

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2015 (Based on Japanese GAAP)

August 13, 2015

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

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2015 (from April 1, 2015 to June 30, 2015)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2015	2,612	14.2	363	46.8	387	111.6	258	120.9
Three months ended June 30, 2014	2,287	–	247	–	183	–	116	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2015	24.29		23.78	
Three months ended June 30, 2014	11.14		11.04	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2015	13,062	11,053	84.3	1,036.14
As of March 31, 2015	13,170	10,889	82.3	1,020.86

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2015	–	50.0	–	60.0	110.0
Year ending March 31, 2016	–	–	–	–	–
Year ending March 31, 2016 (Forecast)	–	16.0	–	16.0	32.0

3. Forecast of consolidated financial results for the year ending March 31, 2016 (from April 1, 2015 to March 31, 2016)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2015	5,250	10.2	580	2.0	550	(17.0)	400	(6.0)	37.65
Full year	11,000	10.3	1,400	3.7	1,350	(19.6)	950	(23.9)	89.43

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2015
(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: Yes
- 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 June 30, 2015	10,623,200 shares	As of March 31, 2015	10,622,800 shares
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Number of treasury shares at the end of the period

As of June 30, 2015	– shares	As of March 31, 2015	– shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2015	10,623,134 shares	Three months ended June 30, 2014	10,477,884 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2015	As of June 30, 2015
Assets		
Current assets		
Cash and deposits	6,202,023	5,736,374
Notes and accounts receivable - trade	1,937,495	1,949,202
Securities	500,000	500,000
Inventories	1,807,225	2,047,148
Other	306,813	288,206
Allowance for doubtful accounts	(268)	(1,214)
Total current assets	10,753,288	10,519,718
Non-current assets		
Property, plant and equipment	1,046,078	1,144,770
Intangible assets	206,961	193,966
Investments and other assets	1,164,661	1,204,156
Total non-current assets	2,417,702	2,542,893
Total assets	13,170,991	13,062,611
Liabilities		
Current liabilities		
Notes and accounts payable - trade	890,202	926,496
Short-term loans payable	3,567	3,616
Current portion of bonds	108,000	108,000
Income taxes payable	415,556	92,240
Provision for bonuses	111,802	37,103
Other	357,870	439,744
Total current liabilities	1,886,999	1,607,201
Non-current liabilities		
Net defined benefit liability	207,289	214,967
Provision for directors' retirement benefits	6,800	7,945
Other	180,530	179,196
Total non-current liabilities	394,620	402,109
Total liabilities	2,281,620	2,009,311
Net assets		
Shareholders' equity		
Capital stock	1,810,148	1,810,294
Capital surplus	4,277,122	4,277,268
Retained earnings	4,439,763	4,538,478
Total shareholders' equity	10,527,033	10,626,041
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	23,219	36,504
Foreign currency translation adjustment	294,208	344,589
Total accumulated other comprehensive income	317,428	381,094
Non-controlling interests	44,909	46,164
Total net assets	10,889,371	11,053,299
Total liabilities and net assets	13,170,991	13,062,611

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2014	Three months ended June 30, 2015
Net sales	2,287,275	2,612,701
Cost of sales	1,175,913	1,292,771
Gross profit	1,111,361	1,319,930
Selling, general and administrative expenses	863,500	956,175
Operating income	247,860	363,755
Non-operating income		
Interest and dividend income	864	2,825
Foreign exchange gains	–	24,072
Royalty Income ²	1,190	1,146
Other	2,304	5,653
Total non-operating income	4,358	33,698
Non-operating expenses		
Interest expenses	2,020	266
Foreign exchange losses	40,711	–
Commission fee	–	8,000
Going public expenses	24,273	–
Other	2,159	1,925
Total non-operating expenses	69,165	10,191
Ordinary income	183,053	387,262
Income before income taxes and minority interests	183,053	387,262
Income taxes	65,707	128,816
Profit	117,346	258,445
Profit attributable to non-controlling interests	529	388
Profit attributable to owners of parent	116,817	258,057

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2014	Three months ended June 30, 2015
Profit	117,346	258,445
Other comprehensive income		
Valuation difference on available-for-sale securities	198	13,285
Foreign currency translation adjustment	(15,293)	51,247
Total other comprehensive income	(15,095)	64,532
Comprehensive income	102,251	322,978
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	102,263	321,723
Comprehensive income attributable to non-controlling interests	(11)	1,254