planning Unit
 Scheduled date to file Quarterly Securities Report: February 13, 2015
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2014 (from April 1, 2014 to December 31, 2014)

(1) Consolidated financial results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2014	7,383	5.0	1,024	(6.3)	1,340	23.5	881	(23.4)
Nine months ended December 31, 2013	7,033	–	1,093	–	1,085	–	1,151	–

	Net income per share	Diluted net income per share
	Yen	Yen
Nine months ended December 31, 2014	334.28	326.58
Nine months ended December 31, 2013	502.26	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2014	12,769	10,492	81.8	3,941.56
As of March 31, 2014	10,800	7,904	72.9	3,433.14

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2014	–	0.00	–	40.00	40.00
Year ending March 31, 2015	–	50.00	–	–	–
Year ending March 31, 2015 (Forecast)	–	–	–	50.00	100.00

3. Forecast of consolidated financial results for the year ending March 31, 2015 (from April 1, 2014 to March 31, 2015)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	9,900	5.4	1,420	0.4	1,500	12.0	1,100	(18.9)	416.79

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2014
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2014	2,650,700 shares	As of March 31, 2014	2,292,100 shares
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Number of treasury shares at the end of the period

As of December 31, 2014	– shares	As of March 31, 2014	– shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2014	2,637,143 shares	Nine months ended December 31, 2013	2,292,100 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2014	As of December 31, 2014
Assets		
Current assets		
Cash and deposits	5,646,537	6,128,844
Notes and accounts receivable - trade	1,844,655	2,068,776
Securities	–	500,000
Inventories	1,618,415	1,759,620
Other	301,617	266,288
Allowance for doubtful accounts	(918)	(3,990)
Total current assets	9,410,307	10,719,539
Non-current assets		
Property, plant and equipment	994,173	1,042,499
Intangible assets	43,084	188,839
Investments and other assets	353,076	818,746
Total non-current assets	1,390,334	2,050,085
Total assets	10,800,641	12,769,624
Liabilities		
Current liabilities		
Notes and accounts payable - trade	718,351	924,718
Short-term loans payable	1,008,165	3,552
Current portion of long-term loans payable	17,489	–
Current portion of bonds	96,000	96,000
Income taxes payable	119,297	363,951
Provision for bonuses	99,742	37,111
Other	354,201	397,836
Total current liabilities	2,413,247	1,823,170
Non-current liabilities		
Bonds payable	108,000	60,000
Net defined benefit liability	183,912	205,710
Provision for directors' retirement benefits	6,000	6,600
Other	184,736	181,638
Total non-current liabilities	482,648	453,948
Total liabilities	2,895,896	2,277,119
Net assets		
Shareholders' equity		
Capital stock	984,780	1,802,643
Capital surplus	3,451,754	4,269,617
Retained earnings	3,415,983	4,073,595
Total shareholders' equity	7,852,517	10,145,855
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	738	11,632
Foreign currency translation adjustment	15,862	290,417
Total accumulated other comprehensive income	16,600	302,049
Minority interests	35,627	44,599
Total net assets	7,904,745	10,492,505
Total liabilities and net assets	10,800,641	12,769,624

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2013	Nine months ended December 31, 2014
Net sales	7,033,538	7,383,763
Cost of sales	3,805,718	3,791,224
Gross profit	3,227,819	3,592,538
Selling, general and administrative expenses	2,134,486	2,568,182
Operating income	1,093,333	1,024,355
Non-operating income		
Interest and dividend income	4,397	4,950
Foreign exchange gains	29,000	338,399
Royalty gain	5,237	4,001
Other	7,273	5,600
Total non-operating income	45,909	352,951
Non-operating expenses		
Interest expenses	18,089	3,574
Loss on liquidation of business	28,640	–
Going public expenses	–	24,726
Other	6,627	8,289
Total non-operating expenses	53,357	36,589
Ordinary income	1,085,886	1,340,717
Extraordinary losses		
Loss on insurance cancellation	15,396	–
Total extraordinary losses	15,396	–
Income before income taxes and minority interests	1,070,489	1,340,717
Income taxes	(81,921)	456,572
Income before minority interests	1,152,411	884,144
Minority interests in income	1,171	2,583
Net income	1,151,239	881,561

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2013	Nine months ended December 31, 2014
Income before minority interests	1,152,411	884,144
Other comprehensive income		
Valuation difference on available-for-sale securities	450	10,894
Deferred gains or losses on hedges	37,958	–
Foreign currency translation adjustment	175,432	281,523
Total other comprehensive income	213,841	292,418
Comprehensive income	1,366,252	1,176,563
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,361,194	1,167,590
Comprehensive income attributable to minority interests	5,057	8,972