

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2014 (Based on Japanese GAAP)

August 12, 2014

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: August 12, 2014
 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 three months ended June 30, 2014 (from April 1, 2014 to June 30, 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	%
Three months ended June 30, 2014	2,287	–	247	–	183	–	116	–
Three months ended June 30, 2013	–	–	–	–	–	–	–	–

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended June 30, 2014	44.59	44.18
Three months ended June 30, 2013	–	–

(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, 2014	11,856	9,527	80.1	3,591.34
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	–	–	–	–	–
Year ending March 31, 2015 (Forecast)	–	50.00	–	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
Six months ending September 30, 2014	4,910	–	640	–	610	–	390	–	148.2
Full year	10,400	10.7	1,500	6.0	1,500	12.0	1,100	(18.9)	417.2

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 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 June 30, 2014	2,642,900 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 June 30, 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)

Three months ended June 30, 2014	2,619,471 shares	Three months ended June 30, 2013	– shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2014	As of June 30, 2014
Assets		
Current assets		
Cash and deposits	5,646,537	6,834,902
Notes and accounts receivable - trade	1,844,655	1,759,647
Inventories	1,618,415	1,657,443
Other	301,617	262,607
Allowance for doubtful accounts	(918)	(1,705)
Total current assets	9,410,307	10,512,895
Non-current assets		
Property, plant and equipment	994,173	932,672
Intangible assets	43,084	44,546
Investments and other assets	353,076	366,555
Total non-current assets	1,390,334	1,343,773
Total assets	10,800,641	11,856,669
Liabilities		
Current liabilities		
Notes and accounts payable - trade	718,351	820,611
Short-term loans payable	1,008,165	506,017
Current portion of long-term loans payable	17,489	-
Current portion of bonds	96,000	96,000
Income taxes payable	119,297	23,870
Provision for bonuses	99,742	36,453
Other	354,201	356,664
Total current liabilities	2,413,247	1,839,618
Non-current liabilities		
Bonds payable	108,000	108,000
Net defined benefit liability	183,912	191,969
Provision for directors' retirement benefits	6,000	6,200
Other	184,736	183,705
Total non-current liabilities	482,648	489,875
Total liabilities	2,895,896	2,329,493
Net assets		
Shareholders' equity		
Capital stock	984,780	1,790,982
Capital surplus	3,451,754	4,257,956
Retained earnings	3,415,983	3,441,117
Total shareholders' equity	7,852,517	9,490,055
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	738	936
Foreign currency translation adjustment	15,862	569
Total accumulated other comprehensive income	16,600	1,505
Minority interests	35,627	35,615
Total net assets	7,904,745	9,527,176
Total liabilities and net assets	10,800,641	11,856,669

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
Net sales	2,287,275
Cost of sales	1,175,913
Gross profit	1,111,361
Selling, general and administrative expenses	863,500
Operating income	247,860
Non-operating income	
Interest and dividend income	864
Royalty income	1,190
Other	2,304
Total non-operating income	4,358
Non-operating expenses	
Interest expenses	2,020
Foreign exchange losses	40,711
Going public expenses	24,273
Other	2,159
Total non-operating expenses	69,165
Ordinary income	183,053
Income before income taxes and minority interests	183,053
Income taxes	65,707
Income before minority interests	117,346
Minority interests in income	529
Net income	116,817

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2014
Income before minority interests	117,346
Other comprehensive income	
Valuation difference on available-for-sale securities	198
Foreign currency translation adjustment	(15,293)
Total other comprehensive income	(15,095)
Comprehensive income	102,251
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	102,263
Comprehensive income attributable to minority interests	(11)